GENERAL INFORMATION

Class Time: Tuesdays and Thursdays, 9.30-10.45am
Location: Jenkins Nanovic Hall B036
Course website: SAKAI – accessible to registered students. This is where you can access the syllabus, readings, class slides, assignments etc. I will regularly post announcements about upcoming class sessions here.

Email: liyer@nd.edu
Office hours: Tuesdays and Thursdays 2.00-3.30pm, in Jenkins Nanovic 3054. You can also email me to schedule an appointment at a different time.

COURSE OVERVIEW
This course is designed to familiarize you with the research questions and recent literature in development economics, mainly from a microeconomic point of view. The goals of the class are:

• To have a good grasp of the theoretical models and empirical techniques used to answer questions in development economics.
• To train you to evaluate the quality and significance of research through active discussions in class and writing referee reports
• To practice professional academic skills such as paper presentations and doing a literature review.
• To have a detailed proposal for a paper in development economics by the end of the semester. This is the most important component, and the ideal situation is that you have a proposal good enough to be able to write the paper over the summer. This can be used as your third year paper, or as a chapter in your thesis.

COURSE MATERIALS
Classes will be mainly based on journal articles. Required readings will be available on Sakai. All other readings can be easily obtained via the library. You should read all the required articles before coming to class and be prepared to actively engage in class discussion.

COURSE REQUIREMENTS
A. Class participation (15%)
Everyone is expected to read the required papers prior to class, and come to class prepared to discuss the papers and/or ask questions about them. A key part of being an academic is the ability to ask good questions in seminars (or otherwise) and be able to “think on your feet” and answer questions.

B. Referee reports (25%)
There will be three referee report assignments during the semester. You should begin with a one-paragraph summary of the main contribution of the paper, and highlight the key strengths of the
paper. You should then critique the paper, starting with fundamental concerns and concluding with more minor comments. You should include constructive and realistic recommendations for improvement. Each report should be 1-2 single-spaced pages.

Report #1 due Feb 1: choose one of Feyrer and Sacerdote (2009); Michalopoulos and Papaioannou (2014); Dell and Olken (2017).


Report #3 due Mar 20: choose one of the job market papers by development economics candidates on the market this year (see the list at the end of the syllabus).

C. Paper presentations (25%)
You are required to present three papers in class over the course of the semester. Think of this exercise as both a practice for your own research presentations, and as a way to clearly communicate the findings of a paper to your classmates. You may pick any of the required readings, which are indicated with a * on the reading list (except those written by me). You should let me know by the second week of class (Jan 23) which ones you would like to present.

Each presentation will last roughly 30 minutes. It should address: 1) the paper’s motivation and, potentially, its links to other papers we have discussed 2) data used, 3) research design (identification strategy), 4) results, and 5) constructive critique of the study (identifying limitations and proposing extensions or improvements). If you are using slides, plan on at most 15 slides for a 30-minute time slot.

D. Paper proposal (35%)
The goal is to get you to formulate a clear research project that can serve as a third-year paper and/or a thesis chapter. The proposal should have the following components:
• What is the question?
• Why is this question important? Ideally it should be interesting to all economists, not just people in the development subfield. Also include a short literature review describing what we know about this question so far.
• Methodological approach
  • Justify your approach, and distinguish it from prior literature.
  • If theory: what will be your key building blocks, in what contexts are your assumptions justified.
  • If empirical, what data are available to answer this question, what will be your dependent and independent variables and your empirical strategy.
• Initial progress
  • Theory: show that at least a “baby model” can be constructed to illustrate the intuition (e.g. by making specific functional form assumptions etc).
  • Empirical: get the data, provide summary statistics and run at least one regression
• Outline the path towards making this proposal into a full-fledged paper.

Here are some interim deadlines to facilitate progress towards the paper proposal:
• Feb 15: Describe three possible questions you would like to work on (one paragraph each). I will provide feedback on which of these may be most fruitful and doable, or guide you to relevant literature to make the judgement.
• Feb 27: Identify one specific question, describe why it is important, and provide a (short) literature review identifying and describing two papers that are the most closely related to your proposed question.
• Mar 8 (before Spring Break): One-page research proposal is due. This should include a clearly specified question, explain why the question is important, describe the potential data sources and the regression you want to run. If the proposal is for a theory model, describe the basic building blocks of the model (e.g. will it be a one-period or multi-period model, who will be the key agents, which decisions and constraints you will be focusing on).
• Mar 27: Provide a full literature review for the paper proposal (1-2 pages).
• Apr 17: Proposal interim draft (e.g. data and summary statistics for an empirical paper)
• May 1: Paper proposal presentation in class
• May 9: Final submission of paper proposal.

HONOR CODE
You are expected to adhere to the Academic Code of Honor Pledge: “As a member of the Notre Dame community, I will not participate in or tolerate academic dishonesty.” The full Code and a Student Guide to the Academic code of Honor are available at: http://honorcode.nd.edu.

SCHEDULE (subject to change)

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Due dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 16</td>
<td>Course overview</td>
<td></td>
</tr>
<tr>
<td>Jan 18</td>
<td>Geography</td>
<td></td>
</tr>
<tr>
<td>Jan 23, 25, 30</td>
<td>History</td>
<td>Paper presentation choices by Jan 23</td>
</tr>
<tr>
<td>Feb 1, 6</td>
<td>Market frictions: Land</td>
<td>Referee report #1 due on Feb 1</td>
</tr>
<tr>
<td>Feb 8, 13</td>
<td>Market frictions: Labor</td>
<td></td>
</tr>
<tr>
<td>Feb 15, 20, 22</td>
<td>Market frictions: Capital</td>
<td>Three possible ideas for paper proposal due on Feb 15; Referee report #2 due on Feb 22</td>
</tr>
<tr>
<td>Feb 27, Mar 1</td>
<td>Market frictions: Insurance</td>
<td>Short literature review due on Feb 27</td>
</tr>
<tr>
<td>Mar 6, 8, 20, 22</td>
<td>Political institutions and political actors</td>
<td>One-page paper proposal due on Mar 8; Referee report #3 due on Mar 20</td>
</tr>
<tr>
<td>Mar 27, 29</td>
<td>Corruption and trust</td>
<td>Full literature review due on Mar 27</td>
</tr>
<tr>
<td>Apr 3, 5</td>
<td>Social norms</td>
<td></td>
</tr>
<tr>
<td>Apr 10, 12</td>
<td>Human capital</td>
<td></td>
</tr>
<tr>
<td>Apr 17, 19</td>
<td>Information</td>
<td>Proposal interim draft due on Apr 17</td>
</tr>
<tr>
<td>Apr 24, 26</td>
<td>Intra-household inefficiencies</td>
<td>Nilesh Fernando guest lecture on Apr 26</td>
</tr>
<tr>
<td>(if time permits)</td>
<td>Behavioral biases</td>
<td></td>
</tr>
<tr>
<td>May 1</td>
<td>Paper proposal presentations</td>
<td></td>
</tr>
<tr>
<td>May 9</td>
<td>Proposal submission deadline</td>
<td></td>
</tr>
</tbody>
</table>
READING LIST
Required readings are indicated with a *. Papers for referee reports are indicated with a †.

1. Overview of Economic Development


2. Geography


3. History

Cross-country Studies


*Within-country Studies*


*Institutional change and institutional persistence*


*Constraints external to the household*

4. **Land Markets**


**5. Labor Markets**


*Improving Productivity*


**Labor Market Restrictions**


6. **Capital Markets**

*Theory*


Cash transfers: Conditional and Unconditional


In-Kind Transfers

*Abhijit Banerjee, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei,


Changes to credit markets


7. Insurance Markets


M. Mobarak and M. Rosenzweig, ”Risk, Insurance and Wages in General Equilibrium,” working paper, Yale SOM, June 2014.
http://faculty.som.yale.edu/mushfiqmobarak/papers/geneqm.pdf

8. Political Institutions and Political Leaders

*Political Institutions*


*Voter Turnout and Voting Decisions*


**The Role of Political Leaders**


**The Role of Bureaucrats (Appointed Policymakers)**


9. Social Norms and Group Dynamics

*Collective Action*


Social Norms and Peer Pressure


10. Corruption


**Individual and Household Constraints**

**11. Human capital**
Health


Education


12. Information


13. Household Structure and Bargaining


Jensen, Robert and Nolan Miller. 2017. “Keepin' 'Em Down On The Farm:
Migration And Strategic Investment In Children's Schooling.” Working paper.

14. (if time permits) Self-control and other behavioral biases

15. Development Economics Job Market Papers (for referee report #3)

Borker, Girija. “Safety First: Perceived Risk of Street Harassment and Educational Choices of Women.”
https://www.brown.edu/academics/economics/candidates/sites/brown.edu.academics.economics.candidates/files/Borker_JMP.pdf

https://economics.mit.edu/files/14282

Colonelli, Emanuele and Mounu Prem. “Corruption and Firms: Evidence from Randomized Audits in Brazil.”
http://web.stanford.edu/~emacol/CorruptionFirms_JMP.pdf

https://economics.mit.edu/files/14240

Lowe, Matt. “Types of Contact: A Field Experiment on Collaborative and Adversarial Caste Integration.”
https://economics.mit.edu/files/14259

https://scholar.harvard.edu/files/emontero/files/montero_cooperatives.pdf

Olmos, Pablo. “Time Poverty in Developing Countries.”
https://pabloolmos.files.wordpress.com/2017/12/jmp_draftv1.pdf