

# **Course Title: Topics on Development Economics**

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Office Hours: By appointment.

## **Prerequisites:**

Students should be comfortable with basic microeconomics, have a basic knowledge of applied micro econometrics and have an avid interest in the peculiarities of a developing country context.

## **Course Overview**

This course is aimed at providing students with alternative ways of thinking about the applicability of standard economic theories to the developing country context. Lecture 1 deals with this topic in detail. Lecture 2 explores how intra-household bargaining models affect gender related outcomes. Lectures 3 and 4 examine empirical papers on demographic changes and health (including an introduction to emerging biomarker data in developing countries). Lecture 5 covers aspects of household surveys such as questionnaire design and stratification and sampling that could potentially have unintended effects on empirical research. The course focuses largely on empirical work primarily related to household bargaining and its welfare effects.

## **Evaluation**

Students are expected to read the main readings provided under each lecture heading before the lecture. The evaluation will be based on class participation (10%) and a research paper proposal (90%). The research paper proposal is an opportunity for students to explore the coherence and feasibility of a research idea in up to a maximum of 8 pages with a view that this could potentially be developed to a full research paper in the future, should the student wish to do so. It should contain the following elements:

1. A well formulated research question.
2. Clear contribution to prior literature.
3. An empirical strategy and potential data sources.
4. A conclusion stating what you expect to find and why.

## **Background Reading**

1. Banerjee, A.V. and Duflo, E., 2011. *Poor economics: A radical rethinking of the way to fight global poverty*. Public Affairs. <https://www.pooreconomics.com>
2. Ray, D., 1998. *Development economics*. Princeton University Press.

## **Course Outline**

The course is structured into 5 lectures of 2 hours each:

### **Lecture 1: The performance of the collective model of household bargaining in developing countries.**

1. Duflo, E., 2003. *'Grandmothers and granddaughters: old-age pensions and intra-household allocation in South Africa'*. The World Bank Economic Review, 17(1), pp.1-25.
2. Thomas, D., 1990. *Intra-household resource allocation: An inferential approach*. Journal of human resources, pp.635-664.
3. Ashraf, Nava, Natalie Bau, Corinne Low and Kathleen McGinn. *"Negotiating a Better Future: How Interpersonal Skills Facilitate Inter-Generational Investment."* Working paper, July 2017

### **Lecture 2: Intra-household Bargaining and Gender Inequality**

1. Jensen, R., 2012. *Do labour market opportunities affect young women's work and family decisions? Experimental evidence from India*. The Quarterly Journal of Economics, 127(2), pp.753-792.
2. Jayachandran, S. and Kuziemko, I., 2011. *Why do mothers breastfeed girls less than boys? Evidence and implications for child health in India*. The Quarterly Journal of Economics, 126(3), pp.1485-1538.
3. Jayachandran, S. and Pande, R., 2017. *Why are Indian children so short? The role of birth order and son preference*. American Economic Review, 107(9), pp.2600-2629.

### **Lecture 3: Demographics – Fertility, Mortality and Ageing**

1. Ashraf, N., Field, E. and Lee, J., 2014. *Household bargaining and excess fertility: an experimental study in Zambia*. The American Economic Review, 104(7), pp.2210-2237.
2. Arceo, E., Hanna, R. and Oliva, P., 2016. *Does the effect of pollution on infant mortality differ between developing and developed countries? Evidence from Mexico City*. The Economic Journal, 126(591), pp.257-280.
3. Steptoe, A., Deaton, A. and Stone, A.A., 2015. *Subjective wellbeing, health, and ageing*. The Lancet, 385(9968), pp.640-648.

### **Lecture 4: Measuring Health: Anthropometric and biomarker data.**

1. Banerjee, A.V. and Duflo, E., 2011. *Poor economics: A radical rethinking of the way to fight global poverty*. Public Affairs. – Chapter 3, 5
2. Case, A. and Deaton, A., 2005. *Health and wealth among the poor: India and South Africa compared*. The American economic review, 95(2), pp.229-233.

3. Hanna, R., Duflo, E. and Greenstone, M., 2016. *Up in smoke: the influence of household behaviour on the long-run impact of improved cooking stoves*. American Economic Journal: Economic Policy, 8(1), pp.80-114.

**Lecture 5: Household Surveys: Questionnaire Design, Sample Size and Stratification.**

1. Tversky, A., & Kahneman, D. (1981). *The framing of decisions and the psychology of choice*. Science, 211, 453–458.
2. Paul Glewwe '*Designing Household Surveys*', World Bank, 2000
3. Angus Deaton '*The Analysis of Household Surveys: A Microeconomic Approach to Development Policy*', World Bank, 1997