University of Missouri ECONOM 4360/7360: Economic Development Spring 2023

Course Information

Class Format: In-Person

Lecture Time: MWF 10:00 -10:50 am

Location: Switzler Hall 201

Course Instructor

Name: Manda Tiwari

manda.tiwari@missouri.edu

Office Hours: Monday, 1:00-3:00 pm Location: E213 Locust Street Building

Course Description

¹This course will focus on the economic development of low-and middle-income countries especially in the context of Sub-Saharan Africa and South Asia. Using the current empirical and theoretical literature, we will analyze the behaviour of individuals and households in the developing world.

This class will be taught through the lens of microeconomics, so macro topics such as growth, foreign aid, and globalization will not be the focus of this course. We will discuss measures of development, the causes (correlates) of poverty, the role of human capital in development, targeted government policies, and the impacts of anti-poverty programs. Topics include cash transfers, education, child health and nutrition, women empowerment, labor market discrimination, credit market and savings. This course will also familiarize you with academic journals and empirical research though the focus will not be on understanding the validity of statistical or econometric models.

Prerequisites

- 1. Required: Econ 4351 Intermediate Microeconomics or ECON 3251: Managerial Economics
- 2. Knowledge of basic microeconomics and macroeconomics concepts such as GDP, GNP, growth, inflation, consumer surplus, budget constraints, indifference curve etc.
- 3. Understanding of regressions and simple graphs.

Communication

Email: If you have any questions or comments, please email me using your university email account. I will answer within 24-48 hours. However, I will not discuss grades via email. If you have questions that require detailed responses, my office hours are more appropriate than email. Email should be professional and should include a greeting (Dr. Tiwari) and a subject line.

Office Hours: Time: Monday, 1:00-3:00 pm. Please email me to set up an appointment if my usual office hours don't work for you. If you prefer an online office visit, please let me know ahead of time and I will send you a Zoom link.

Canvas: I will use Canvas to post announcements, homework, and grades. It is your responsibility to check canvas in a timely manner.

¹This syllabus is subject to change. If I change anything, I will announce it during class and in Canvas and provide an updated syllabus.

Readings and Textbooks

Textbooks

- 1. Duflo, Esther, and Abhijit Banerjee. Poor economics. Vol. 619. Public Affairs, 2011.
- 2. Ray, D. (1998). Development economics. Princeton University Press.
- 3. Lybbert, Travis J., and J. Edward Taylor. Essentials of development economics. University of California Press, 2020.

Other resources

- 1. Todaro, Michael P. and Stephen C. Smith (2015), Economic Development, 12th Edition, Addison Wesley
- 2. Journal articles: I will provide you with a list of academic journal articles that are available through the library's electronic journals or are available for free online.
- 3. Econometrics Book: https://theeffectbook.net/
- 4. Data and Figures: https://data.worldbank.org/indicator
- 5. Our World in Data https://ourworldindata.org/
- 6. Basic Microeconomics and Macroeconomics: https://mru.org

Grading

Exams

There will be two midterm exams and a final. Each exam will be comprised of multiple choice, short answer questions and long answer questions to ensure the understanding of the class materials.

No makeup exams will be administered.²

1. Midterm 1: Between Feb 13-Feb 22

Midterm 2: TBD
 Final Exam: TBD

Assignments

Written Assignments: All written assignments should be typed using Times New Roman, font size 12, double spaced, and should be submitted online via Canvas (only PDF) unless it is an in-class assignment. Please do not email me your assignments. Late assignments will not be graded (so will receive score of o). However, I will drop your lowest grade.

I. Summary of journal articles and podcasts: You will be asked to submit short summaries of journal articles or podcasts. You should feel free to discuss with your peers but your writings should be your own. Work that is not original will not be given credit. I might ask you to provide your opinion about these articles or podcasts during class so you should always be prepared to respond during the class.

²Unless you miss an exam due to your illness, illness of an immediate family member under your care, religious observance, representation of the University of Missouri in an official capacity, or some other unforeseen circumstances I will decide if you are eligible to take a makeup exam on case by case basis. I might require you to submit proof in some cases.

- 2. **Problem Sets**: I will assign problem sets intermittently. These problem sets serve as valuable practice for exams. You can work with your peers but you have to submit your own work to receive credit. Some problem sets will require you to plot graphs or pull data from online sources and occasionally will require you to perform basic statistical work either using Excel or stata or R.
- 3. **Presentation**: You will present a paper of your choice from a reading list. The presentation should be around 20-25 minutes long and will be graded on a rubric. Students pursuing graduate degree or honors credit will have a different criteria on the rubric.
- 4. **Quizzes**: There will be several random quizzes throughout the semester. This is the main way for me to track attendance as well. No makeup quizzes will be administered.

Weights

Assignment	Percent of the Grade
Midterm 1	20%
Midterm 2	20%
Final Exam	20%
Written Assignments	20%
Presentation	10%
Quizzes	5%
Class Participation	5%

Grading Scale

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100-97: A+ 89.9-87: B+ 79.9-77: C+ 69.9-67: D+ 59.9-0: F
96.9-93: A 86.9-83: B 76.9-73: C 66.9-63: D
92.9-90: A- 82.9-80: B- 72.9-70: C- 62.9-60: D-
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This grading scale will be strictly followed. I will only consider grades to be rounded up if the following conditions hold:

1. Your final score is within a half point of a higher letter grade (i.e 89.5 to 90), you completed every assignments and attended class regularly, and you utilized my office hours or actively participated in the class.

Responsibilities and Expectations

Course Expectation

Students are recommended to read assigned chapters or papers before coming to class. This class will be very interactive where students are expected to participate and work with their peers. Hence, going over assigned chapters or articles is super important. I expect students to spend 2-3 hours outside of class every week. Besides reviewing notes or powerpoint, it is beneficial to meet with other students and discuss class material. You are encouraged to ask questions anytime. I am here to help you so please feel free to ask questions related to class material before class, during class, after class or during office hours.

I encourage all of you to participate in this class in a lively and respectful manner. Every effort to speak up is highly appreciated. I want you to remember there is no such thing as an "Incorrect Answer" (except Exams and Assignments) in my class so please speak up.

Absence Policy

Exam questions will be based on a textbook, lecture notes, and topics that was covered in class so attending classes is indispensible to succeed in this course. When you are absent, it is your responsibility to ask for lecture notes from your peers unless it is uploaded in Canvas. Of course you are welcome to drop by my office hours when you need clarification or have questions regarding class materials.

Late Policy

It is a sign of respect to me and your classmates to be on time for class.

Electronic Devices Policy

Mute all of your electronic devices during lectures. If you wish to use electronic devices to take notes, please come talk to me. Absolutely no electronic devices during exams.

Exam Accommodations

If you are entitled to receive exam accommodations through the Office of Disability Services, you need to do the following:

- 1. Present a copy of your accommodations letter to your instructor as soon as possible.
- 2. Schedule your exam time with the Office of Disability Services at least one week in advance of the midterm exam dates (the deadline for the final exam might be more than one week in advance of the final exam date).

Contact information for the Office of Disability Services can be found in one of the sections below.

Reading List

Poverty

Banerjee, A., and E., Dulfo (2008) "What is Middle Class about the Middle Classes around the World?", Journal of Economic Perspectives 22: 3-28

Banerjee, A. V., Duflo, E. (2007). The economic lives of the poor. Journal of economic perspectives, 21(1), 141-168.

Health

Ahuja, A., Baird, S., Hicks, J. H., Kremer, M., Miguel, E., Powers, S. (2015). When should governments subsidize health? The case of mass deworming. The World Bank Economic Review, $29(\text{suppl}_1)$, S9-S24.

Baranov, Victoria, et al. "The impact of COVID-related economic shocks on household mental health in Pakistan." Health economics (2022).

Bleakley. Malaria Eradication in the Americas: A Retrospective Analysis of Childhood Exposure. American Economic Journal: Applied Economics, 2010

Currie, Janet. 2009. "Healthy, Wealthy, and Wise: Socioeconomic Status, Poor Health in Childhood, and Human Capital Development." Journal of Economic Literature, 47 (1): 87-122.

Das, Jishnu, Jeffrey Hammer, and Kenneth Leonard. 2008. "The Quality of Medical Advice in Low-Income Countries." Journal of Economic Perspectives, 22 (2): 93-114.

Jayachandran and Lleras Muney.Life Expectancy and Human Capital Investments: Evidence from Maternal Mortality Declines. Quarterly Journal of Economics, 2009.

Miguel, E., Kremer, M. (2004). Worms: identifying impacts on education and health in the presence of treatment externalities. Econometrica, 72(1), 159-217.

Yamauchi, F. (2008). Early childhood nutrition, schooling, and sibling inequality in a dynamic context: evidence from South Africa. Economic Development and Cultural Change, 56(3), 657-682.

Handa, S., Peterman, A., Seidenfeld, D., Tembo, G. (2016). Income transfers and maternal health: evidence from a national randomized social cash transfer program in Zambia. Health economics, 25(2), 225-236.

Education

Bold, Tessa, Deon Filmer, Gayle Martin, Ezequiel Molina, Brian Stacy, Christophe Rockmore, Jakob Svensson, and Waly Wane. 2017. "Enrollment without Learning: Teacher Effort, Knowledge, and Skill in Primary Schools in Africa." Journal of Economic Perspectives, 31 (4): 185-204.

Laitin, David D., Rajesh Ramachandran, and Stephen L. Walter. "The legacy of colonial language policies and their impact on student learning: Evidence from an experimental program in Cameroon." Economic Development and Cultural Change 68.1 (2019): 239-272.

Barrera-Osorio, Felipe, et al. "Heterogenous teacher effects of two incentive schemes: Evidence from a low-income country." Journal of Development Economics 156 (2022): 102820.

Duflo, E. (2000). Schooling and labor market consequences of school construction in Indonesia: Evidence from an unusual policy experiment.

Duflo, E., Dupas, P., Kremer, M. (2011). Peer effects, teacher incentives, and the impact of tracking: Evidence from a randomized evaluation in Kenya. American economic review, 101(5), 1739-74.

Hanushek, E. A. (2013). Economic growth in developing countries: The role of human capital. Economics of education review, 37, 204-212.

Morshed, F., Haque, E. (2015). Impact of women entrepreneurship on women empowerment in

Bangladesh. Journal of Economics and sustainable development, 6(1).

Nielsen, H. S., Westergård-Nielsen, N. (2001). Returns to schooling in less developed countries: New evidence from Zambia. Economic Development and Cultural Change, 49(2), 365-394.

Osili and Long. Does Female Schooling Reduce Fertility? Evidence from Nigeria. Journal of Development Economics, 87(1) 57-75, 2008.

Women in Development

Amartya, S. (2003). Missing women—revisited. Bmj, 327(7427), 1297-1298.

Anderson and Ray. "Missing Women: Age and Disease" Review of Economic Studies, 2010.

Anderson, S., Ray, D. (2012). The age distribution of missing women in India. Economic and Political Weekly, 87-95.

Bardasi, E., Wodon, Q. (2010). Working long hours and having no choice: time poverty in Guinea. Feminist Economics, 16(3), 45-78.

D'Exelle, Ben, and Liz Ignowski."Intra-household resource allocation in rural Tanzania: Why women care about disclosure." The Journal of Development Studies (2022): 1-23.

Deininger, Klaus, et al." Addressing Declining Female Labor Force Participation in India: Does Political Empowerment Make a Difference?." The Journal of Development Studies (2022): 1-19.

Folbre, N. (1986). Cleaning house: New perspectives on households and economic development. Journal of Development Economics, 22(1), 5-40.

MacDonald, M., Phipps, S., Lethbridge, L. (2005). Taking its toll: The influence of paid and unpaid work on women's well-being. Feminist Economics, II(1), 63-94.

Nancy Qian. "Missing Women and the Price of Tea in China." Quarterly Journal of Economics, 2008.

Peterman, Amber, Elsa Valli, and Tia Palermo. "Government Antipoverty Programming and Intimate Partner Violence in Ghana." Economic Development and Cultural Change 70.2 (2022): 529-566.

Financial Incentives

Aker, J. C., Boumnijel, R., McClelland, A., Tierney, N. (2016). Payment mechanisms and antipoverty programs: Evidence from a mobile money cash transfer experiment in Niger. Economic Development and Cultural Change, 65(1), 1-37.

Behrman, J. R., Parker, S. W. (2013). Is health of the aging improved by conditional cash transfer programs? Evidence from Mexico. Demography, 50(4), 1363-1386

Cooper, J. E., Benmarhnia, T., Koski, A., King, N. B. (2020). Cash transfer programs have differential effects on health: A review of the literature from low and middle-income countries. Social Science Medicine,

247, 112806.

Kilburn, K., Thirumurthy, H., Halpern, C. T., Pettifor, A., Handa, S. (2016). Effects of a large-scale unconditional cash transfer program on mental health outcomes of young people in Kenya. Journal of Adolescent Health, 58(2), 223-229.

Parker, S. W., Todd, P. E. (2017). Conditional cash transfers: The case of Progresa/Oportunidades. Journal of Economic Literature, 55(3), 866-915.

Shultz, P. School Subsidies for the Poor: Evaluating the Mexican Progresa Poverty Program. Journal of Development Economics, 2004

Land Ownership or Property Rights

Do, Q. T., Iyer, L. (2003).Land rights and economic development: Evidence from Vietnam. Available at SSRN 445220.

Mishra, K., Sam, A. G. (2016). Does women's land ownership promote their empowerment? Empirical evidence from Nepal. World Development, 78, 360-371.

Vogl, T. S. (2007). Urban land rights and child nutritional status in Peru, 2004. Economics Human Biology, 5(2), 302-321.

Migration

Lagakos, David. 2020. "Urban-Rural Gaps in the Developing World: Does Internal Migration Offer Opportunities?" Journal of Economic Perspectives, 34 (3): 174-92.

Marx, Benjamin, Thomas Stoker, and Tavneet Suri. 2013. "The Economics of Slums in the Developing World." Journal of Economic Perspectives, 27 (4): 187-210

Corruption

Azfar, O., Gurgur, T. (2008). Does corruption affect health outcomes in the Philippines?. Economics of Governance, 9(3), 197-244.

Duerrenberger, N., Warning, S. (2018). Corruption and education in developing countries: The role of public vs. private funding of higher education. International Journal of Educational Development, 62, 217-225.

Olken, B.A. and R. Pande (2012), Corruption in Developing Countries," Annual Review of Economics 4, 479509

Truex, R. (2011). Corruption, attitudes, and education: Survey evidence from Nepal. World Development, 39(7), 1133-1142.

Miscellaneous

Anderson, Siwan. 2007. "The Economics of Dowry and Brideprice." Journal of Economic Perspectives, 21 (4): 151-174

Anderson, S., Genicot, G. (2015). Suicide and property rights in India. Journal of Development Economics, 114, 64-78.

Beine, M., Docquier, F., Rapoport, H. (2001). Brain drain and economic growth: theory and evidence. Journal of development economics, 64(1), 275-289.

Clemens, Michael, A. 2011. "Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?" Journal of Economic Perspectives, 25 (3): 83-106.

Dalmia, S., Lawrence, P. G. (2005). The institution of dowry in India: Why it continues to prevail. The Journal of Developing Areas, 71-93.

Dupas and Robinson. "Why Don't the Poor Save More? Evidence From Health Savings Experiments." American Economic Review 2013.

Henderson, J. V., Storeygard, A., Weil, D. N. (2012). Measuring economic growth from outer space. American economic review, 102(2), 994-1028.

La Ferrara, Eliana, Alberto Chong, and Suzanne Duryea. "Soap operas and fertility: Evidence from Brazil." American Economic Journal: Applied Economics 4.4 (2012): 1-31.

Munshi, Kaivan. 2019. "Caste and the Indian Economy." Journal of Economic Literature, 57 (4): 781-834.

Thakuri, D. S., Thapa, R. K., Singh, S., Khanal, G. N., Khatri, R. B. (2021). A harmful religio-cultural practice (Chhaupadi) during menstruation among adolescent girls in Nepal: Prevalence and policies for eradication. PloS one, 16(9), e0256968.

Kandpal, E., Baylis, K. (2019). The social lives of married women: Peer effects in female autonomy and investments in children. Journal of Development Economics, 140, 26-43.

Anderson, Siwan. 2007. "The Economics of Dowry and Brideprice." Journal of Economic Perspectives, 21 (4): 151-174

Topics Covered

I. Introduction and Measurement (Definitions)

GDP/GNP

Economic growth and development

Measurements/Poverty/Inequality/Human Development Index

General Trends in Developing countries

Geography/Institutions

2. Growth Model

Solow Growth Model vs Endogenous Growth Model

3. Financial Incentives

Cash Transfers

In-Kind Transfers

4. Health

Nutrition and Poverty Trap

Public Health Technology

Supply vs Demand issues

5. Education

Supply and demand side issues

Discrimination in education

6. Women and Development

Missing Women

Labor Market Discrimination

Women Empowerment, Property Rights

7. Fertility in LMICs

8. Credit Market

Imperfect information and credit market

Microfinance

9. Savings

10. International Trade

MU Policies and Expectations

ACADEMIC INTEGRITY

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters.

Standard of Conduct for Academic Integrity

In addition, students are expected to adhere to this honor pledge on all graded work whether or not they are explicitly asked in advance to do so: "I strive to uphold the University values of respect, responsibility, discovery, and excellence. On my honor, I pledge that I have neither given nor received unauthorized assistance on this work."

STUDENTS WITH DISABILITIES

If you anticipate barriers related to the format or requirements of this course, if you have emergency medical information to share with me, or if you need to make arrangements in case the building must be evacuated, please let me know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time on exams, captioning), please establish an accommodation plan with the MU Disability Center, S5 Memorial Union, 573-882-4696, and then notify me of your eligibility for reasonable accommodations. For other MU resources for persons with disabilities, click on "Disability Resources" on the MU homepage.

ACCEPTABLE USE

The University of Missouri's Acceptable Use Policy (AUP) for information technology applies to Mizzou websites. The AUP addresses federal and state laws, university regulations, intellectual-property rights, software-licensing requirements and prohibitions against plagiarism and obscenity. This policy applies to all users including faculty, staff, students, and guest users of University of Missouri computer networks, equipment, or connecting resources.

UM System Acceptable Use Policy

COPYRIGHT

This section helps you understand copyright in course materials, student work and pages published on Mizzou websites.

UM System Copyright Information

EXECUTIVE ORDER NO. 38

When you record something that happens in a course (a lecture, class discussions, meetings, etc.) it has an impact on the rights of the people captured in that recording. For example, your instructor and the University may have rights to the intellectual property contained in that recording. At the same time,

another student who may have been recorded has the right to privacy. In order to protect these rights, MU employs a policy (called "Executive Order No. 38") to govern both situations you may encounter while taking a course—when your instructor allows recordings and when he or she does not allow them.

Executive Order No. 38

FERPA

The University of Missouri maintains educational records of students in accordance with the Family Educational Rights and Privacy Act of 1974 (FERPA). Related topics include privacy policies at MU, display of student directory information, and details about how MU manages FERPA-protected information.

Family Educational Rights and Privacy Act (FERPA)

INTELLECTUAL PLURALISM

The University community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the departmental chair or divisional director, the director of the Office of Students Rights and Responsibilities, or the MU Equity Office.

Statement on Intellectual Pluralism

STATEMENT OF NONDISCRIMINATION

The University of Missouri does not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, age, genetics information, disability, or status as a protected veteran.

MU Statement of Nondiscrimination

If you experience discrimination or sexual violence, you are encouraged (but not required) to report the incident to the Office of Institutional Equity. Learn more about your rights and options at the Office of Institutional Equity or by calling 573-882-3880. You also may make an anonymous report online.

If you are a survivor, or someone concerned about a survivor, and need immediate information on what to do, see RSVP resources page. Both the Office of Institutional Equity and the <u>RSVP</u> Center can provide assistance to students who need help with academics, housing, or other issues.

In the event that you choose to write or speak about having experienced any of these forms of prohibited discrimination or harassment, Mizzou policies require that, as your instructor, I share this information with the MU Office of Institutional Equity. They will contact you to offer information about resources, as well as your rights and options as a member of our campus community.

MENTAL HEALTH

The University of Missouri is committed to supporting student well-being through an integrated network of care, with a wide range of services to help students succeed. The MU Counseling Center offers professional mental health care, and can help you find the best approach to treatment based on your needs. Call to make an appointment at 573-882-6601.

Any student in crisis may call or go to the MU Counseling Center between 8:00-5:00 M-F. After hours phone support is available at 573-882-6601. Visit our website at https://wellbeing.missouri.edu/ to take an online mental health screening, find out about workshops and resources that can help you thrive, or learn how to support a friend. Download Sanvello, a phone app that teaches skills and strategies to help you maintain good mental health. Log in with your Mizzou e-mail to unlock all the tools available through Sanvello at no additional cost to you.

LAST DATE OF ATTENDANCE AND IMPACT ON FINANCIAL AID

Federal regulations for financial aid require the student financial aid office to document the attendance of students who have received federal financial aid if they do not successfully complete any courses during the term. As a result, the last day of attendance (or activity) for any student receiving an F, U, or FN in this course will be recorded in the grade roster and reported to the financial aid office. **Based on the last day of attendance, students may be required to repay a portion of their financial aid award for the semester.**

A student's last day of attendance (or activity) is the last day on which a student participates in an academically-related activity at the University. These include:

- 1. Attendance in class, lab, or an instructor's office hours
- 2. The completion of an assignment or examination
- 3. An appointment with a professor or e-mail correspondence regarding course material
- 4. (Online courses only) For online courses, the last day a student submits an assignment or exam. Only logging into an online class without participating is <u>not</u> acceptable for last day of attendance

Please note that discussing a course withdrawal or notifying the instructor of an absence in class does not constitute participation for financial aid purposes. Moreover, any office hour visits or email correspondence must be related to the course material.

NETIQUETTE

Your instructor and fellow students wish to foster a safe online learning environment. All opinions and experiences, no matter how different or controversial they may be perceived, must be respected in the tolerant spirit of academic discourse. You are encouraged to comment, question, or critique an idea but you are not to attack an individual. Our differences, some of which are outlined in the University's nondiscrimination statement, will add richness to this learning experience. Please consider that sarcasm and humor can be misconstrued in online interactions and generate unintended disruptions. Working as a community of learners, we can build a polite and respectful course ambiance.

RELIGIOUS HOLIDAYS ACCOMMODATIONS

Many religious faiths are represented in the student body. The University of Missouri does not restrict student free exercise of religion, unless 1) the restriction is in the form of a rule of general applicability, and does not discriminate against religion or among religions; and 2) it can be demonstrated that the application of the restriction is essential to furthering a compelling university interest, and is not unduly restrictive considering the relevant circumstance. The policy of the University attempts to strike a reasonable balance between accommodating the religious practice of students and meeting academic needs and

standard.

Consult IDE's <u>Guide to Religions</u> for the form that can be used to notify an instructor of an absence associated with religious practice. Students are expected to notify their instructor(s) by completing and submitting this form in a manner that is consistent with the procedure outlined in the university's policy on student religious accommodation. Providing false information regarding sincerely held religious practice is a violation of the university's Standard of Conduct and will not be tolerated.

DECREASING THE RISK OF COVID-19 IN CLASSROOMS AND LABS

If you have tested positive for COVID-19 or have been identified as someone who needs to quarantine, do not attend class in person until the mandated period for isolation or quarantine has passed. Your instructor will work with you on arrangements to access class material while you are in isolation or quarantine.

Additionally, if you are experiencing any COVID-related symptoms, or are otherwise feeling unwell, do not attend in-person classes and contact your health care provider and/or student health immediately. COVID symptoms include: fever greater than 100.4 or chills; cough, shortness of breath or difficulty breathing; fatigue; unexplained muscle or body aches; headache; new loss of taste or smell; sore throat; congestion or runny nose; nausea or vomiting; diarrhea.

Please consult <u>Show Me Renewal</u> for further guidelines. This statement will be updated as information changes. Last updated August 9, 2022