

**ECON 5254: Applied Development Economics**  
**Winter 2023 Course Syllabus**

***Dalhousie University is located in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq. We are all Treaty people.***

***We acknowledge the histories, contributions, and legacies of the African Nova Scotian people and communities who have been here for over 400 years.***

Mondays and Wednesdays 13:05-14:25, Studley LSC-OCEANOGRAPH O3655

**Instructor:** Prof. Mevlude Akbulut-Yuksel, Dalhousie University, Department of Economics

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**Lectures:** Mondays and Wednesdays 13:05-14:25, Studley LSC-OCEANOGRAPH O3655

**Office hours:** Meetings should be arranged in advance via e-mail and will take place in Zoom or in-person after we start the in-person classes.

**Course Description:** This course is one of the required courses of the Master of Development Economics (MDE) degree. The aim of this course is to provide an overview of the current literature on the microeconomic foundations of development as well as topics pertaining to the current policy debate in development economics. Topics covered include the role of human capital (health, education), the functioning of factor markets, immigration, trade, climate change, social welfare programs, artificial intelligence, economics of conflict and women empowerment. On the methodological side, we will examine econometric techniques that researchers have used to identify causal relationships (ordinary least square, panel data, instrumental variables, randomized experiments, difference-in-differences, regression discontinuity design). Students will be required to write an essay that integrates knowledge from the economics and non-economics courses that they have taken.

**Learning Outcomes:**

- Students will attain, through lectures, readings, weekly quizzes, writing a term paper, the knowledge of the foundations of development economics.
- Students will be able to critically assess and analyze the scholarly articles and books through bi-weekly quizzes.
- Students will be able to estimate econometric techniques that are used to identify causal relationships and evaluate their empirical analysis.
- Students will produce an independent research paper tackling the pressing issues in development through synthesizing the causal estimation techniques, data from developing countries and economic reasoning. The research paper is intended to integrate ideas learned in economics and non-economics courses.

**Requirements and Grading:**

1. Midterm: 25% (in class on Monday, February 27)
2. Final: 35% (9:30-12:30 on Wednesday, April 12)
3. 6 Quizzes: 15% (dates will be announced during the term)
4. Economic Development Essay and Presentation: 15% (due Friday, April 21, midnight)
5. Class Presentation: 10% (date will be announced during the term)

**Class Procedure:** Few. Please show up on time. Please leave your phones and pagers and other electronic items OFF. At this level of graduate study, we are trying to engage in a discussion about current research, and we are trying to avoid me simply lecturing. As part of this, you must read the required material **BEFORE** class. Come with questions or ideas that came out of the readings.

**Midterm and Final:** Exams will draw from lectures and papers covered in the class. They are NOT open book. The final exam will cover the subject matter of the entire course. The midterm will take place during the class time as indicated above. If you miss the midterm or the final exam for a valid medical reason, you must notify me immediately and make arrangements to write-up exam as soon as health permits.

**Weekly Quizzes:** Every week, you will have in-class quiz discussing one or two chapters of the “Good Economics for Hard Times” book by Banerjee and Duflo. In preparation of these quizzes, you are expected to read the assigned chapters before the quiz.

**Economic Development Essay and Presentation:** You will write an essay on a development topic. You are expected to formulate your research question based on the papers covered in the class **and the integration of ideas from your other economics and non-economics courses**. You will conceptualize your research idea (**proposal due February 17**) write a literature review discussing the seminal and survey papers on the topic (**lit review due March 17**) and estimate your research question using the casual estimation techniques we will cover in our class (**final project due April 21**). Finally, you are expected to provide a comprehensive discussion on the economic and policy significance of your analysis and provide policy advice based on your findings. You will also require preparing online presentation summarizing your essay and submit this presentation with your assignment (**presentation of the term paper due April 21**).

**Presentation:** The class presentation will constitute 10% of your final grade. Class presentations are aimed at increasing your understanding on the question, contribution, and main conclusions of the reading. Each student is required to meet me a during the office hours **a week before the presentation** and have their slides and presentation ready in this meeting.

**Grading:** Grades will be determined according to the following scale:

A+	A	A-	B+	B	B-	F
90+	85-89	80-84	77-79	73-76	70-72	<70

*\*Students with permanent or temporary disabilities who would like to discuss classroom or exam accommodations are asked to come and see me as soon as possible.*

**Textbooks:**

- Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Princeton and Oxford: Princeton University Press **(Required)**.
- Banerjee, Abhijit and Esther Duflo. 2019. *Good Economics for Hard Times*. Public Affairs **(Required)**.
- Banerjee, Abhijit and Esther Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Public Affairs **(Recommended)**.
- Cunningham, Scott. 2021. *The Mixtape: Causal Inference*. Yale University Press **(Recommended)** (<https://mixtape.scunning.com/index.html>)

- Huntington-Klein, Nick. 2022. *The Effect: An Introduction to Research Design and Causality* **(Recommended)**
- Angrist, Joshua D. and Jorn-Steffen Pischke. 2009. *Mostly Harmless Econometrics: An Empiricist's Companion*, Princeton and Oxford: Princeton University Press. **(Recommended)**

## **COURSE OUTLINE** (*subject to change*):

### **I. Introduction to Economic Development**

Banerjee, A. and E. Duflo. 2019. *Good Economics for Hard Times*, Introduction.

Banerjee, A. and E. Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to fight Global Poverty*. Foreword, Chapter 1 and Chapter 2.

Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Introduction, and Chapter 1.

Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Chapter 2.

### **II. Migration, Trade, Growth and Corruption**

Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Chapter 3.

Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Chapter 4.

Banerjee, A. and E. Duflo. 2019. *Good Economics for Hard Times*, Chapter 2 (From the Mouth of the Shark) and Chapter 3 (The Pains from Trade) and Chapter 8 (Legit.gov)

Banerjee, A. and E. Duflo. 2019. *Good Economics for Hard Times*, Chapter 5 (The End of Growth?) and Chapter 6 (In Hot Water) and Chapter 7 (Player Piano)

Banerjee, A. and E. Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to fight Global Poverty*. Chapter 10 (Policies, Politics).

### **III. Health, Nutrition and Education in Developing World**

Banerjee, A. and E. Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to fight Global Poverty*. Chapter 3 and Chapter 4.

Angrist, Joshua D. and Jorn-Steffen Pischke. 2015. *Mastering Metrics*. Chapters 5 and 6.

Akbulut-Yuksel, Mevlude. 2017. "War during Childhood: The Long Run Effects of Warfare on Health." *Journal of Health Economics*, 53: 117–130.

Miguel, Edward and Michael Kremer. 2004. "Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities." *Econometrica*, 72(1): 159-217.

Baird, Sarah, Joan Hamory Hicks, Michael Kremer, and Eduard Miguel. 2016. "Worms at Work: Long-Run Impacts of a Child Health Investment," *Quarterly Journal of Economics*, 4(1): 1637-1680.

Jayachandran, Seema and Adriana Lleras-Muney. 2009. "Life Expectancy and Human Capital Investments: Evidence from Maternal Mortality Declines." *Quarterly Journal of Economics*, 124(1): 349-397.

Dupas, Pascaline. 2014. "Short-Run Subsidies and Long-Run Adoption of New Health Products: Evidence from a Field Experiment." *Econometrica*, 82(1): 197-228.

Akbulut-Yuksel, Mevlude and Belgi Turan. 2013. "Left Behind: Intergenerational Transmission of Human Capital in the Midst of HIV." *Journal of Population Economics*, 26(4): 1523-1547.

Duflo, Esther. 2001. "Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment." *American Economic Review*, 91: 795-813.

Chaudhury, Nazmul, Jeffrey Hammer, Michael Kremer, Karthik Muralidharan and F. Halsey Rogers. 2006. "Missing in Action: Teacher and Health Worker Absence in Developing Countries." *Journal of Economic Perspectives*, 20(1): 91-116.

Duflo, Esther, Pascaline Dupas, and Michael Kremer. "Peer Effects, Teacher Incentives, and the Impact of Tracking: Evidence from a Randomized Evaluation in Kenya." *The American Economic Review*, 101.5 (2011): 1739-1774.

Dizon-Ross, Rebecca. 2019. "Parents' Beliefs about Their Children's Academic Ability: Implications for Educational Investments." *American Economic Review*, 109 (8): 2728-65.

#### **IV. Gender and Family in Developing World**

Banerjee, A. and E. Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to fight Global Poverty*. Chapter 5.

Sen, Amartya. 1990. "More than 100 Women are missing." *New York Review of Books*.

Qian, Nancy. 2008. "Missing Women and the Price of Tea in China: The Effect of Sex-specific Income on Sex Imbalance." *Quarterly Journal of Economics*, 123(3): 1251-1285.

Akbulut-Yuksel, Mevlude and Daniel Rosenblum. 2023. "Estimating the Effects of Expanding Ultrasound Use on Sex Selection in India." Forthcoming at the *Journal of Development Studies*.

Duflo, Esther. 2003. "Grandmothers and Granddaughters: Old Age Pension on Child and Intra-Household Allocation in South Africa." *World Bank Economic Review*, 17: 1-25.

Chattopadhyay, Raghendra and Esther Duflo. 2004. "Women as Policy Makers: Evidence from a Randomized Policy Experiment in India." *Econometrica*, 72(5): 1409-1443.

#### **V. Economics of Conflict**

Blattman, Christopher and Edward Miguel. 2010. "Civil War." *Journal of Economic Literature*, 48(1): 3-57.

Nunn, Nathan and Nancy Qian. 2014. "U.S. Food Aid and Civil Conflict." *American Economic Review*, 104(6): 1630-1666.

Miguel, Edward, Shankar Satyanath, and Ernest Sergenti. 2004. "Economic Shocks and Civil Conflict: An Instrumental Variables Approach." *Journal of Political Economy*, 112(4): 725-753.

Akbulut-Yuksel, Mevlude. 2014. "Children of War: The Long-Run Effects of Large-Scale Physical Destruction and Warfare on Children." *Journal of Human Resources*, 49(3): 634-662.

Akbulut-Yuksel, Mevlude and Mutlu Yuksel. 2015. "The Long-Term Direct and External Effects of Jewish Expulsions in Nazi Germany." *American Economic Journal: Economic Policy*, 7(3): 58-85.

Akbulut-Yuksel, Mevlude, Melanie Khamis and Mutlu Yuksel. 2017. "Women Make Houses, Women Make Homes." *Labour Economics*, 49: 145-161.