

International Economics

Academic year 2020-2021

Development Economics (this course will be on-line only)

EI042 - Autumn - 6 ECTS

Tuesday 8h15 - 10h00

Course Description

The course covers major issues in development economics from both the macro and micro perspectives. Topics where research is active will be covered. The focus is on acquiring the necessary theoretical and empirical skills to understand the challenges related to social and economic transformation in developing countries.

> PROFESSOR

[Martina Viarengo](#)

[Office hours](#)

> ASSISTANT

Syllabus

Material for the Course

Readings, lecture slides and material for the course are available in Moodle.

Grading

The course grade will be based on a) class participation (15%), b) a presentation (35%) c) a final examination (50%). The exam will take place on Tuesday, December 15. Students are responsible for all the material covered in class.

The reading list below may be updated: see website for the more recent version

OUTLINE

Lecture 1. Introduction: Economic Development, Poverty and Inequality (September 15)

- **Required Readings:**

- Sen A. K. (1988), “The Concept of Development,” in Handbook of Development Economics, ed. By H. B. Chenery, and T. N. Srinivasan, vol. 1, Amsterdam, The Netherlands: North Holland, Chapter 1.

- **Optional Readings:**

- Stern N. (1989), “The Economics of Development: A Survey,” *Economic Journal*, 99, pp. 597-685.
- Banerjee A. and E. Duflo (2011), “Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty”, New York: Public Affairs Publication, Chapter 1.
- Bouguen, Adrien, Yue Huang, Michael Kremer, and Edward Miguel (2019), “Using RCT’s to Estimate Long-Run Impacts in Development Economics,” forthcoming in the *Annual Review of Economics*.
- Young, Alwyn (2019), “Channeling Fisher: Randomization Tests and the Statistical Insignificance of Seemingly Significant Experimental Results,” *Quarterly Journal of Economics*, 134(2): 557-598.
- Kremer, Michael (2020), “Experimentation, Innovation, and Economics,” *American Economic Review*, 110(7): 1974-1994.

Development Economics - MICRO

Make sure you know how to (i) optimize, (ii) apply the Envelope Theorem, (iii) perform an implicit differentiation, (iv) apply the Fundamental Theorem of Risk, and know (v) what an identification strategy is. Useful references for this part of the course include:

Rodrik D. and M.R. Rosenzweig (2010), (editors), Handbook of Development Economics V, North-Holland, Amsterdam.

Schultz T. and J. Strauss (2008), (editors), Handbook of Development Economics IV, North-Holland, Amsterdam.

Bardhan P. and C. Udry (1999), Development Microeconomics, Oxford: Oxford University Press.

Bardhan P. and C. Udry (2000), Readings in Development Economics, Volume 1: Micro-Theory; Volume 2: Empirical Microeconomics, Cambridge: MIT Press.

Ray D. (1998), Development Economics, Princeton NJ: Princeton University Press.

Basu K. (1997), Analytical Development Economics, Cambridge: MIT Press.

Deaton A. (1997), The Analysis of Household Surveys: A Microeconometric Approach to Development Policy, Baltimore: Johns Hopkins University Press.

Lecture 2. Intra-household Issues (September 22)

- **Required Readings**

- Udry, Christopher (1996), “Gender, Agricultural Production, and the Theory of the Household,” *Journal of Political Economy*, 104: 1010-1046.
- Ashraf, Nava, Erica Field and Jean Lee (2014), “Household Bargaining and Excess Fertility: An Experimental Study in Zambia,” *American Economic Review*, 104(7): 2210-2237.

- **Optional Readings**

- Thomas, Duncan (1990), “Intra-Household Resource Allocation: An Inferential Approach,” *Journal of Human Resources*, 25: 635-664.

- Bardhan, Pranab K. and Christopher Udry (1999), “Development Microeconomics,” Oxford University Press, Oxford, UK, Chapter 2.
- Ashraf, Nava (2009), “Spousal Control and Intra-Household Decision Making: An Experimental Study in the Philippines,” *American Economic Review* 99(4): 1245-1277.
- Alesina, Alberto, Paola Giuliano, and Nathan Nunn (2013), “On the Origin of Gender Roles: Women and the Plough,” *Quarterly Journal of Economics* 128(2): 469-530.
- Browning, Martin, Pierre-André Chiappori, and Yoram Weiss (2014), “Economics of the Family”, New York: Cambridge University Press.
- Majlesi, Kaveh (2016), “Labor Market Opportunities and Women’s Decision Making Power within Households,” *Journal of Development Economics*, 119: 34-47.
- Doepke, Matthias, and Fabian Kindermann (2019), “Bargaining over Babies: Theory, Evidence, and Policy Implications,” *American Economic Review*, 109(9): 3264-3306.
- Alon, Titan, Matthias Doepke, Jane Olmstead-Rumsey, Michèle Tertilt (2020), “The Impact of COVID-19 on Gender Equality,” NBER Working Paper No. 26947.

Lecture 3. Health (September 29)

- **Required Readings**

- Miller, Grant and B. Piedad Urdinola (2010), “Cyclicalities, Mortality, and the Value of Time: The Case of Coffee Price Fluctuations and Child Survival in Colombia,” *Journal of Political Economy*, 118(1): 113-155.
- Banerjee, Abhijit, Amy Finkelstein, Rema Hanna, Benjamin A. Olken, Arianna Ornaghi, and Sudarno Sumarto (2019), “Challenges of Universal Health Insurance in Developing Countries: Evidence from a Large-Scale Randomized Experiment in Indonesia,” NBER Working Paper No. 26204.

- **Optional Readings**

- Thomas Duncan and John Strauss (1997), “Health and Wages: Evidence on Men and Women in Urban Brazil,” *Journal of Econometrics*, 77: 159-185.
- Miguel, Edward, and Michael Kremer (2004), “Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities”, *Econometrica*, 72(1): 159-217.
- Thornton, Rebecca L. (2008), “The Demand for, and Impact of, Learning HIV Status,” *American Economic Review*, 98(5): 1829-1863.
- Cohen, Jessica and Pascaline Dupas (2010), “Free Distribution or Cost-Sharing? Evidence from a Randomized Malaria Prevention Experiment,” *Quarterly Journal of Economics*, 125(1): 1-45.
- Cockburn, Iain M., Jean O. Lanjouw and Mark Schankerman (2016), “Patents and the Global Diffusion of New Drugs”, *American Economic Review*, 106(1): 136-164.
- Dupas, Pascaline (2014), “Short-Run Subsidies and Long-Run Adoption of New Health Products: Evidence from a Field Experiment,” *Econometrica*, 82(1): 197-228.
- Das, Jishnu, Alaka Holla, Aakash Mohpal, and Karthik Muralidharan (2016), “Quality and Accountability in Health Care Delivery: Audit-study Evidence from Primary Care in India,” *American Economic Review*, 106(12): 3765-3799.
- Alon, Titan, Minki Kim, David Lagakos and Mitchell VanVuren (2020), “How Should Policy Responses to the COVID-19 Pandemic Differ in the Developing World?” NBER Working Paper No. 27273.

Lecture 4. Education (October 6)

- **Required Readings**

- Duflo, Esther (2001), “Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment,” *American Economic Review*, 91(4): 795-813.
- Benhassine, Najy, Florencia Devoto, Esther Duflo, Pascaline Dupas, and Victor Pouliquen (2015), “Turning a Shove into a Nudge? A “Labeled Cash Transfer” for Education,” *American Economic Journal: Economic Policy*, 7(3): 86-125.

- **Optional Readings**

- Hanushek, Eric A., and Dennis D. Kimko (2000), “Schooling, Labor Force Quality, and the Growth of Nations,” *American Economic Review*, 90(5): 1184-1208.
- Card, David (2001), “Estimating the Return to Schooling: Progress on some Persistent Econometric Problems,” *Econometrica*, 69(5): 1127-1160.
- Pritchett, Lant (2006), “Does Learning to Add up Add up: The Returns to Schooling in Aggregate Data,” *Handbook of the Economics of Education*.
- Hanushek, Eric A., and Ludger Woessmann, (2008), “The Role of Cognitive Skills in Economic Development,” *Journal of Economic Literature* 46(3): 607-668.
- Pritchett, Lant and Martina Viarengo (2015), “The State, Socialization and Private Schooling: When Will Governments Support Alternative Producers?” *Journal of Development Studies*, (lead article), 51(7): 784-807.
- Lavy, Victor (2015), “Do Differences in Schools’ Instruction Time Explain International Achievement Gaps? Evidence from Developed and Developing Countries,” *Economic Journal* 125(588): F397–F424.
- Gibbons Steve, Sandra McNally and Martina Viarengo (2018), “Does Additional Spending Help Urban Schools? An Evaluation Using Boundary Discontinuities,” *Journal of the European Economic Association*, 16(5-1): 1618–1668.
- Chatterjee, Chirantan, Eric A. Hanushek and Shreekanth Mahendiran (2020), “Can Greater Access to Education Be Inequitable? New Evidence from India’s Right to Education Act,” NBER Working Paper No. 27377.
- Glewwe, Paul, Sylvie Lambert, and Qihui Chen (2020), “Education Production Functions: Updated Evidence from Developing Countries,” *The Economics of Education*. Academic Press. 183-215.

Lecture 5. Labor Markets and Tenancy Contracts (October 13)

- **Required Readings**

- Radwan Ali Shaban (1987), “Testing between Competing Theories of Sharecropping,” *Journal of Political Economy*, 95: 893-920.
- Alfonsi, Livia, Oriana Bandiera, Vittorio Bassi, Robin Burgess, Munshi Sulaiman, Imran Rasul and Anna Vitali (2020), “Tackling Youth Unemployment: Evidence from a Labor Market Experiment in Uganda,” forthcoming in *Econometrica*.

- **Optional Readings**

- Eswaran M. and A. Kotwal (1985), “A Theory of Contractual Relations in Agriculture”, *American Economic Review*, 75: 352-367.
- Andrew Foster and Mark Rosenzweig (1994), “A Test for Moral Hazard in the Labor Market: Contractual Arrangements, Effort and Health”, *Review of Economics and Statistics*, 76: 213-227.
- Behrman, Jere (1999), “Labor Markets in Developing Countries,” in O. Ashenfelter and D. Card. (eds), *Handbook of Labor Economics*, Vol. 3.
- Arcand J.-L., C. Ai and F. Ethier (2007), “Moral Hazard and Marshallian Inefficiency: Evidence from Tunisia”, *Journal of Development Economics*, 83(2): 411-445.
- Goldstein, Mark and Christopher Udry (2008), “The Profits of Power: Land Rights and Agricultural Investment in Ghana”, *Journal of Political Economy*, 116(6): 981-1022.
- Hornbeck, Richard (2010), “Barbed Wire: Property Rights and Agricultural Development”, *Quarterly Journal of Economics*, 125(2): 767-810.

- Bardhan, Pranab, and Dilip Mookherjee (2011), “Subsidized Farm Input Programs and Agricultural Performance: A Farm-Level Analysis of West Bengal’s Green Revolution, 1982-1995”, *American Economic Journal: Applied Economics*, 3(4): 186-214.
- Markevich, Andrei, and Ekaterina Zhuravskaya (2018), “The Economic Effects of the Abolition of Serfdom: Evidence from the Russian Empire”, *American Economic Review*, 108 (4-5): 1074-1117.
- Chetty, Raj, John N. Friedman, Nathaniel Hendren, and Michael Stepner (2020), “How Did COVID-19 and Stabilization Policies Affect Spending and Employment? A New Real-Time Economic Tracker Based on Private Sector Data,” NBER Working Paper No. 27431.

Lecture 6. Migration (October 20)

• Required Readings

- Harris J. R. and M. P. Todaro (1970), “Migration, Unemployment and Development,” *American Economic Review*, 60(1): 126-142.
- Beine, Michel, Frédéric Docquier and Hillel Rapoport (2008), “Brain Drain and Human Capital Formation in Developing Countries: Winners and Losers,” *Economic Journal*, 118(528): 631-652.

• Optional Readings

- Munshi Kaivan (2003), “Networks in the Modern Economy: Mexican Migrants in the U.S. Labor Market,” *Quarterly Journal of Economics* 118: 549-597.
- Docquier, Frédéric, B. Lindsay Lowell and Abdeslam Marfouk (2009), “A Gendered Assessment of Highly Skilled Emigration,” *Population and Development Review*, 35(2): 297–321.
- Albert Bollard, David McKenzie, Melanie Morten and Hillel Rapoport (2011), “Remittances and the Brain Drain Revisited: the Microdata show that More Educated Migrants Remit More,” *World Bank Economic Review*, 25(1): 132-156.
- McKenzie, David, John Gibson and Steven Stillman (2013), “A Land of Milk and Honey with Streets Paved with Gold: Do Emigrants have Over-Optimistic Expectations about Incomes Abroad?” *Journal of Development Economics* 102: 116-127.
- Bryan, Gharad, Shyamal Chowdhury, and Ahmed Mushfiq Mobarak (2014), “Underinvestment in a Profitable Technology: The Case of Seasonal Migration in Bangladesh,” *Econometrica*, 82: 1671-1748.
- Hornbeck, Richard and Suresh Naidu (2014), “When the Levee Breaks: Black Migration and Economic Development in the American South,” *American Economic Review*, 104(3): 963-990.
- Tumen, Semih (2016), “The Economic Impact of Syrian Refugees on Host Countries: Quasi-experimental Evidence from Turkey,” *American Economic Review*, 106(5): 456-460.
- Morten, Melanie (2019), “Temporary Migration and Endogenous Risk Sharing in Village India,” *Journal of Political Economy*, 127(1): 1-46.
- Becker, Sascha O., Irena Grosfeld, Pauline Grosjean, Nico Voigtländer, and Ekaterina Zhuravskaya (2020), “Forced Migration and Human Capital: Evidence from Post-WWII Population Transfers,” *American Economic Review*, 110(5): 1430-1463.

Lecture 7. Credit, Risk and Microfinance (October 27)

• Required Readings

- Angelucci, Manuela, Dean Karlan and J. Zinman (2015), “Microcredit Impacts: Evidence from a Randomized Microcredit Program Placement Experiment by Compartamos Banco”, *American Economic Journal: Applied Economics*, 7(1): 151-82.
- Robert Townsend (1994), “Risk and Insurance in Village India,” *Econometrica*, 62: 539-591.

- **Optional Readings**

- Stiglitz J. E., and A. Weiss (1981), “Credit Rationing in Markets with Imperfect Information,” *American Economic Review*, 71(3): 393-410.
- Besley T. and S. Coate (1995), “Group Lending, Repayment Incentives and Social Collateral,” *Journal of Development Economics*, 46(1): 1-18.
- Banerjee Abihjit and Kaivan Munshi (2004), “How Efficiently is Capital Allocated? Evidence from the Knitted Garment Industry in Tirupur,” *Review of Economic Studies* 71: 19-42.
- Karlan, Dean and Jonathan Zinman (2008), “Credit Elasticities in Less Developed Countries: Implications for Microfinance,” *American Economic Review*, 98(3): 1040-1069.
- Field, Erica, Seema Jayachandran and Rohini Pande. (2010), “Do Traditional Institutions Constrain Female Entrepreneurship? A Field Experiment on Business Training in India,” *American Economic Review: Papers and Proceedings*, 100(2): 125-129.
- Banerjee, Abhijit, Esther Duflo, Rachel Glennerster, and Cynthia Kinnan (2015), “The Miracle of Microfinance? Evidence from a Randomized Evaluation,” *American Economic Journal: Applied Economics*, 7(1): 22-53.
- Bandiera, Oriana, Robin Burgess, Narayan Das, Selim Gulesci, Imran Rasul (2017), “Labor Markets and Poverty in Village Economies,” *Quarterly Journal of Economics*, 132(2): 811–870.
- Bursztyjn, Leonardo, Stefano Fiorin, Daniel Gottlieb, and Martin Kanz (2019), “Moral Incentives in Credit Card Debt Repayment: Evidence from a Field Experiment,” *Journal of Political Economy* 127(4):1641-1683.
- Cai, Jing, Alain de Janvry, and Elisabeth Sadoulet (2020), “Subsidy Policies and Insurance Demand,” *American Economic Review*, 110 (8): 2422-2453.

Development Economics - MACRO

Lecture 8. Economic Growth: Facts and Workhorse Models (November 3)

A Facts:

- **Required Readings**

- Acemoglu, Daron (2009), *Introduction to Modern Economic Growth* (Princeton University Press), Chapter 1: “Economic Growth and Economic Development: The Questions”.
- Easterly, William (2019). “In Search of Reforms for Growth: New Stylized Facts on Policy and Growth Outcomes,” NBER Working Paper No. 26318.

- **Optional Readings**

- Kaldor, Nicholas (1961), “Capital Accumulation and Economic Growth,” in F.A. Lutz and D.C. Hague, eds., *The Theory of Capital*, St.Martins Press, pp. 177–222.
- Jones, Charles and Peter Klenow (2016), “Beyond GDP? Welfare across Countries and Time,” *American Economic Review*, 106(9): 2426-2457.
- Aghion, Philippe and Steven Durlauf (eds.) (2014) “Handbook of Economic Growth”, Vol. 2A, North-Holland.

B Theory:

The Solow Model

- **Required Readings**

- Romer, David (2006), *Advanced Macroeconomics* (Mc Graw Hill). Chapter 1: “The Solow Growth Model”.

- **Optional Readings**

- Solow, Robert (1956), "A Contribution to the Theory of Economic Growth," *Quarterly Journal of Economics*, 70: 65-94.

Endogenous Growth

- **Required Readings**

- Romer, Paul (1990), "Endogenous Technological Change," *Journal of Political Economy*, 98(5): S71-102.

- **Optional Readings**

- Lucas, Robert (1988), "On the Mechanics of Economic Development," *Journal of Monetary Economics*, 22: 3-42.
- Romer, Paul (1986), "Increasing Returns and Long-Run Growth," *Journal of Political Economy*, 94(5): 1002-1037.
- Baqaee, David Rezza, and Emmanuel Farhi (2020), "Productivity and Misallocation in General Equilibrium," *Quarterly Journal of Economics*, 135(1): 105-163.

Lecture 9. Poverty Traps (November 10)

- **Required Readings**

- Magruder, Jeremy R. (2013), "Can Minimum Wages Cause a Big Push? Evidence from Indonesia," *Journal of Development Economics*, 100(1): 48-62.
- Murphy, Kevin, Andrei Shleifer, and Robert Vishny (1989), "Industrialization and the Big Push," *Journal Political Economy*, 97(5): 1003-26.

- **Optional Readings**

- Costas Azariadis and Allan Drazen (1990), "Threshold Externalities in Economic Development," *Quarterly Journal of Economics*, CV: 501-526.
- Kremer, Michael (1993), "The O-Ring Theory of Economic Development," *Quarterly Journal of Economics*, CVIII: 551-575.
- Parente, Stephen L. and Edward Prescott (1994), "Barriers to Technology Adoption and Development," *Journal of Political Economy*, 102(2): 298-321.
- Ciccone, Antonio and Kimimori Matsuyama (1996), "Start-Up Costs and Pecuniary Externalities as Barriers to Economic Development," *Journal Development Economics*, 49(1): 33-59, April.
- Bénassy, Jean-Pascal and Elise S. Brezis (2013), "Brain Drain and Development Traps," *Journal of Development Economics*, 102: 15-22.
- Marx, Benjamin, Thomas Stoker, and Tavneet Suri (2013), "The Economics of Slums in the Developing World," *Journal of Economic Perspectives*, 27(4): 187-210.
- Kline, Patrick and Enrico Moretti (2014), "Local Economic Development, Agglomeration Economies, and the Big Push: 100 Years of Evidence from the Tennessee Valley Authority," *Quarterly Journal of Economics*, 129 (1): 275-331.
- Hu, Yunfang, Takuma Kunieda, Kazuo Nishimura and Ping Wang (2020), "Flying or Trapped?" NBER Working Paper No. 27278.

Lecture 10. Institutions and Economic Development (November 17)

- **Required Readings**

- Acemoglu, Daron, Simon Johnson, and James Robinson (2001), “Colonial Origins of Comparative Development: An Empirical Investigation,” *American Economic Review*, 91: 1369-1401.
- Acemoglu, Daron, Suresh Naidu, Pascual Restrepo and James A. Robinson (2019), “Democracy Does Cause Growth,” *Journal of Political Economy*, 127(1): 47-100.

- **Optional Readings**

- Acemoglu, Daron, Simon Johnson, and James Robinson (2005), “Institutions as the Fundamental Cause of Long-Run Growth,” *Handbook of Economic Growth*.
- Banerjee, Abhijit and Lakshmi Iyer (2005), “History, Institutions, and Economic Performance: The Legacy of Colonial Land Tenure Systems in India,” *American Economic Review*, 95(4): 1190-1213.
- Acemoglu, Daron, Davide Cantoni, Simon Johnson and James A. Robinson (2011), “The Consequences of Radical Reform - The French Revolution,” *American Economic Review*, 101(7): 3286–3307.
- Acemoglu, Daron, Camilo García-Jimeno and James A. Robinson (2012), “Finding Eldorado: Slavery and Long-run Development in Colombia,” *Journal of Comparative Economics*, 40(4): 534-564.
- Dal Bó, Ernesto, Frederico Finan, and Martín A. Rossi (2013), “Strengthening State Capabilities: The Role of Financial Incentives in the Call to Public Service,” *Quarterly Journal of Economics*, 128(3), 1169-1218.
- Martinez-Fritscher, Andre, Aldo Musacchio and Martina Viarengo (2014), “Colonial Institutions, Trade Shocks, and the Diffusion of Elementary Education in Brazil, 1889-1930,” *Journal of Economic History*, 74(3): 730-766.
- Ashraf, Nava, Edward L. Glaeser and Giacomo A. M. Ponzetto (2016), “Infrastructure, Incentives, and Institutions,” *American Economic Review*, 106(5): 77-82.
- Dittmar, Jeremiah E., and Ralf R. Meisenzahl (2020), “Public Goods Institutions, Human Capital, and Growth: Evidence from German History,” *Review of Economic Studies* 87(2): 959-996.
- Mukand, Sharun W. and Dani Rodrik (2020), “The Political Economy of Liberal Democracy,” *Economic Journal* 130(627): 765-792.

Lecture 11. Inequality and Economic Development (November 24)

- **Required Readings**

- Forbes, Kristin (2000), “A Reassessment of the Relationship between Inequality and Growth,” *American Economic Review*, 90(4): 869-887.
- Banerjee, Abhijit and Esther Duflo (2003), “Inequality and Growth: What Can the Data Say?” *Journal of Economic Growth*, 8(3): 267-299.
- Epper, Thomas, Ernst Fehr, Helga Fehr-Duda, Claus Thustrup Kreiner, David Dreyer Lassen, Søren Leth-Petersen and Gregers Nytoft Rasmussen (2020), “Time Discounting and Wealth Inequality,” *American Economic Review*, 110 (4):1177-1205.

- **Optional Readings**

- Galor, Oded and Joseph Zeira (1993), “Income Distribution and Macroeconomics,” *Review of Economic Studies*, 60(1): 35-52.
- Persson, Torsten and Guido Tabellini (1994), “Is Inequality Harmful for Growth?” *American Economic Review* 84(3): 600-621.
- Perotti, Roberto (1996), “Growth, Income Distribution, and Democracy: What the Data Say,” *Journal of Economic Growth*, 1(2): 149-187.
- Galor, Oded and Omer Moav (2004), “From Physical to Human Capital Accumulation: Inequality and the Process of Development,” *Review of Economic Studies*, 71(4): 1001-1026.
- Easterly, William (2007), “Inequality Does Cause Underdevelopment: Insights from a New Instrument,” *Journal of Development Economics*, 84(2): 755-776.

- Galor, Oded (2009), “Inequality and Economic Development: An Overview,” Working Paper No. 2009-3, Brown University, Department of Economics.
- Marrero, Gustavo A. and Juan G. Rodriguez (2013), “Inequality of Opportunity and Growth,” *Journal of Development Economics*, 104 (September): 107-122.
- Dingel, Jonathan I., Kyle C. Meng, and Solomon M. Hsiang (2019), “Spatial Correlation, Trade, and Inequality: Evidence from the Global Climate,” NBER Working Paper No. 25447.
- Brown, Caitlin S., and Martin Ravallion (2020), “Inequality and the Coronavirus: Socioeconomic Covariates of Behavioral Responses and Viral Outcomes across U.S. Counties,” NBER Working Paper No. 27549.

Lecture 12. Culture, Social Norms and Development (December 1)

• Required Readings

- Fernández, Raquel and Alessandra Fogli (2009), “Culture: An Empirical Investigation of Beliefs, Work, and Fertility,” *American Economic Journal: Macroeconomics*, 1(1): 146-177.
- Alesina, Alberto and Paula Giuliano (2011), “Family Ties and Political Participation,” *Journal of the European Economic Association*, 9(5): 817-839.

• Optional Readings

- Tirole, Jean (1996), “A Theory of Collective Reputations (With Applications to the Persistence of Corruption and to Firm Quality),” *Review of Economic Studies*, 63(1): 1-22.
- Banerjee, Abhijit and Esther Duflo (2000), “Reputation Effects and the Limits of Contracting: A study of the Indian Software Industry,” *Quarterly Journal of Economics*, 115(3): 989-1017.
- Akerlof, George and Rachel E. Kranton (2000), “Economics and Identity,” *Quarterly Journal of Economics*, 115(3): 715-752.
- Miguel, Edward and Ray Fisman (2007), “Corruption, Norms and Legal Enforcement: Evidence from Diplomatic Parking Tickets,” *Journal of Political Economy*, 115(6): 1020-1048.
- Becker, Sascha O., and Ludger Woessmann (2009), “Was Weber Wrong? A Human Capital Theory of Protestant Economic History,” *Quarterly Journal of Economics*, 124(2): 531-596.
- Nunn, Nathan and Leonard Wantchekon (2011), “The Slave Trade and the Origins of Mistrust in Africa,” *American Economic Review*, 101(7): 3221-3252.
- Grosjean, Pauline (2014), “A History of Violence: The Culture of Honor as a Determinant of Homicide in the US South,” *Journal of the European Economic Association*, 12(5): 1285–1316.
- Guiso, Luigi, Paola Sapienza, and Luigi Zingales (2015), “Corporate Culture, Societal Culture, and Institutions,” *American Economic Review*, 105(5): 336-339.
- Grosjean, Pauline and Rose Khattar (2019), “It’s Raining Men! Hallelujah? The Long-Run Consequences of Male-Biased Sex Ratios,” *Review of Economic Studies*, 86(2): 723–754.
- Fernández, Raquel, Sahar Parsa, and Martina Viarengo (2019), “Coming Out in America: AIDS, Politics, and Cultural Change,” NBER Working Paper No. 25697.
- Ashraf, Nava, Natalie Bau, Nathan Nunn, and Alessandra Voena (2020), “Bride Price and Female Education,” *Journal of Political Economy*, 128(2): 591-641.

Lecture 13. Revision Week – no lecture (December 8)

Lecture 14. Final Examination (December 15)

Papers for Student Presentations (the schedule will be circulated in week 3)

COVID19

- (P) Alon, Titan, Minki Kim, David Lagakos and Mitchell VanVuren (2020), “How Should Policy Responses to the COVID-19 Pandemic Differ in the Developing World?” NBER Working Paper No.27273.
- (P) Dingel, Jonathan I. and Brent Neiman (2020), “How Many Jobs can be done at Home?” NBER Working Paper No. 26948.
- (P) Borjas, George J. and Hugh Cassidy (2020), “The Adverse Effect of the COVID-19 Labor Market Shock on Immigrant Employment,” NBER Working Paper No. 27243.

Behavioral Economics

- (P) Casaburi, Lorenzo and Rocco Macchiavello (2019), “Demand and Supply of Infrequent Payments as a Commitment Device: Evidence from Kenya,” *American Economic Review*, 109(2): 523-555.
- (P) Kaur, Supreet, Michael Kremer, and Sendhil Mullainathan (2015), “Self-Control at Work”, *Journal of Political Economy*, 123(6): 1227-1277.

Markets, Networks and Social Capital

- (P) Angelucci, Manuela, Giacomo De Giorgi, Marcos A. Rangel, and Imran Rasul (2010), “Family Networks and Schooling Outcomes: Evidence from a Randomized Social Experiment,” *Journal of Public Economics*, 94(3-4): 197–221.
- (P) Greif, Avner (1993), “Contract Enforceability and Economic Institutions in Early Trade: The Maghribi Traders' Coalition,” *American Economic Review*, 83(3): 525-548.

Learning and Technology

- (P) Kyle, Emerick, Alain de Janvry, Elisabeth Sadoulet and Manzoor H. Dar (2016), “Technological Innovations, Downside Risk, and the Modernization of Agriculture,” *American Economic Review*, 106(6): 1537-1561.
- (P) Conley, Timothy and Christopher Udry (2010), “Learning about a New Technology: Pineapple in Ghana,” *American Economic Review*, 100(1): 35-69.

Foreign Aid

- (P) Werker, Eric, Faisal Z. Ahmed, and Charles Cohen (2009), “How Is Foreign Aid Spent? Evidence from a Natural Experiment,” *American Economic Journal: Macroeconomics*, 1(2): 225-44.
- (P) Rajan, Raghuram G. and Arvind Subramanian (2007), “Aid and Growth: What Does the Cross-Country Evidence Really Show?” *Review of Economics and Statistics*, 90(4): 643-665.

Infrastructure Projects and Energy

- (P) Lee, Kenneth, Edward Miguel and Catherine Wolfram (2020), “Experimental Evidence on the Economics of Rural Electrification,” *Journal of Political Economy* 128(4): 1523-1565.
- (P) Donaldson, Dave (2018), “Railroads of the Raj: Estimating the Impact of Transportation Infrastructure,” *American Economic Review*, 108(4-5): 899-934.

Corruption

- (P) Avis, Eric, Claudio Ferraz, and Frederico Finan (2020), “Do Government Audits Reduce Corruption? Estimating the Impacts of Exposing Corrupt Politicians,” forthcoming in the *Journal of Political Economy* (NBER Working Paper No. 22443).

-(P) Olken, Benjamin (2007), "Monitoring Corruption: Evidence from a Field Experiment in Indonesia," *Journal of Political Economy*, 115(2): 200-249.

Conflict

-(P) Dell, Melissa, and Pablo Querubin (2018), "Nation Building Through Foreign Intervention: Evidence from Discontinuities in Military Strategies," *Quarterly Journal of Economics*, 133(2): 701-764 .

-(P) Michalopoulos, Stelios, and Elias Papaioannou (2016), "The Long-Run Effects of the Scramble for Africa," *American Economic Review*, 106(7): 1802-1848.