

Graduate Development Economics

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Instructor

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Course Overview

This course offers a graduate-level introduction to development economics, with a focus on recent contributions in empirical microeconomics.

We will cover material on a variety of topics, including education and health, finance, labor and private sector development, violence and conflict, political economy, governance and corruption. There will be a particular emphasis on recent work in behavioral development economics and the psychology of poverty.

Methodologically, a key objective of the course will be to familiarize students with how field experiments are designed, implemented and analyzed, and with issues related to research transparency and reproducibility. Nevertheless, the reading list will include also many non-experimental papers.

Grading

The grade for this course will be based on:

- **50% Referee Reports (due 3/31)** – students will be asked to write a referee report on a recent job market paper in development economics;
- **50% Presentations (slides due 2/26, presentation on 2/26-3/7)** – students will be asked to prepare short presentations about a paper in development economics of their choice (coordinate with instructor for the choice) or about their own work (in this case, “development economics” can be interpreted in a very broad sense);
- **OPTIONAL Final Project (due 3/31)** – students who would like to get feedback on some of their work CAN submit a final project which will possibly serve as the basis of a dissertation chapter (if data for the project is not yet available, students can prepare a pre-analysis plan, or a research proposal). The final project is NOT required to pass the class, but I encourage all students who are interested in working in development economics to submit one.

Referee Report

Write a referee report (no more than 3 pages) about one of the following papers. If you never wrote a referee report, you might find useful this guide prepared by Prof. Alain de Janvry:

<https://are.berkeley.edu/courses/ARE251/2004/assignments/RRGuidelines.pdf>

1. Maddie McElway “Vicious and Virtuous Cycles: Self-Efficacy and Employment of Women in India”
2. Suanna Oh “Does Identity Affect Labor Supply?”
3. Asad Liaqat “No Representation without Information: Politician Responsiveness to Citizen Preferences”

4. Muhammad Haseeb “Resource Scarcity and Cooperation”
5. Emma Riley “Resisting sharing pressure in the household using mobile money: Experimental evidence on microenterprise investment in Uganda”
6. Yasir Khan “Mission Motivation and Public Sector Performance: Experimental Evidence from Pakistan”
7. Augustin Bergeron “The State Capacity Ceiling on Tax Rates: Evidence from Randomized Tax Abatements in the DRC”
8. Bruno Lopez-Videla “Political Time Horizons and Government Investments: Evidence from Mexico”
9. Carlos Varjao “The Role of Local Media in Selecting and Disciplining Politicians”
10. Wayne Sandholtz “Do voters reward service delivery? Experimental evidence from Liberia”

Presentation

Prepare the slides for a 30 minutes presentation (plan for 25 minutes of presentation and 5 for discussion) about one paper in development economics. Reach out to me and propose a paper by February 21, so that I can agree on the paper you are proposing or suggest to you a different one. You will send me the slides for your presentation by February 26, and you will then present the paper in front of the class on February 27, 28, March 6, or 7.

Final Project (OPTIONAL)

Write a final project of about 10 pages that can serve as the basis for one chapter of your dissertation. This can be either a first draft of a paper in case you already have data available, a pre-analysis plan for an experiment, or a research proposal. The final project is due by March 31. In case you are interested in submitting a final project, I encourage you to reach out to me by March 1 to discuss what you plan to work on.

Readings (to be completed)

Lecture 1 - Lecture 2: Introduction to Field Experiments

Duflo, Glennerster, Kremer, 2008. “Using Randomization in Development Economics: A Toolkit.” *Handbook of Development Economics*, Volume 4.

Lecture 3: Mechanism Experiments in Credit Markets

Karlan, Dean, and Jonathan Zinman, 2009. “Observing Unobservables: Identifying Information Asymmetries with a Consumer Credit Field Experiment.” *Econometrica*, 77(6), pp. 1993-2008.

Macchi, Elisa, 2020. “Worth your weight? Experimental evidence on the benefits of obesity in low-income countries.”

Bursztyn, Leonardo, Bruno Ferman, Stefano Fiorin, Martin Kanz, and Gautam Rao, 2018. “Status Goods: Experimental Evidence from Platinum Credit Cards.” *Quarterly Journal of Economics*, 133(3), 1 August 2018, pp. 1561-1595.

Bursztyn, 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), pp. 1641-1683.

Lecture 4 - Lecture 5: Behavioral Development Economics

Kremer, Michael, Frank Schilbach, and Gautam Rao, 2019. "Behavioral Development Economics." *Handbook of Behavioral Economics*, Volume 2.

Blumenstock, Joshua, Michael Callen, and Tarek Ghani, 2018. "Why Do Defaults Affect Behavior? Experimental Evidence from Afghanistan." *American Economic Review*, 108(10), pp. 2868-2901.

Lecture 6: Social Norms, and Experimenter Demand

Dhar, Diva, Tarun Jain, and Seema Jayachandran, 2020. "Reshaping Adolescents' Gender Attitudes: Evidence from a School-Based Experiment in India."

Jayachandran, Seema, 2020. "Social Norms as a Barrier to Women's Employment in Developing Countries."

Bursztyn, Leonardo, Alessandra González and David Yanagizawa-Drott, 2020. "Misperceived Social Norms: Women Working Outside the Home in Saudi Arabia." *American Economic Review*, 110(10): 2997-3029.

de Quidt, Jon, Johannes Haushofer, and Chris Roth, 2018. "Measuring and Bounding Experimenter Demand." *American Economic Review*, 108(11), pp. 3266-3302.

Lecture 7 - Lecture 10: Students Presentations

Lecture 11: Management

Bassi, Vittorio, Raffaella Muoio, Tommaso Porzio, Ritwika Sen, and Esau Tugume, 2020. "Achieving Scale Collectively."

Bloom, Nicholas, Benn Eifert, Aprajit Mahajan, David McKenzie, and John Roberts, 2013. "Does Management Matter? Evidence from India." *Quarterly Journal of Economics*, 128(1), pp. 1-51.

Bloom, Nicholas, Aprajit Mahajan, David McKenzie, and John Roberts, 2020. "Do Management Interventions Last? Evidence from India." *American Economic Journal: Applied Economics*, 12(2), pp. 198-219.

Lecture 12: Experiments at Scale and Corruption

Muralidharan, Karthik, and Paul Niehaus, 2017. "Experimentation at Scale." *Journal of Economic Perspectives*, 31(4), pp. 103-124.

Muralidharan, Karthik, Paul Niehaus, and Sandip Sukhtankar, 2016. "Building State Capacity: Evidence from Biometric Smartcards in India." *American Economic Review*, 106(10), pp. 2895-2929.

Muralidharan, Karthik, Paul Niehaus, and Sandip Sukhtankar, 2020. "Identity Verification Standards in Welfare Programs: Experimental Evidence from India."