

**STANFORD UNIVERSITY
DEPARTMENT OF ECONOMICS**

**Economics 101: Economic Policy Analysis
Economic Development**

Fall 2015

Instructor

Eva Vivalt

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Office hours:

W 11:30 a.m. - 12:30 p.m., 347 Landau

Time and Location

M, W 9:30 - 11:20 a.m., 299 Lathrop

Teaching Assistant

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Prerequisites

51, 52, 102B and at least 2 field courses

Course Objective

To develop skills in order to analyze and convey economic ideas effectively.

Course Description

This course will guide students towards writing an academic paper. Classes and sections will emphasize current econometric methods. Students will be expected to come up with an interesting research question and a feasible strategy for answering it. To learn how to think and write like an economist, students will also read, present and discuss academic papers.

The papers discussed in this course will relate to development economics and best research practices.

Course Policies

No laptops, iPhones, iPads, etc. I'll post the lecture notes on the class website.

In addition, all courses taught in the Stanford Department of Economics are governed by a common set of course management rules. A document explaining these rules is available at

<http://economics.stanford.edu/undergraduate/economics-common-syllabus>.

Please familiarize yourself with these rules and contact me if you have any questions.

Grading

Individual paper and presentation: 60%

Research idea assignment: 5%

Pre-analysis plan: 5%

First draft: 10%

Final paper presentation: 10%

Final paper: 25%

Reflection on pre-analysis plan: 5%

Short writing assignments: 20%

Peer review x 2: 10% each

In-class activities: 20%

Class presentation: 10%

Class participation: 10%

No late assignments will be accepted. There will be no exceptions.

Description of Assignments

Research idea assignment (due Sept. 30)

Each student will write a concise description of 3 potential research projects. Each project description should be no more than 1-2 paragraphs, and the three together should fill 1 page single-spaced. Within each description, it should be clear exactly what the research question is, why it is an interesting question (so what?), which data will be used to answer the question, and how the question will be answered (the identification strategy).

These research questions will be reviewed, clarifying questions asked, and hopefully one or more of the ideas will be approved as a potential final paper topic. If more than one idea is approved, the student can pick any of the approved topics to write on. Grades will be assigned to each of the three research idea summaries, but only the best one will count towards the course grade. If no idea is approved, the student will have to redo the exercise, and a grade of 0 will be recorded for this portion.

Pre-analysis plan (due Oct. 14)

Each student must register with the Open Science Foundation and upload a pre-analysis plan of a minimum of 2 single-spaced pages. Guidelines will be provided as to what a pre-analysis plan should include.

While pre-analysis plans are of more use when one does not yet have the data in hand, this assignment serves two purposes: 1) to further develop the research idea and be clear on the empirical methodology; 2) to learn how to write pre-analysis plans.

First draft (due Oct. 28)

Should be a complete paper of the intended final length: 10-12 pages double-spaced. Guidance will be provided in class.

Peer reviews (due Nov. 4)

Each student will randomly be assigned to review two other students' first drafts. Your reviews will be graded on their quality, but they will not enter into the grades given to the students' first drafts.

Final paper presentation (Nov. 30 or Dec. 2)

These should be 10-15 minutes long. It is recommended that you use PowerPoint or LaTeX to create slides that provide a clear and succinct overview of your paper. Practice more than you think you need to. You may wish to form groups and practice your presentation to each other beforehand.

Final paper (due Dec. 4)

10-12 pages double-spaced. Guidance will be provided in class.

Reflection on pre-analysis plan (due Dec. 4)

Students will write a short reflection on what they learned from using a pre-analysis plan and how their research may have diverged from the plan. Students should include examples of results they could have obtained in the absence of a pre-analysis plan.

Class presentation

Each student will prepare a short (10-15 minute) presentation on one of the papers to be discussed in this class, leading the class through the paper's motivation, empirical strategy, and findings. Presentations should be clear on what the author(s) did and why and offer a thoughtful critique.

Class participation

This will be based on engagement in the classroom. Students should come to class prepared to discuss each day's readings. Students are also expected to ask good questions / make good comments on each other's presentations.

Schedule and Reading List (subject to change)

Date	Topic
Sept. 21	<p><i>Course introduction and patterns of economic development</i></p> <ul style="list-style-type: none"> - Rosling, Hans: http://www.ted.com/talks/hans_rosling_shows_the_best_stats_you_ve_ever_seen - Sen, Amartya. "The Concept of Development," <i>Handbook of Development Economics</i>, Volume 1, Edited by H. Chenery and T.N. Srinivasan, Elsevier Science Publishers, 1998. - Myrskylä, Mikko, Hans-Peter Kohler and Francesco Billari. "Advances in Development Reverse Fertility Declines", <i>Nature</i>, vol. 460 (2009).

Sept. 23	<p><i>Measuring poverty, inequality, well-being</i></p> <ul style="list-style-type: none"> - Ravallion, Martin. "On Multidimensional Indices of Poverty", <i>Journal of Economic Inequality</i>, vol. 9(2) (2011). - Frey, Bruno S. and Alois Stutzer. "What Can Economists Learn from Happiness Research?", <i>Journal of Economic Literature</i>, vol. 40(2) (2002). - Diener, Ed and Robert Biswas-Diener. "Will Money Increase Subjective Well-Being?", <i>Social Indicators Research</i>, vol. 57(2) (2002). - Pritchett, Lant. "Divergence, Big Time", <i>Journal of Economic Perspectives</i>, vol. 11 (3) (1997). - Sala-i-Martin, Xavier. "The World Distribution of Income: Falling Poverty and... Convergence, Period", <i>Quarterly Journal of Economics</i>, vol. 121(2) (2006). - Deaton, Angus. "Measuring Poverty in a Growing World (Or Measuring Growth in a Poor World)", <i>Review of Economics and Statistics</i>, vol. 87 (1) (2005).
Sept. 28	<p><i>Research credibility and transparency</i></p> <ul style="list-style-type: none"> - Casey, Katherine, Rachel Glennerster and Edward Miguel. "Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan", <i>Quarterly Journal of Economics</i>, vol. 127(4) (2012). - Brodeur, Abel, Mathias Lé, Marc Sangnier and Yanos Zylberberg. "Star Wars: The Empirics Strike Back", <i>AEJ Applied Economics</i>, forthcoming. - McKenzie, David: http://blogs.worldbank.org/impactevaluations/a-pre-analysis-plan-checklist
Sept. 30	<p><i>External validity</i></p> <ul style="list-style-type: none"> - Allcott, Hunt. "Site Selection Bias in Program Evaluation", <i>Quarterly Journal of Economics</i>, (2015). - Vivalt, Eva. "How Much Can We Generalize? Measuring the External Validity of Impact Evaluations", working paper (2015).
Oct. 5	<p><i>Aid</i></p> <ul style="list-style-type: none"> - Easterly, William. "Can the West Save Africa?", <i>Journal of Economic Literature</i>, vol. 47(2) (2009). - Burnside, Craig and David Dollar. "Aid, Policies, and Growth", <i>American Economic Review</i>, vol. 90(4) (2002). - Kuziemko, Ilyana and Eric Werker. "How Much Is a Seat on the Security Council Worth? Foreign Aid and Bribery at the United Nations", <i>Journal of Political Economy</i>, vol. 114(5) (2006). - Rajan, Raghuram and Arvind Subramanian, "Aid, Dutch Disease, and Manufacturing Growth", <i>Journal of Development Economics</i>, vol. 94(1) (2011).
Oct. 7	<p><i>Trade and FDI</i></p> <ul style="list-style-type: none"> - Donaldson, David. "Railroads of Raj: Estimating the Impact of Transportation Infrastructure", <i>American Economic Review</i>, forthcoming. - Javorcik, Beata Smarzynska. "Does Foreign Direct Investment Increase the Productivity of Domestic Firms? In Search of Spillovers Through Backward Linkages", <i>American Economic Review</i>, vol. 94(3) (2004). - Goldberg, Pinelopi K., Amit Khandelwal, Nina Pavcnik and Petia Topalova. "Imported Intermediate Inputs and Domestic Product Growth: Evidence from India", <i>Quarterly Journal of Economics</i>, forthcoming.

Oct. 12	<p><i>Private sector development</i></p> <ul style="list-style-type: none"> - De Mel, Suresh, David McKenzie and Christopher Woodruff. "Returns to Capital in Microenterprises: Evidence from a Field Experiment", Quarterly Journal of Economics, vol. 123(4) (2008). - Bloom, Nicholas, Benn Eifert, Aprajit Mahajan, David McKenzie and John Roberts. "Does Management Matter: Evidence from India", Quarterly Journal of Economics, vol. 128(1) (2013). - Hsieh, Chang-Tai and Peter J. Klenow. "Misallocation and Manufacturing TFP in China and India", Quarterly Journal of Economics, vol. 124(4) (2009).
Oct. 14	<p><i>Good governance and institutions</i></p> <ul style="list-style-type: none"> - Acemoglu, Daron, Simon Johnson and James A. Robinson. "The Colonial Origins of Comparative Development: An Empirical Investigation", American Economic Review, vol. 91(5) (2001). - Drazen, Allan and Marcela Eslava. "Electoral Manipulation via Voter-Friendly Spending: Theory and Evidence", Journal of Development Economics, vol. 92(1) (2010). - Olken, Ben. "Monitoring Corruption: Evidence from a Field Experiment in Indonesia", Journal of Political Economy, vol. 115(2) (2007).
Oct. 19	<p><i>Conflict</i></p> <ul style="list-style-type: none"> - Blattman, Chris and Jeannie Annan. "The Consequences of Child Soldiering", The Review of Economics and Statistics, vol. 92(4) (2010). - Miguel, Edward, Shanker Satyanath and Ernest Sergenti. "Economic Shocks and Civil Conflict: An Instrumental Variables Approach", Journal of Political Economy, vol. 112(4) (2004).
Oct. 21	<p><i>Behavioral influences</i></p> <ul style="list-style-type: none"> - Banerjee, Abhijit and Sendhil Mullainathan. "The Shape of Temptation: Implications for the Economic Lives of the Poor", working paper (2010). - Ashraf, Nava, Dean Karlan and Wesley Yin. "Tying Odysseus to the Mast: Evidence from a Commitment Savings Product in the Philippines", Quarterly Journal of Economics, vol. 121(2) (2006).
Oct. 26	<p><i>Health</i></p> <ul style="list-style-type: none"> - Kremer, Michael and Edward Miguel. "Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities", Econometrica, vol. 72(1) (2004). - Cohen, Jessica and Pascaline Dupas. "Free Distribution or Cost-Sharing? Evidence from a Randomized Malaria Prevention Experiment", Quarterly Journal of Economics, vol. 125(1) (2010).
Oct. 28	<p><i>Education</i></p> <ul style="list-style-type: none"> - Maccini, Sharon and Dean Yang. "Under the weather: health, schooling, and economic consequences of early-life rainfall", American Economic Review, vol. 99(3) (2009). - Baird, Sarah, Craig McIntosh and Berk Ozler. "Cash or Condition? Evidence from a Cash Transfer Experiment", Quarterly Journal of Economics, vol. 126 (4) (2011).
Nov. 2	<p><i>Gender</i></p> <ul style="list-style-type: none"> - Beaman, Lori, Raghavendra Chattopadhyay, Esther Duflo, Rohini Pande and Petia

	<p>Topalova. "Powerful Women: Does Exposure Reduce Bias?" Quarterly Journal of Economics, vol. 124(4) (2009).</p> <p>- Bandiera, Oriana, Niklas Buehren, Robin Burgess, Markus Goldstein, Selim Gulesci, Imran Rasul and Munshi Sulaiman. "Women's Empowerment in Action: Evidence from a Randomized Control Trial in Africa", working paper (2014).</p>
Nov. 4	<p><i>Environment</i></p> <p>- Grossman, Gene and Alan Krueger. "Economic Growth and the Environment", Quarterly Journal of Economics, vol. 110(2) (1995).</p> <p>- Hsiang, Solomon, Marshall Burke and Edward Miguel. "Quantifying the Influence of Climate on Human Conflict", Science, vol. 341(6151) (2013).</p>
Nov. 9	<p><i>Migration and employment</i></p> <p>- Michael Clemens. "Economics and Emigration: Trillian-Dollar Bills on the Sidewalk?", Journal of Economic Perspectives, vol. 25(3) (2011).</p> <p>- Şahin, Ayşegül, Joseph Song, Giorgio Topa, and Giovanni L. Violante. "Mismatch Unemployment", American Economic Review, vol. 104(11) (2014).</p>
Nov. 11	<p><i>Innovation</i></p> <p>- Dercon, Stefan and Luc Christiaensen. "Consumption Risk, Technology Adoption and Poverty Traps: Evidence from Ethiopia", Journal of Development Economics, vol. 96(2) (2011).</p> <p>- Aghion, Philippe and Peter Howitt. "A Model of Growth Through Creative Destruction", Econometrica, vol. 60(2) (1992).</p> <p>- Hausmann, Ricardo and Dani Rodrik. "Economic Development as Self-Discovery", Journal of Development Economics, vol. 72(2) (2003).</p>
Nov. 16	No class. Individual meetings with professor
Nov. 18	<p><i>Apps for development</i></p> <p>- Aker, Jenny C. and Isaac M. Mbiti. "Mobile Phones and Economic Development in Africa", Journal of Economic Perspectives 24(3) (2010).</p> <p>- Jensen, Robert. "The Digital Provide: Information (Technology), Market Performance and Welfare in the South Indian Fisheries Sector", Quarterly Journal of Economics, vol. 122(3) (2007).</p>
Nov. 30	Presentations
Dec. 2	Presentations