

Prof. Aymo Brunetti
Department of Economics
University of Bern
Schanzeneckstr. 1, Office A216
E-Mail: aymo.brunetti@vwi.unibe.ch

Dr. Konstantin Büchel
Department of Economics
University of Bern
Schanzeneckstr. 1, Office A205
E-Mail: konstantin.buechel@vwi.unibe.ch

Development Economics

The course treats the main topics of Development Economics with a focus on empirical research. The course is mainly based on the textbook

Gérard Roland (2014): *Development Economics*, Boston: Pearson

which covers most topics in an accessible and insightful way. The disadvantage of the book is, however, that it is rather expensive. We will, therefore, provide 5 copies of the book in the library. Bugeno has also ordered a number of copies in case you want to buy the book.

Some topics will be supplemented with **additional texts** that are also mandatory reading for the course. You find these texts on the Ilias platform.

For many of the topics the syllabus provides recommendations for optional reading.

Time: Wednesday, 14.15-16.00

Place: Zoom: <https://unibe-ch.zoom.us/j/95839778027?pwd=Ylo2QUR2akFpbkNGNkICTk1ZSG9pQT09>

Assistant: Carla Coccia, Office: A210 UniS, Email: carla.coccia@students.unibe.ch

Exam: Wednesday, 02.06.2021

PROGRAM

I. INTRODUCTION

The Development Gap and Poverty

24.2. / 3.3.

Roland (2014), Chapters 1 and 2

Recommended but optional

Banerjee, Abhijit and Esther Duflo (2007): The Economic Lives of the Poor, *Journal of Economic Perspectives* 21, pp. 141-167.

II. MACROECONOMICS OF ECONOMIC DEVELOPMENT

Economic Growth and Structural Change

3.3.

Roland (2014), Chapters 4 and 5 (only pp 113-128)

Recommended but optional

Michael, Kremer (1993): Population Growth and Technological Change: One Million B.C. to 1990, *The Quarterly Journal of Economics* 108, pp. 681-716.

Jones, Charles (2016): The Facts of Economic Growth, in *Handbook of Macroeconomics*.

McMillan, Margret, Dani Rodrik and Inigo Verduzco-Gallo (2014): Globalization, Structural Change and Productivity Growth, with an Update on Africa, *World Development* 63, pp. 11-32.

Trade & Exchange Rates

10.3.

Roland (2014), Chapter 6

Recommended but optional

Yati, Eduardo and Federico Sturzenegger (2010): “Monetary Exchange Rate Policies.” Published in Dani Rodrik and Mark Rosenzweig (Editors): *Handbook of Development Economics, Volume 5*. Amsterdam: North-Holland.

Development Strategies

10.3.

Roland (2014), Chapter 5 (pp 128-141)

Recommended but optional

Williamson, John (2004); “The Washington Consensus as a Prescription for Development”, lecture at the World Bank: <https://piie.com/publications/papers/williamson0204.pdf>

III. INSTITUTIONS AND ECONOMIC DEVELOPMENT

The Role of Institutions

17.3.

Roland (2014), Chapter 7

Recommended but optional

Acemoglu, Daron, Simon Johnson and James Robinson (2001): The Colonial Origins of Comparative Development: An Empirical Investigation, *American Economic Review* 91, pp. 1369-1401.

Acemoglu, Daron, Simon Johnson and James Robinson (2005): "Institutions as a Fundamental Cause of Long-Run Growth." Published in Philippe Aghion and Steven Durlauf (Editors): *Handbook of Economic Growth, Volume 1A*. Amsterdam: North-Holland.

Political and Legal Institutions

17.3. / 24.3.

Roland (2014), Chapters 9 and 10 (only pp 264-275)

Recommended but optional

Acemoglu, Daron, Suresh Naidu, Pascual Restrepo and James Robinson (2014): Democracy Does Cause Growth. NBER Working Paper 20004; forthcoming *Journal of Political Economy*.

La Porta, Rafael, Florencio Lopez-de-Silanes and Andrei Shleifer (2008): The Economic Consequences of Legal Origins, *Journal of Economic Literature* 46, pp. 285-332.

Property Rights and Corruption

31.3.

Roland (2014), Chapters 13 (only pp.340-352) and 19

Recommended but optional

De Soto, Hernando (1989): *The Other Path: The Invisible Revolution in the Third World*, New York: Harper & Row Publishers.

Shleifer, Andrei and Robert Vishny (1993): Corruption, *Quarterly Journal of Economics*, 108, pp. 599-617.

Brunetti, Aymo and Beatrice Weder (2003): A Free Press Is Bad News for Corruption, *Journal of Public Economics* 87, pp. 1801-1824.

Olken, Benjamin (2012): Corruption in Developing Countries, *Annual Review of Economics* 4, pp. 479-509.

IV. MICROECONOMICS OF ECONOMIC DEVELOPMENT

Poverty Traps and Nutrition

14.4.

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 1: Think Again, Again. London: Penguin Books.

Recommended but optional: Poverty Traps

Balboni, Clare, Oriana Bandiera, Robin Burgess, Maitreesh Ghatak, and Anton Heil (2020): Why Do People Stay Poor? CEPR Discussion Paper No. 14534.

Blattmann, Christoph, Nathan Fiala, and Sebastian Martinez (2020): The Long-Term Impacts of Grants on Poverty: Nine-Year Evidence from Uganda's Youth Opportunities Program. *American Economic Review: Insights* 2, pp. 287-304

Kraay, Aart and David McKenzie (2014): Do Poverty Traps Exist? Assessing the Evidence, *Journal of Economic Perspectives* 28, pp. 127-148

Recommended but optional: Nutrition

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 2: A Billion Hungry People? London: Penguin Books.

Fertility choice

21.4.

Roland (2014), Chapter 3

Recommended but optional

Ray, Debraj (1998): *Development Economics*, Chapter 9: Population Growth and Economic Development. New Jersey: Princeton University Press.

Health Care

28.4.

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 3: Low-Hanging Fruit of Better (Global) Health? London: Penguin Books.

Recommended but optional

Bleakley, Hoyt (2010): Malaria Eradication in the Americas: A Retrospective Analysis of Childhood Exposure, *American Economic Journal: Applied Economics* 2, pp. 1-45.

Dupas, Pascaline (2011): Health Behavior in Developing Countries, *Annual Review of Economics* 3, pp. 425-449.

Education I

5.5.

Roland (2014), Chapters 17

Recommended but optional

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 4: Top of the Class. London: Penguin Books.

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

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

Muralidharan, Karthik (2017): "Field Experiments in Education in Developing Countries", in Abhijit Banerjee and Esther Duflo (Editors): *Handbook of Field Experiments, Volume 2*. Amsterdam: North-Holland.

Education II

12.5.

Büchel, Konstantin, Martina Jakob, Christoph Kühnhanss, Daniel Steffen and Aymo Brunetti (2020): The Relative Effectiveness of Teachers and Learning Software: Evidence from a Field Experiment in El Salvador, Department of Economics, University of Bern Discussion Paper 20-06.

Recommended but optional

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

Bold, Tessa, Deon Filmer, Ezequiel Molina and Jakob Svensson (2019): The Lost Human Capital: Teacher Knowledge and Student Achievement in Africa World Bank Policy Research Working Paper No. 8849.

Credit and Insurance Markets

19.5. / 26.5.

Roland (2014), Chapter 15

Recommended but optional

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 6: Barefoot Hedge-Fund Managers. London: Penguin Books.

Banerjee, Abhijit and Esther Duflo (2011): *Poor Economics*, Chapter 7: The Men from Kabul and the Eunuchs of India: The (Not So) Simple Economics of Lending to the Poor. London: Penguin Books.

Special Issue of the *American Economic Journal: Applied Economics* on the Impact Evaluation of Microcredits: 2015, Volume 7, Issue 1.

Meager, Rachel (2019): Understanding the Average Impact of Microcredit Expansions: A Bayesian Hierarchical Analysis of Seven Randomized Experiments. *American Economic Journal: Applied Economics* 11, pp. 57-91.