

Plan for Econ 1910 – Spring 2014

Reading list

There are two core books in this course:

- (BD) Abhijit Banerjee, Esther Duflo: *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*, PublicAffairs, 2011.
- (Ray) Debraj Ray: *Development Economics*, Princeton University Press, 1998.

Note that material is often overlapping, but usually has a very different focus: Ray is more focused on the theoretical parts, while BD are more focused on the empirical parts. Hopefully, they work well together. We also provide some additional readings to the individual lectures.

Practicalities

- 13 lectures (no lecture on Feb 19, March 19, April 1, April 16)
 - First part: Tarjei Havnes
 - Second part: Anirban Mitra
- 6 seminars (see the course web page for the schedule)
- Mandatory assignment: 3 of 5 essays you write for the seminars (see below).
 - deadline: Tuesday May 6 at 12:00, submit in frontier
 - you must pass this to be allowed to sit the exam
- 3 hour exam on May 28 at 09:00 (no resources allowed)
- Important messages will be posted on the course web page. Check the course web page before each lecture and before each seminar.

Seminars and mandatory assignment

Seminar leaders: Martin Flatø and Marte Grønvold

- Assignments will combine exercises and short essays (except first seminar).
- You are all expected to prepare by making a real effort to solve the exercise, write/sketch a short essay, and read all the distributed essays before coming to class.
- Solve the exercise together in class.
- Each session, 4–5 of you will be assigned responsibility to prepare the essay in advance.
 - submit a pdf-file in fronter, in a separate folder for each seminar
 - 7,500–10,000 characters, i.e. 3–4 pages of text + potential graphs, equations etc. No more than 5 pages in total!
 - you are also responsible for presenting your own essay in the seminar, and discuss it in relation to the other essays
 - this means that you have a particular responsibility to read the other submitted essays
- Tuesday May 6 at 12:00, 3 of your (potentially revised) essays should be submitted as your mandatory assignment.
 - submit a pdf-file in fronter, in a separate folder for each topic/seminar
 - indicate your name and character count at the top of each essay
 - you need to pass to sit the exam, results available on Monday May 12 at 10:00
 - if you fail, you will be given a second chance to solve an exercise made available on Monday May 12 at 10:00, due on Wednesday May 14 at 10:00

Lecture plan

1. Introduction

- Ray chapter 1–2
- Human development report 2010, chapter 1–2

2. Investment and growth

- Ray chapter 3–5

3. Poverty traps and social experiments

- BD chapter 1–4

4. Measuring poverty and inequality

- Ray chapter 6, 8.2

5. Inequality and development

- Ray chapter 7

6. Families, fertility, and gender

- Ray chapter 9
- BD chapter 5

7. International trade

- Ray chapter 16

8. Agricultural production - moral hazard

- Ray chapter 11–12

9. Risk and insurance - adverse selection

- BD chapter 6

10. Credit markets

- BD chapter 7–8
- Ray chapter 14

11. Institutions

- BD chapter 10

12. Ethnicity, class and conflict

13. Wrap-up