

4915 Development Economics

Seminar 3 Health and Aid - spring 2009

1. What are reasonable measures of health in a population?
2. Discuss various ways in which health can increase economic productivity. Does a positive relationship between health and income prove that income improves health? Why not and how would you test the causal effect of health on some economic outcome?
3. The “Worms” paper by Kremer and Miguel (2004 *Econometrica*) (discussed in Glennester et al) was highly influential. What was their main findings and how did they arrive at these conclusions. Take a brief search on the internet for “worm wars” “kremer miguel” and you will see that their analysis has been contested. What was wrong and did it matter for their conclusions? Question
4. What is the “know - do” gap in the supply of health care services. What can explain this gap and can incentives - performance pay - help closing it?
5. There are different camps in the view of how development aid affect the economy in recipient countries. Simplifying quite a bit one could say that there are optimists (fronted by Jeffrey Sachs) and pessimists (fronted by William Easterly). List and discuss the possible arguments on both sides. (You can probably come up with these arguments yourself, but if you need fuel just browse the Sachs and Easterly names on youtube or other channels and there will be lots of interesting debates to get inspiration from).