

Econ. 360 Economic Development
George Mason University, Spring 2013
TTh 1:30 - 2:45 PM, Room: Robinson A247

Instructor: Noel D. Johnson

Email: njohnsoL@gmu.edu

Office Location: Carow 8

Office Hours: Tuesdays 5:00 to 7:00 PM or by appointment.

Course Webpage: <http://bit.ly/yXH41c>

Course Description

In this course, we will study different facets of human development at both the microeconomic and macroeconomic level. The two big themes we will explore are: (1) “Why is there so much income inequality in the world today?” and (2) “What can be done about this inequality?” Emphasis will be placed on relating theory to empirical evidence. As such, you should be willing to learn some econometrics (which I will teach you) in order to succeed in this class.

Course Requirements

Your course grade will be based on the following

1. Two midterm exams each worth 25% of your final grade. The dates of the midterms are approximately placed in the course outline.
2. A comprehensive final exam worth 40% of your grade. The final will be given during the university assigned final exam time. If you miss the Final without a university sanctioned excuse (I *will* ask for documentation), then you will receive an F for the course. If you miss one (or both) of the midterms, then you may not “re-take” it. The weight of your final will be increased accordingly (e.g. if you miss one midterm, your final will be worth 65%).
3. Attend class, read the articles, and participate in class. This is worth 10% of your grade.

If you wish to dispute the grading of an exam you must submit a typed request making explicit reference to the problem(s) along with the original test within three class periods. I will then review your arguments and decide if a mistake was made. Under no circumstances will I discuss grading with a student until after I have received and reviewed the written complaint. Office hours are for me to help you understand course material, not for grade disputes.

Course Materials

The only required book for the course is:

Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs.

We will also be reading many articles which are available for download on the class's Evernote page accessed via a link on the course webpage found at <http://bit.ly/yXH41c>. In addition, most of the readings can be downloaded from either JSTOR, the NBER Working Papers archive, or EconLit through the GMU libraries research databases page. You are required to acquire these papers and read them before the class in which they are covered. You are expected to know the readings for the exams.

Some Important Dates

First Day of Classes: 1/22

Spring Break: 3/11 to 3/15

Last Day of Classes: 5/2

Final Exam: 5/14 from 1:30 to 4:15

PLEASE NOTE: COURSE POLICIES

1. George Mason University Honor System and Code

Honor Code

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. Cheating, plagiarism, lying, and stealing are all prohibited.

All violations of the Honor Code will be reported to the Honor Committee.

Plagiarism (statements from Mason Web Site)

Plagiarism means using the exact words, opinions, or factual information from another person without giving that person credit.

<http://mason.gmu.edu/montecin/plagiarism.htm#plagiarism>

Please familiarize yourself with the Honor System and Code, as stated in the George Mason University Undergraduate Catalog. When you are given an assignment as an individual, the work must be your own. Some of your work may be collaborative; source material for group projects and work of individual group members must be carefully documented for individual contributions.

<http://mason.gmu.edu/montecin/plagiarism.htm>

2. Class Registration

Students are responsible for verifying the accuracy of their own schedules. Students need to check PatriotWeb regularly to verify that they are registered for the classes that they think they are. This is particularly important since students are no longer dropped for nonpayment. ? Faculty

may not allow a student who is not registered to continue to attend class and may not grade the work of students who do not appear on the official class roster.

Deadlines each semester are published in the Schedule of Classes available from the Registrar's Web Site registrar.gmu.edu

After the last day to drop a class, withdrawing from this class requires the approval of the dean and is only allowed for nonacademic reasons. ? Undergraduate students may choose to exercise a selective withdrawal. See the Schedule of Classes for selective withdrawal procedures.

3. Accommodations for students with disabilities:

If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Resources at 703-993-2474. All academic accommodations must be arranged through that office.

The need for accommodations should be identified at the beginning of the semester and the specific accommodation has to be arranged through the Office of Disability Resources. Faculty cannot provide accommodations to students on their own (e.g. allowing a student extra time to complete an exam because the student reports having a disability).

Course Outline

I. Introduction

- (1) Chapter 1 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (2) Pritchett, L. (1997). Divergence, big time. *Journal of Economic Perspectives*, 11(3):3–17
- (3) Olson, M. (1996). Distinguished lecture on economics in government: Big bills left on the sidewalk: Why some nations are rich, and others poor. *Journal of Economic Perspectives*, 10(2):3–24
- (4) Lamoreaux, N. R. (2011). The mystery of property rights: A u.s. perspective. *The Journal of Economic History*, 71:275–306

II. Methods

- (5) Freedman, D. (1989). Statistical models and shoe leather. *Mathematical Social Sciences*, 18(2):192–192
- (6) Ravallion, M. (2001). The mystery of the vanishing benefits: An introduction to impact evaluation. *World Bank Economic Review*, 15:115–140
- (7) Appendix on “How to Read a Regression Table” in Meier, G. and Rauch, J. (2000). *Leading issues in economic development*. Oxford University Press
- (8) Easterly, W. (2003). Can foreign aid buy growth? *Journal of Economic Perspectives*, 17(3):23–48

Midterm 1

III. Historical Origins

A. Colonialism

- (9) Acemoglu, D., Johnson, S., and Robinson, J. A. (2001). The colonial origins of comparative development: An empirical investigation. *The American Economic Review*, 91(5):1369–1401
- (10) Sokoloff, K. L. and Engerman, S. L. (2000). History lessons: Institutions, factor endowments, and paths of development in the new world. *Journal of Economic Perspectives*, 14(3):217–32
- (11) Nunn, N. (2008). The long-term effects of africa’s slave trades. *Quarterly Journal of Economics*, Vol, 123(1):pg. 139–176

B. Malthusian Arguments

- (12) Clark, G. (2007). Genetically capitalist? the malthusian era, institutions, and the formation of modern preferences

- (13) Pages 681 to 687 of Kremer, M. (1993). Population growth and technological change: One million b.c. to 1990. *The Quarterly Journal of Economics*, 108(3):681–716
- (14) Nunn, N. and Qian, N. (2011). The potato’s contribution to population and urbanization: Evidence from a historical experiment. *The Quarterly Journal of Economics*, 126(2):593–650

IV. Microeconomics of Development

A. Population Growth and Family Structure

- (15) Chapter 5 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (16) Dupas, P. (2011). Do teenagers respond to hiv risk information? evidence from a field experiment in kenya. *American Economic Journal: Applied Economics*, 3(1):1–34

B. Health

- (17) Chapters 2 and 3 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (18) Almond, D. (2006). Is the 1918 influenza pandemic over? longterm effects of in utero influenza exposure in the post1940 u.s. population. *Journal of Political Economy*, 114(4):pp. 672–712

C. Weather

- (19) Maccini, S. and Yang, D. (2009). Under the weather: Health, schooling, and economic consequences of early-life rainfall. *American Economic Review*, 99(3):1006–26
- (20) Anderson, R. W., Johnson, N. D., and Koyama, M. (2012). From the persecuting to the protective state: Weather shocks and jewish expulsions from 1100 to 1800

D. Education

- (21) Chapter 4 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (22) Chaudhury, N., Hammer, J., Kremer, M., Muralidharan, K., and Rogers, F. H. (2006). Missing in action: Teacher and health worker absence in developing countries. *Journal of Economic Perspectives*, 20(1):91–116

Midterm 2

E. Entrepreneurship and Culture

- (23) Chapter 9 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (24) Hoff, K. and Pandey, P. (2011). Identity and development. manuscript

- (25) Frank, R. H. (1996). The political economy of preference falsification: Timur kuran's private truths, public lies. *Journal of Economic Literature*, 34(1):115–123
- (26) Mullainathan, S. (2006). Development economics through the lens of psychology

V. Political Economy

- (27) Chapter 10 in Banerjee, A. and Duflo, E. (2011). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs
- (28) North, D. C., Wallis, J. J., and Weingast, B. (2010). Limited access orders: An introduction to the conceptual framework
- (29) Chapters 1 and 2 of Scott, J. (1998). *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*. Yale Agrarian Studies. Yale University Press
- (30) Robinson, J. A. (2002). States and power in africa by jeffrey i. herbst: A review essay. *Journal of Economic Literature*, 40(2):510–519
- (31) Johnson, N. D. and Koyama, M. (2011). Taxes, lawyers, and the decline of witch trials in france. MPRA Paper 34266, University Library of Munich, Germany
- (32) Clemens, M. A. (2011). Economics and emigration: Trillion-dollar bills on the sidewalk? *Journal of Economic Perspectives*, 25(3):83–106

Comprehensive Final Exam on 5/14

References

- Acemoglu, D., Johnson, S., and Robinson, J. A. (2001). The colonial origins of comparative development: An empirical investigation. *The American Economic Review*, 91(5):1369–1401.
- Almond, D. (2006). Is the 1918 influenza pandemic over? longterm effects of in utero influenza exposure in the post1940 u.s. population. *Journal of Political Economy*, 114(4):pp. 672–712.
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- Frank, R. H. (1996). The political economy of preference falsification: Timur kuran’s private truths, public lies. *Journal of Economic Literature*, 34(1):115–123.
- Freedman, D. (1989). Statistical models and shoe leather. *Mathematical Social Sciences*, 18(2):192–192.
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- Lamoreaux, N. R. (2011). The mystery of property rights: A u.s. perspective. *The Journal of Economic History*, 71:275–306.
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- Meier, G. and Rauch, J. (2000). *Leading issues in economic development*. Oxford University Press.
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World Bank Economic Review, 15:115–140.

Robinson, J. A. (2002). States and power in africa by jeffrey i. herbst: A review essay. *Journal of Economic Literature*, 40(2):510–519.

Scott, J. (1998). *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*. Yale Agrarian Studies. Yale University Press.

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