

Syllabus Fall 2018
Harvard Kennedy School of Government
Harvard University

**ECONOMIC DEVELOPMENT: THEORY, EVIDENCE AND POLICY DESIGN
DEV 101/Ec2326**

Class in Fall 2018: Tues/Thurs 10:15-11:30am, Littauer Building (HKS) L-140

Fall Review sessions: Friday 1:15-2:30pm or 2:45-4:00pm, L-230

First day of class is Thursday, September 6th, 2018

Professor Rohini Pande
Rubenstein-340

Office hours:

Wednesdays 4-6 pm (sign up [here](#))

Assistant: Cori Simmons
Office: Littauer-301
Email: cori_simmons@hks.harvard.edu

Professor Dani Rodrik
Rubenstein-334

Office hours:

Wednesdays 10-11:45 am (sign-up sheet posted weekly on door)

Assistant: Jessica De Simone
Office: Rubenstein 131A
Email: jessica_de_simone@hks.harvard.edu

COURSE INFORMATION

DEV-101 is a semester-long course that evaluates theories of economic (under)development with a focus on political economy. It scrutinizes empirical evidence to understand key features of the economic and political development processes across countries. To do so, the course will utilize analytical frameworks, grounded in economic theory, that examine the determinants of factor accumulation by individuals, firms and societies. Drawing on empirical evidence on individual and societal behavior, we will evaluate the relevance of these frameworks for diagnosing root causes of economic development. Finally, it will use country case studies to develop an understanding of how the judicious use of theory and empirics can provide guidance for economic and governance reforms. The course has broad sections: (i) Analytical frameworks for understanding economic growth, institutional outcomes and factor accumulation; (ii) Individual determinants and returns to investment in human capital (health and education), financial capital (credit markets, savings behavior) and the role of behavioral economics, (iii) resource misallocation within and across households, poverty traps, learning and coordination and their impacts on productivity; (iv) reform and policy design. In the Spring, DEV-102 will use these frameworks to examine the design of development policies.

Teaching fellow:

Shweta Bhogale sbhogale@g.harvard.edu

Course assistants:

Pascuala Dominguez pad792@student.hks.harvard.edu

Nathaniel Little nal147@student.hks.harvard.edu

Rifaiyat Mahbub sym319@student.hks.harvard.edu

Office Hours:

Thurs 3:00-5.00 pm

COURSE REQUIREMENTS AND GRADING

General requirements

Students are required to attend two lectures and one review session each week. Review sessions will discuss material from the lecture, cover complementary material, and provide a forum to debate and discuss questions about the material with fellow students. Students are expected to have read the required readings *before* class, as lectures and class discussions will draw heavily on their key ideas and results.

Grading rubric

The course grade will be assigned based on the following components:

- Seven short reading responses (7%)
- Three assignments (33%)
- Midterm (20%)
- Final (40%)

Assignments and exams

The assignments and exams will test understanding of concepts taught in lectures and review sections, and the ability to apply these insights to policy situations. Exam material will be taken from both the lecture and review sessions. We will have one solo DEV 101 assignment and two joint assignments with other required MPA/ID courses – one joint with API-209 Advanced Quantitative Methods I and one joint with DEV401Y Applications and Cases in International Development. Assignments are to be submitted in the (physical) drop box before the first class of the day (i.e., 10:10 am on Tu/Th and 11:40 am on M/W). Non-MPA/ID students need not be enrolled in both classes. The joint assignments can be done as stand-alone DEV-101 assignments. Assignments will be returned via mail folders in the MPA/ID office area.

At seven regularly spaced intervals during the semester students will be required to provide short responses to questions based on identified readings and lecture content. Responses will require students to think critically about the reading and will be graded on a 0, check, check+ scale. Short responses are to be submitted through the CANVAS system on Fridays by 5pm on the dates indicated below.

READING LIST INFORMATION

The reading list below indicates the URLs for those papers that can be downloaded from the internet. The majority of the papers and articles for this course are available online and are easily accessible through these links. If the links become broken then you can find the articles by searching Harvard library's E-Journals using the following link: http://sfx.hul.harvard.edu/sfx_local/az/, which can also be reached by the following steps: <http://www.harvard.edu/> → "Resources & Offices" → "Library and Academic Resources" → "Find E-Journals". Type in the journal name and select a database that has issues for the year of the article. Each database is set up differently, but the citation will have all the information necessary to obtain the article.

All further reading that is not available online will be placed on reserve in the HKS library. *Please check the class page frequently for announcements and other information.*

ELIGIBILITY

The class is a core requirement for students in the MPA/ID program. The course is cross-listed at FAS as Ec2326. Non MPA/ID students will be admitted only with the permission of the instructor, after filling a form that will be available on first day of class. Students are expected to have strong background in microeconomics and statistics, as well as reasonable facility with multivariable calculus.

CLASSROOM POLICY

Students are required to bring their name cards to every class. Participation in discussions is highly encouraged. Electronics must not be used during class unless specifically permitted (no use of laptops, cell phones off). To maintain class decorum, side conversations must be avoided at all times, food/drink should be consumed responsibly, and students should leave class for emergencies only.

ACADEMIC INTEGRITY

Students are encouraged to work together and discuss class material and assignments. What is important is the eventual understanding of material achieved, and less about how that is achieved. Any exam, paper or assignment you submit is presumed to be your own original work, so if you do – as you will – use words or ideas written by other people, please make sure to cite these appropriately, and to indicate other students with whom you have collaborated. More information about Harvard's policies on academic integrity may be found in the Student Handbook.

IMPORTANT DATES AND COURSE STRUCTURE

	Day	Date	Topic	Professor
			Part 1: Looking back and looking forward	
1	Thurs	Sept 6	Course introduction: what the data tell us a. Historical patterns in growth and poverty b. Recent trends: Changing growth patterns and emerging poverty clusters c. Recent trends: Changing patterns in urbanization and environmental degradation	Pande
2	Tues	Sept 11	Industrial revolution and the great divergence	Rodrik
3	Thurs	Sept 13	Economic exchange and trade	Pande
	Fri	Sept 14	Round #1 – Send in your short response by 5pm	
4	Tues	Sept 18	Economic growth and growth accounting	Rodrik
5	Thurs	Sept 20	Country studies: contemporary perspectives on growth and development policy (case coordination)	Pande/Rodrik
	Fri	Sept 21	Country studies: part 2 at WEX436	Pande/Rodrik
6	Tues	Sept 25	Review Session	Bhogale
	Wed	Sept 26	ASSIGNMENT #1 DUE in drop box by 11:40am	
			Part 2: The role of institutions and politics in development	
7	Thurs	Sept 27	Introduction to political economy	Pande
	Fri	Sept 28	Round #2 – Send in your short response by 5pm	
8	Tues	Oct 2	The political economy of market-supporting institutions	Rodrik
9	Thurs	Oct 4	Interests, ideas, and institutions	Rodrik
			Part 3: Factor accumulations	
10	Tues	Oct 9	Human capital accumulation: Health and education	Pande

	Day	Date	Topic	Professor
11	Thurs	Oct 11	Human capital accumulation: health and education	Pande
	Fri	Oct 12	Round #3 – Send in your short response by 5pm	
12	Tues	Oct 16	Financial capital accumulation	Pande
13	Thurs	Oct 18	Using behavioral economics to understand accumulation	Pande
14	Tues	Oct 23	MIDTERM	
			Part 4: Why things fall apart	
15	Thurs	Oct 25	Norms, power, and factor accumulation: an application to gender	Pande
	Fri	Oct 26	Round #4 – Send in your short response by 5pm	
16	Tues	Oct 30	Productivity growth: misallocation, learning and coordination	Rodrik
17	Thurs	Nov 1	Productivity growth: misallocation, learning and coordination	Rodrik
18	Tues	Nov 6	ASSIGNMENT #2 DUE (joint with API-209) in drop box by 10:10am Productivity growth: labor market and poverty traps	Pande
19	Thurs	Nov 8	Governance and Environmental Policy	Pande
	Fri	Nov 9	Round #5 – Send in your short response by 5pm	
			Part 5: Reform and policy design	
20	Tues	Nov 13	Analytics of economic reform	Rodrik
21	Thurs	Nov 15	Growth diagnostics	Rodrik
	Fri	Nov 16	Round #6 – Send in your short response by 5pm	
22	Tues	Nov 20	Productive development policies	Rodrik
23	Tues	Nov 27	Developing countries in the world economy	Rodrik
24	Thurs	Nov 29	Return to country studies	Pande/Rodrik
	Fri	Nov 30	Return to country studies Round #7 – Send in your short response by 5pm	Pande/Rodrik
25	Tues	Dec 4	Wrap up discussion	Rodrik
26	Thurs	Dec 6	Review Session	Bhogale
	Fri	Dec 7	ASSIGNMENT #3 DUE (joint with DEV 401Y) in drop box by 11:40am	
	Wed	Dec 12	FINAL EXAM (2-5pm)	

COURSE OUTLINE AND READINGS

Required readings are marked with a star (*); recommended readings are not starred.

Most required readings are available online (by clicking on the title). Readings not available online can be found on reserve at the HKS library. See above description for more detailed instructions.

1. Course introduction: What the data tells us (September 6, RP)

* Page, Lucy and Rohini Pande. "Ending Global Poverty: Why money isn't enough," *Journal of Economic Perspectives*, Fall 2018.

2. Industrial Revolution and the great divergence (September 11, DR)

*Allen, Robert C., *Global Economic History: A Very Short Introduction*, Oxford University Press, 2011, chapter 3, pp. 27-39.

* Mokyr, Joel, "[The European Enlightenment, the Industrial Revolution, and Modern Economic Growth](#)," European University Institute, Florence, 2007.

*Acemoglu, Daron, Simon Johnson, and James A. Robinson. 2002. "[The Rise of Europe: Institutional Change and Economic Growth](#)," *American Economic Review*, 95(3): 546-579.

Mokyr, Joel. 1999. "Editor's Introduction: The New Economic History and the Industrial Revolution," in Joel Mokyr, ed., *The British Industrial Revolution: an Economic Perspective*. Boulder: Westview Press, 2nd ed., pp. 1-127. (***On Reserve***)

Clark, Gregory. 2007. *A Farewell to Alms: A Brief Economic History of the World*. Princeton University Press, chaps. 10-13. (***On Reserve***)

Galor, Oded and Andrew Mountford. 2008. "[Trading Population for Productivity: Theory and Evidence](#)," *Review of Economic Studies*, 75(4): 1143-1179.

Engerman, Stanley L. and Kenneth L. Sokoloff. 1997. "[Factor Endowments, Institutions and Differential Paths of Growth among New World Economies: A View from Economic Historians of the United States](#)," in Stephen Huber, ed., *How Latin America Fell Behind*. Stanford: Stanford University Press, and NBER Working Papers Series on Historical Factors in Long-Run Growth, No. 66, December 1994.

North, Douglass C. 1990. *Institutions, Institutional Change and Economic Performance*. New York: Cambridge University Press. (***On Reserve***)

3. Economic exchange and trade (September 13, RP)

* Greif, Avner. 2000. "[The Fundamental Problem of Exchange](#)," *Review of European Economic History*, 4: 251-84.

* Casson, Mark and John S. Lee. 2011. "[The Origin and Development of Markets: A Business History Perspective](#)." *Business History Review*, 85(1): 9-37.

Greif, Avner and Guido Tabellini. 2010. "Cultural and institutional bifurcations: China and Europe compared," *American Economic Review, Papers and Proceedings*, 100: 135-140.

Stiglitz, Joseph E. 1989. "Markets, market failures, and development," *The American Economic Review*, 79(2): 197-203.

Greif, Avner. 2006. "The Birth of Impersonal Exchange," *Journal of Economic Perspectives*, 20(2): 221-236.

Greif, Avner. 1992. "Intuitions and International Trade: Lessons from the Commercial Revolution." *American Economic Review*, 82(2): 128-133.

Bubb, Ryan, Supreet Kaur, and Sendhil Mullainathan. 2018. "The Limits of Neighborly Exchange," Working Paper.

4. Economic growth and growth accounting (September 18, DR)

* Caselli, Francesco. 2005. "[Accounting for Income Differences Across Countries](#)," chapter 9 in the *Handbook of Economic Growth*, Vol. 1A. P. Aghion and S. Durlauf, eds., North Holland. (*On Reserve*)

* Charles I. Jones, "[The Facts of Economic Growth](#)," NBER Working Paper No. 21142, May 2015.

* Conference Board, [Total Economy Database, Growth Accounting and Total Factor Productivity](#), 1990-2014. This is a database. Look at and understand the growth decompositions for four countries that interest you.

Weil, David. 2007. "Accounting for the Effect of Health on Economic Growth," *Quarterly Journal of Economics*, 122(3): 1265-1306.

Mankiw, N. Gregory, David Romer, and David N. Weil. 1992. "A Contribution to the Empirics of Economic Growth," *Quarterly Journal of Economics*, 107(2): 407-437.

Hall, Robert E. and Charles I. Jones. 1999. "Why Do Some Countries Produce So Much More Output Per Worker Than Others?" *Quarterly Journal of Economics*, 114(1): 83-116.

Bosworth, Barry and Susan M. Collins. 2003. "The Empirics of Growth: An Update," *Brookings Papers on Economic Activity*, issue 2: 113-206.

Hsieh, Chang-Tai and Peter Klenow. 2007. "Relative Prices and Relative Prosperity," *American Economic Review*, 97(3): 562-585.

Jesus Felipe and John McCombie, "The Debate about the Sources of Growth in East Asia after a Quarter of a Century: much ado about nothing," Asian Development Bank, Working Paper No. 512, May 2017.

Clemens, Michael, Claudio Montenegro and Lant Pritchett. "The Place Premium: Wage Differences for Identical Workers Across the US Border." Center for Global Development Working Paper #148.

5. Country studies: Contemporary perspective on growth and development policy (September 20-21, RP/DR)

* Yingyi Qian, "How Reform Worked in China," chapter 1 in Qian, [How Reform Worked in China](#), MIT Press, 2017, pp. 17-60.

*Vox article reviewing cash grant literature: <https://www.vox.com/2018/9/10/17827836/cash-basic-income-uganda-study-blattman-charity>

Izquierdo, Alejandro, Jimena Llopis, Umberto Muratori, and José Juan Ruiz, “In Search of Larger Per Capita Incomes: How to Prioritize Across Productivity Determinants?” IDB Working Paper Series 680, March 2016, <http://cipyc.org/wp-content/uploads/2016/12/informe2.pdf>.

“Economics of Mass Deworming Programs” (co-authors Amrita Ahuja, Sarah Baird, Joan Hamory Hicks, Michael Kremer), Chapter 29 in *Disease Control Priorities* (third edition): Volume 8, Child and Adolescent Health and Development, (eds.) D. A. P. Bundy, N. de Silva, S. Horton, D. T. Jamison, and G. C. Patton. Washington, DC: World Bank, 2017.

6. Review Session (September 25, SB)

7. Introduction to political economy: People matter (September 27, RP)

* Page, Lucy and Rohini Pande. “Ending Global Poverty: Why money isn’t enough,” *Journal of Economic Perspectives*, Fall 2018.

* Jones, Benjamin F. and Benjamin A. Olken. 2005. [“Do Leaders Matter? National Leadership and Growth Since World War II.”](#) *Quarterly Journal of Economics*, 120, no. 3: 835–64

Finan, Frederico, Benjamin A. Olken, and Rohini Pande. 2015. “The Personnel Economics of the State,” NBER Working Paper No. 21825

Jones, Benjamin F. and Benjamin A. Olken. 2009. [“Hit or Miss? The Effect of Assassinations on Institutions and War,”](#) *American Economic Journal: Macroeconomics*, 1, no. 2: 55–87.

Miller, Grant. 2008. “Women's Suffrage, Political Responsiveness, and Child Survival in American History,” *The Quarterly Journal of Economics*, 123, no. 3: 1287–32

Fujiwara, Thomas. 2015. “Voting Technology, Political Responsiveness, and Infant Health: Evidence from Brazil,” *Econometrica*, 83(2): 423-464.

8. The political economy of market-supporting institutions (October 2, DR)

* Grief, Avner. 2008. [“Coercion and Exchange. How Did Markets Evolve?”](#) 2008.

* D. Rodrik, [“Thinking About Governance,”](#) in *Governance, Growth, and Development Decision-Making*, reflections by D. North, D. Acemoglu, F. Fukuyama, and D. Rodrik, The World Bank, April 2008.

Daron Acemoglu, “The Origins of Power, Prosperity, and Poverty,” [Cato Policy Report](#), July/August 2012.

Ben Olken and Rohini Pande. 2012. “Corruption in Developing Countries” *Annual Review of Economics*, Vol. 4: pp. 479-509.

D. Rodrik. 2008. “Second-Best Institutions,” *American Economic Review, Papers and Proceedings*.

Stiglitz, Joseph E. 1989. “Markets, market failures, and development,” *American Economic Review*, 79(2): 197-203.

Greif, Avner. 1989. “Reputation and Coalitions in Medieval Trade: Evidence on the Maghribi Traders.” *Journal of Economic History*, 49(4): 857-82.

D. Rodrik. "Institutions for High-Quality Growth: What They Are and How to Acquire Them," *Studies in Comparative International Development*, vol. 35, no.3, Fall 2000.

Polanyi, Karl. 1944. *The Great Transformation*, Beacon Press, Boston, MA.

9. Interests, Ideas, and Institutions (October 4, DR)

* Dani Rodrik. 2014. "[When Ideas Trump Interests: Preferences, World Views, and Policy Innovations](#)," *The Journal of Economic Perspectives*, 28(1): 189–208.

* Daron Acemoglu and James A. Robinson. 2013. "[Economics versus Politics: Pitfalls of Policy Advice](#)," *The Journal of Economic Perspectives*, vol. 27, no. 2: pp. 173–192.

* David Stasavage. 2016. "[Representation and Consent: Why They Arose in Europe and Not Elsewhere](#)" *Annual Review of Political Science*, vol 19:145-162

* John L. Campbell. 2002. "[Ideas, Politics, and Public Policy](#)," *Annual Review of Sociology*, vol 28: 21-38.

Jal Mehta. 2011. "The Varied Roles of Ideas in Politics: From 'Whether' to 'How'," in Daniel Béland and Robert Henry Cox, eds, *Ideas and Politics in Social Science Research*, Oxford University Press: pp. 23-46.

Sharun Mukand and Dani Rodrik. 2018. "The Political Economy of Ideas: On Ideas Versus Interests in Policymaking," <https://drodrik.scholar.harvard.edu/publications/ideas-versus-interests>.

Sharun Mukand and Dani Rodrik. 2018. "The Political Economy of Liberal Democracy," <https://drodrik.scholar.harvard.edu/publications/political-economy-liberal-democracy>.

George J. Stigler. 1971. "The Theory of Economic Regulation," *Bell Journal of Economics and Management Science*, 2(1): 3–21.

Anne O. Krueger. 1974. "The Political Economy of Rent-Seeking Society," *American Economic Review*, vol. 64, issue 3: 291-303.

Wayne Leighton and Edward López. 2013. "Madmen, Intellectuals, and Academic Scribblers: The Economic Engine of Political Change," Stanford, CA: Stanford University Press, chap. 6.

Sharun W. Mukand and Dani Rodrik. 2005. "In Search of the Holy Grail: Policy Convergence, Experimentation, and Economic Performance," *American Economic Review*, 95(1): 374 – 83.

Pratap Bhanu Mehta and Michael Walton. 2014. "Ideas, interests and the politics of development change in India: capitalism, inclusion and the state," ESID Working Paper No. 36.

10. Human capital accumulation: What are the returns to health and education investments?(October 9, RP)

Health

* Kremer, Michael and Edward Miguel. 2004. "[Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities](#)," *Econometrica*, 72(1): 159-217.

Dupas, Pascaline and Edward Miguel. 2017. "Impacts and Determinants of Health Levels in Low-Income Countries" *Handbook of Economic Field Experiments*: Chapter 1.

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

Education

* [World Development Report 2018](#) Chapter 2

* Jensen, Robert. 2010. "[The \(Perceived\) Return to Education and the Demand for Schooling](#)", *Quarterly Journal of Economics*, 125(2): 515-548.

Pritchett, Lant. 2006. "Does Learning to Add up Add up: The Returns to Schooling in Aggregate Data." *Handbook of the Economics of Education*.

Acemoglu, Daron and Joshua Angrist. 2001. "How Large are Human Capital Externalities? Evidence from Compulsory Schooling Laws," *NBER Macroeconomics Annual 2000*, 15:9-74.

Duflo, Esther. 2001 "Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment." *American Economic Review*, 91 (4): 795-813.

Jayachandran, Seema and A. Lleras-Muney. 2009. "Life Expectancy and Human Capital Investments: Evidence from Maternal Mortality Declines," *Quarterly Journal of Economics*, 124(1): 349-397.

11. Human capital accumulation: Issues in delivery of health and education (October 11, RP)

* [World Development Report 2018](#) Chapter 3

Das, Jishnu, Jeffrey Hammer and Kenneth Leonard. 2008. "The Quality of Medical Advice in Low-Income Countries," *Journal of Economic Perspectives*, 22(2): 93-114.

* Mauricio, Romeiro, Justin Sandefur, and Wayne Aaron Sandholtz. 2017. "[Outsourcing Education in a Fragile State: Experimental Evidence from Liberia](#)". Working Paper.

* Baird, Sarah, Craig McIntosh, and Berk Ozler. 2011. "[Cash or Condition? Evidence from a Cash Transfer Experiment](#)," *Quarterly Journal of Economics*, Vol. 126(4), pp. 1709-1753.

Das, Jishnu, Alaka Holla, Aakash Mohpal, and Karthik Muralidharan. 2016. "Quality and Accountability in Health Care Delivery: Audit-Study Evidence from Primary Care in India." *American Economic Review*, 106(12): 3765-99

12. Financial capital accumulation (October 16, RP)

* De Mel, Suresh, David McKenzie, and Christopher Woodruff. 2008. "[Returns to Capital in Microenterprises: Evidence from a Field Experiment](#)," *Quarterly Journal of Economics*, 123(4): 1329-1372.

* Burgess, Robin and Rohini Pande. 2005. "[Do Rural Banks Matter? Evidence from the Indian Social Banking Experiment](#)," *American Economic Review*, 95(3): 780-795.

Khwaja, Asim and Atif Mian. 2008. "Tracing the Impact of Bank Liquidity Shocks: Evidence from an Emerging Market." *American Economic Review*, 98(4): 1413-42.

Udry, Christopher and Santosh Anagol. 2006. "The Return to Capital in Ghana," *American Economic Review*, 96(2): 388-393.

* Dupas, Pascaline, and Jonathan Robinson. 2013. "[Why Don't the Poor Save More? Evidence from Health Savings Experiments.](#)" *American Economic Review*, 103(4): 1138-71.

13. Using behavioral economics to understand factor accumulation (October 18, RP)

* Mullainathan, Sendhil. 2006. "[Development Economics Through the Lens of Psychology](#)," Proceedings of the Annual Bank Conference on Development Economics

Kremer, Michael and Gautam Rao. 2019. "Behavioral Development Economics". *Handbook of Behavioural Economics* (forthcoming).

Blumenstock, Joshua, Michael Callen, and Tarek Ghani. "Why do Defaults Affect Behavior: Evidence from Afghanistan," *American Economic Review* (forthcoming).

14. MIDTERM (October 23)

15. Norms, power, and factor accumulation: An application to gender (October 25, RP)

Measurement

* Bernhardt, Arielle, Erica Field, Rohini Pande, and Natalia Rigol. 2017. "Household Matters: Revisiting the Returns to Capital among Female Micro-entrepreneurs," NBER Working Papers 23358.

Productivity Impacts

* Goldstein, Markus and Chris Udry. 2008. "[The Profits of Power: Land Rights and Agricultural Investment in Ghana](#)," *Journal of Political Economy*, 116(6): 981-1022.

Udry, Christopher. 1996. "Gender, Agricultural Production, and the Theory of the Household," *Journal of Political Economy*, 104(5): 1010-1046.

Investment Impacts

* Qian, Nancy. 2008. "[Missing Women and the Price of Tea in China: The Effect of Sex-specific Earnings on Sex Imbalance](#)," *Quarterly Journal of Economics*, 123(3): 1251-1285.

Beaman, Lori, Raghavendra Chattopadhyay, Esther Duflo, Rohini Pande and Petia Topalova. 2009. "[Powerful Women: Does Exposure Reduce Bias?](#)" *Quarterly Journal of Economics*, Vol. 124(4): 1497-1540.

Alberto Alesina, Paula Giuliano and Nathan Nunn (2013), "On the Origins of Gender Roles: Women and the Plough", *Quarterly Journal of Economics*, Vol 128(2)

Jayachandran, Seema. 2014. The roots of gender inequality in developing countries. National Bureau of Economic Research, 20380.

Beaman, Lori, Esther Duflo Rohini Pande and Petia Topalova "Female Leadership Raises Aspirations and Educational Attainment for Girls: A Policy Experiment in India," *Science Magazine*, Vol. 335 no. 6068, February 2012

Jayachandran, Seema and Rohini Pande. 2017. "Why Are Indian Children So Short? The Role of Birth Order and Son Preference," *American Economic Review*, 107 (9): 2600-2629.

(*oped version: http://www.nytimes.com/2014/08/10/opinion/sunday/the-youngest-are-hungriest.html?_r=1&gwh=55727F844132ECA6B44CBD18F2CCF962&gwt=pay&assetType=opinion)

16. Productivity growth: misallocation, learning and coordination (October 30, DR)

* Hsieh, Chang-Tai and Peter J. Klenow. 2009. "[Misallocation and Manufacturing TFP in China and India](#)," *Quarterly Journal of Economics*, 124 (4): 1403-1448.

* McMillan, Margaret, and Dani Rodrik. 2011. "[Globalization, Structural Change, and Economic Growth](#)" in M. Bachetta and M. Jansen, eds., Making Globalization Socially Sustainable, International Labor Organization and World Trade Organization, Geneva.

* Matsuyama, Kiminori. 1992. "[Agricultural Productivity, Comparative Advantage, and Economic Growth](#)," *Journal of Economic Theory*, 58(2): 317-334.

Vries, G. J. D., Timmer, M. P. & Vries, K. D. 2013. "Structural transformation in Africa: Static gains, dynamic losses," Groningen: GGDC.

Banerjee, Abhijit and Esther Duflo. 2005. "Growth Theory Through the Lens of Development Economics," chapter 7 in the *Handbook of Economic Growth* Vol. 1A, P. Aghion and S. Durlauf, eds., North Holland. (*On Reserve*)

Hicks, Joan Hamory, Marieke Kleemans, Nicholas Y. Li, and Edward Miguel. 2017. "Reevaluating Agricultural Productivity Gaps with Longitudinal Microdata", NBER Working Paper No. 23253.

Bartelsman, Eric, John Haltiwanger, and Stefano Scarpetta. 2013. "Cross Country Differences in Productivity: The Role of Allocation and Selection" *American Economic Review*, 103(1): 305-334.

Rodrik, Dani. 2013. "Unconditional Convergence in Manufacturing," *Quarterly Journal of Economics*, 128 (1): 165-204.

Acemoglu, Daron, Philippe Aghion, and Fabrizio Zilibotti. 2006. "Distance to Frontier, Selection, and Economic Growth," *Journal of European Economic Association*, 4 (1): 37-74.

Aghion, Philippe, Robin Burgess, Stephen Redding, and Fabrizio Zilibotti. 2008. "The Unequal Effects of Liberalization: Evidence from Dismantling the License Raj in India," *American Economic Review*, 98(4): 1397-1412.

Hausmann, Ricardo, Jason Hwang, and Dani Rodrik. 2007. "[What You Export Matters](#)," *Journal of Economic Growth*, 12: 1-25.

17. Productivity growth: misallocation, learning and coordination (November 1, DR)

* Hausmann, Ricardo and Dani Rodrik. 2003. "[Economic Development as Self-Discovery](#)," *Journal of Development Economics*, 72(2): 603-633.

* Murphy, Kevin M., Andrei Shleifer, and Robert W. Vishny. 1989. "[Industrialization and the Big Push](#)," *Journal of Political Economy*, 97(5): 1003-1026.

Jeremy R. Magruder. 2013. "Can Minimum Wages Cause a Big Push? Evidence from Indonesia" *Journal of Development Economics*, 100(1) pp 48-62.

Rodrik, Dani. 1996. "Coordination Failures and Government Policy: A Model with Applications to East Asia and Eastern Europe," *Journal of International Economics*, 40(1-2): 1-22.

Rosenstein-Rodan, Paul N. 1943. "[Problems of Industrialization of Eastern and South-Eastern Europe](#)," *Economic Journal*, 53(210/211): 202-211.

Hoff, Karla and Joseph Stiglitz. 2001. "[Modern Economic Theory and Development](#)," in G.M. Meier and J.E. Stiglitz, eds., *Frontiers of Development Economics*. New York: Oxford University Press, pp. 389-459.

18. Productivity: Labor market and poverty traps (November 6, RP)

* Kraay, A. and D. McKenzie. 2014. "[Do Poverty Traps Exist? Assessing the Evidence](#)," *Journal of Economic Perspectives*, 28(3): 127-148.

* Ray, Debraj. 1998. "*Development Economics*" Princeton, NJ: Princeton University Press, 272- 279, 489-504. (*On Reserve*)

Baird, Sarah, Joan Hamory Hicks, Michael Kremer and Edward Miguel. 2016. "Worms at Work: Long-run Impacts of a Child Health Investment," *Quarterly Journal of Economics*, 131(4), pg. 1637-1680

Ghatak, Maitreesh. 2015. "[Theories of Poverty Traps and Anti-Poverty Policies](#)," *World Bank Economic Review, Papers and Proceedings of the ABCDE*, Vol 29 (Supplement 1): S77-S105, August 2015.

19. Governance and environmental policy (November 8, RP)

* HKS Case: Fighting Pollution with Data: Environmental Audits and the Gujarat Pollution Control Board. Case Number 2054.0. Available on course website.

* Duflo, Esther, Michael Greenstone, Rohini Pande, and Nicholas Ryan. 2013. "[Truth Telling by Third-party Auditors and the Response of Polluting Firms: Experiment Evidence from India](#)." *Quarterly Journal of Economics*, 128(4): 1499-1545.

20. Analytics of economic reform (November 13, DR)

* D. Rodrik. 2005. "[Growth Strategies](#)," in P. Aghion and S. Durlauf, eds., *Handbook of Economic Growth*, vol. 1A, North-Holland.

21. Growth Diagnostics (November 15, DR)

* Hausmann, Ricardo, D. Rodrik, A. Velasco. 2008. "[Growth Diagnostics](#)," in J. Stiglitz and N. Serra, eds., *The Washington Consensus Reconsidered: Towards a New Global Governance*, Oxford University Press, New York.

* Hausmann, Ricardo, Bailey Klinger, and Rodrigo Wagner. 2008. "[Doing Growth Diagnostics in Practice: A 'Mindbook'](#)," Harvard CID Working Paper 177.

Dixit, Avinash. 2006. "[Evaluating Recipes for Development Success](#)," Princeton University.

Rodrik, Dani. 2008. "[Understanding South Africa's Economic Puzzles](#)," *Economics of Transition*, vol. 16, no. 4: 769-797.

22. Productive development policies (November 20, DR)

* Rodrik, Dani, "[Industrial Policy for the Twenty-First Century](#)," in *One Economics, Many Recipes*, Princeton University Press, Princeton, 2007, 99-152.

* Cimoli, Mario, G. Dosi, R. Nelson, and J.E. Stiglitz. 2009. "[Institutions and Policies Shaping Industrial Development: An Introductory Note](#)," chap. 2 in Cimoli, Dosi, and Stiglitz, eds., *Industrial Policy and Development*, Oxford University Press, pp. 19-38.

Rodrik, Dani. 2008. "[Normalizing Industrial Policy](#)," Commission on Growth and Development Working Paper No. 3, Washington, DC.

Kalouptsi, Myrtro. 2018. "Detection and Impact of Industrial Subsidies: The Case of Chinese Shipbuilding," *Review of Economic Studies*, 85, 1111-1158.

Lane, Nathan. 2017. "Manufacturing Revolutions: Industrial Policy and Networks in South Korea," https://www.dropbox.com/s/b9mll7fx26j6uia/ManufacturingRevolutions_Lane_Live.pdf?dl=0.

Liu, Ernest. 2017. "Industrial Policy in Production Networks," Princeton University.

Charles Sabel. 2012. "[Self-Discovery as a Coordination Problem](#)," chap. 1 in C. Sabel et al., eds, *Export Pioneers in Latin America*, Inter-American Development Bank, pp. 1-46.

Inter-American Development Bank, *Rethinking Productive Development: Sound Policies and Institutions for Economic Transformation*, Washington, D.C. 2014.

Piero Ghezzi, "Mesas Ejecutivas in Peru: Lessons for Productive Development Policies," February 2016.

23. Developing countries in the world economy (November 27, DR)

* Arvind Subramanian and Dani Rodrik. 2009. "[Why Did Financial Globalization Disappoint?](#)" *IMF Staff Papers*, Volume 56, Number 1: 112-138.

* Francisco Rodríguez and Dani Rodrik. 2001. "[Trade Policy and Economic Growth: A Skeptic's Guide to the Cross-National Evidence](#)," *Macroeconomics Annual 2000*, eds. Ben Bernanke and Kenneth S. Rogoff, MIT Press for NBER, Cambridge, MA.

Paul Romer. 1994. "New goods, old theory, and the welfare costs of trade restrictions," *Journal of Development Economics*, Volume 43, Issue 1: 5–38.

Dani Rodrik. 2008. "The Real Exchange Rate and Economic Growth," *Brookings Papers on Economic Activity*.

Richard Baldwin. 2011. "[Trade and Industrialization after Globalization's 2nd Unbundling: How Building and Joining a Supply Chain Are Different and Why It Matters](#)", NBER Working Paper 17716.

Obstfeld, Maurice, "[International Finance and Growth in Developing Countries: What Have We Learned?](#)" Commission on Growth and Development, Washington, DC, 2008.

Kose, M. Ayhan, Eswar Prasad, Kenneth Rogoff, and Shang-Jin Wei. 2009. "[Financial Globalization and Economic Policies](#)," in D. Rodrik and M. Rosenzweig, eds., *Handbook of Development Economics*, vol. 5, North-Holland.

Dani Rodrik. 2001. "The Global Governance of Trade as if Development Really Mattered, United Nations Development Program," New York, 2001.

24. Return to country studies: Evaluating reforms (November 29, RP/DR)

TBD

25. Return to country studies: Evaluating reforms (November 30, RP/DR)

TBD

26. Wrap Up Discussion (December 4, DR)

27. Review Session (December 6, SB)