International Economics
Development Economics

Academic year 2019-2020

Advanced Development Microeconomics: Risk and Efficiency

EI086 - Printemps - 3 ECTS

Wednesday 10h15 - 12h00

Course Description

The focus of the course will be on how to go from rigorous micro theory to the appropriate empirical test, as illustrated by a selection of classic papers in the field, as well as several more recent papers that are worth looking at. A solid knowledge of micro theory at the level of Varian (1992) (or our own Micro I and Micro II), and microeconometrics at the level of Wooldridge (2002), will allow you to survive. This first half of the course will focus on: (i) testing Pareto optimality, (ii) risk and consumption, (iii) risk, labor markets and human capital.

Syllabus

Weeks will roughly alternate between “teaching” weeks and “presentation/discussion” weeks. In a teaching week, I will teach a given strand of the literature and dissect a few important papers. In the following week, students will present papers (50 minute presentation for each paper) that will often follow up on the papers or the literature presented in the previous week (and I will dissect your presentation...): you will hopefully glean some insights for your own research.

50% of your grade will be determined by your presentations and overall class participation. The remaining 50% will be determined by either a term paper that you will write on a (development economics) topic of your choice, or a replication exercise (also of your choice). I would like to have your feedback on what you intend to do by week 6 of the semester.
You are each expected to read ALL of the papers on the syllabus and to bring them with you (in electronic or paper format) to class: if you do not, this is not going to work.

1 Efficiency

1.1 Teaching: 19-02


1.2 Discussion/presentations: 26-02


2 Risk and consumption

2.1 Teaching: 04-03


2.2 Discussion/presentations: 11-03


3 Risk, human capital and labor markets

3.1 Teaching: 18-03


3.2 Discussion/presentations: 25-03
