International Economics  
Development Economics  

Academic year 2019-2020  

Advanced Development Microeconomics: Incentives and Learning  

EI087 - 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 second half of the course will focus on: (i) informality and history as an identification strategy, (ii) poverty traps and foreign aid, (iii) moral hazard and sharecropping, (iv) learning.  

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.

4 Informality; history as an identification strategy

4.1 Teaching: 01-04


4.2 Discussion/presentations: 08-04


5 Poverty traps and aid

5.1 Teaching: 22-04


5.2 Discussion/presentations: 29-04


6 Moral hazard and sharecropping

6.1 Teaching: 06-05


6.2 Discussion/presentations: 13-05


7 Learning

7.1 Teaching: 20-05


8 Presentations of preliminary term papers / replication exercises: 27-05

[12 minutes each]