

Economics 24
Development Economics
Syllabus Fall 2012

Professor Eric Edmonds
<http://www.dartmouth.edu/~eedmonds>

Description

A majority of the world's population lives on less than \$2/day. The goal of this course is to better understand the lives of the world's poor. What are their lives like? Why do they remain poor? Specifically, what price distortions and market failures hinder their quest to improve their well-being? Understanding these questions allows us examine the basis for policy-making in developing countries.

We do not answer these questions with anecdotes and abstract theory. This is an empirical class. We examine detailed survey data of the world's poor, and look at concrete examples of policies and projects from around the world. We consider why extreme poverty and hunger, child mortality, low-levels of education, gender inequality, environmental degradation, high fertility, and child labor are pervasive in the developing world. We also examine the economic consequences of globalization and infectious diseases such as malaria and HIV/AIDS. For each topic, we seek to understand the factors and constraints influencing decision-making in developing countries.

This course requires a solid understanding of how to read and interpret statistics, as well as an understanding of fundamental economic principles. Economics 1 and 10 or equivalent are required. Economics 20 and 21 are also extremely helpful preparation.

Textbooks and Other Materials

Most of the readings are drawn from recently produced research papers that are freely available online. We draw extensively on Ray, Debraj. *Development Economics*. Princeton University Press, 1998. We use this book for roughly a third of the classes. An online version is now available for a significantly lower price than the printed version.

Four other useful readings are *Understanding Poverty*, A. Banerjee, R. Benabou, and D. Mookherjee, editors, *Poor Economics* by Abhijit Banerjee and Esther Duflo, *More than Good Intentions* by Dean Karlan and Jacob Appel, and Angus Deaton's *Analysis of Household Surveys*. None are required. All four are referenced frequently, but we cover a small fraction of each of the four books. They are highly recommended for the student particularly passionate about development.

Grading and assignments

Grading is based on a final, a midterm, problem sets, class participation, and a group project.

Check <http://www.dartmouth.edu/~eedmonds/Teaching.html> in early September 2012 for a complete syllabus