Economics 1343: The Economics of Development and Global Health

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Office Hours: Mondays 5:45-7PM and By Appointment

What are the drivers of global economic inequity? What are the drivers of global health inequity? In this class, we will harness the core development and health economics literature to approach some of the most fundamental questions facing human wellbeing today. We will review the historical determinants of our present-day puzzles, including critical relationships between psychology, economic development and health. We will consider challenges affecting long-run economic change and health including political institutions, cultural evolution, environmental change, and psychological wellbeing. Puzzles encountered in the class include the Easterlin Paradox (why countries do not tend to get happier as income per capita increases), club convergence (why some countries have become rapidly richer while others have not), the persistence of Paul Farmer's "stupid deaths" (over 10,000 children dying daily of easily treatable diseases), and the emergence of modern genocides. Methodologically, the course will review canonical approaches in applied econometrics, and will cover economic theories in development, macro-growth, and health. It incorporates perspectives on our core questions from neighboring disciplines, including social theory, anthropology, medicine and psychology.

Course Notes: A research paper option is available for this class which can be used to fulfill the writing requirement for Economics concentrators.

Recommended Preparation: Economics 10a or 10b, familiarity with introductory statistics (e.g. Stat 100, 104, or 110), and calculus are recommended but not required. Students who have an interest in the topic matter, regardless of background, have tended to do well. Please do not hesitate to reach out to the instructor with further questions or consult the Q guide.

Schedule:

Lecture: Mondays, 3:45-5:45 PM

Location: TBA

Section: Weekly tutorials to Discuss Readings and Lectures.

This course will develop the framework to understand modern approaches in development economics and global health. Although intricately related, these two topics are rarely taught together in a comprehensive manner. A foundational understanding of modern human health challenges and economic behavior demands attention to human evolutionary foundations. This course is unique in embracing the wide, interdisciplinary foundations of modern economic and health inequity. We will begin with frameworks in the social construction of knowledge, as well as framing generally the before deriving core principles of human physiologic and neurological evolution, with an important inclusion of new work in quantum mechanics. We will then turn to the foundations of behavioral economics through the lens of recent work in cultural evolution, which will help us to fix core concepts in human health and economic behavior used in the rest of the course.

Next the course derives the foundations of modern economic and global public health thought through the lens of scientific history. We will look at the translation of ideas from the steam engine to

thermodynamics to models of economic optimization, and leverage our work on cognitive evolution to explore the advantages and drawbacks of this paradigm. It will provide coverage of core models in the theory of economic growth and the empirical revolution of the past quarter century.

The course will then present the modern cannon of development economics and of global health. Throughout, we will be able to uncover how the unique challenges of our evolutionary biology inform modern health challenges as well economic behavior within these core fields.

The final unit of the class turns to some of the thorniest problems of health and society facing contemporary humanity. Growth without wellbeing improvement, climate inaction, genocide, unequal healthcare delivery, persistent poverty, rights movements and the weakening of American democracy will be considered through the synthetic lenses of this course. One of the main benefits of teaching together deeply related but often siloed perspectives, including growth theory, global health delivery, cognitive evolution and evolutionary medicine is a potential to bring into sharper view the ranking social problems of today. Although the majority of readings and emphasis on this class is contemporary economics, we will also engage with influential works in medical anthropology, cultural evolution, sociology of knowledge, global health delivery, decolonization theory, social theory biochemical evolution.

Given the wide set of disciplines and subfields of economics taught in this course, I want to emphasize at the outset that there is minimal background assumed in any subject area. Following the classic perspectives on scientific education from Richard Feynman and those on surgical excellence from Dr. Pamela Lipsett, I am a strong believer that nearly anything technical can be taught at an intuitive level and technical procedures can be mastered through repetition. The readings will have varying levels of technical complexity in fields covered (e.g. econometrics, biochemistry, social theory); throughout I will flag the sections to emphasize in your reading and will not expect understanding of the more technical details. However, for those with more background in a particular area, I encourage engagement with this material and happy to speak with any student about more technical approaches to the material. I will aim to develop a conceptual grasp of applied econometrics for all students who take the course.

Course Requirements & Grading:

Response Papers (Due September 22nd 5pm, October 10th 5pm, December 1st 5pm): 15%

• Three 1-page response papers based on readings and lecture, one for each section of the course. Graded check plus/check/check-minus.

Class Participation: 20%

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Midterm: 25%

• Midterm will be on conceptual understanding of material, and include multiple choice questions as well as short essays

Final Paper Prospectus (Due November 15th, 5pm): 2 pages 5%

• Prospectus identifying research question and approach.

Final Paper (Due December 10th, 5pm): 15-20 pages 35%

• Multiple prompts will be circulated in mid-October

O Senior thesis students may submit a thesis chapter but this must reflect substantial changes from submitted thesis to reflect work for Ec1343

Course Policies

- Extensions. Discuss extensions with me in advance.
- Academic Honesty. Discussion and the exchange of ideas are essential to academic work. For assignments in this course, you are encouraged to consult with your classmates on the choice of paper topics and to share sources. You may find it useful to discuss your chosen topic with your peers, particularly if you are working on the same topic as a classmate. However, you should ensure that any written work you submit for evaluation is the result of your own research and writing and that it reflects your own approach to the topic. You must also adhere to standard citation practices in the social sciences and properly cite any books, articles, websites, lectures, etc. that have helped you with your work.
- Accessible Education. If you have a letter of introduction from the Harvard University Accessible Education Office, please submit the letter me within the first few weeks of the semester so that we can identify the most appropriate accommodation.
- Cross-Registration: Open to cross-registration from all Harvard Schools, including HMS and HSPH, within school policy guidelines. Students may petition for concentration credit, and agreements may entail additional course requirements in addition to those listed in the syllabus.

A Final Note

• As a university we clearly take instruction seriously, but we care about you as individuals first. The most important goal is that every student makes it through the course safely and healthily. As you are likely aware, the leading cause of morbidity and mortality among college students, including at Harvard, are mental health challenges. Please do seek about appropriate services if you are ever in need (https://camhs.huhs.harvard.edu/, or emergency services if necessary). I am also always happy to talk if you think I could be helpful in this myriad of issues, my cell phone is included above. I am aware that stress can be a risk-factor for many of these conditions and happy to work with any student on these challenges. If you are reading this syllabus you have an extremely bright future in front of you, please keep this in mind throughout the relatively short part of life which is college.

Course Introduction and Knowledge in Global Social Inquiry

1: September 9, 2024 - Introduction

Readings:

- Course Text:
 - Introduction
 - o Chapter 1: Concepts in Human Knowledge Production
- ★ Kahneman, D., & Deaton, A. "High income improves evaluation of life but not emotional wellbeing." *Proceedings of the National Academy of Sciences* 107 (2010): 16489-16493.
- ♣ Berger, P., & Luckmann, T. *The Social Construction of Reality*. Anchor books, 1967: p. 53-67.
- ♣ Sen, Amartya. *Development as Freedom*. Oxford University Press, 2001. Chapter 1.

Unit I – Historical & Evolutionary Foundations of Modern Inequality

2: September 16, 2024 - Eukaryotic Reproduction and Behavioral Economics: An Evolutionary View of Human Economic Behavior

Readings:

- **♣** Course Text:
 - o Chapter 2: Organismic Evolution and Evolutionary Psychology
 - o Chapter 3: Human Cultural Evolution
- ♣ Giuliano, Paola, and Nathan Nunn. "Understanding cultural persistence and change." *The Review of Economic Studies* 88, no. 4 (2021): 1541-1581.
- Henrich, Joseph. *The Secret of Our Success*. Princeton University Press, 2015. Ch 5: "What are our big brains for?"
- ♣ Nowak, Martin. "Five Rules for the Evolution of Cooperation." *Science* 314 (2006): 1560-1563.

3: September 23, 2024 - History of the Economy and of Economics

Readings:

- **4** Course Text:
 - o Chapter 4: Approaches to Economic History and Modern Inequality
 - o Chapter 5: History of Economic and Global Health Thought
- Nunn, Nathan. "The historical roots of economic development." *Science* 367, no. 6485 (2020).
- Acemoglu, Daron, and James A. Robinson. *Why nations fail: The origins of power, prosperity, and poverty.* Currency, 2012. Chapter 2.

Recommended:

- ≰ Keshavjee, Salmaan. *Blind spot*. University of California Press, 2014. Ch 6: p. 85-100.
- ♣ Basilico, Matthew, Jonathan Weigel, Anjali Motgi, Jacob Bor, and Salmaan Keshavjee. "Health for All? Competing Theories and Geopolitics." In *Reimagining Global Health*, pp. 74-110. University of California Press, 2013.

4: September 30, 2024 - Applied Econometrics and The Credibility Revolution

Readings:

- **♣** Course Text:
 - o Chapter 7: The Credibility Revolution
- Angrist, Joshua D., and Jörn-Steffen Pischke. *Mastering Metrics: The path from cause to effect.* Princeton university press, 2014. Pp *1-24 (RCT), 47-79 (Regression), 98-115 (IV), *178-191 (Diff-in-Diff), 147-164 (RD)
- ♣ Dell, Melissa. "The persistent effects of Peru's mining Mita." Econometrica 78, no. 6 (2010): 1863-1903.
- → Acemoglu, Daron, Simon Johnson, and James A. Robinson. "The colonial origins of comparative development: An empirical investigation." *American Economic Review* 91.5 (2001): 1369-1401.

Unit II - The Contemporary Cannon: Development Economics & Global Health

5: October 7, 2024: Development Cannon I: Growth Theory & Institutions

Main Readings:

- Course Text
 - Chapter 6: Growth Theory
 - o Chapter 8: History and Institutions
- Nunn, Nathan. "The long-term effects of Africa's slave trades." *Quarterly Journal of Economics* 123, no. 1 (2008): 139-176.
- Alesina, Alberto, Paola Giuliano, and Nathan Nunn. "On the origins of gender roles: Women and the plough." *Quarterly Journal of Economics* 128, no. 2 (2013): 469-530.

Recommended:

- 4 Aghion, Philippe, and Peter Howitt. *The Economics of Growth*. MIT Press (2009). Ch 1
- Lucas, Robert E. "Why doesn't capital flow from rich to poor countries?" *American Economic Review* (1990): 92-96.
- ♣ Rodney, Walter. *How Europe Underdeveloped Africa*. Verso Trade, 1974. Pp. 15-34.

6: October 21, 2024: Development Cannon II: Randomized Experiments

Main Readings:

- Course Text:
 - o Chapter 9: Randomized Experiments in Development
 - ♣ Cohen, Jessica, and Pascaline Dupas. "Free distribution or cost-sharing? Evidence from a randomized malaria prevention experiment." *Quarterly Journal of Economics* 125, no. 1 (2010)

Recommended:

- Farmer, Paul. "On suffering and structural violence: A view from below." *Daedalus* 125, no. 1 (1996): 261-283.
- ★ Kremer, Michael, Gautam Rao, and Frank Schilbach. "Behavioral development economics." In *Handbook of Behavioral Economics: Applications and Foundations 1*, vol. 2, pp. 345-458. North-Holland, 2019.
 - o 346-354, Familiarize: 368-387, 391-395, 395-401, 420-430

7: October 28, 2024: Framing Global Health

Main Readings:

- *****Course Text:
 - o Chapter 10: Global Health History, Growth and Delivery
 - o Chapter 11: Economic Approaches to Global Health
 - o Chapter 12: Structural Inequity, Embodiment and Beliefs in Health
- Alsan, Marcella, and Marianne Wanamaker. "Tuskegee and the health of black men." Quarterly Journal of Economics 133, no. 1 (2018): 407-455.
- Messac, Luke, and Krishna Prabhu. "Redefining the Possible: The Global AIDS Response." In *Reimagining Global Health*, pp. 111-132. University of California Press, 2013.

8: November 4, 2024: Midterm Exam

Unit III - Applications: Contemporary Puzzles in Economic & Global Health Inequity

9: November 11, 2024: Joint Puzzles in Social Wellbeing

Main Readings:

- **♣** Course Text:
 - o Chapter 14: Joint Social Puzzles
 - o Chapter 15: Delivery in Global Health: Aid and Accompaniment
- Luttmer, Erzo FP. "Neighbors as negatives: Relative earnings and well-being." *The Quarterly Journal of Economics* 120, no. 3 (2005): 963-1002.
- ₩ Watkins, David A., Larry Summers et al. "Alma-Ata at 40 years: reflections from the Lancet Commission on Investing in Health." *The Lancet* 392, no. 10156 (2018): 1434-1460.
- **♣** Easterlin, R. A., & O'Connor, K. J. (2020). The Easterlin Paradox. *IZA Discussion Papers No.* 13923

10: November 18, 2024: Homelessness and Deaths of Despair

Main Readings:

- **4** Course Text:
 - o Chapter 16: Homelessness and Deaths of Despair
- ♣ Case, Anne, and Angus Deaton. "The Epidemic of Despair: Will America's Mortality Crisis Spread to the Rest of the World." *Foreign Affairs* 99 (2020): 92-102.
- ♣ Pierce, J. R., & Schott, P. K. (2020). Trade liberalization and mortality: evidence from US counties. *American Economic Review: Insights*, 2(1), 47-63.

11: December 2, 2024: Authoritarianism, Genocide and the Future of the Public Sphere

Main Readings:

- Course Text:
 - o Chapter 17: Democracy and Authoritarianism
 - o Chapter 19: Conclusion
- Heldring, Leander. "The origins of violence in Rwanda." *The Review of Economic Studies* 88, no. 2 (2021): 730-763.
- Enke, Benjamin. "Moral values and voting." *Journal of Political Economy* 128, no. 10 (2020): 3679-3729.
- ♣ Acemoglu, Daron, and James A. Robinson. *The Narrow Corridor: States, Societies, and the Fate of Liberty.* Penguin, 2020. Ch 2.

Onward!