

## EC9C0 Topics in Development Economics (2024-2025) Stefano Caria

### Key Module Information

This module introduces you to several central topics in development economics.

I will teach the first half of the module, covering the first five weeks of the term. We will explore six foundational topics: poverty, firms, workers, climate change, gender and social policy. These topics are conceptually central to development economics, since they provide key microeconomic building blocks to understand aggregate economic and political outcomes. They are also highly policy relevant: “how can we raise employment?”, “how can we reduce poverty?” and “how we can protect our citizens against climate change?” are some of the most common questions for which policy makers seek researchers’ help. For each topic, we will cover basic stylized facts, understand core theories and their implications, and discuss the latest empirical evidence.

In the second part of the module, Sharun Mukand will cover another set of topics looking at the cultural and political foundations of development.

#### Contact

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#### Office Hours

You can book a slot here

[https://docs.google.com/spreadsheets/d/1\\_74q02ttW7\\_X76yICA1wkdSFR3RJhJ4SZBc8-tUC0w/edit?gid=0#gid=0](https://docs.google.com/spreadsheets/d/1_74q02ttW7_X76yICA1wkdSFR3RJhJ4SZBc8-tUC0w/edit?gid=0#gid=0)

If none of the times indicated work for you, please drop me an email.

#### Lectures

Tuesdays 12pm to 2pm and Thursdays 2pm to 4pm.

#### Assessment

There will be two written assessments.

The first assessment will be based on a referee report of a development economics paper of your choice related to one of the six research areas above, and a two-page research idea related/building on/inspired by this paper. You are encouraged to discuss your choice with me first.

This assessment should be e-submitted on Tabula by April 23 2025, at 12pm.

#### Topics

##### Week 1: Poverty

- Understanding poverty in low-income countries: basic facts
- Discussion of key interventions
- Models of poverty traps
- Empirical tests of the models

## Week 2: Firms

- Understanding firms in low-income countries: basic facts
- Theory and evidence on the returns to capital
- Theory and evidence on the returns to labor
- Industrial policy

## Week 3: Workers

- Understanding labor markets in low-income countries: basic facts
- Human capital accumulation
- Search and matching in labor markets
- Migration

## Week 4: Climate change

- Understanding climate change in low-income countries: basic facts
- The economics of climate change adaptation
- The economics of climate change mitigation

## Week 5: Gender and social policy

### Lecture 1

- Understanding gender disparities in low-income countries: basic facts
- Theories and evidence on the origins of gender disparities

### Lecture 2

- Understanding social policy in low-income countries: basic facts
- Targeting
- Welfare analysis of transfer and insurance

## Materials

All materials will be available on Moodle. Reference lists are given at the end of each set of slides.

## Useful but Optional Texts

"Poor Economics", by Abhijit Banerjee and Esther Duflo. Public Affairs: 2011.

"Development Economics", by Debraj Ray, Princeton University Press 1998.