Econ 195.08: Economics of Development and Global Health
Duke University Department of Economics
Spring 2012

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Office Hours: Monday 10:00-11:30, Thursday 2:00-3:30 or by appointment.

Class: Monday 2:50-5:20 in 105 SocSci

Course Description
This course exposes students to emerging issues in the economics of development and global health. By integrating economic theory and recent empirical work using detailed data on the world’s poor, we analyze problems facing developing populations and policies aimed at their solutions. We consider why extreme poverty, malnutrition, child mortality, gender disparities and high fertility are pervasive in the developing world. We also examine the consequences of infectious diseases and economic crises, and the role of credit and insurance in buffering shocks and improving health. For each topic we seek to understand the factors and constraints influencing economic decision-making in developing countries. This course relies heavily on applying concepts covered in econometrics and intermediate microeconomics to reading, interpreting and discussing empirical research.

Pre-requisites
I expect that you have completed and are comfortable with Intermediate Microeconomics (Econ 105) and Econometrics (Econ 139). If this is not the case, please speak to me directly.

Format
We will examine development economics and global health through a variety of methods, incorporating in-class discussion and analysis with instructor-led presentations. I will present some theoretical and technical material for the sake of clarity and thoroughness, but the emphasis of this course is placed on participation and intellectual exchange between students.

Goals of the Course
- Gain an in depth understanding about global development issues and the empirical and theoretical tools economists use to investigate them.
- Learn how to read and critically evaluate original research. Be able to develop an understanding of the intuition behind an analytical approach even if you are unfamiliar with the technical details.
- Connect with the world beyond the classroom, see yourself as a global citizen, and confront challenging issues that may be outside of your comfort zone.
- Improve your ability to clearly and concisely articulate your position on an issue in written prose and during in-class discussions.
Expectations
Understanding what I expect of you and what you can expect from me is essential for a successful course - not only for doing well in terms of your grade, but also for having an engaging, and dynamic class experience.

What I expect from you:
- I expect you will uphold the Duke Community Standard in all parts of the course, not only on exams. Students found to be in violation will be referred to the appropriate dean.
- Maintain an active engagement in the course. Come to class prepared, pay attention, and respond when called upon. Be engaged outside of class as well; prepare for exams and complete assignments by their due dates.
- Actively participate in the learning process. Ask questions when you don’t understand something. Come to office hours if you’re confused – use the resources you have to put yourself in a position to succeed.

What you can expect from me:
- I will uphold the Duke Community Standard.
- I will come to class prepared, foster an engaging and respectful learning environment, and use class time effectively.
- I will present economics so that it is relevant to your lives, not only a set of abstract concepts. I will work with you to build knowledge and develop a new lens through which to view the world.
- Assess your learning fairly and provide constructive feedback on all quizzes and exams.
- Be available and approachable. I will be in my office for office hours and work with those who have time conflicts to find meeting times that work for both of us. I will do my best to respond to all emails within 12 hours, but emails sent at 2pm before an exam at 3pm may not be answered in time to help.

Grading
The majority of work in the course will be staying on top of the reading on a weekly basis. This is no small task - material is drawn from leading academic journals, and we will cover a number of papers each class. Your active participation in class discussions is expected. Additional assignments will complement the readings.

- Problem Sets: There will be a number of problem sets checked and graded based on completeness. I’ll post solutions on Blackboard, and it is your job to go over your work. Feel free to work in groups of up to three. If you do, please turn in one assignment per group (with the names of all group members on top). Problem sets are due at the beginning of class on the due date, and will not be accepted after the solutions are posted.

- Quizzes: We will have occasional short reading quizzes at the beginning of class that cover the assigned reading for the day. Unlike the problem sets, they will be graded for correctness.
Midterm Exam: Covering material in weeks 1 through 6.

Country Project: You will select a developing country of your choice to follow throughout the semester. Through academic sources and news articles, you will track the issues in class as they pertain to your country. Further instructions will follow throughout the term, but the major parts are:

- Discussion Briefs: You will produce occasional short (1-2 page) briefs on issues we discuss in class. These short writing assignments are a chance for you to practice producing concise and clear prose, and help guide your participation during class discussions.

- Final Paper/Presentation: At the end of the term you will write a larger paper (10-15 pages) and give a short presentation on how one specific issue we covered in class is affecting development in your country.

Your final grade will be determined according to the following weights:

- Participation: 15%
- Problem Sets: 5%
- Quizzes: 10%
- Midterm Exam: 25%
- Country Project: 45% (Briefs: 20%, Presentation: 20%, Paper: 60%)

A Note on Re-grade Requests: You may resubmit any quiz, exam or paper with an additional sheet attached explaining in a few words why you deserve a better grade. These are due one week after the graded work is returned. If you choose to petition for a change to your grade, I will re-grade the entire work - not only the part in question. Remember, you are assessed on what is actually written on your paper, not what you meant to write.

Texts and Readings


Poor Economics is a non-technical book that covers a wide array of current literature in development and global health. It complements the journal articles we study more in depth.

There is no textbook for this course. Those students interested in learning more about the theory I will present in class are encouraged to look at Development Economics by Debraj Ray. Understanding Poverty, edited by Banerjee, Benabou, and Mookherjee, is also recommended for students looking for additional, less technical reading.

Course readings are drawn from leading academic journals. They are selected to be accessible to the level of this course. In cases where they are not, I will specify sections that you may omit. Even if the technical nuances are unclear, you should work to understand the intuition behind the arguments and empirical approaches in each paper.
Course Outline (tentative and subject to change)

1. Big Questions in Development Economics and How We Answer Them (Jan 11)
   What is Development and who is being developed? What role does health play in improving the well-being of individuals? What is the state of population health around the world? What tools do economists use to answer questions in development and global health?

   Readings:
   Chapter 1 Poor Economics


2. Fertility and Income (1/23)
   What is the relationship between population growth and development? What role does access to contraception play in fertility choices? What factors influence fertility decisions?

   Readings
   Ch. 5 Poor Economics


3. Fetal and Early Life Health (1/30)
   How does health early in life influence later-life outcomes? Do early-life conditions have a persistent effect? Are they different for boys and girls? Are there cost-effective ways to greatly improve maternal and child health?

   Readings
   Ch. 2 Poor Economics


4. Child Health, Education, and Health Externalities (2/6)

What role does education play in development? Does education improve health? Does better health lead to better education? How has education policy changed the landscape of developing countries?

Readings

Ch. 4 Poor Economics


5. Adult Health, Productivity, and Wages (2/13)

How do infectious diseases affect well-being? How do individuals and families respond? What is the causal relationship between health and wealth? Is there “low hanging fruit,” available to improve health? How would you find out?

Readings


6. Health Care: Access, Availability, and Effects (2/20)

What is the state of health services in developing settings? What are the challenges to improving health care? Can better care improve lives? What are the relevant outcomes to track?

Readings

Ch. 3 Poor Economics


7. Midterm (2/27)

8. Health and Resources within the Family (3/12)
   *What is the role of the family in developing countries? Does it matter who makes decisions within the family? How do families share risk and resources, and what effects do extended families members have on child development?*

   **Readings**

9. Migration, Labor and Health (3/19)
   *What causes someone to migrate? Where do they choose to go? What are the challenges to studying international migration? How do we overcome them?*

   **Readings**

10. Economic Crises and Health (3/26)
    *What effects do crises have on health? How do we measure them? Are they purely financial? What aspects of health are impacted? Who is hurt the most?*

    **Readings**


*What are the constraints and choices driving health behaviors? Is behavior consistent with our economic models? How might they be modified? How do economists think about costly addictive goods?*

**Readings**


12. Insurance and Risk (4/9)

*What are the barriers to insurance in developing countries? Are they different than in the developed world? Why hasn’t the micro-insurance revolution taken off? How do individuals cope with risk without formal insurance?*

**Readings**

Ch. 6 Poor Economics


13. Microcredit & Savings (4/16)

Why is microcredit needed? What can we hope microcredit can achieve? Is there evidence that it really works? Why is it difficult to tell? How can the system be improved?

Readings
Ch. 7 Poor Economics

