

**WWS 562b**  
**Economic Analysis of Development**  
**Spring 2006**

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Requirements:

The course will require completion of four problem sets, a midterm and final exam, and one policy memo. The weight of each in the final grade is as follows:

Problem sets (4):	20%
Midterm exam:	25%
Policy memo:	20%
Final exam:	35%

Details:

1. The problem sets will contain questions that are similar to those that will be on the two exams. Each problem set will include a set of required questions, answers to which must be turned in one week after the problem set is distributed. Except in unusual circumstances (e.g. a health or family problem), late problem sets will not be accepted. Each problem set will also contain some additional “practice” questions. Answers to these questions should not be turned in, but will be discussed in problem set review sessions that will be scheduled during the semester.
2. The policy memo will be due around the end of the semester (exact date to be determined). Students will be expected to produce a polished 8-10 page memo that assesses a specific policy that has been or is under consideration in a specific country. The choice of topic is up to the student; however, the general topic should be related to something that is covered in the class. More information and examples of possible topics will be provided later in the term.
3. Two “policy modules” will combine WWS 562b and WWS 562c. These topics will be team-taught by Professor Anne Case and me.

Course outline:

1. Economic Growth and Economic Development (Feb. 7 and 9)
  - a. Growth Models
  - b. Growth and Development
2. Poverty and Inequality (Feb 14 and 16)
  - a. Measurement Issues
  - b. Global trends
3. Household Decision-Making and Resource Allocation (Feb. 21, 23 and 28)
  - a. Integrated “Farm” Household Models
  - b. Applications: Tax policy; Technological change
  - c. Intra-household Resource Allocation and Gender Discrimination
4. Markets for Labor and Land (March 2 and 6)
  - a. Labor Markets and Rural-Urban Linkages
  - b. Land Markets and Property Rights
5. Combined 562b and 562c Policy Module: AIDS Orphans (March 9 and 14)

Midterm exam: March 16 (last day before spring break)

6. Saving, Insurance and Credit Markets (March 28, 30 and April 4)
  - a. Risk and Saving Behavior
  - b. Credit Markets
  - c. Microcredit Programs and Enterprise Development
7. Investments in Education (April 6, 11)
  - a. Returns to education
  - b. Issues in education policy
8. Investments in Health (April 13, 18)
  - a. Returns to health
  - b. Issues in health policy
9. Poverty Alleviation Programs (April 20, 25)
  - a. Targeting poverty alleviation programs
  - b. Conditional and unconditional cash transfer programs
10. Combined 562b and 562c Policy Module: Foreign Aid (May 2 and 4)

These dates are approximate, and I expect some topics will take more than their allotted times. I have left one lecture (April 27) unscheduled so we'll have time to cover all the material if the schedule slips a little.