Professor: Erik Wibbels, ew41@duke.edu
Lecture: T,R 3:30-4:45 in LSRC D243
Office Hours: Monday 1-3:00 or by appointment. Sign up for slots here.

Course Description:
Why are some countries rich and some poor? Why are some households rich and some poor? This course introduces students to the intellectual tools for understanding why development varies across the globe and the practical tools for designing and evaluating policies aimed at alleviating poverty. To that end, the course is organized into three parts. The first part focuses on the big picture: the macroeconomic and political foundations for sustained economic growth, including historical legacies, technological innovation and political institutions. The second part focuses on the micro-picture: the household-level dynamics of poverty and development, including access to food and credit, the role of health and education, the transition from village to city life, and day-to-day governance. The third part of the course introduces students to the practicalities of designing and evaluating the efficacy of governance and poverty relief interventions and policies. The focus will be on the use of field experiments to study interventions to promote better governance and household wellbeing.

The class will be taught with an eye toward gathering both abstract knowledge and specific skills. To promote the latter, we will use the last 20 minutes of Thursday meetings to work on exercises and activities that will develop your ability to work with data, develop country expertise, design field experiments, and design/evaluate governance and anti-poverty programs. In doing this work, the underlying data will come from a country that you care about, and your applied research on caloric consumption, social mobility, etc. will come from your own experience. Thus, the hard skills you will be developing will be deployed on places, issues and people that you care about. These sessions will be hands-on, and you will need to work with data. Since these assignments will take some preparation on your part, I have taken it easy with the reading load for the class.

Course Requirements
- Midterm (25% of final grade): The midterm will test the material covered in the first half of the class. Exams will be a mixture of short-answer and essay questions. Material covered in both the lectures and the readings are fair game. I will provide a comprehensive review sheet in advance. The midterm is Thursday, Sept 30.
- Final Exam (25% of final grade): The final will be identical in format to the midterm, but it will test information covered since the midterm. It is on Thursday, Dec 9 from 2-5p.
- Weekly exercises and discussion lead (25% of final grade): Each week’s exercise will involve some advance work, whether that be merging some data, learning some detailed information about your chosen country, or going hungry for a day. This preparation will include a one-page-ish report, plus any tables or figures you might generate; the report might involve an explanation of the figures you have generated, an accounting of how much your food consumption costs, or some ideas on why your country does or does not fit standard relationships between wealth/poverty and health, institutional quality, governance, etc. We will discuss these exercises for the last 30 minutes of each Thursday class. I will organize you into 2-3 person teams, and each team will be responsible for leading discussion once. In leading discussion, you should read everyone’s reports in advance and build the conversation around them. These weekly exercises and your performance as a discussion leader will be graded on a 0-10 scale.
  - Your country: In order to conduct these exercises, you will need to choose a country to serve as your laboratory this semester. You should be curious about this place since you'll be doing regular research on it. There needs to be at least a household survey or census data of your place that you can get your hands on. Come talk to me, if you need help finding data or have an alternative aspiration that you would like to pursue.
  - Downloading Stata: Nearly all of you will be working with some sort of data over the course of your Duke careers and beyond. If you haven’t before, this will be a gentle introduction; if you have, here’s a chance to strut your stuff. Stata is a software package for analyzing data. You will need to download it onto your machine ($50) or use it on one of the university's computers in order to complete the exercises. You can get it here: https://software.duke.edu/. There is a lot of free, user-
friendly support for Stata, including these modules: [http://www.ats.ucla.edu/stat/stata/](http://www.ats.ucla.edu/stat/stata/). For video intros, see [here](http://www.ats.ucla.edu/stat/stata/). If you’d rather use Python or R, that’s fine too.

- Your weekly reports should be turned in via Sakai by 8p Wednesday night. Any assignment turned in late will be subject to the late assignment policy outlined below.
- I will send you an email on Fridays the week before sections with some helpful advice on how to conduct the following week's exercise. The email might include references, some Stata code, an example, etc. to help guide the way.

- **Final Project (25% of final grade):** The weekly exercises will build toward you designing a governance or poverty alleviation program in your country, region, or city. You will justify your program design and provide a research design for evaluating whether or not the program works. These final project reports should be 10-12 pages. I will provide a detailed handout on this assignment later in the semester, but note that the last three section meetings will be devoted to successive drafts. **The final project is due on Friday, Dec 3 at midnight.**
- **Attendance/Participation (0 percent):** This class will be taught in a combination lecture/seminar format. Even when I’m lecturing, I would encourage you to interrupt, ask questions, raise points, and generally poke and prod. As such, it is essential that you come to class having done the readings and be prepared to discuss them. Though it counts as zero percent toward your grade, my 20 or so years of experience indicates a strong correlation between attendance and grades.

**Readings:**

Pdfs of all the readings are available on Sakai. The weekly readings are typically composed of one academic-ish paper or chapter and one or two short policy briefs.

Some useful development blogs that are worth check on regularly:

- The World Bank’s [Development Impact](http://www.ats.ucla.edu/stat/stata/)
- Poverty Action Lab (JPAL)
- 3ie’s [Evidence Matters](http://www.ats.ucla.edu/stat/stata/)
- [Center for Global Development](http://www.ats.ucla.edu/stat/stata/)
- Vox [CEPR Policy Portal](http://www.ats.ucla.edu/stat/stata/)

**Policies**

- No makeup exams beyond restrictive University rules (illness, religious holiday, etc.). If a makeup is absolutely necessary, please contact me before the day of the exam.
- No late assignments. All late assignments will be punished by one letter grade for every day that they are late. In other words, an “A” becomes a “B”, if the paper is one day late; the “B” becomes a “C” after two days, etc.
- All appeals of grades received on an exam or assignment need to be submitted no later than two working days after the date they are returned to the class. Please provide me with a written statement explaining precisely why you think a grade change is in order. Note that in the event of an appeal I will re-grade your entire exam/paper under the assumption that if I was heavy-handed on one part of the exam/paper, I might have been excessively tolerant elsewhere. Your grade might go up, but it could go down.
- Plagiarism and cheating are violations of academic integrity and thus violations of the Duke Community Standard. As specified by the Academic Integrity Council, such violations could result in a variety of disciplinary actions, including suspension or permanent dismissal from the University. For the purposes of this class, plagiarism will be defined as submitting a piece of work which in part or in whole is not entirely the student’s own work without attributing those same portions to their correct source. If you are at all unsure as to what constitutes plagiarism, see this [website](http://www.ats.ucla.edu/stat/stata/). I will report any perceived violation to the Office of Judicial Affairs for investigation.

**Classes in the time of COVID:**

It is a strange and difficult time to be doing demanding work. A couple of things:

- Many students I know have found this a very challenging time. If you have mental health concerns and/or stressful events, there are a lot of resources available to you, including the ones listed below:
  - DukeReach. Provides comprehensive outreach services to identify and support students in managing all aspects of wellbeing.
Diversity Statement:
Three things. 1. The BLM movement has reminded me how important it is that the materials in this class reflect the range of races, ethnicities and genders that are both the conductors of, and subjects of, research on development. This syllabus represents an ongoing effort in that direction, even if it is imperfect. 2. Too often research and policy on “development” is driven by white people in Washington, Paris, etc. Please beware of those rich people in rich countries who think they are better informed about the lived realities of poor people. 3. You all likely come from a variety of backgrounds and arrive with different ideas. Please listen respectfully to each other. Some of the issues in this class are controversial. I encourage you to disagree with each other (and me!), but please begin with a compassionate attempt to understand each other.

NOTE: This syllabus can change over the course of the semester. Please check your email and the online syllabus for updates.

Course Schedule

Week 1:
Class 1: What we are doing here: Expectations and Aspirations

Readings:
- Paul Collier, The Bottom Billion, Ch. 1. Available on Sakai.
- Shane DeRolf. "Committing to a Randomized Evaluation: the scariest and smartest thing we ever did." Blog post.
- Loiacono, Vargas and Tumusiime. “We Need More Respectful and Inclusive Experiments in Development Economics: A Proposal.”

Preparation for Next Week’s Discussion:
- Find a country you are interested in and are going to work on this semester. Make sure it has micro-(i.e. household/survey) data available.
- Load Stata onto your computer. Introduce yourself to the basics, i.e. how to load data, examine data, etc. See above for resources to help you get started with Stata.

I. The Macroeconomics and Macropolitics of Development and Poverty

Week 2: Aug 31 - Sept 2
Lectures: What do we mean by “poverty” and “development”?
- The dimensions of poverty and wealth
- The distribution of poverty and wealth across countries and households
- The relationship between poverty and inequality
- The relationship between growth, inequality and development
- The dimensions of poverty and wealth

Readings:
- World Bank’s primer on Measuring Inequality
Discussion: Measuring poverty
- Develop, justify and compute a poverty measure from your country using survey or census data. It might be a measure of caloric, educational, income, health, or whatever-makes-sense poverty.
- Questions:
  - What is the distribution of poverty in your country? Does it vary by sub-groups (gender, ethnicity, urban/rural or...)?
  - How does your poverty measure relate to standard measures provided by the World Bank and UNDP?
  - How well would your poverty measure “travel” across countries/regions/localities? Would it capture poverty in the U.S., China, and beyond, or is it highly specific to your country?

COVID check-in on your partner!

Week 3: Sept 7-9
Lectures: Political Order, Long-term Development and Economic Growth

Readings:
- Berman and Lowery, “The 12 key results from the DOJ’s scathing Ferguson Report,” Washington Post
- Chapter 1 in Jerven, Poor Numbers: How We are Misled by African Development Statistics and What to do About it. Ithaca: Cornell University Press.

Discussion: Measuring GDP, GDP per capita and its Growth (use Penn World Tables)
- Displaying GDP and Growth Trajectories
- Questions:
  - How does your country’s growth trajectory look? Do 5-year, 10-year, 20-year and 40-year trends look the same? If there are discontinuities, what might have caused them?
  - After reading Jerven (see above), do your growth trajectories show evidence of any hard-to-explain irregularities?

Week 4: Sept 14 -16
Lectures: The Proximate Causes of Economic Growth and Stagnation
- The ingredients of the standard economic growth model
- Labor, capital, land, technology and human capital

Readings:
- David N Weil Economic Growth, Chapters 2-3.
- Eliana Carranza et al. “Reducing labour market information frictions with skill certificates: Evidence from South Africa.” Blogpost

Discussion: The Ingredients of Growth in your Place
- Look at the most recent 10-year growth and poverty trajectory for your place.
- Look at 10-year dynamics bearing on the supply of labor, capital, land, technology and human capital
- Questions:
  - Do growth and poverty dynamics map onto dynamics in labor, capital, tech and human capital?
How good a job do the proximate causes of growth do in explaining your place’s growth and poverty dynamics over the 10-year period?

COVID check-in on your partner!

**Week 5: Sept 21 - 23**

- The role of weather, tropical agriculture, and technology in long-term growth
- How colonial legacies shape trade patterns, governance and beyond today

Readings:

Discussion: Measures of geography, weather and growth.
- Questions:
  - How well do these measures of geography, ecology, etc. capture the key concepts in the arguments?
  - How do they correlate with 5-year, 10-year and 20-year growth rates in your place? Over what time frame should we expect to find a relationship?
  - Where is your place/country in the cross-country relationships? Does it fit the story? Why/why not?

**Week 6: Sept 28-30**

**Midterm on Thursday, Sept 30**

**No assignment this week**

Lecture: The Origins of Growth—Institutions, Politics and Policies
- The role of government in development
- How constraints on government can contribute to economic dynamism
- How market failures introduce a role for government in promoting development
- Whether and how specific policies impact growth

Readings:
- Davenport and Aquino. “Information is power: How more transparent state budgets could bring major improvements in public services for Nigerians,” Blogpost.

COVID check-in on your partner!

**II. The Microeconomics and Micropolitics of Development and Poverty**

**Week 7: Oct 7**

**No class on Tue, Oct 5: Fall Break**

**No assignment this week**

Lecture: Food and Credit
- Immediate needs: How the quest for calories shapes the human condition
- Planning for the future: How access or not to credit shapes household behavior

Readings:
• Chpts 1, 6, and 7 in Banerjee and Duflo, *Poor Economics*.
• N’Simire and Tchumisi “The Benefits and Challenges of Financial Diaries as a Research Method in Goma, DRC” (blog)
• JPAL “Microcredit”: [https://www.povertyactionlab.org/policy-lessons/finance/microcredit](https://www.povertyactionlab.org/policy-lessons/finance/microcredit) (blog)

**Week 8: Oct 12-14**

Lectures: Food and credit, continued; Social mobility and intergenerational transmission of income/wealth
• How parents shape children
• The ingredients of upward and downward social mobility

Readings:
• Chapters 1 and 2 in Anirudh Krishna, *One Illness Away: Why People Become Poor and How they Escape Poverty*.
• Jessica Gagette-Miranda on [spillovers from aspirations to go to college in Brazil](https://www.povertyactionlab.org/policy-lessons/finance/microcredit) (blog post)

Discussion: Measuring social mobility: narratives, surveys, censuses.
• Read Chpt 2 in Krishna. Then gather an oral history of intergenerational mobility from at least two branches of your family (if this isn't possible, do it for a friend's family). Get details and go as far back as you can on education, profession, income and assets.
• Questions:
  o Describe your family's intergenerational upward/downward mobility. What were the key triggers of upward mobility, downward mobility, or stability?
  o What have you learned about measuring intergenerational transmission of income, assets, skills, etc.? What were the hard and easy parts of the story to learn?

COVID check-in on your partner!

**Week 9: Oct 19-21**

Lecture: Social Policies from Education to Health to Cash Transfers
• The role of education and health crises in household income dynamics
• The importance (and difficulty!) of incentivizing good performance by teachers, nurses, etc.
• The boom in conditional and unconditional cash transfers across the developing world

Readings:
• JPAL. “*Introduction to Randomized Evaluations*.”
• Kathleen Beegle. “*Targeting Cash Transfers Within the Household.*” (Oct 2020). Blogpost.
• “*The Price is Wrong*” J-Pal Bulletin (April 2011)
• Dylan Matthews. “*Don’t teach a man to fish. Give him the goddamn fish.*” Blogpost.

Discussion:
• The mean and distribution of educational achievement or health outcomes in your place
• Questions:
  o Imagine that you stopped your education now. Where would that put you in the educational distribution of your place?
  o How much does the average person with a high-school education earn in your place? Is that a living wage or not?
  o Any ideas on why health or education are distributed as they are in your place?

**Week 10: Oct 26 - 28**

Lectures: Migration, Urbanization & Slums
• Economic growth and urbanization
• Migratory flow to and from urban areas
• The growth and governance of slums

Readings:
• Chapters 2-3 in Mike Davis, *Planet of Slums* (New York: Verso, 2006).
• Maria Hart and Robin King “To Fix City Slums, Don’t Just Knock Them Down: Involve Residents in Upgrading Efforts.” Blogpost.

Discussion:
• Using satellite data to detect slums from space
• The pace of urbanization in your country
• Questions:
  o What is the pace of urbanization in your place over the last 10 years? How does that pace compare with the urbanization rate in your fellow students’ in class? What explains the variance across places?
  o Find your place’s capital city in Google Earth. Can you find rich and poor communities in the images? What are the characteristics of those neighborhoods? Use the time slider to move through 10 years of images. Can you observe the evolution of neighborhoods through time (if not, check the edges of the city!)? Describe.

COVID check-in on your partner!

**Week 11: Nov 2 - 4**

Lectures: Governance
• Clientelistic politics vs. programmatic politics
• Policing and Public Order
• Corruption
• Citizen monitoring and engagement

Readings:
• Erik Wibbels. “A Brief Primer on Designing and Delivering Survey Experiments.” PPT slides.
• High tech and very local approaches to governance. An example from Bangalore (spend some time exploring functionality). Alternatively, check out the WasteVoice app on your phone; this is a current DevLab project in Cambodia.

Discussion:
• Uncovering evidence of sensitive behavior or attitudes: How to develop a survey experiment.
• Questions:
  o What is your survey experiment? Justify your design: Why is it important? Who are you interviewing and why? What is your sampling strategy?

**III. Alleviating Poverty—Designing and Evaluating Programs**

**Week 12: Nov 9 - 11**

Lectures: Development as manipulable; development as an industry
• The role of government in development
• The international donor community and the industry of international development

Readings:
• JPAL, blog post on Policing in Rajasthan, India
• Severinne Autessere, “Trouble in Peaceland” Foreign Policy, Oct 6, 2015.

Discussion:
• The amount and type of donor programming in your place (see http://www.oecd.org/investment/stats/).

If your place is in a developed country, can you figure out if it is a net contributor to or beneficiary from the national budget?

Questions:
  o How much does the international community (or the national govt in a rich country) spend on development in your place? Is the amount changing through time? And what is the development spending money on (health, governance, military assistance, or...)?
  o And where exactly is the donor money spent in your place (see http://aiddata.org/maps)?
  o Does it seem like donor (or national government programming) is working? How would you know?

COVID check-in on your partner!

Week 13: Nov 16 - 18

Lectures: Policies and programs for alleviating poverty and improving governance
  • Program design
  • How to evaluate whether or not a program or policy works

Readings:
  • Christ Blattman “Why ‘what works?’ is the wrong question: Evaluating ideas not programs”. Blog post.

Discussion:
  • Draft 1: Your anti-poverty or good governance program, including power analysis
  • Questions you should be answering for your final project:
    o What is your program? What is the theory driving its design?
    o What is the unit of randomization and why?
    o Have you designed your program to have sufficient statistical power?

No Class Nov 23 - 35: Thanksgiving Break

Week 14: Nov 30 – Dec 2

Lectures: Field experiments in development; course conclusion
  • Keys features of field experiments
  • The promise and perils of field experiments
  • What we’ve learned
  • The frontier of what we know and what we can learn

Readings:
  • Chapter 2 in Dean Karlan and Jacob Appel, More than Good Intentions: How a New Economics is Helping Solve Global Poverty (Dutton, 2011).
  • Use Eve Vivalt’s Build Your Own Meta-Analysis tool to explore the range of evaluation outcomes on a policy you care about.
COVID check-in on your partner!

LDOC: Friday, Dec 3.  
Final Project due on Friday, Dec 3 at midnight.

Final Exam: Thursday, Dec 9 from 2-5p.