Economics 266
Development Economics
Fall 2014

Course Information
Professor Anthony Keats
PAC 210
akeats@wesleyan.edu
Lectures: Tues, Thurs 9:00 AM-10:20 AM, PAC 004
Office hours: Tues, Thurs 10:30 AM -12:00 PM

Course Description (course materials and a syllabus available on the course Moodle page)
By some estimates, approximately 1.4 billion people live on less than $1.25 a day.¹ Health status, educational attainment, government quality, and many other indicators are substantially lower in developing countries than in developed countries. Why are so many people so poor when so many people in developed countries are so rich? What is it that constrains poor people from catching up? What types of interventions are the most effective in helping people exit poverty?

These are all very big questions that we can’t hope to answer in just one semester. Many people have their own ideas as to what factors are most important in constraining poor people from getting richer. But what do we really know about what works and what doesn’t?

In this class, we will learn and develop the microeconomic foundations essential for beginning to answer these questions. We will focus primarily on studying individual households and firms, rather than countries – using concrete economic applications to begin to understand the choices and constraints facing real people in developing countries. By the end of the course, I hope that it’ll be more clear that people in developing countries aren’t really so different from anybody else, but instead that they face bigger constraints than the average person in the U.S. does.

Topics
Development is a large field that includes much more than can be covered in one class, so by necessity I’ll focus the class on several major topics in the microeconomics of development. We will cover some of the most important topics in development: health and nutrition, production and local markets, household economics, education, formal and informal risk-coping mechanisms, and savings and credit.

Readings
The required text is Development Economics by Julie Schaffner. I will also assign articles for further reading throughout the course. These articles will either be posted on the course Moodle or I will provide a link.

Grading
Grades for this class will be based on approximately 10 weekly assignments (problem set or short essay), a midterm, and a final exam. The weekly assignments will count for 30%, the midterm 35%, and the final will count for 35%. Class participation will also count in marginal cases (for instance, in the decision between a B+ and an A-).

Weekly Assignments
Weekly assignments will normally be assigned on Tuesdays and be due on the following Tuesday. You may work in groups on the problem sets, but you each must turn in your own work. Written assignments are to be completed

individually and in your own words. There will be fewer written assignments and I will provide detailed instructions for these when they are assigned.

**Exams**
The **midterm will be on Thursday, October 16**, during our normal class time.

The final exam will be set by the Registrar.

**Missed Assignments**
Should a personal emergency necessitate missing a scheduled exam or not delivering an assignment on time, contact me as soon as possible **ahead of time** to make alternative arrangements. Any such absence requires written certification from the Deans’ Office.

**Honor Code**
All work submitted for a grade in this course must be your own original work. You are encouraged to discuss your work with your fellow students, but in accordance with the Honor Code, submitting another person’s work as your own would constitute plagiarism and will not be tolerated. The research paper cannot be submitted in another course without express prior permission from both me and the instructor of the other course. If you propose a topic that is related to a topic that you wrote about in a prior semester, you must seek express prior permission from me. If you have any questions about the application of the honor code, please contact me.

**Students with Disabilities**
It is the policy of Wesleyan University to provide reasonable accommodations to students with documented disabilities. Students, however, are responsible for registering with Disabilities Services, in addition to making requests known to me in a timely manner. If you require accommodations in this class, please make an appointment with me as soon as possible, so that appropriate arrangements can be made. The procedures for registering with Disabilities Services can be found at [http://www.wesleyan.edu/studentaffairs/disabilities/index.html](http://www.wesleyan.edu/studentaffairs/disabilities/index.html).

**Contact**
Email is my preferred way of being contacted. Normally I will respond within a day, excluding illness and travel; response times are likely to be faster on weekdays.

My office is in PAC 210. I will be available for questions during office hours and by appointment. If the door is open you should feel free to drop in, but understand that sometimes we may need to schedule a later appointment. If the door is closed, I am either not in or not available to meet with students.

**Feedback**
I welcome suggestions that you think would improve the quality of this course. Please feel free to contact me in person or via email. Useful feedback will be beneficial to you as well as me!
**COURSE SCHEDULE**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Week (approx.)</th>
<th>Main Chapters</th>
<th>Application Chapters</th>
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<tbody>
<tr>
<td>Introduction</td>
<td>9/2-9/4</td>
<td>Ch 1-2</td>
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<tr>
<td>Growth and poverty</td>
<td>9/9-9/11</td>
<td>Ch 3, 5</td>
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<tr>
<td>Consumption</td>
<td>9/16-9/23</td>
<td>Ch 6</td>
<td>Ch 15, 16</td>
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<tr>
<td>Time allocation</td>
<td>9/25-10/2</td>
<td>Ch 6</td>
<td>Ch 15, 16</td>
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<tr>
<td>Production</td>
<td>10/7-10/14</td>
<td>Ch 6</td>
<td>Ch 15, 16</td>
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<tr>
<td>Households</td>
<td>10/23-10/30</td>
<td>Ch 7</td>
<td>Ch 17</td>
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<tr>
<td>Domestic markets</td>
<td>11/4-11/11</td>
<td>Ch 8</td>
<td>Ch 18</td>
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<tr>
<td>Labor markets</td>
<td>11/13-11/20</td>
<td>Ch 9</td>
<td>Ch 19</td>
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<tr>
<td>Investment and financial</td>
<td>11/25-12/4</td>
<td>Ch 10</td>
<td>Ch 21</td>
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<tr>
<td>Institutions and governance</td>
<td>(time permitting)</td>
<td>Ch 12, 13</td>
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NOTE: Class on October 9 is cancelled.