Topics in Development Economics:
Firms, Growth and the Political Economy

Times: TBA, Spring 2020
Location: TBA

Instructors:
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Description
This course introduces Ph.D. students to three important topics within development economics: firms, long-run development, and political economy. This course familiarizes students with the frontier of the literature, the questions being asked, the methods most prevalently used, and the evidence thus far. Some examples of topics that we will cover include: contract enforcement, relational contracting, misallocation, firm organization, corruption, foreign aid, conflict, and institutions. The class will focus on empirical methods and how they connect with theory. The ultimate goal of this course is to help students transition into the research phase of their career -- to help students formulate interesting, relevant and feasible research agendas.

Prerequisites: Graduate microeconomics, macroeconomics, and econometrics.

Grading: 100% In-class presentations and discussions.

Required readings are listed with * in the syllabus.

Additional readings:


**Syllabus (Subject to Change)**

April 1, 2019 Week 1

**Lecture 1A: Introductory Lecture [Nancy, Edoardo and Ameet]**

What is development? Why is it important to study firms, political economy and long-run development?

The four pillars of development: demographics, human capital, institutions and culture.

**Lecture 1A: “Institutions” matter and persist**


**Lecture 1B: Where do institutions come from?**


**Lecture 2A: Culture Matters and Persists**


**Lecture 2B: The Origins of Cultural Norms**


**Lecture 3A: The Relationship Between Cultural Norms and Formal Institutions**


**Lecture 3B: Administrative Capacity**


**Lecture 4A: Identity**


**Lecture 4B: Immigration and Long-run Cultural Change**


Lecture 5A: Human capital from a macro and long-run perspective


Lecture 5B: Conflict


Firms and Contracting in Developing Countries
Lecture 6A: Contracts and Reputation [Ameet]


Jie Bai “Melons as Lemons: Asymmetric Information, Consumer Learning, and Seller Reputation“, mimeo Harvard

Lecture 6B: Firm Performance [Ameet]


Lecture 7A: Market Structure [Ameet]


**Lecture 7B: Public Procurement [Edoardo]**


**Lecture 8A and 8B: Political Accountability and Political Selection [Edoardo]:**


*Lecture 9A and 9B: Selection and incentives of bureaucrats and frontline public service providers [Edoardo]*


Akhtari, Mitra, Diana Moreira, and Laura Trucco. “Political Turnover, Bureaucratic Turnover, and the Quality of Public Services” Working paper (2017)

*Lecture 10A and 10B: Corruption [Edoardo]*


