

## Introduction to Development Economics

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| Course title – Intitulé du cours               | Introduction to Development Economics |
| Level / Semester – Niveau /semestre            | M1                                    |
| School – Composante                            | Ecole d'Economie de Toulouse          |
| Teacher – Enseignant responsable               | Matteo Bobba<br>Mateo Montenegro      |
| Other teacher(s) – Autre(s) enseignant(s)      |                                       |
| Other teacher(s) – Autre(s) enseignant(s)      |                                       |
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| Other teacher(s) – Autre(s) enseignant(s)      |                                       |
| Lecture Hours – Volume Horaire CM              | 30 hours                              |
| TA Hours – Volume horaire TD                   |                                       |
| TP Hours – Volume horaire TP                   |                                       |
| Course Language – Langue du cours              | English                               |
| TA and/or TP Language – Langue des TD et/ou TP | English                               |

### **Teaching staff contacts:**

Meeting by appointment only, preferred mean of interaction by email:

- Matteo Bobba: [matteo.bobba@tse-fr.eu](mailto:matteo.bobba@tse-fr.eu). Office T.363.
- Mateo Montenegro: [mateo.montenegro@tse-fr.eu](mailto:mateo.montenegro@tse-fr.eu), Office T.352

### **Course Objectives:**

This course is intended to be a master-level introduction to development economics. The course is divided in two broad parts. The first one focuses on the macroeconomics of development. It addresses the question of why some countries are richer than others, and critically evaluates different explanations for this phenomenon on theoretical and empirical grounds. The second part focuses on specific microeconomic issues of development. Methodologically, it introduces students to randomized control trials and quasi-experimental evaluations. Substantively, it reviews theory and evidence about the impact of nutrition, health, education, finance, and politics on development.

### **Prerequisites :**

The course will build on basic knowledge of undergraduate macro, econometrics, microeconomics, and calculus.

**Practical information about the sessions:**

Students will be expected to attend all lectures and to actively participate during the sessions.

**Grading system :**

Final Exam

**Bibliography/references :**

Two main books will be followed in each part of the course:

- Weil, David (2013). *Economic Growth – 3<sup>rd</sup> Edition*. Prentice Hall.
- Banerjee, Abhijit, and Esther Duflo (2011). *Poor Economics*. PublicAffairs.

Other selected readings will be assigned before each lecture.

**Session planning :**

**Introduction: Why development economics? The facts to be explained**

**Part I: Macroeconomics of Development**

1. *A Framework for Analysis*
2. *The Proximate Causes of Income Differences : Physical Capital, Human Capital, Productivity, Technology and Efficiency*
3. *The Fundamental Causes of Income Differences : Geography, Institutions and Culture*
4. *Sorting out the Explanations : Historical Legacies of Development*

**Part II: Microeconomics of Development**

1. *Poverty Traps*
2. *Nutrition, Health and Randomized Control Trials*
3. *Education*
4. *Finance and Behavioral Economics: Insurance, Savings and Credit*
5. *Political Economy and Gender*