

# Topics in Health Economics

Course Website: [portal.utoronto.ca](http://portal.utoronto.ca)  
Lecture: R, 11:00am - 1:00pm, SS 1070

## Course Information

Instructor: Shari Eli  
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Office Hours: Max Gluskin House #326, Tues. 4:00 - 6:00pm  
Office Hours Sign-up: <https://my.timedriver.com/FH33S>

## Course Goals

This course explores a variety of topics in health economics and provides an overview of institutional characteristics of the market for, and public policy towards, health care. Students will apply theoretical and empirical tools to current domestic and international issues in health economics. No previous background in health economics is required.

## Prerequisites

One course from A, B and C:

- A) Microeconomic Theory: (ECO200Y1/ECO204Y1/ECO206Y1)
- B) Macroeconomic Theory and Policy: (ECO202Y1/ECO208Y1/ECO209Y1)
- C) Quantitative Methods in Economics: (ECO220Y1/ECO227Y1)  
Statistics: (STA247H1,STA248H1)/(STA250H1,STA255H1)/(STA257H1,STA261H1)

Distribution Requirement Status: This is a Social Science course Breadth Requirement: Society and its Institutions (3)

## Students with Disabilities

Please let me know as soon as possible if you would like special accommodations/arrangements either in class or in the event that the building must be evacuated. For disability-related accommodations, please also see the following website: <http://www.accessibility.utoronto.ca>.

## Plagiarism

Dont do it! Plagiarism, as defined by the Mirriam-Webster Dictionary, includes using someone elses words, phrases, texts, or rewording someone elses thoughts, without giving he/she due credit. The standard penalty for violations of academic integrity in this course will be an F grade for the course. It is your responsibility to check the student guide to academic honesty at <http://www.utoronto.ca/academicintegrity/>.

## Text

There is no textbook for this course.

## Grading

Grades will be calculated based on points gained from homework assignments, the midterm exam and term papers.

|              | Points | Date                      |
|--------------|--------|---------------------------|
| Homework     | 15     | Due at the start of class |
| Midterm      | 25     | Thursday, March 1, 2012   |
| 1st Critique | 30     | Thursday, March 15, 2012  |
| 2nd Critique | 30     | Thursday, April 5, 2012   |
| Total        | 100    |                           |

## Homework

There will be 3 homework assignments (5 pts each). Each homework assignment is due at the beginning of class on the due date. Late homework assignments will not be accepted.

| HW # | Points | Due Date         |
|------|--------|------------------|
| 1    | 5      | January 19, 2012 |
| 2    | 5      | January 26, 2012 |
| 3    | 5      | February 2, 2012 |

## Midterm

The midterm exam will be held during class. The exam will consist of 5 equally-weighted short essay questions. The best way to review for the exam is to review the homework questions.

## Critiques

Two critiques are required to complete this course. The first critique is due on Thursday, March 15, 2012, and the second is due on Thursday, April 5, 2012. To complete the critiques, you must compose a three-page essay in which you summarize the article (1 page) and provide original, constructive criticism of the article. Guidelines for composing critiques will be provided during class.

## Class Rules

All students must arrive on time. If you do not arrive on time, you may not be admitted to the class. The use of computers, iPhones, iPods, Blackberries, iPads, etc., are not allowed in class.

## Reading List

Students should aim to complete the readings for each week before the start of the week. Starred readings are required. The remainder are supplemental.

### 1. January 12 - Introduction

### 2. January 19 - The History of Health

\*Cutler, David, Angus Deaton, and Adriana Lleras-Muney (2006). "The Determinants of Mortality," *Journal of Economic Perspectives* 20(3), 97-120. <http://www.nber.org/papers/w11963>

\*Robert Fogel (2004). *The Escape from Hunger and Premature Death, 1700 - 2100*, Cambridge: Cambridge University Press, chapter 2, pp. 21- 42. [Available on portal.utoronto.ca]

Cutler, David and Grant Miller (2005). "The Role of Public Health Improvements in Health Advances: The 20th Century United States," *Demography* 42(1): 1-22. <http://www.jstor.org/stable/1515174>

\*Deaton, Angus (2006). "The Great Escape: A Review of Robert Fogel's *The Escape from Hunger and Premature Death 1700-2100*" *Journal of Economic Literature* 44(1), 106-114.  
<http://www.jstor.org/stable/30032298>

\*Preston, Sam (1996). "American Longevity: Past, Present, and Future," Syracuse University Policy Brief No. 7/1996. Distinguished Lecturer in Aging Series, Center for Economic Policy Research Policy Brief, 1996. <http://www.maxwell.syr.edu/uploadedFiles/cpr/publications/pb7.pdf>

Eli, Shari (2010). "Wealth is Health: Pensions and Disease Onset in the Gilded Age." Working Paper <http://econgrads.berkeley.edu/seli/files/2010/11/ShariEliJobMarketPaper.pdf>

### 3. January 26 - The Fetal Origins Hypothesis

\*Barker, David J P (1995). "Fetal origins of coronary heart disease," *British Medical Journal* 311(6998): 171-174. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2550226/pdf/bmj00601-0037.pdf>

\*Almond, Douglas V. (2006). "Is the 1918 Influenza Pandemic Over? Long-term Effects of In Utero Influenza in the Post-1940 U.S. Population," *Journal of Political Economy* 114(4): 672-712.  
<http://www.jstor.org/stable/3840337>

Brown, Ryan (2011). "The 1918 U.S. Influenza Pandemic as a Natural Experiment, Revisited." Working Paper. [http://mitsloan.mit.edu/neudc/papers/paper\\_276.pdf](http://mitsloan.mit.edu/neudc/papers/paper_276.pdf) (must copy/paste link in your browser)

Almond, Douglas and Janet Currie (2011). "Killing Me Softly: The Fetal Origins Hypothesis," *Journal of Economic Perspectives* 25(3): 153 - 172. <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.25.3.153>

Anna Aizer and Laura Stroud (2009). Education, medical knowledge and the evolution of disparities in health. manuscript, Brown University. <http://socialsciences.cornell.edu/0811/AizerPaper.pdf>

Anna Aizer, Laura Stroud, and Stephen Buka (2009). Maternal stress and child wellbeing: Evidence from siblings. manuscript, Brown University.  
[http://www.nber.org/public\\_html/confer/2009/CHs09/aizer.pdf](http://www.nber.org/public_html/confer/2009/CHs09/aizer.pdf) (copy/paste the link into your browser)

### 4. February 2 - Socioeconomics Status and Early-life Health in the West

\*Case, Anne, Darren Lubotsky, and Christina Paxson (2002). "Economic Status and Health in Childhood: The Origins of the Gradient. *American Economic Review* 92(5): 1308-1334. <http://www.jstor.org/stable/3083252>

\*Currie, Janet and Mark Stabile (2003). Socioeconomic Status and Child Health: Why is the Relationship Stronger for Older Children? *American Economic Review* 93(5): 1813-1823. <http://www.jstor.org/stable/3132154>

### 5. February 9 - Socioeconomic Status and Adult Health in the West

\*Scott, Janny (2005). "Life at the Top in America Isn't Just Better, It's Longer." *New York Times*, May 16, 2005, A1.

<http://www.nytimes.com/2005/05/16/national/class/HEALTH-FINAL.html?pagewanted=all>

\*James Smith (2005) Unraveling the SES-Health Connection, *Population and Development Review*, Special Issue (February). <http://www.jstor.org/stable/3401465>

\*Samuel Preston and Paul Taubman (1994) "Socioeconomic Differences in Adult Mortality and Health Status," in Linda G. Martin and Samuel H. Preston, eds, *Demography of Aging* (National Academy Press): 279-318. <http://www.nap.edu/openbook.php?isbn=0309050855> (also available on google books)

## 7. February 16 - Health and Economic Growth

\*Acemoglu, Daron, and Simon Johnson (2007). "Disease and Development: The Effect of Life Expectancy on Economic Growth," *Journal of Political Economy*, 115 (6): 925-985. <http://www.jstor.org/stable/10.1086/529000>

\*Pritchett, Lant and Lawrence Summers (1996). Wealthier is Healthier, *Journal of Human Resources* 31(4), 841-868. <http://www.jstor.org/stable/146149>

## 6. March 1 - Midterm

## 8. March 8 - Child Health in the Developing World

\*Cumming-Bruce, Nick (2008). "Global child mortality is halved," *New York Times*, February 2, 2008. <http://www.nytimes.com/2008/01/22/health/22iht-CHILD.4.9413329.html>

\*Banerjee, Abhijit, and Esther Duflo (2011). "Low-Hanging Fruit," Chapter 3 in *Poor Economics*, New York: Public Affairs, chapter 3, 41-70. [Available on [portal.utoronto.ca](http://portal.utoronto.ca)]

Bleakley, Hoyt (2007). "Disease and Development: Evidence from Hookworm Eradication in the American South," *Quarterly Journal of Economics*, 122(1), 73-117.

Miguel, Edward and Michael Kremer (2004). "Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities," *Econometrica* 72(1), 159-217.

## 9. March 15 - HIV/AIDS in the Developing World

\*Altman, Lawrence (2004). "Former Model of Success, Thailand's AIDS Effort Falters, U.N. Reports," *New York Times*, July 9, 2004.

<http://www.nytimes.com/2004/07/09/world/former-model-of-success-thailand-s-aids-effort-falters-un-reports.html>

\*Young, Alwyn (2005). "The Gift of Dying: The Tragedy of AIDS and the Welfare of Future African Generations." *Quarterly Journal of Economics*, 120(2), 423-466. <http://www.jstor.org/stable/25098743>

Oster, Emily (2005). "Sexually Transmitted Infections, Sexual Behavior, and HIV/AIDS Epidemic," *Quarterly Journal of Economics* 120(2), 467-515. <http://www.jstor.org/stable/25098744>

Thornton, Rebecca (2008). "The Demand for, and Impact of, Learning HIV Status," *American Economic Review*, 98(5), 1829-1863 <http://www.jstor.org/stable/29730154>

Dupas, Pascaline (2010). "Do Teenagers Respond to HIV Risk Information? Evidence from a Field Experiment in Kenya," *Quarterly Journal of Economics* 125(1): 1-45. <http://www.jstor.org/stable/40506276>

## 10. March 23 - Health Systems around the World

\*Blumenthal, David (2001). "Controlling Health Care Expenditures," *New England Journal of Medicine*, 344(10), 766-769. [Available on portal.utoronto.ca]

\*Cutler, David M. (2002). "Equality, Efficiency, and Market Fundamentals: The Dynamics of International Medical Care Reform," *Journal of Economic Literature*, 40(3), 881-906.  
<http://www.jstor.org/stable/3217112>

\*Blumenthal, David and William Hsiao (2005). "Privatization and Its Discontents: The Evolving Chinese Health System," *New England Journal of Medicine* 353(11), 1165-1170. [Available on portal.utoronto.ca]

Chaudhury, Nazmul, et al (2006). "Missing in Action: Teacher and Health Worker Absence in Developing Countries," *Journal of Economic Perspectives* 20(1), 91-116.  
<http://www.jstor.org/stable/30033635>

\*Filmer, Deon and Lant Pritchett (1999). "The Impact of Public Spending on Health: Does Money Matter?" *Social Science and Medicine* 49(10), 1309-1323. [Available on portal.utoronto.ca]

\*Das, Jishnu and Jeffrey Hammer (2007). "Money for nothing: The dire straits of medical practice in Delhi, India," *Journal of Development Economics* 83(1), 1-36. [Available on portal.utoronto.ca]

\*Sanmartin, Claudia et al (2006). "Comparing Health And Health Care Use In Canada And The United States" *Health Affairs* 25(4), 1133-1142. <http://content.healthaffairs.org/content/25/4/1133.full>

## 11. March 30 - Demand and Supply of Health Care

\*Singer, Peter (2009). "Why We Must Ration Health Care" *New York Times* July 15, 2009.  
[http://www.nytimes.com/2009/07/19/magazine/19healthcare-t.html?\\_r=1&em](http://www.nytimes.com/2009/07/19/magazine/19healthcare-t.html?_r=1&em) (copy/paste link in browser)

\*Manning, Willard, et al (1987). "Health Insurance and the Demand for Medical Care: Evidence from a Randomized Experiment" *American Economic Review* 77(3), 251-277.  
<http://www.jstor.org/stable/1804094>

\*Gawande, Atul (2009). "The Cost Conundrum" *The New Yorker* June 1, 2009.  
[http://www.newyorker.com/reporting/2009/06/01/090601fa\\_fact\\_gawande?currentPage=1](http://www.newyorker.com/reporting/2009/06/01/090601fa_fact_gawande?currentPage=1) (copy/paste the link in your browser)

## 12. April 5 - Obesity and Alcohol

\*Bhattacharya, Jay, Christina Gathmann, and Grant Miller (2011). "The Gorbachev anti-Alcohol Campaign and Russia's Mortality Crisis" *Working Paper*.  
[https://iriss.stanford.edu/sites/all/files/iriss/Russia\\_mortality\\_crisis.pdf](https://iriss.stanford.edu/sites/all/files/iriss/Russia_mortality_crisis.pdf) (copy/paste link into your browser)

\*Cutler, David, Edward Glaeser, and Jesse Shapiro (2003). "Why Have Americans Become More Obese?" *Journal of Economic Perspectives* 17(3), 93-118 (skim).  
<http://www.jstor.org/stable/3216824>

\*Jacobson, Michael F., and Kelly D. Brownell (2000). "Small Taxes on Soft Drinks and Snack Foods to Promote Health" *American Journal of Public Health*, 90(6), 854-857. [Available on portal.utoronto.ca]

\*Kolbert, Elizabeth (2009). "XXXL" *The New Yorker* July 20, 2009.

[http://www.newyorker.com/arts/critics/books/2009/07/20/090720crbo\\_books\\_kolbert?currentPage=1](http://www.newyorker.com/arts/critics/books/2009/07/20/090720crbo_books_kolbert?currentPage=1)  
(copy/paste link into browser)

\*Manning, Willard, et al (1989). "The Taxes of Sin" *JAMA* 261(11), 1604-1609. [Available on portal.utoronto.ca]

\*Mello, M., Studdert, D., and Brennan, T (2006). "Obesity - The New Frontier of Public Health Law" *New England Journal of Medicine* 354(24), 2601-2610. [Available on portal.utoronto.ca]

\*Mokdad, Ali H., James S. Marks, Donna F. Stroup, and Julie L. Gerberding (2004). "Actual Causes of Death in the United States" *JAMA* 291(1), 1238-1245. [Available on portal.utoronto.ca]