ECO403H1F Topics in Development Economics and Policy

Department of Economics University of Toronto

Fall 2021

Course description

This course will examine a variety of issues pertaining to economic development. Topics will include poverty and inequality, governance and institutions, human capital formation, and aid, trade, and migration.

The course will have a heavy emphasis on quantitative empirical methods. As a projectoriented capstone course, students will learn how to use economic tools and apply them to analyze questions in development economics.

Course information

Instructor:	Eva Vivalt	
E-mail:	eva.vivalt@utoronto.ca	
Office hours:	Friday 12:30-1:30 pm	
	https://utoronto.zoom.us/j/96093860157	
	Meeting ID: 960 9386 0157	
	Passcode: 323688	

TA:

	Alison Joan Cane
E-mail:	a.cane@mail.utoronto.ca
Office hours:	Wednesday 3-4 pm
	https://utoronto.zoom.us/j/85642297559
	Meeting ID: 856 4229 7559
	Passcode: 068189

Time zone information: All due dates and times are stated in local Toronto time. I will not accept confusion over time zones as an excuse for lateness or missed tests/work.

Organization: The course will use a flipped classroom: videos on the subject material to be covered in a lecture will be posted on Quercus for asynchronous viewing the week before a lecture, and we will discuss and answer questions during lecture. The semester is currently planned as in-person, with the exception of the first two weeks (Sept. 9 - 23). The first two weeks of lecture will be online, with the exception that the tutorial during the second week will be in-person. You will need:

- a working microphone and webcam (on a computer, not on a smartphone)

- a sufficiently good internet connection to participate in video calls
- the ability to upload files (e.g. Word, pdf) to Quercus

Technical difficulties are not a valid excuse for failing to submit assessments on time, so please be careful (e.g. make back-ups).

As mentioned, lectures and tutorials will sometimes be online. Please check Quercus for the links.

Office hours will be held fully on Zoom.

Lectures and Tutorials: There are two sections for this course:

Lec0101: Monday 11 am-2 pm Lec0201: Monday 3 pm-6 pm

<u>Flipped classroom weeks</u> (currently all weeks except the first two weeks, Sept. 9-23): After watching that week's lecture video, come to lecture in-person from 11-12 if in Lec0101 or 3-4 if in Lec0201, where we will discuss questions relating to the video you watched. Then go to tutorial in-person from 1-2 or 4-5, respectively.

Special weeks (currently just the first two weeks, Sept. 9-23):

Week 1: Come to lecture on Zoom from 11-1 if in Lec0101 or 3-5 if in Lec0201. Then go to tutorial on Zoom (week 1) from 1-2 or 5-6, respectively. The Zoom links will be posted on Quercus.

Week 2: Watch a lecture video prior to attending class (like for a flipped classroom week), but then join on Zoom from 11-12 if in Lec0101 or 3-4 if in Lec0201. Then go to tutorial in person from 12:30-1:30 or 4:30-5:30, respectively, to meet other students and try to sort out your groups for group assignments. There will be a synchronous Zoom option for those who cannot make the in-person tutorial.

<u>Note:</u> With the pandemic, nothing is certain, and it might happen that the university tells us to teach solely online again. If at any point in the semester we end up unable to hold class in-person, in that case the lectures will likely follow the "Week 1" schedule above, with two-hour online lectures and no video to watch beforehand (it would be too much video). Thanks in advance for your flexibility and understanding during the pandemic.

The TA and I will try to record and post all in-person lectures / tutorials online except for cases where it makes no sense to do so (like Week 2's tutorial, which is all about introductions, meeting each other, and brainstorming group project ideas in small groups). That said, the quality of the video recordings may not fully replicate an in-person experience.

It would be better for the two sections to be balanced, so please attend the lecture/tutorial of the section you are enrolled in. However, if you are interested in the other section,

please email the TA to let them know, and after the first few weeks of the semester I'll have a better sense of whether this can be accommodated.

Pre-requisites

One of each of the following:

- 1. Microeconomics: ECO200Y1/ECO204Y1/ECO206Y1
- 2. Macroeconomics: ECO202Y1/ECO208Y1/ECO209Y1
- 3. Quantitative methods for economics or statistics: ECO220Y1/ECO227Y1/ (STA237H1, STA238H1)/(STA247H1, STA248H1)/(STA257H1, STA261H1)

At least one FCE in ECO at the 300+ level.

You must meet the prerequisites before taking this course. The Department of Economics will check them and strictly enforce them, removing students who do not meet all requirements. I cannot waive the pre-requisites.

I expect that you will be able to perform basic calculus (i.e., take simple partial derivatives) and have a basic understanding of regressions. Anyone without a basic knowledge of empirical methods will find the course challenging.

Requirements

Component	Due date(s)
Empirical project	Friday, Oct. 1
Midterm exam	Week of Monday, Oct. 18
Group project, with the following	Monday, Sept. 27 and
breakdown:	Monday, Oct. 4 for the
5% Project proposal	proposal (see notes);
15% Project presentation	Monday, Oct. 18 (or week
20% Project paper	of),
	Monday, Oct. 25,
	Monday, Nov. 1,
	Monday, Nov. 15, or
	Monday, Nov. 22
	for the presentation (see
	notes);
	Friday, Dec. 3 for the
	project paper (see notes).
Final exam	TBD during final
	assessment period
	Empirical project Midterm exam Group project, with the following breakdown: 5% Project proposal 15% Project presentation 20% Project paper

The final grade for the course will be based on the following:

The public health situation may result in test date changes.

Empirical project: This is a short assignment based on Stata to make sure everyone can get to a level of proficiency with using it for empirical analysis. The assignment will be posted before the second lecture and you must submit your responses online through Quercus by the end of the day that it is due. You must write up and submit your own answers. If two students submit substantially the same responses, **both** will be penalized.

Midterm exam: More detail will be provided in class on the types of questions you can expect and how to prepare. The exam will be held the week of Oct. 18.

Group project: Students will complete the project in groups. Each group project will be an extension of an existing journal article, e.g., a replication using updated data or new analyses. The journal article must make its code and data available. Groups will identify their own project topics, subject to this limitation, and the topics must be approved.

The project ideas will be reviewed briefly in tutorial on Sept. 27; groups will be given 5 minutes each to orally present their proposals. If any group is informed after tutorial that they need to choose another topic, they will be allowed to put another idea forward in tutorial on Oct. 4, but they will be docked 20% on the assignment (this is only 1 percentage point of the entire course grade – don't stress out about it if it happens, but do take the initial proposal seriously).

Students will also present on their projects in groups after signing up for a timeslot. By the time of the presentation, the groups should have preliminary results and be able to interpret them. They will then get feedback they can use to improve their paper. The presentations should each run for 30 minutes including questions; students should prepare 20 minutes of material. The presentations will take place during tutorial on Oct. 18, Oct. 25, Nov. 1, Nov. 15, or Nov. 22; if the midterm falls on Oct. 18, the presentations on Oct. 18 will be moved to another day later that week.

After the presentation, you should have a clear idea of what you need to revise from your presentation for your paper. The paper is due on Friday, Dec. 3. You should structure your work on the paper so that you get the bulk of it done early.

Plan your presentation accordingly. Try to create at least one table and figure that you might want to include in your paper, so you can get early feedback and revise accordingly. Overall, the presentation should provide an overview of the paper, including motivation, details about its data, methods, and results.

The paper has a firm page limit of 7 pages, double-spaced. Each paper should include a maximum of 1 table and 1 figure (not included in the page limit) and a bibliography (also not included in the page limit). Students must also submit clean replication files with their project (i.e., both the data and the code used on those data, such that a third party could obtain the same results by running the code on the data).

Note: when forming groups, it can be helpful to include people with different skills. In particular, it will be easier if someone in the group has coding experience.

Final exam: This will be run by the university during the normal final assessment period (date TBD). You will get more guidance on the kinds of questions to expect and how to prepare in lecture, closer to the time.

Class Schedule

Week of	Торіс	Assessment/tutorial
Sept. 13	General introduction	Introduction to Stata in tutorial
Sept. 20	Causal inference	Project discussion
Sept. 27	Impact evaluation	Project proposals
Oct. 4	Issues in impact evaluation	Project proposals
Oct. 11	Thanksgiving	No tutorial (university closed)
Oct. 18	Review and/or midterm	Midterm test; project presentations
Oct. 25	Poverty and inequality	Project presentations
Nov. 1	Geography and institutions	Project presentations

-Reading Week-

Nov. 15	Aid	Project presentations
Nov. 22	Trade and migration	Project presentations
Nov. 29	Health	Review
Dec. 6	Education	Review

As the weekly lectures are largely based on journal articles, they will provide the background to understand the strengths and weaknesses of different empirical approaches and practice in critiquing academic papers (useful skills for the group project).

There is no required textbook. A reading list comprising academic journal articles will be posted in Quercus.

Software

The course involves empirical analysis, so some kind of programming language or statistical software must be used. This course will use Stata *only*.

Stata is more accessible to the beginner, and many journal articles use Stata (this will be important when it comes time for the group project, as your life will be a lot easier if you can start with the replication files from the original journal article).

You can purchase Stata online at:

<u>http://www.stata.com/order/new/edu/gradplans/cgpcampus-order.html</u> A six month license will be sufficient. "Small Stata" is unlikely to suffice – go for Stata "IC". The TA will also show you (in week 1) how to access Stata through the university, if you prefer.

If you already know another programming language, like R or Python: Way to go! That's awesome! But, unfortunately, anything other than Stata won't be accepted this semester given everything else going on with the pandemic. You would have a harder time finding a paper to replicate and it would be too hard on the TA to evaluate your work in R along with others' work in Stata. That's the bad news. The good news is that you should find Stata really easy. If you are: a) exceptionally experienced at programming in R, b) able to find an interesting paper to replicate that uses R, c) willing to put in extra work to explain your code *extremely* thoroughly, come to my office hours to discuss using R for the group project. Regardless, you will have to use Stata for the empirical project so the TA can grade them efficiently.

Course website, communications, and online lectures / tutorials:

We will be using Quercus to manage class communications, so it is **essential** that you log on and provide an email address that you check regularly! Make sure you are receiving notifications!

Lecture slides will be posted on Quercus, as well as lecture recordings (after lecture), additional readings, problem set questions, class announcements, and information about assessments. Links to meetings (for synchronous lectures and tutorials) will also be posted there.

Course policies

Examinations:

Appeals policy:

If a student wishes to appeal their midterm or final grade, or their grade on any other term assignment, they must submit a written explanation as to why they think their grade is mistaken.

You have two weeks from when an assignment's results are released to appeal the assessment's grade. The first week is a one-week "cooling off" period during which no appeals will be considered; you must submit your written explanation in the second week.

Please note that apart from trivial appeals such as points being added incorrectly, the entire item will be re-graded, and the appealed grade can be lower or higher than the original grade.

Missed tests:

A grade of zero will be given to students who do not write the midterm test, unless an appropriate and convincing note is received within one week of the missed test explaining why the test was missed.

For this semester, the Verification of Illness (or "doctor's note") is not required. Students who are absent from academic participation for any reason (e.g., COVID, cold, flu and other illness or injury, family situation) and who require consideration for missed academic work **must** record their absence through the ACORN online absence declaration. It is an academic offense to feign illness to avoid a test.

If a student has been excused from a midterm exam, they will be permitted to complete a "make-up" oral test one-on-one on Oct. 25.

- Consistent with university policy, there is no "make-up test" for the make-up test. No medical excuses will be accepted, and a grade of zero will be applied if a student fails to take the make-up test.

The final will be governed by the University's rules for missing final exams

Late assignments:

The empirical project and the group project are due at 11:59 pm Toronto time on the assigned dates.

Late submissions will receive a grade of zero.

For the group project, the late penalty is 10% per day, for a maximum penalty of 50%. A project submitted more than 5 days late will be assigned a grade of zero. You must submit your code as part of your assignment. Failure to turn in the code on schedule for any reason (including submitting it but the file being corrupted) will incur the same penalties for the percent of the group project grade that the code is worth.

E-mail policy:

I will do my best to respond to e-mail within 48 hours, but:

- a) I will not reply to e-mails that request information that can be found on the website or the syllabus, so you should check those places first;
- b) I will only respond to e-mails posing questions that can be answered in a sentence or two. Please consider whether your question is posed in such a way that it can be answered succinctly, and for detailed questions, please see me in office hours;
- c) I will not reply to e-mails regarding the results of graded material for that, please see me in office hours;
- d) Please, please put "ECO403" in the subject line. Thanks!

If you have been waiting for a response, please double-check these items.

Academic misconduct:

All suspected cases of academic dishonesty will be investigated following procedures outlined in the Code of Behaviour on Academic Matters. If you have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, please reach out to me. Note that you are expected to seek out additional information on academic integrity from me or from other institutional resources (for example, the University of Toronto website on Academic Integrity, http://academicintegrity.utoronto.ca/). Ignorance of the rules does not excuse cheating or plagiarism.

Plagiarism Detection:

Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the Centre for Teaching Support & Innovation web site (<u>https://uoft.me/pdt-faq (Links to an external site.</u>)).

Accessibility:

Students who require accommodation must register with Accessibility Services: <u>https://studentlife.utoronto.ca/service/accessibility-services-registration-and-documentation-requirements/</u>.

More generally, you may find other resources at Accessibility Services here: <u>https://studentlife.utoronto.ca/department/accessibility-services/</u>.

The Academic Success Centre can also help you with your learning goals: <u>https://studentlife.utoronto.ca/department/academic-success/</u>.

If you have any issues that affect you more than 3-4 days, please contact your College Registrar immediately so they can help: <u>https://www.artsci.utoronto.ca/current/academic-advising-and-support/college-registrars-offices</u>.

For course-related issues, please stop by office hours.

Recording:

This course, including your participation, may be recorded on video and made available to students in the course for viewing remotely.

Course videos and materials belong to your instructor, the University, and/or other sources depending on the specific facts of each situation and are protected by copyright. In this course, you are permitted to download session videos and materials for your own academic use, but you should not copy, share, or use them for any other purpose without the explicit permission of the instructor.

For questions about the recording and use of videos in which you appear, please contact your instructor.

Safety:

Many students may feel anxiety about in-person instruction during this time period. The TA and I are committed to maintaining as safe a learning environment as possible under university requirements. This includes: opening windows when possible and weather allows; occasionally holding the in-person component of class outdoors if both the subject matter to be discussed that day and the weather allows; posting material online for those who prefer to avoid unnecessary contacts or who are ill; and abiding by the mask policy – if a student claims to have an exemption, they will be asked for their required letter from Accessibility Services.

In my experience, those who study development economics tend to be thoughtful individuals who care about the impact their actions have on others. Please look out for each other and be sensitive to others in your class who may either be more at risk themselves or living with people who are more at risk.

Final thoughts:

This semester will have its own challenges. Please, let's all be kind to each other. Start things early, well in advance of deadlines. Time management is hard on your own; lean on your peers in your group. TIP: Set up weekly group meetings for your group project, for accountability. Chat with others using Quercus discussions.

Best of luck in this course and outside of it!