BOEC0380 – Global Policy Analysis: Poverty, Development, Growth

Instructor
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Teaching Assistants and Section Times
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Time and Location
Lecture: Tuesday 16:15-18:00, Zoom
Exercise sections: Wednesday 16:15-18:00, Zoom

Final Exam
Tuesday 22/06/2021, Location TBD

Course Description
This course has two primary objectives: First, it provides students with a solid overview of what we know about key topics of global development, such as the trends in poverty around the world, inequality, access to education and healthcare, international migration, world hunger and population growth. Second, it equips students with tools to critically assess statistical claims and analysis about these issues of global development, by providing an introduction to commonly used empirical methods. In other words: how to spot when someone lies with data? Students will have some opportunities to try out these methods themselves in a hands-on way.

Grading

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<th>Item</th>
<th>Points</th>
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<tr>
<td>Problem sets (best 6 out of 7)</td>
<td>25%</td>
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<tr>
<td>Final exam</td>
<td>75%</td>
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Problem sets will be due on March 8th, 15th, April 11th, 18th, May 10th, 17th, 31st. They need to be uploaded at 22:00 at the latest on OLAT drop box folder. The content of the problem sets will be discussed in the exercise sessions.

You can work in groups (of up to 4 students) but each student should submit the problem set separately. If you work in group, please mark the names of other group members on your problem set, which will facilitate the grading process.

The final exam will include questions concerning the required readings, the material in the slides, and the materials covered in problem sets.
Class Policies
Lectures will be online. Lecture slides will be uploaded before and after class. It is mandatory that cameras be turned on during class sessions.

Schedule and Topics (preliminary, subject to changes)

<table>
<thead>
<tr>
<th>Week</th>
<th>#</th>
<th>Weekday</th>
<th>Date</th>
<th>Lectures</th>
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<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Tuesday</td>
<td>23/02</td>
<td>Course Introduction</td>
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<tr>
<td>2</td>
<td>2</td>
<td>Tuesday</td>
<td>02/03</td>
<td>Global Poverty Measures I</td>
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<td>3</td>
<td>3</td>
<td>Tuesday</td>
<td>09/03</td>
<td>Global Poverty II &amp; Inequality I</td>
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<td>4</td>
<td>4</td>
<td>Tuesday</td>
<td>16/03</td>
<td>Inequality II &amp; Population Growth</td>
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<tr>
<td>5</td>
<td>5</td>
<td>Wednesday</td>
<td>24/03</td>
<td>Health I &amp; Introduction to Randomized Controlled Trials (RCTs)</td>
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<td>6</td>
<td>6</td>
<td>Tuesday</td>
<td>30/03</td>
<td>Covid &amp; Health II</td>
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<td>7</td>
<td>7</td>
<td>Tuesday</td>
<td>13/04</td>
<td>Introduction to Difference-in-Differences Analysis &amp; Perspective from Ghana on Development and Business in Africa</td>
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<tr>
<td>8</td>
<td>8</td>
<td>Tuesday</td>
<td>20/04</td>
<td>Education &amp; Comparison of Impact Evaluation Methods</td>
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<tr>
<td>8</td>
<td>9</td>
<td>Wednesday</td>
<td>21/04</td>
<td>Career Panel &amp; Climate Change</td>
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<td>9</td>
<td>10</td>
<td>Tuesday</td>
<td>27/04</td>
<td>Corruption, Democracy, Institutions, and Regression Discontinuity Design (RDD)</td>
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<td>10</td>
<td>11</td>
<td>Tuesday</td>
<td>04/05</td>
<td>Aid &amp; Impact Measurement</td>
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<td>11</td>
<td>12</td>
<td>Tuesday</td>
<td>11/05</td>
<td>Colonialism, Power and Political Economy of Development</td>
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<td>12</td>
<td>13</td>
<td>Tuesday</td>
<td>18/05</td>
<td>Taxation</td>
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<td>13</td>
<td>14</td>
<td>Tuesday</td>
<td>25/05</td>
<td>Migration</td>
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<tr>
<td>14</td>
<td>15</td>
<td>Tuesday</td>
<td>01/06</td>
<td>Review Session</td>
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Reading List
In order to keep the course up-to-date, the reading list might be updated slightly throughout the semester based on the experience of the early classes and class interests. Changes to readings will come at the latest one week before the lecture they pertain to.

The required readings are in bold. It is recommended to read them before the class and they will be part of the materials covered in the exam. The other readings are optional for those who are interested in further learning.

At the beginning of the reading list there are also a few books for further reading that might be of interest to some of you and are very related to the course content.

Suggested Additional Books for Further Reading

On empirical methods:

On development economics
- The Economics of Poverty: History, Measurement and Policy, Martin Ravallion (2016)

On effective altruism

Lecture 1, February 23rd: Course Introduction

  https://www.ted.com/talks/anna_rosling_ronnlund_see_how_the_rest_of_the_world_lives_organized_by_income
  https://www.ted.com/talks/chimamanda_adichie_the_danger_of_a_single_story/transcript

Lecture 2, March 2nd: Global Poverty Measures I

- **Global Extreme Poverty** (Subsections: “Overview”; “Extreme poverty in the broader context of well-being”; “Historical poverty around the world”; “Historical poverty in today’s rich countries”; “The evolution of extreme poverty, country by country”; “Total population in extreme poverty, by world regions”; “How many poor people live in each country?”; “Who are the people living in extreme poverty?”; “Setting the International Poverty Line”; “What is the cost of ending extreme poverty”), Our World in Data. https://ourworldindata.org/extreme-poverty
- **What Are PPP Adjustments and Why Do We Need Them?**, Our World in Data. https://ourworldindata.org/what-are-ppps

Lecture 3, March 9th: Global Poverty II & Inequality I

- **Global Economic Inequality** (In Section “The history of global economic inequality”, Subsections: “Global divergence followed by convergence”, “Global income inequality increased for 2 centuries and is now falling”, “The latest data on global inequality and a look into the future”, “Inequality within countries and inequality between countries”), Our World in Data. https://ourworldindata.org/global-economic-inequality
- **Income Inequality** (Subsections: “How unequal were preindustrial societies?”; “How has inequality in high-income countries evolved over the last century?”; “Inequality before or after taxes?”; “Inequality of disposable incomes over the long run”; “How are the incomes of the rich changing relative to the incomes of the poor?”; “High-income countries tend to have lower inequality”; “Latin America is the world region with the highest income inequality”; “Inequality in the US has been growing substantially in recent decades”; “Taxation and public spending reduce inequality”; “The Gini Coefficient”; “Pen’s Parade”), Our World in Data. https://ourworldindata.org/income-inequality
- **Die Verteilung von Einkommen und Vermögen in der Schweiz.** Foellmi, Reto & Martinez, Isabel


Lecture 4, March 16th: Inequality II & Population Growth

- "*Life Expectancy*” – *What Does this Actually Mean?, Our World in Data.* https://ourworldindata.org/life-expectancy-how-is-it-calculated-and-how-should-it-be-interpreted
- *World Population Prospects: The 2015 Revision, Key Findings and Advance Tables,* United
Lecture 5, March 24th: Health I & Introduction to Randomized Controlled Trials (RCTs)

Health

- **Child Mortality** (Sections: "Child mortality- where we are today" (only intro + subsection "Child mortality is an everyday tragedy of enormous scale that rarely makes the headlines"); "Mortality in the past – around half died as children" (all subsections included); "Child mortality around the world since 1800" (all subsections included); "Global picture of child mortality from 1800 until today" (all subsections included); "Child mortality and income level" (all subsections included)). Our World in Data. https://ourworldindata.org/child-mortality


- **Famines** (Section (all subsections included): “Famine across the world since 1860”), Our World in Data. https://ourworldindata.org/famines

- **Free Malaria Bednets, Innovation for Poverty Actions**. https://www.poverty-action.org/impact/free-malaria-bednets

- **Hunger and Undernourishment** (Sections (all subsections included): “Undernourishment”; “Childhood malnutrition”), Our World in Data. https://ourworldindata.org/hunger-and-undernourishment


RCT

Lecture 6, March 30th: Covid & Health II

Additional reading will be added closer to class


National COVID-19 Science Task Force (NCS-TF) Policy Briefings on Economic Topics:

- Support to businesses in the second COVID-19 wave. 10 November 2020. 
- Estimating the economic costs of avoiding COVID-19 transmission through quarantine and testing of travelers arriving in Switzerland. 8 November 2020. 
- Widespread community spread of SARS-CoV-2 is damaging health, society and the economy. 14 September 2020. 
- Digital Proximity Tracing – The View from Economics. 10 July 2020. 
- Economic Considerations of Test-Isolate-Trace-Quarantine (TITQ). 10 May 2020. 
Lecture 7, April 13th: Introduction to Difference-in-Differences Analysis & Perspective from Ghana on Development and Business in Africa

Difference-in-differences


Lecture 8, April 20th: Education & Comparison of Impact Evaluation Methods

- *Increasing Test Score Performance*, Abdul Latif Jameel Poverty Action Lab. Cambridge, MA. (article on OLAT)

Lecture 9, April 21st: Corruption, Democracy, Institutions, and Regression Discontinuity Design (RDD)

- *Corruption* (Introduction; Sub-sections from Section “Empirical View”: “Where is perceived corruption highest?”; “Where are people more likely to pay bribes to access public services?”; “How does petty corruption affect the income of the poor?”; “Where are firms more likely to be asked for bribery”), Our World in Data. https://ourworldindata.org/corruption
- *War and Peace* (Section “War and Peace after 1945”), Our World in Data. https://ourworldindata.org/war-and-peace + old version on OLAT
Lecture 10, April 27th: Aid & Impact Measurement


Lecture 11, May 4th: Climate Change

- **Economists’ Statement on Carbon Dividends** (2019), Climate Leadership Council (US) [https://www.clcouncil.org/economists-statement/](https://www.clcouncil.org/economists-statement/)

Lecture 12, May 11th: Taxation

- **Taxation** (Sub-sections: “Taxes started growing in early-industrialised countries after the First World War”; “In the process of development, middle income countries have increased tax revenues”; “How much tax revenue do countries collect today?”; “How have income tax revenues evolved around the world?”; “How is consumption taxed?”; “How has the taxation of goods and services evolved around the world?”; “Rising GDP is associated with rising tax revenues”), Our World in Data. [https://ourworldindata.org/taxation](https://ourworldindata.org/taxation)

Lecture 13, May 18th: Colonialism, Power and Political Economy of Development

• Colonialism, Our World in Data. (available on OLAT)
• Working in Emerging Markets: Opportunities and Blind Spots, Adhikari, Samik; Elorrieta Juan Ignacio and Dina Pomeranz. Technical Note. (available on OLAT)
• Factfulness: Ten Reasons We're Wrong About the World - and Why Things Are Better than You Think (Chapters 6, 8), Rosling, Hans, Rosling, Ola and Anna Rosling Rönnlund (2018). Flatiron Books, New York.
Lecture 14, May 25th: Migration