BOEC0380 – Global Policy Analysis: Poverty, Development, Growth

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Time and Location
Lecture: Tuesday 16:15-18:00, RAI-H-041 & Zoom
Exercise sessions: Thursday 12:15-13:45, HAH-E-11 & Zoom

We encourage in-person attendance, due to the interactive nature of the class, but for those who cannot be there in person, a Zoom link is also available.

Zoom link for lecture:
https://uzh.zoom.us/j/69989752186?pwd=V3owRUc5VHILMW1Xdh4T1hnT0pmZz09

Zoom link for the exercise sessions:
https://uzh.zoom.us/j/64875216068?pwd=SVdUYIdXUHNkRm1ZOGRKdUZwNnQzZz09

Final Exam
Tuesday 20/06/2023, 16:15. Room KOL-F-101

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 introducing 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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<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
Problem sets will be due on March 6th (PS1), March 20th (PS2), March 31st (PS3), April 24th (PS4), May 5th (PS5), May 19th (PS6), May 26th (PS7). They need to be uploaded on OLAT drop box folder by 11:59 pm. 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, you must mark the names of other group members on your problem set.

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 hybrid, i.e., onsite and live streamed via Zoom.  
Onsite: Please be advised that the use of laptops, smartphones, etc. is not allowed during classes.
Printouts of lecture slides will be distributed in class. Completed slides will be posted online the day after the lecture.
Zoom: Printouts of lecture slides will be uploaded before class and completed slides will be posted online the day after the lecture. It is mandatory that cameras be turned on during class sessions.

The exercise session recording will only be available on OLAT for one week. The lecture will not be recorded.

Schedule and Topics (preliminary, subject to changes)

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<thead>
<tr>
<th>Week</th>
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<th>Date</th>
<th>Lectures</th>
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<tr>
<td>1</td>
<td>Tuesday</td>
<td>21/02</td>
<td>Course Introduction</td>
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<td>2</td>
<td>Tuesday</td>
<td>28/02</td>
<td>Global Poverty Measures I</td>
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<td>3</td>
<td>Tuesday</td>
<td>07/03</td>
<td>Global Poverty II &amp; Inequality I</td>
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<td>4</td>
<td>Tuesday</td>
<td>14/03</td>
<td>Inequality II &amp; Population Growth</td>
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<td>5</td>
<td>Tuesday</td>
<td>21/03</td>
<td>Health &amp; Introduction to Randomized Controlled Trials (RCTs)</td>
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<td>6</td>
<td>Tuesday</td>
<td>28/03</td>
<td>Introduction to Difference-in-Differences Analysis &amp; Insights From RCTs and Field Experiments in Kenya</td>
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<td>7</td>
<td>Tuesday</td>
<td>04/04</td>
<td>Education &amp; Comparison of Impact Evaluation Methods</td>
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<td>8</td>
<td>Tuesday</td>
<td>18/04</td>
<td>Corruption, Democracy, Institutions, and Regression Discontinuity Design (RDD)</td>
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<td>9</td>
<td>Tuesday</td>
<td>25/04</td>
<td>Climate Change &amp; Aid I</td>
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<td>10</td>
<td>Tuesday</td>
<td>02/05</td>
<td>Aid II, Impact Measurement &amp; Career Panel</td>
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<td>11</td>
<td>Tuesday</td>
<td>09/05</td>
<td>Colonialism, Power, and Political Economy of Development</td>
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<td>12</td>
<td>Tuesday</td>
<td>16/05</td>
<td>Taxation</td>
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<td>Migration</td>
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<td>30/05</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 21: Course Introduction

Lecture 2, February 28: 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*.

- **What Are PPP Adjustments and Why Do We Need Them? Our World in Data**.


- **The history of the end of poverty has just begun**, Our World In Data.

- **Extreme poverty: how far have we come, how far do we still have to go?** Our World In Data.


- **Poverty Data Explorer of World Bank data**, Our World In Data.

  With this data explorer you can look up by yourself most of the data presented in the course and focus on different topics, region and countries, for example your own!

Lecture 3, March 7: Global Poverty II & Inequality I

- **Global Economic Inequality** (Section “The history of global economic inequality”, All subsections) *Our World in Data*.

- **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*.

- **World Inequality Report (2022)** (Chapter 4: pages 82-100), Chanel, Lucas; Piketty, Thomas; Saez, Emmanuel; Zucman, Gabriel (2022).

- **World Inequality Report (2022)** (Chapter 2: pages 52-71), Chanel, Lucas; Piketty, Thomas; Saez, Emmanuel; Zucman, Gabriel (2022).


- **From $1.90 to $2.15 a day: the updated International Poverty Line (2022)**, Our World In Data.


- **Are 26 billionaires worth more than half the planet? The debate, explained.**, Matthews, Dylan (2019). Vox.


- **Happiness and Life Satisfaction**, Our World in Data.


- **The Size of the Poverty Gap: Some Hints Regarding the Cost of Ending Extreme Poverty**, Our
World in Data.

- *World Inequality Report (2022)* (Executive Summary: pages 9-20; Chapter 1 - Global economic inequality: insights: pages 25-50); Chanel, Lucas; Piketty, Thomas; Saez, Emmanuel; Zucman, Gabriel (2017).
- Experienced well-being rises with income, even above $75,000 per year, Killingsworth, Mathew A. (2021). *Proceedings of the National Academy of Sciences of the United States of America*, 118(4).
- What is economic growth? And why is it so important?, Our World in Data.
- The history of the end of poverty has just begun, Our World in Data.
- Extreme poverty: how far have we come, how far do we still have to go?, Our World in Data.

**Lecture 4, March 14: Inequality II & Population Growth**

- "Life Expectancy" – What Does this Actually Mean?, Our World in Data.
- When Will the World Reach ‘Peak Child’? (Subsections: “The last decades and the next decades”; “The link between education in the short-run and the size of the population in the long-run”; “The WC-IIASA projections: How investments in education matter for the global population in the 21st century”; “The four future scenarios for global education”; “The size and structure of the world population under different educational scenarios”; “Global demand for education: The population of school-age children”; “Africa is going to be crucial”) Our World in Data.
- World Population Growth (Subsections: "World Population from 10,000 BCE to today"; “How has the world population growth rate changed?”; “How long did it take for the world population to double?”; “Population growth by world region”; “Population growth by country”; “Population growth rate by country and region”; "Two centuries of rapid global population growth will come to an end”; “The past future of the global age structure”; “The Demographic Transition”; “Empirical evidence for the demographic transition”; “How development affects population growth”) Our World in Data.
- Future Population Growth (Subsections: “The world is reaching peak child”; “The world population by educational structure”; “Births and deaths”; “Projections of the fertility rate”, “The correlation between the fertility rate and population growth”), Our World in Data.
- Population growth rate vs child mortality rate, Our World in Data.

**Lecture 5, March 21: Health & 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.

- **Famines** (Section (all subsections included): “Famine across the world since 1860”), Our World in Data.
- **Free Malaria Bednets, Innovation for Poverty Actions.**
- **Hunger and Undernourishment** (Sections (all subsections included): “Undernourishment”; “Childhood malnutrition”), Our World in Data.
- **What Does a Famine Declaration Declare?**, Our World in Data.
- **School closures and longer-term implications of COVID-19 for inter-generational mobility**, Azevedo, João Pedro: Cojocaru, Alexandru; Montalva, Veronica; Narayan, Ambar (2023)

RCT

- **Data analysis**, Duru, Maya and Sarah Kopper.

Lecture 6, March 28: Introduction to Difference-in-Differences Analysis & Insights From RCTs and Field Experiments in Kenya

Difference-in-differences

Lecture 7, April 4th: Education & Comparison of Impact Evaluation Methods

- **Global Rise of Education** (Sections (all subsections included): “The Evolution of Education Outcomes”; “School enrollment and attendance”; “Years of schooling”), Our World in Data.
- **Increasing Test Score Performance**, Abdul Latif Jameel Poverty Action Lab. Cambridge, MA. (article on OLAT)

Lecture 8, April 18: 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 bribes”), Our World in Data.
- **Democracy** (Empirical View), Our World in Data.
- **The Visual History of Decreasing War and Violence**, Our World in Data.
- **War and Peace** (Section “War and Peace after 1945”), Our World in Data.

Lecture 9, April 25: Climate Change & Aid I

Climate Change
- **Economists’ Statement on Carbon Dividends** (2019), Climate Leadership Council (US)
- **Economists’ Statement on Carbon Pricing** (2019), European Association of Environmental and Resource Economists
- **Way Down in the Hole: Adaptation to Long-Term Water Loss in Rural India**, Blakeslee, David,

- Climate change and infant mortality (2018), Michael Geruso and Dean Spears.
- Rapid, Climate-Informed Development Needed to Keep Climate Change from Pushing More than 100 Million People into Poverty by 2030 (2015), World Bank Group
- World Economic Outlook, October 2020: A Long and Difficult Ascent (2020), International Monetary Fund.
- Global CO2 emissions have been flat for a decade, new data reveals (2021) World Economic Forum.
- Mathilde Le Moigne "Buy Green Not Local" - Research Slam #2. Video
- You want to reduce the carbon footprint of your food? Focus on what you eat, not whether your food is local. Our World in Data.

Aid

- Jeder vierte Franken bleibt in der Schweiz, Alliance Sud.
- Foreign aid surges due to spending on refugees and aid for Ukraine, OECD.

Lecture 10, May 2nd: Aid II & Impact Measurement

- The Short-Term Impact of Unconditional Cash Transfers to the Poor: Experimental Evidence
Lecture 11, May 9: Colonialism, Power and Political Economy of Development

- **Colonialism, Our World in Data.** (available on OLAT)
- **Commitment to Development Index 2018.** Mitchell, Ian; Käppeli, Anita; Robinson, Lee; McKee, Caitlin and Arthur Baker (2018). *Center for Global Development.*
- **Understanding the long-run effects of Africa’s slave trades.** Nunn, Nathan (2017). *VoxEU – CEPR Policy Portal*
- **Working in Emerging Markets: Opportunities and Blind Spots, Adhikari, Samik; Elorrieta and Dina Pomeranz.** Technical Note. (available on OLAT)
- **Colonial Switzerland: Rethinking colonialism from the margins,** Purtschert, Patricia, and Harald Fischer-Tiné (2015). Springer.
- **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.
- **Stranger in the Village.** Baldwin, James (1955). *Notes of a Native Son, 175.*
- **Things to remember as you volunteer or conduct research in a developing country this summer,** Opalo, K. Ochieng’ (2015). *An Africanist Perspective,* blog.
- **Afrotopia – Afrikas Zukunft und Europas Vergangenheit – SRF**

Lecture 12, May 16: Taxation

- **Dodging the Taxman: Evidence from Ecuador,** Carrillo, Paul; Pomeranz, Dina and MonicaSinghal (2017). *VoxDev.*
- **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.*
- **The Role of the VAT for Tax Enforcement,** Pomeranz, Dina (2015). *J-PAL Evaluations*
- **Challenges of Monitoring Tax Compliance by Multinational Firms: Evidence from Chile,** Bustos, Sebastian; Pomeranz, Dina; Vila-Belda, José and Gabriel Zucman (forthcoming). *American Economic Review,* P&P.
- **How Big Is the Transfer Pricing Prize for Development?,** Maya Forstater (2017). *Center for Global Development Blog.*
- **Poorer Countries Lose More from Corporate Profit-Shifting,** Cobham, Alex (2014). *Center for
Global Development Blog.


Lecture 13, May 23: Migration

- *Think Development in Poor Countries Will Reduce Migration? The Numbers Say Otherwise*, Clemens, Michael (2014). *Center for Global Development*.