

14.73 Review Session

Exam Format

Short Questions:

- Test overall knowledge of subject matter covered in lectures and conceptual understanding of economics (no math derivations but a clear understanding of key economic concepts such as elasticities, price/income effects, estimation techniques)

Long Questions:

- Test detailed understanding of assigned readings and the ability to apply such understanding to new material, for example, interpretation of results tables and understanding the subtleties of estimation/identification

Topic 1 – Introduction:

- Key Readings: Poor Economics Chapters 1, pg 19-22 Chapter 2
- Economic Concepts: Poverty Traps, Value of RCTs in development field work
- Discussion: identifying potential poverty traps, why RCTs?

Topic 2 – Food:

- Key Readings: The Indiana Jones of Economics/Jensen's research on Giffen goods, The Great Bengal Famine, PE Chapter 2
- Economic Concepts: importance of childhood nutrition, demand for calories, substitution/income effects
- Discussion: does eating more make people more productive? Intergenerational poverty traps. Evidence for nutrition based poverty trap?

Topic 3 – Health:

- Key Readings: Udaipur Case Study, PE Ch 3
- Economic Concepts: understanding the low demand for public health services (demand and supply side explanations), self-limiting diseases makes learning about the effectiveness of treatments difficult
- Discussion: effectiveness of monitoring intervention, encouraging immunization

Topic 4 – Education:

- Key Readings: Easterly (2002) "Educated for What?", Case "The Primacy of Education", Banerjee et al. (2007) "Remedying Education", PE Ch 4
- Economic Concepts: supply and demand for education in dev. countries (Turkey example), macro relationship b/w growth vs income levels and education
- Discussion: INPRES experiment in Indonesia (more schools=>higher wages), teacher absence problems, endogeneity in cross-country comparisons

Topic 5 – Family:

- Key Readings: PE Ch 5, Sen “100 million missing women”
- Economic Concepts: Quality-quantity trade-off, gender-biased family investment decisions, demand/supply for contraception
- Discussion: identifying quality-quantity trade-off, understanding the motivation for gender-biased investments

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