

# 31E16000 Development Economics II

Aalto University School of Business, Economics Department

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## Term Paper/Essay Topics [choose one for your essay]

### 1. What will it take to achieve universal health? What is the role of government? Should it be a big G or small g approach? Why?

Watch the Center for Global Development event in the link below. What were the main issues on health and health care you learned from Pascaline Dupas' presentation and Jishnu Das' comments? Use relevant (but selected literature) as needed. See especially Jishnu Das' slides available in *MyCourses* (under the TAB **Term Paper and Group assignment**/Topics to choose from) regarding the role of government. He brings an interesting perspective: should one take government failure as given and operate within its constraints (=small g), or should one try to fix the government instead (=big G)? If yes, how?

<https://www.cgdev.org/event/future-development-health>

In the *Future of Development* series, the Center for Global Development and the Georgetown University Initiative on Innovation, Development and Evaluation (gui2de) bring together development experts, scholars, and policymakers to address the big questions facing developing countries and help shape the agenda in global development over the next decade. In this edition, Pascaline Dupas and Jishnu Das will join host Shanta Devarajan to discuss how improvements in healthcare in developing countries can be pursued in the next coming years.

### 2. Externalities: Problems and Solutions

The reading list for Lecture 1 includes Jonathan Gruber's excellent exposé of externalities. Select one important externality (e.g., infectious diseases or pollution or climate change) you are interested in and, based on relevant but select literature, discuss the problems this externality creates and solutions that have been suggested/are being used to address that particular externality.

**Gruber, Jonathan. 2016. *Public Finance and Public Policy*. Chapter 5: Externalities: Problems and Solutions. MIT/Worth Publishers.**

"An externality is a cost or benefit of an economic activity experienced by an unrelated third party. The external cost or benefit is not reflected in the final cost or benefit of a good or service. Therefore, economists generally view externalities as a serious problem that makes markets inefficient, leading to market failures. The externalities are the main catalysts that lead to the tragedy of the commons."

### **3. Corruption in developing countries**

Corruption is an outcome. Using the reading list for Lecture 3 as well as other relevant but select papers, discuss how corruption in developing countries has been:

- a) measured empirically (both quantitatively and qualitatively);
- b) explained in empirical economic literature; and
- c) what interventions have been tried to combat corruption.

Please, select just one of the three sub-topics listed above (either *a*, *b*, or *c*) that have been analyzed in corruption research. This is a broad area so, please, define your focus clearly in the beginning of your essay and stick to it. There is no need to cover the whole field. Instead, be as specific and selective as possible.

### **4. The global learning crisis and the case of Indonesia (Pakistan)**

*Research on Improving Systems of Education* (RISE) includes Indonesia (Pakistan) as one of its several focus countries. Explore the case of Indonesia (Pakistan) in terms of symptoms, diagnostics and therapeutics of the learning crisis. [That is, choose either Indonesia or Pakistan for your essay.] Be specific and selective.

Interesting new material is available on RISE website:

<https://riseprogramme.org/>

### **5. The role of teachers in student learning**

Teachers play an important role in educational production (student learning). Explore what (development) economics has to say on this topic—especially on the role of teachers' content knowledge—in developing countries. Start with the following papers (of which some are included in the Reading List for the Course).

Bold, Tessa, Deon Filmer, Ezequiel Molina, and Jakob Svensson. 2019. "The Lost Human Capital: Teacher Knowledge and Student Achievement in Africa." *Policy Research Working Paper 8849*, The World Bank, Washington, D.C. May.

Bold, Tessa, Deon Filmer, Gayle Martin, Ezequiel Molina, Brian Stacy, Christophe Rockmore, Jakob Svensson and Waly Wane. 2017. Enrollment without learning: Teacher effort, knowledge, and skill in primary schools in Africa. *Journal of Economic Perspectives*, Volume 31, Number 4. Fall, pages 185–204.

Metzler, Johannes and Ludger Woessmann. 2012. "The impact of teacher subject knowledge on student achievement: Evidence from within-teacher within-student variation." *Journal of Development Economics* 99: 486-496.

## **6. Crime and conflict as economic decisions**

As the starting point for your essay, read Chapter 2 of the World Bank Policy Research Report (2020) “*Violence without Borders: The Internationalization of Crime and Conflict*” available on the World Bank’s external website. A copy is included in *MyCourses*, too, in the folder **Term Paper**.

Then take it forward from there in your essay, using other relevant but select literature. There is no need to cover the whole field. Instead, be as specific and selective as possible.

## **7. What can surnames tell about social mobility?**

How much status is tied to the status of your parents and grandparents? Start your exploration with a talk by Professor Gregory Clark (University of California Davis). There are also several other talks and interviews by him on this and related topics online.

[ISIR Keynote: Prof. Gregory Clark "How Genetics Determines Social Status" - Bing video](#)

In addition, take a look at the book “*The Son Also Raises*” by Professor Gregory Clark (selectively, not the whole book, pick up a country case or two. The Nordic example perhaps).

## **8. China’s Foreign Aid in Africa**

Take a look at the new paper in the *Journal African Economies* in 2021 Vol 30 No 2 “*Carving Out an Empire? How China Strategically Uses Aid to Facilitate Chinese Business Expansion in Africa*” by Tarek M. Harchaoui, Robbert K. J. Maseland and Julian A. Watkinson. The paper is available in *MyCourses* folder for Term Paper.

You can also explore the website of the Center for Global Development, especially work by Scott Morris. And a recent blog:

[https://www.cgdev.org/blog/will-china-play-its-part-addressing-african-debt-distress?utm\\_source=20230228&utm\\_medium=cgd\\_email&utm\\_campaign=cgd\\_weekly](https://www.cgdev.org/blog/will-china-play-its-part-addressing-african-debt-distress?utm_source=20230228&utm_medium=cgd_email&utm_campaign=cgd_weekly)

Discuss the findings. Is there other (different) evidence available? Other interesting papers to discuss? How else could one approach this topic?

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