Description:

This course addresses some internal aspects of economic development. In order to understand the objectives of economic development, we first start by a brief overview of the political philosophy literature (1 or 2 lectures). The remainder of the course will be organized in two parts. The first part covers the empirical measurement of well-being. The second part consists in microeconomic development models. Evidence in support of these models will be provided through empirical illustrations.

Evaluation:

Midterm exam  50%

Final exam  50%

The only acceptable excuses for missing an exam are illness/injury, severe illness/injury/death in the family or jury duty. Third-party evidence will be required. For example, medical certificates will have to be validated by the University of Ottawa Health Service on the 3rd Floor of 100 Marie-Curie. Please consult the note from the University of Ottawa Health Service on the next page

Academic Fraud

Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions. Students can refer to http://www.uottawa.ca/plagiarism.pdf for more information.
Exam Deferral Procedures
Too sick to write your exam?
If you believe you are too sick to write an exam, you should consult a medical doctor BEFORE the exam. Seeing a doctor at the University of Ottawa Health Services is one option. If possible, it is preferable to schedule an appointment; however, there is always a doctor available to see patients without an appointment. We will do our best to ensure that students are seen promptly when they have an exam on the day they visit the clinic.

Our physicians will be pleased to speak with you, examine you, and offer advice to help you with your medical problem. If you fit the criteria set by the University to defer an exam for medical reasons, a certificate will be issued to you to give to your faculty. Please note that we are willing to assess and treat ANY medical problem, no matter how serious or minor. However, only students with a SERIOUS illness will be granted a medical deferral for an exam. Examples of illnesses acceptable for exam deferral include high-grade fever or admission in a hospital at the time of the exam. Colds, diarrhea, headaches, menstrual cramps, insomnia and caffeine overdose may benefit from medical advice to ease symptoms, but they are NOT acceptable reasons to defer an exam. Feeling unwell the day or two prior to an exam, leaving you inadequate “cramming time”, is also NOT an acceptable reason to defer an exam. If you are feeling unwell and are not sure if your illness meets deferral criteria, please consult a doctor. You can expect treatment of your illness, but you should NOT expect a deferral certificate to automatically be granted.

Of course students are welcome to consult their own doctors in the community. Please note that a physician at Health Services reviews all exam deferral certificates issued by doctors outside of University of Ottawa Health Services. The same strict criteria apply. It is possible that a doctor off campus may issue you an exam deferral, yet it may be refused when reviewed here.

A physician, on or off campus, must see you PRIOR to the exam to certify that you are too sick to sit for the duration of the exam. We certify illness based on what we see when we examine you, and NOT on your description of your illness on a previous day.

REQUEST FOR A DEFERRED MARK – form available at DMS 3101
Misreading the exam schedule is not an excuse to miss the exam
CHAPTER 1      DEVELOPMENT GOALS

1.1 Introduction
1.2 Procedural Justice
1.3 Utilitarianism and welfare economics
1.4 Rawls’ Theory of Justice
1.5 Post-Rawlsian political philosophy
1.6 Economic efficiency

SECTION I: EMPIRICAL MEASUREMENT OF WELL-BEING

CHAPTER 2     INTRODUCTION TO THE EMPIRICAL MEASUREMENT OF WELL-BEING

2.1 Survey issues
2.2 Income versus consumption
2.3 Price variability
2.4 Household heterogeneity
2.5 Continuous distributions
2.6 Discrete distributions
2.7 Poverty gaps
2.8 Cardinal versus ordinal comparisons

CHAPTER 3      MEASURING INEQUALITY AND SOCIAL WELFARE

3.1 Lorenz curves
3.2 Gini indices
3.3 Social welfare and inequality
3.4 Statistical and descriptive indices of inequality
3.5 Decomposition of inequality
3.6 Empirical illustration: An historical view of inequality among World citizens
CHAPTER 4 MEASURING POVERTY

4.1 Poverty Indices
4.2 Group-decomposable poverty indices
4.3 Poverty and inequality
4.4 Poverty curves
4.5 Decomposition of poverty
4.6 Empirical illustration: Poverty in Africa I

CHAPTER 5 STOCHASTIC DOMINANCE, POVERTY AND WELFARE

5.1 Ordinal comparisons
5.2 Ethical judgements
5.3 Poverty dominance
5.4 Welfare dominance
5.5 Empirical illustration: Poverty in Africa II

CHAPITRE 6 ANALYZING THE IMPACT OF PUBLIC POLICIES

6.1 Indirect taxes
   6.1.1 Introduction
   6.1.2 Notation and definition
   6.1.3 Consumer welfare and government budget
   6.1.4 Measurement poverty and social welfare
   6.1.5 Identification of socially-improving tax reforms
   6.1.6 Empirical illustration I: Indirect taxation in Mexico
   6.1.7 Empirical illustration II: Food subsidies in Egypt
   6.1.8 Pro-poor indirect tax reforms
   6.1.9 Empirical illustration III: Pro-poor tax reforms in Mexico

6.2 Public Utility Regulation
   6.2.1 Introduction
   6.2.2 Ramsey-Boiteux and Feldstein Pricing
   6.2.3 Impact of marginal price reforms
   6.2.4 Impact of marginal price cap reforms

6.3 Transfer programs
   6.3.1 Notation and definitions
   6.3.2 Transfer reforms
   6.3.3 Empirical illustration: Transfers programs in Mexico
SECTION II: TOPICS IN APPLIED MICROECONOMIC THEORY

CHAPTER 7 HOUSEHOLD AND INTRA-HOUSEHOLD MODELS

7.1 Separable and non-separable household models
   7.1.1 Introduction
   7.1.2 Agricultural household models and separation property
   7.2.3 Multiple missing markets
   7.2.4 Empirical evidence
7.2 Intra-household models
   7.2.1 Unitary household models
   7.2.2 Efficient household models
   7.2.3 Empirical evidence

CHAPTER 8 POPULATION

8.1 A basic model of fertility decisions
8.2 Externalities in fertility decisions
8.3 Child labour and multiple equilibria
8.4 Poverty traps

CHAPTER 9 CONTRACT FARMING

9.1 Introduction
9.2 A theoretical model of contract farming
   9.2.1 Adverse selection and enforceable effort
   9.2.2 Adverse selection and moral hazard
   9.2.3 Adverse selection, moral hazard and imperfect supervision
9.3 Empirical evidence

CHAPTER 10 CREDIT CONTRACTS

10.1 Introduction
10.2 Credit market failures
10.3 Rotating savings and credit associations and microfinance
10.4 Group lending
10.5 Empirical evidence
REFERENCES

Chapter 1 :


Chapter 2:


Chapter 3:


Chapter 4:


Chapter 5:


**Chapter 6 :**


Duclos, J.-Y., P. Makdissi and A. Araar (2009), Pro-Poor Tax Reforms, With an Application to Mexico, mimeo.


Chapter 7:


Chapter 8:


Chapter 9:


**Chapter 10 :**


