ECO6171A Economic Development: Domestic Aspects
Winter 2014

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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 cover the empirical measurement of well-being in both income and non-income dimensions. Some methodologies of incidence analysis of public policies on well-being will also be presented.

Evaluation:
Midterm exam (February 12, 2014) 50%
Final exam 50%

A student may be granted a deferred exam for religious reason if he informs the professor of any religious restriction before January 17, 2014. A deferred exam may also be granted for health reasons. In this case, the students should consult a healthcare professional PRIOR TO the exam. As a general note, only a SERIOUS ILLNESS qualifies for a deferred exam. Examples of illnesses that qualify include high-grade fever or admission to a hospital at the time of the exam. Colds, diarrhea, headaches, menstrual cramps, insomnia and caffeine are NOT acceptable reasons to defer an exam. Feeling unwell a day or two prior to an exam, leaving you inadequate “cramming time”, is also NOT an acceptable reason to defer an exam. For more information, consult http://uottawa.ca/health/services/certificates.html

Academic Fraud

Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions.
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

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 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 Poverty in Africa I

CHAPTER 5     POLARIZATION, FRACTIONALIZATION AND CONFLICT

5.1 Introduction
5.2 Income polarization
5.3 Ethnic fractionalization and polarization
5.4 A model of conflict
5.5 The Lebanese civil war
5.6 Public good provision and conflict
5.7 Counterinsurgency in Iraq
CHAPTER 6   STOCHASTIC DOMINANCE, POVERTY AND WELFARE

6.1 Ordering distributions
6.2 Ethical judgements
6.3 Stochastic dominance and poverty
6.4 Stochastic dominance and social welfare
6.5 Poverty in Africa II
6.6 Housing deprivation in Lebanon

CHAPTER 7   ANALYZING THE IMPACT OF PUBLIC POLICIES

7.1 Indirect tax reforms
   7.1.1 Introduction
   7.1.2 Notation and definition
   7.1.3 Consumer welfare and government budget
   7.1.4 Measurement poverty and social welfare
   7.1.5 Measurement of absolute polarization
   7.1.6 Identification of socially-improving tax reforms
   7.1.7 Indirect tax in Mexico
   7.1.8 Food subsidies in Egypt
   7.1.9 Indirect tax in Jordan
7.2 Pro-poor indirect tax reforms
   7.2.1 Introduction
   7.2.2 Methodology
   7.2.4 Pro-poor tax reforms in Mexico
7.3 Transfer programs reforms
   7.3.1 Notation and definitions
   7.3.2 Measuring poverty
   7.3.3 Transfer reforms
   7.3.3 Transfers programs in Mexico

CHAPTER 8     HEALTH INEQUALITIES

8.1 Measures of health inequalities
8.2 Measurement problems associated with the health concentration index
8.3 Wagstaff's class of health achievement and concentration indices
8.4 Using categorical data
8.5 Health inequality in Canada and the USA.

CHAPTER 9     WOMEN'S RIGHTS AND GENDER INEQUALITIES

9.1 Treat of domestic violence and restriction to freedom of choice
9.2 Accounting for both freedom of choice and economic resources in the comparisons of distributions of women wellbeing
REFERENCES

Chapter 1:


Chapter 2:


Chapter 3:


Chapter 4:


Chapter 5:


Chapter 6:


**Chapter 7:**


**Chapter 8** :


Makdissi, P. and M. Yazbeck (2014), Avoiding Blindness to Health Status: A New Class of Health Achievement and Inequality Indices, forthcoming in the *Journal of Health Economics*.


**Chapter 9** :