

Course Description Form - HYIE001 -

GENERAL DESCRIPTION

Professor: Chiodi, Vera

Course title: Impact evaluation of public policies in international development [2023-2024]

Tuesday, 10am-1pm (Room Jopoi 5.023)

Language of instruction: English

Semester: Fall Semester

Course description - Objective of the course:

This course introduces several topics of new development economics, an approach that is grounded on the growing global concern for issues such as poverty and inequality coupled with rigorous economic analysis. The “old” approach to development economics was based in industrial economics, public planning and economic thinking, among others. The “new” approach is equally concerned with issues such as the elimination of poverty, the determinants of poverty traps, the causes and consequences of population growth, the implications of wealth and income inequalities on a country's growth prospects and the role and evaluation of policies. The exposure to new theories of economic development will give the students the chance to use economic theory and economic tools in ways that promote the welfare of underprivileged people.

One of the primary challenges in international development is to determine the policies and interventions that are effective at improving the welfare of the world's poor. In recent years, rigorous impact evaluations are increasingly used to assess whether a development program, policy or intervention works, i.e. causes actual improvements in welfare outcomes.

This course will provide a detailed understanding of impact evaluations in practice. Many of the topics, such as measuring outcomes and dealing with threats to the validity of an evaluation, are relevant for all methodologies. Students will be provided with tools to determine the strength of current evaluations and critically raise interesting questions, both from a theoretical and practical view.

The course will present material through interactive lectures and case studies using examples from completed or ongoing field experiments.

Knowledge and understanding:

- Summarize the main issues facing developing countries.
- Demonstrate familiarity with and assess the use of economic tools and statistical analysis in analyzing the problems of developing countries.

Skills:

- Select and apply appropriate techniques to analyze problems based on scenarios from development economics.
- Analyze, evaluate and interpret various measures of economic inequality.

Course requirements (grading & assessment)

Grades will be calculated as follows:

Class participation: 1/3

Exam: 1/4

Research project / Class presentation (provisional): 1/3

Course workload

Students are expected to read the required readings before each class and to actively participate in class discussions.

Pedagogical format

The lectures are interactive. Theory and key concepts will be presented in lecture format.

Required readings

The following readings will be used throughout the course:

Gertler, P.J., S. Martinez, P. Premand, L.B. Rawlings, C.M.J. Vermeersch. 2011. *Impact Evaluation in Practice*. World Bank: Washington, D.C.

Khander, S.R., G.B. Koolwal and H.A. Samad. 2010. *Handbook on Impact Evaluation: Quantitative Methods and Practices*. World Bank: Washington, D.C.

Lecture notes are also part of the required readings (slides and other material posted in Moodle).

COURSE OUTLINE (*PROVISIONAL*)

Session #1 – 19/09: Big topics of Development Economics. Development theories, poverty measurement. Why evaluate? What is impact evaluation?

Presentation of the semester.

Required readings:

Chapter 1, 3 in: Gertler et al., *Impact evaluation in practice*.

Banerjee, A. "Making Aid Work". *The Boston Review*. July/August 2006.

Session #2 – 26/09: Causality, treatment effects. Before and after, Simple Difference, Difference-in-Difference, Multivariate regression, Matching, Regression discontinuity.

Required readings:

Chapter 5, 6 and 7 in: Gertler et al., *Impact evaluation in practice*.

Optional readings:

Bernard, T., A.S. Taffesse, E. Gabre-Madhin. 2008. Impact of cooperatives on smallholders' commercialization behavior: evidence from Ethiopia. *Agricultural Economics*, 39(2), 147–161.

Session #3 – 03/10: Designing a randomized evaluation

Required readings:

Chapter 4 in: Gertler et al., *Impact evaluation in practice*.

Recommended readings:

Karlan, D. and J. Zinman. 2012. [Microcredit in Theory and Practice: Using Randomized Credit Scoring for Impact Evaluation](#). *Science*, 332(6035), 1278-1284

Invited speaker, Juliana Milovich, Researcher at Oxford University, on multi-dimensional poverty measurements

Session #4 – 10/10: Externalities and Imperfect Compliance

Required readings: Chapters 8,9 in: Gertler et al., *Impact evaluation in practice*.

Optional readings:

Banerjee, A., S. Cole, E. Duflo and L. Linden. 2007. Remedying Education: Evidence from two Randomized Experiments in India. *Quarterly Journal of Economics*, 122(3), 1235-1264.

Cohen, J. and P. Dupas. 2010. Free Distribution or Cost-Sharing? Evidence from a Randomized Malaria Prevention Experiment. *Quarterly Journal of Economics*, 125(1), 1-44.

Problem set 1

Session #5 – 17/10: Attrition and Analysis / Outcomes, measurement and data collection

Required readings:

Chapters 12,13 in: Gertler et al., *Impact evaluation in practice*.

Optional readings:

L. Beaman, Chattopadhyay, R., E. Duflo, R. Pande, P. Topalova. 2009. Powerful women: Does exposure reduce bias? *Quarterly Journal of Economics*, 124(4), 1497-1540.

A. Zwane, Zinman, J. et al.. 2011. Being surveyed can change later behavior and related parameter estimates. *Proceedings of the National Academy of Sciences*, 108 (5), 1821-1826.

Olken, Benjamin. 2007. Monitoring Corruption: Evidence from a Field Experiment in Indonesia. *Journal of Political Economy*, 115(2), 200-249.

Problem set 2

Session #6– 24/10: Planning sample size and data analysis

Required readings:

Chapters 11 in: Gertler et al., *Impact evaluation in practice*.

Optional - Advanced: Sections 4, 6, 7 and 8 in: Duflo, E., R. Glennerster, and M. Kremer. 2008. "Using Randomization in Development Economics Research: A Toolkit". Chapter 61 in T. Paul Schultz and John Strauss (eds.). *Handbook of Development Economics. Volume 4*, Elsevier, 3895-3962.

Assignment for this session (if applicable- idem): Problem set 3.

Invited Speaker, Karem Pirela, former IHEAL Master 2 student, on labor market policies evaluation in Venezuela

Session #7– 31/10:

Oral presentations (possibly spread over the sessions)

Session #8– 07/11: An evaluation from A to Z. And... the Final exam

Two (or one) hours' exam (thanks to the existence of chat gpt).
