ORIENTATION: August through early September: The orientation course includes a review of economic principles, math skills, probability and statistics with two or more lectures daily, assignments, and tests.

FIRST SEMESTER: September through December, four courses required

DEVELOPMENT ECONOMICS I (required course): This course examines concepts, tools, and models in contemporary economic theory relevant to development problems and their application in economic policymaking. Topics include growth processes and structural change; investment and sources of saving; capital, labor, and technological progress; policies for public, private, and foreign enterprises; policymaking and negotiation in governments; and policies for reducing poverty and inequality. (Prof. Ashraf)

ECONOMETRICS (required course – two sections): These courses focus on methods of bringing economic theory and data together to provide empirical guidance for policy formulation, including the use of computers in econometric analysis. There will be two sections of the course to accommodate participants with different amounts of prior training in this field. (Profs. Swamy & Ozier)

PUBLIC ECONOMICS (required course): This course considers the efficiency of market economies and rationales for government intervention in the market, such as public goods, externalities, information-based market failures, and equity. Applications to developing country situations will include environmental policy, education, health care, aid to the poor, and social security, as well as questions of how to make government work better. (Prof. Bakija)

DEVELOPING COUNTRY MACROECONOMICS I (required course, two sections): These courses examine the relationship between macroeconomic policies and economic growth in developing countries. One section focuses on a model suitable for analyzing macroeconomic issues, including the requirements of fiscal solvency and the contribution that fiscal policy can make to macroeconomic stability. It also analyzes central banking, focusing on central bank independence, time consistency of monetary policy, and the design of monetary policy rules in small open economies. The second section covers the core principles of macro-economics, with an emphasis on the issues facing developing, transitioning, and emerging market economies. (Profs. Montiel & Edison)

JANUARY TERM: One course required

MICRO-SIMULATION FOR EX ANTE POLICY ANALYSIS: Micro-simulation modeling provides a powerful tool for ex ante evidence-based analysis of economic and social policy interventions. We will use a micro-simulation model to analyze public policies and interpret the findings. The course examines measurement issues, analytical tools, and their application to household survey data for a range of developing countries, and will link the outcomes of analysis with the challenges of policy implementation. (Prof. Samson)

INFRASTRUCTURE IN DEVELOPING COUNTRIES: CONSIDERATIONS FOR POLICY MAKERS: Students will be introduced to the policy challenges of infrastructure in emerging markets. We will learn how infrastructure is changing with respect to energy and transport. New technologies have impacts on countries’ options for addressing infrastructure needs, as does climate change. The course will illustrate the pros and cons of different policy approaches, and discuss why consensus on infrastructure policy can be hard to achieve. (Prof. Sheahan)

MONETARY POLICY IN EMERGING AND DEVELOPING ECONOMIES: This introduction to the empirical analysis of macro and monetary policy issues builds on the material covered in Econ 505/506 and 502/503. The goals are to become familiar with some of the econometric tools used in macroeconomics, to be able to understand and critique empirical macro research, and to practice the writing and presentation skills used in economic research. The emphasis will be on practical issues, such as working with macro data. (Prof. Kuttner)

INDEPENDENT RESEARCH: For those pursuing a second semester independent research project, it is required to begin that work during the January term. Project topic requires consent of an instructor and of the MA program Executive Committee. This course will involve the individual preparation and presentation of a major research paper.

SECOND SEMESTER: February through May

WRITING-INTENSIVE COURSES: Each student must choose one of the following

In the tutorial format pairs of participants meet weekly with a faculty member. Each week, one student prepares a policy paper, presenting an argument, evidence, and conclusions. The other student provides a detailed written critique of the paper. The professor leads the discussion with questions that highlight critical points.

Tutorial 1: ROLE OF SOCIAL SAFETY NETS: This tutorial allows students to explore the role of social safety nets in promoting inclusive economic growth, drawing on case studies from Africa, Asia, Latin America and Eastern Europe. Social safety nets provide a pro-poor policy instrument that can balance trade and labor market reform, fiscal adjustments (such as reduced general subsidies), and other economic policies aimed at enabling better market performance. (Prof. Samson)

Tutorial 2: LONG TERM FISCAL CHALLENGES: This course addresses conceptual and theoretical issues that are likely to emerge over the coming years with important budgetary implications. Students will be exposed to long-term challenges that have important budgetary
implications and the ways in which they are addressed by different industrial and emerging market countries. Topics include aging populations, health care, climate change, energy and infrastructure, and water. (Prof. Heller)

**Tutorial 3: RESILIENCE & MACROECONOMIC POLICY:** This course aims to identify the causes of fragility and to discuss how policies should be changed to enhance resilience. The course will consider how policy is made; in particular, fiscal policy, monetary policy, exchange rate policy, and export promotion policy, as well as consider policy interactions. Finally, the course will focus on efforts to mitigate fragility and enhance resilience in such countries, including the role of structural policies and that of international financial institutions. (Prof. Chami)

**INDEPENDENT RESEARCH** (Continuation of January Independent Research)

**SECOND SEMESTER ELECTIVE COURSES:** Three elective courses are chosen from the following

**FINANCIAL DEVELOPMENT AND REGULATION:** This course focuses on the financial system and its role in economic development. We explore the functions of finance, how it contributes to growth, and review models of financial sector development and their influence on how governments viewed the sector. We will examine experiences with financial sector repression and subsequent liberalization, and investigate the causes and impact of financial crises. Then we will study how to make finance effective and how to prevent or minimize crises, analyzing government's role as regulator, supervisor, standard setter, contract enforcer, and owner. We will also address the role of institutions (laws, norms, culture) and incentives in financial sector development. (Prof. Caprio)

**DEVELOPING COUNTRY MACRO-ECONOMICS II:** This course examines the types of macroeconomic institutions and policy regimes that can help developing countries withstand shocks and sustain economic growth. We will examine central bank independence, the design of monetary and exchange rate regimes, capital account regimes, and various types of fiscal policy institutions and policy regimes, including fiscal rules. (Prof. Kuttner)

**PROGRAM EVALUATION FOR INTERNATIONAL DEVELOPMENT:** Development organizations face competition for scarce resources. Both public and private organizations use program evaluation to justify funding and to design more effective programs. This course will cover a wide range of evaluation techniques, including the methodology and tools available to development practitioners. We will use a mix of applied econometrics and practical applications covering implementation, analysis, and interpretation. Students will learn to be a critical reader of evaluations, and to develop their own plan to evaluate an existing program. (Prof. Jakiela)

**TAX POLICY IN GLOBAL PERSPECTIVE:** This class explores tax policy issues, examples, and evidence that are most pertinent to developing countries. Topics include how basic economic principles can be applied to consider the efficiency and equity consequences of tax policies; how personal and corporate income taxes and value-added taxes are designed and how they influence the economy; progressive versus “flat” taxes; how various elements of tax design affect incentives to save and invest; how market failures and administrative problems influence the optimality of tax policies; the implications of global capital flows and corporate tax avoidance for the design of tax policy; empirical evidence on the influence of taxes on economic growth, foreign direct investment, labor supply, and tax evasion. (Prof. Gentry)

**GROWTH DIAGNOSTICS:** This course will serve as a primer on “growth diagnostics,” an empirically driven analytical framework for identifying the most binding constraints to growth in a given country at a specific point in time, thereby allowing policymakers to develop well-targeted reforms for relaxing these constraints while being cognizant of the country’s prevailing economic, political, and social context. The course will employ a range of country-specific case studies. (Prof. Ashraf)

**HUMAN CAPITAL AND DEVELOPMENT:** Children around the world face unequal access to education. This course will introduce students to economic studies of education from pre-school through high school. The course will cover research in low- and middle-income countries, and will discuss connections to policy debates in the United States and elsewhere. Topics will include the importance of early-life conditions and investments; the connections between health and education; the roles of information, incentives, inputs, and technology; research methods; and decisions between policy options. (Prof. Ozier)

**INTERNATIONAL TRADE AND DEVELOPMENT:** This course will examine the causes and consequences of international trade and its implications for less developed countries. We will discuss various models of international trade and the empirical relevance of these theories. The course will provide analytical tools that will be useful in answering important questions such as: Why do countries trade? Who benefits from trade? How does trade affect economic growth and development? (Prof. Olney)

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