Universidad de Navarra

Development Economics

Teaching guide 2026-27

INTRODUCTION

Course description

This is a course for those interested in the challenge posed by massive and persistent world poverty and inequality. First, we will study the different facets of human development: education, health, gender, the family, land relations, risk, informal and formal norms, public policy and institutions. Second, we will use some of the key theoretical and empirical ideas for why and how politics and institutions affect economic development. We will also look at a variety of empirical examples drawn from throughout the developing world and you will be exposed to modern empirical methods in economics. At the end of this course, you should have a good sense of the key questions asked by scholars interested in development today, and a few answers as well, viewed through an economic lens.

The questions we will take up include: Is extreme poverty a thing of the past? What determines the decisions of poor households in developing countries? What constraints are they subject to? Is there a scope for policy (by government, international organizations, or NGOs)? What policies have been tried out? Have they been successful? Should we leave economic development to the market? Should we leave economic development to non-governmental organizations? Does foreign aid help or hinder? Where is the best place to intervene? And many others.

- **Title**: Development Economics
- **Degree:** Degree in Economics + Diploma in International Economics and Finance
- **Module in the degree program and field**: Módulo 7: Optativas Materia 7.2: Optativas Específicas
- **Number of Credits**: 3 ECTS
- **Year and semester**: 2nd year / 2nd Semester
- **Type of subject:** Required (OB)
- **Instructor**: Prof. Sandra Polanía-Reyes
- **Language**: English
- **Department:** Economics
    - **Lecture schedule**: Wednesday, 10h to noon
- **Aula**: AMI-P0-Aula04
- **Office:** Ed. Amigos, Torre, 2490, second floor
- **Prerequisites:**
    - **Math:** Calculus and Algebra. (Eb+IF: Quantitative methods I, II, III). The lectures will occasionally discuss simple mathematical models that economists find helpful to describe some aspects of the data.
    - **Intermediate Microeconomics and Macroeconomics:** We will cover a large set of different topics in economics and examine some of them from the lens of micro and macro concepts, mechanisms and models. The intuition behind those models will always be made clear.
    - **Probability and Statistics:** For each topic, we will study several concrete examples chosen from around the world, and use statistics to understand these examples quantitatively. Almost all of the required readings and lectures will use elementary statistics.
    - **Econometrics:** You must know what a linear regression is. Some readings will use more advanced statistical tools (such as correlations and regressions) to dig deeper into the data. Econometrics is not a prerequisite for this class. I will provide all the materials you may need.
    - **Applied tools:** Confidence with at least one software that allows you analyze data and produce results and graphs (Excel works) is a must.

LEARNING OUTCOMES (Competencies)

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At the end of this course, students should have a good sense of the key questions asked by scholars interested in poverty today and hopefully a few answers as well.

Goals

1. Build a foundation for critical thinking about the role of political economy in understanding economic development.
2. Understand some core theoretical concepts economics and human development, with illustrations from developing countries.
3. Understand empirical evidence in economics. What makes a good empirical study? How do we learn about the world empirically? What are some of the techniques we can use to better understand the world?

Specific Competences

SSOP6 Learn the mathematical, statistical language and IT tools needed to start research in economics

SSOP7 Understand microeconomic strategies and their impact on financial management

SSOP8 Identify resource and cost optimization opportunities

SSOP9 Understand the societal role of economics and finance

PROGRAM

Topics

1. The constitutional conundrum: Market failures, government failures and civic failures

2. Poverty

3. Poverty traps and Introduction to impact evaluation.

4. Toward Successful Development Policies

5. Nutrition and productivity

6. Health

7. Education

8. Risk and Insurance

9. Credit and Savings

10. Agriculture, Land and Property Rights

Other Topics

1. History of Thought in Development Economics.
2. Family and Cooperation
3. Deep Determinants of Economic Development I: Macro Evidence
4. Deep Determinants of Economic Development II: Micro Evidence

EDUCATIONAL ACTIVITIES

I. Classroom teaching activities

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We will have a combination of formal lectures and class discussions. This will only be possible if you consistently work on the new material. The material for each topic will be posted weekly, and you should keep pace with the rest of the class. Please don't be shy about seeking help if something is unclear or confusing! Ask questions as they arise during lectures and make sure you read all mandatory background readings. Be ready to discuss their content on the day that they are due.

1. Lectures. Lectures are given by the professor and guest lecturers on the themes indicated in the syllabus with the help of power point presentations and videos. The professor will post on ADI the power point presentation, the notes for each topic and some recommendations for further reading.

2. Class discussion and case studies

II. Personal work

Students must understand themes covered early in the course to be able to comprehend information presented later in the course, and will have to be able to integrate material learnt throughout the course. Therefore, it is important that they do not fall behind and try to set aside regular times outside of class to work on the course material on a daily basis.

1. Students must read the assigned reading for a subject before the lecture covering that topic. Being familiar with topics beforehand will allow students to get the most out of the lecture.

2. Students should conduct personal study using the professor's notes, notes taken in lectures and recommended readings.

There will be extra points oportunities for those who want to go deeper in the topics, and the first person that finds a mistake in the slides.

Time Commitment: Credits/hours distribution of the activities. 3 ECTS= 75 h (25 h/ECTS).

1. Lectures (theoretical and/or practical) 0.48 ECTS 12h 16%

2. Discussion and/or case study analysis 0.48 12h 16%

3. Individual directed work 0.24 6h 8%

Total classroom activities 1.2 ECTS 30h 40%

4. Personal work 1.8 40h 60%

Total 3 ECTS 75h 100%

The minimum commitment will be approximately 5 hours per week for attendance (2 hours), doing the readings, and completing the assignments.

ASSESTMENT

Honor Code

Note that any attempt at fraud, copying, plagiarism, or other irregular behavior constitutes a serious offense as outlined in Title IV, "Academic Disciplinary Rules for Students," within the University of Navarra's Code of Conduct, HERE

In#Class Technology Policy

This course adopts a "screens down" policy to protect attention, improve the quality of discussion, and support learning for all students. Research syntheses comparing **handwritten vs electronic note-taking** report worse learning outcomes on average with electronic note-taking, and

experimental/field evidence indicates that **restricting phone access** can improve academic performance and student focus, particularly for lower-performing students.

- **Laptop computers and tablets are not permitted in class.** Students must keep laptops/tablets **closed ("lids down") and stored away** for the full class period.
- **Mobile phones and smart devices (including smartwatches) are not permitted for use in class.** Devices must be **silenced and kept out of sight** (e.g., in a bag /pocket) for the full class period.
- **Handwritten notes are encouraged.** Students are welcome to use **pen-and-paper** and to bring **printed readings**.

Exceptions

- **Accessibility accommodations:** Students who require a device as part of an approved accommodation may use it. Please notify the instructor early in the semester so we can implement the accommodation appropriately.
- **Urgent circumstances:** If you anticipate an urgent call/message (e.g., medical /family), please inform the instructor **before class** and step outside to respond if necessary.

Enforcement: Non-compliance may be treated as a disruption to the learning environment. The instructor may ask a student to put a device away immediately; repeated violations may affect participation credit and/or result in being asked to leave for the remainder of the session.

AI policy for this class

Students are allowed to use advanced automated tools (artificial intelligence or machine learning tools such as ChatGPT) on assignments in this course if that use is properly documented and credited. For example, text generated using ChatGPT-3.5 should include a citation such as: "Chat-GPT-3.5. (YYYY, Month DD of query). "Text of your query." Generated using OpenAI. https://chat.openai.com/". Material generated using other tools should follow a similar citation convention.

Final grade

There will be 1 multiple choice (MCQ) midterm exam and a MCQ final exam. Exams questions will be drawn directly from lectures, class discussions and mandatory readings.

Attendance is mandatory. Justifications for missing class will **only** be received by ADI and be considered if submitted prior to the start of the class.

To calculate the final grade, course performance and grading will be determined as follows :

- **Class participation, Country case studies and discussion (15% sessions 1-5) (15% sessions 6-10):** The use of a desk name tag card is **mandatory**. Frequency of contributions, quality (relevance, depth, originality) of contributions, preparedness, engagement with peers.
- **Mid term exam (30%) - TBD Feb, 2027**
- **Final exam (40%) - May TBD, 2027, time/place TBD**

Grade System (cfr. Art. 5, Real decreto 1125/2003, Spanish Ministry of Education)

Point Value over 10	Description	Explanatory Comments	
9,9 to 10	Matrícula de Honor	Truly Exceptional	Excellent with distinction. Work meets or exceeds the highest expectations.*

9 to 9,8	Sobresaliente	Outstanding	Excellent. Superior work in all areas.
8	Notable	Very Good	Superior work in most areas.
7	Notable	Good	Solid work across the board.
6	Aprobado	More than Acceptable	More than acceptable, but falls short of solid work.
5	Aprobado	Acceptable	Work meets all the basic requirements and standards.
0 to 4,9	Suspenso		Fail

* Only 5% of the enrolled students can obtain MH.

Criteria to pass the course

- Students whose final grade is 5 points or more will pass the course.
- Students whose final grade is below 5 points will not pass the course and will be graded as *Suspenso* .
- Students who do not take the final exam will not pass the course and will be graded as *No presentado*.

Exams review

Students will be able to review the exams in an interview with the professor, after publication of the grades, in a day and place that will be indicated.

Students with special learning needs

Accommodation will be provided for students with special learning needs, either regarding the methodology and/or evaluation of the course, but they will be expected to fulfill all course objectives.

Evaluation in the extraordinary call

For those who do not pass the course in May or did not take the exam (grades *Suspenso* or *No presentado*) there will be a **100 MCQ extraordinary exam in June**. The final grade for this extraordinary exam will take into account all other activities or exams the student has previously passed. Under no circumstances may the professor consider any failed assessments from the regular exam period.

In person individual Exam on **June TBD, 08:30 at Aula 9, Ed. Amigos.**

OFFICE HOURS AND FEEDBACK

Prof. Sandra Polanía-Reyes

Office: 2490. Ed. Amigos, Torre, Planta 2.

Office hours: Book the appointment here **https://calendar.app.google/u1trCZR9qoNnzAzX9**

Website: https://spolaniareyes.github.io/

E-mail policy ONLY THROUGH ADI

Do not expect responses outside during week-ends or holidays.

Questions about reading assignments, assessment, class schedules, dates and venues should be clarified with the info here in ADI or in class.

BIBLIOGRAPHY AND RESOURCES

Required textbook

Abhijit Banerjee's and Esther Duflo's ***Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty.*** PublicAffairs, 2011. ISBN: 9781586487980. Find it in the library.

The instructor will also provide additional materials and handouts of the class slides. We will build up a Handout file with excellent resources on Dev Econ. We will also refer to other resources (videos, book chapters and articles) that will be available every week. The instructor will refer you to course notes or further readings if you want to dig deeper into certain topics.

Other readings

Artuc et al (2020) Toward Successful Development Policies: Insights from Research in Development Economics. HERE

"The Indiana Jones of Economics," Part I ; Part II ; Part III (*Freakonomics* blog post by Robert Jensen on his work on Giffen goods)

WB 2015 World Development Report 2015: Mind, Society, and Behavior. Overview HERE

VIDEO Behavioral Science for Development: A Storytelling Event

UK Behavioural Insights Team. "EAST: Four simple ways to apply behavioural insights." Behavioural Insight Team, London (2014). Executive summary. Pp 1-7.

IDB 2018. Lessons from the Behavioral Sciences for Policy-Making in the Social Sector HERE

Optional BUT extremely useful for class discussion

Manning, Lauren; Dalton, Abigail Goodnow; Afif, Zeina; Vakos, Renos; Naru, Faisal. 2020. Behavioral Science Around the World Volume II: Profiles of 17 International Organizations (English). eMBeD report. Washington, D.C.: World Bank Group HERE

Bryan, C. J., Mazar, N., Jamison, J., Braithwaite, J., Dechausay, N., Fishbane, A.,Vakis, R. (2017). Overcoming behavioral obstacles to escaping poverty. Behavioral Science & Policy, 3(1), 81–91. HERE

IDB 2020 Rapid Toolkit for Behavioral Interventions and COVID-19 HERE

IDB 2017 Behavioral Insights for Development : Cases from Central America HERE

WB 2022 The behavioral profesional. HERE

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