Syllabus
[cmcd.economia@fgv.br]

Disciplina: Applied Microeconomics
Professor:
Teaching Assistant:

2026 FIRST SEMESTER

COURSE OUTLINE

The main objective of this course is to examine applications of applied microeconomic analysis for issues in Brazil. During the course, there will be discussed conceptual aspects of the themes as well as presentations of applications for Brazil.

The course concentrates on the study of the aspects of institutions, poverty and inequality, conditional income transfers, early childhood development, education, labor markets, health, environmental issues, crime and public sector.

METHODOLOGY

Lectures, presentations by students, presentations by guest speakers.

PROGRAM

I. Institutions, Human Capital and Growth
II. Inequality, Poverty and Welfare
III. Cash Transfer and Bolsa Familia
IV. Religion
V. Democracy, Growth and Inequality
VI. Early Childhood
VII. Inequality in Brazil
VIII. Basic Education
IX. Technical and Vocational Education
X. Labor Market Informality
XI. Public Service Provision
XII. Informal Sector and Simples
XIII. Trade and Unions
XIV. Impacts of Rio Doce Disaster

BIBLIOGRAPHY

I. Institutions, Human Capital and Growth

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II. Inequality, Poverty, and Welfare: Concepts and and Some Evidences

Barros, R. P., Mendonça, R. S. (1999) The evolution of welfare, poverty and inequality in Brazil over the last three decades: 1960-1990. In: IPEA. (Org.). *Brazilian Economic Studies*. Brasília: IPEA,v. , p. 09-45.

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III. Cash Transfer and The *Bolsa Família* Program

*Best, M.; Lobel, F.; Pinho Neto, Valdemar. (2026). Cash Transfers and Productive Inclusion: Evidence from Bolsa Familia. NBER Working Paper No. 35006, March 2026.

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* Gerard,François & Naritomi,Joana & Silva,Joana C. G., 2021. "Cash Transfers and Formal Labor Markets : Evidence from Brazil : Cash Transfers and the Local Economy: Evidence from Brazil," Policy Research Working Paper Series 9778, The World Bank.

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Surveys:

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IV. Economics of Religion

Pentecostalism in Brazil:

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Iannaccone, L. R. (1998): "Introduction to the Economics of Religion," *Journal of economic literature*, 1465–1495.

Iyer, S. (2016): "The New Economics of Religion," *Journal of Economic Literature*, 54, 395–441.

V. Democracy, Growth and Inequality

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Dörffel, C.; Freytag, A. (2023). "The poverty effect of democratization", *World Development,* vol. 165, May.

*Fujiwara, T. (2015). Voting Technology, Political Responsiveness, and Infant Mortality: Evidence From Brazil. Econometrica, Vol. 83, No. 2 (March, 2015), 423–464

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Tavares, José; Wacziarg, Romain (2001). How democracy affects growth. *European Economic Review*, 45(8), 1341–1378.

VI. Inequality in Brazil

*Barro, R.P.; Cury, S.; Franco, S.; Machado, L.M. (2023). A Desigualdade Brasileira Caiu? Uma Nova Metodologia. São Paulo: Insper (forthcoming). Chpts 1, 2 and 7.

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VII. Basic Education

*Ferman, B.; Finamor, L.; Souza, A.P.; Silva F., G. (2025). "Long-term effects of a public school management program", mimeo.

Puccioni, Felipe Galvão (2024). Experimental Evidence From Education. Cambridge University. Thesis.

The World Bank. (2022). “Brazil Human Capital Review: Investing in People”. Washington D.C.: World Bank. Chpts. 1 and 2.

VIII. Technical and Vocational Education

*Barros, R.P. et al. (2023). Impacto da Educação Tecnica Sobre a empregabilidade e a Remuneração. São Paulo: Insper. Chpts , 7 and 8.

Camargo, J.; Lima, L.; Riva, F.; Souza, A.P. (2022). Technical Education, Non-cognitive Skills and Labor Market Outcomes: Experimental Evidence from Brazil. *IZA Journal of Labor Economics*, vol. 10, n. 02.

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IX. Early Childhood

*Araujo, A.; Ogava, B.; Souza, A.P. (2025). The impacts of universal early childhood education in Brazil. *Journal of Human Capital*, volume 19, number 3, fall 2025.

Attanasio, Orazio et al. (2022), “Public childcare, labor market outcomes of caregivers, and child development: experimental evidence from Brazil”, *Cemmap working paper CWP19/22*

Carneiro, P.; Lima, L.; Souza, A.P.; Weber, G. (2023). Home Visiting, Child Development and Parenting: Experimental Evidence from the Primeira Infância Melhor Program. Mimeo.

Survey:

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X. Labor Informality and Active Labor Market Policies

Engbom, N.; Gonzaga, G.; Moser, C.; Olivieri, R. (2022). Earnings Inequality and Dynamics in the Presence of Informality: the Case of Brazil, *Quantitative Economics*, 13: 1405-1446

Gonzaga, G.; Gerard, F. (2021). Informal Labor and the Efficient Cost of Social Programs: Evidence from the Brazilian Unemployment Insurance Program, *American Economic Journal: Economic Policy*, 13(3): 167-206.

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Ulyssea, G. (2010), "Regulation of entry, labor market institutions and the informal sector", *Journal of Development Economics*, 91, 87-99.

XI. Public Sector Provision

Coube, M.; Fontes, L.F.; and Rocha, R. (20206). Public Services Under Private Management, *Quarterly Journal of Economics*, forthcoming.

XII. Informal Sector and Simples

*Alvarez, B.; Pessoa, J.P.; Souza, A.P. (2023). Firm size distribution and informality effects of a revenue-dependent tax policy, FGV EESP Working Paper Series.

Fajnzylber, P., Maloney, W., Montes-Rojas, G. (2011). "Does formality improve micro-firm performance? Evidence from the Brazilian SIMPLES program", *Journal of Development Economics*, 94.

Monteiro, J. and Assunção, J. (2012). "Coming out of the shadows? Estimating the impact of bureaucracy simplification and tax cut on formality in Brazilian microenterprises", *Journal of Development Economics*, 99.

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XIII. Trade and Unions

Pellegrina, H. (2022). Trade, productivity, and the spatial organization of agriculture: Evidence from Brazil. *Journal of Development Economics*,v. 156.

*Ogeda, P.; Ornelas, E.; Soares, R. (2024). Labor Unions and the Electoral Consequences of Trade Liberalization, *Journal of the European Economic Association, Volume 23, Issue 1, February 2025, Pages 236–280.*

XIV. Labor Impacts of the Rio Doce Disaster

Souza et al. (2023). Diagnóstico Socioeconômico e Avaliação de Impactos do Rompimento da Barragem de Fundão a partir da Pesquisa Domiciliar Participativa. FGV: Projeto Rio Doce.

*Castro, Caio; Souza, A. P. (2026). The Impact of the Doce River Disaster on The Labor Trajectories of Individuals. Mimeo.

GRADING

In class presentation:	20%
Assignments:	30%
Final exam:	50%

*required readings.

PROFESSOR – EMAILS

SCHEDULE

Day	Topic	Presenter
April 27	Institutions, Human Capital and Growth	André Portela
April 29	Inequality, Poverty and Welfare	André Portela
May 04	Cash Transfer and Bolsa Familia	André Portela
May 06	Religion	Fabio Miessi
May 11	Democracy, Growth and Inequality	André Portela
May 13	Early Childhood	André Portela
May 18	Inequality in Brazil	R Paes de Barros/Samir Curi
May 20	Basic Education	André Portela/Presentations
May 25	Technical and Vocational Education	André Portela/Presentations
May 27	Labor Market Informality	André Portela/Presentations
June 08	Public Service Provision	Rudi Rocha
June 10	Simples	Bruna Alvarez/Presentations
June 15	Trade and Unions	Emanuel Ornelas/Presentations