

## Syllabus

[cmcd.economia@fgv.br]

**Course Name: Applied Microeconomics**

**Faculty:**

**2025 SECOND SEMESTER**

### **COURSE OUTLINE**

The main objective of this course is to examine applications of microeconomic analysis for issues in developing countries, particularly in Brazil. During the course, there will be discussed theoretical aspects of the themes as well as presentations of applications for Brazil and eventually other developing countries.

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**

1. Institutions, Human Capital and Growth
2. Poverty
3. Inequality
4. Conditional Income Transfer Programs
5. Early Childhood Development
6. Education I and II
7. Labor
8. Health
9. Environment I and II
10. Crime
11. Public Sector I and II

## BIBLIOGRAPHY

### I. Institutions, Human Capital and Growth

#### *Main References*

Acemoglu, D., Johnson, S. and Robinson, J. (2001), “The Colonial Origins of Comparative Development: An Empirical Investigation”, *American Economic Review*, v. 91 n.15.

Glaeser, E., la Porta, R., Lopes de Silanes, F. e Shleifer, A. (2004), “Do Institutions Cause Growth”, *Journal of Economic Growth* n. 9.

Naritomi, J.; Soares, R. and Assunção, J. (2012) Institutional Development and Colonial Heritage within Brazil, *The Journal of Economic History*, Vol. 72, No. 2.

Rocha, R., C. Ferraz and R. Soares (2017), “Human Capital Persistence and Development”, *American Economic Journal: Applied Economics* 9(4).

#### *Additional References*

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Development”, *The Annual Review of Economics*, 6:875-912.

Acemoglu, D., Naidu, S., Restrepo, P., and Robinson, J. (2019), “Democracy Does Cause Growth”, *Journal of Political Economy*, 127:1.

### II. Poverty

#### *Main References*

ALKIRE, Sabina; FOSTER, James. Counting and multidimensional poverty measurement. *Journal of public economics*, v. 95, n. 7-8, p. 476-487, 2011.

FOSTER, James; GREER, Joel; THORBECKE, Erik. A class of decomposable poverty measures. *Econometrica: journal of the econometric society*, p. 761-766, 1984.

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SKOUFIAS, Emmanuel et al. Estimating poverty rates in subnational populations of interest: An assessment of the Simple Poverty Scorecard. *World Development*, v. 129, p. 104887, 2020.

SILVA, JOSÉ JAIME DA et al. Pobreza multidimensional no Brasil: uma análise do período 2004-2015. *Brazilian Journal of Political Economy*, v. 40, p. 138-160, 2020.

TAVARES, Fernando Flores; BETTI, Gianni. The pandemic of poverty, vulnerability, and COVID-19: Evidence from a fuzzy multidimensional analysis of deprivations in Brazil. *World Development*, v. 139, p. 105307, 2021.

### **III. Inequality**

#### *Main References*

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

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#### *Additional References*

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Fields, Gary S., (2001), *Distribution and Development: A New Look at the Developing World*, MIT Press: Cambridge, MA and London.

### **IV. Conditional Income Transfer Programs**

#### *Main References*

DE BRAUW, Alan et al. The impact of Bolsa Família on schooling. *World Development*, v. 70, p. 303-316, 2015.

Del Rey, E. and F. Estevam. (2013). “Conditional cash transfers and education quality in the presence of credit constraints”, *Economics of Education Review* 34, 76–84.

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Vivi Alatas, Abhijit Banerjee, Rema Hanna, Benjamin A. Olken and Julia Tobias (2012). “Targeting the Poor: Evidence from a Field Experiment in Indonesia”, *American Economic Review*, Vol. 102, No. 4, June 2012.

## **V. Early Childhood Development**

### *Main References*

HECKMAN, James J. Skill formation and the economics of investing in disadvantaged children. *Science*, v. 312, n. 5782, p. 1900-1902, 2006.

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CARNEIRO, Pedro et al. The impacts of a multifaceted prenatal intervention on human capital accumulation in early life. *American Economic Review*, v. 111, n. 8, p. 2506-49, 2021.

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crime. *Infant mental health journal*, v. 40, n. 1, p. 141-151, 2019.

### *Additional References*

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Cunha, F., J. Heckman, L. Lochner, D. V. Masterov (2005), Interpreting the Evidence on Life Cycle Skill Formation. *NBER Working Paper* n.11331.

## **VI. Education**

### **Education I**

#### *Main References*

Attanasio, O.; Guarín, A.; Medina, C.; and Meghir, C. (2017). “Vocational training for disadvantaged youth in colombia: A long-term follow-up”. *American Economic Journal: Applied Economics*, 9(2):131-143.

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## **Education II**

### *Main References*

Acemoglu, D. and Autor, D. (2011). Skills, tasks and technologies: Implications for employment and earnings. In *Handbook of labor economics*, volume 4, pages 1043–1171. Elsevier.

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### *Additional References*

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## **VII. Labor**

### *Main References*

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#### *Additional References*

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### **VIII. Health**

#### *Main References*

BHALOTRA, Sonia R.; ROCHA, Rudi; SOARES, Rodrigo R. Does universalization of healthwork? Evidence from health systems restructuring and expansion in Brazil. 2019.

CASTRO, Marcia C. et al. Brazil's unified health system: the first 30 years and prospects for the future. *The lancet*, v. 394, n. 10195, p. 345-356, 2019.

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## **IX. Environment**

### **Environment I**

#### *Main References*

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### **Environment II**

#### *Main References*

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#### *Additional References*

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## **X. Crime**

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## **XI Public Sector, Bureaucracy and Development I and II**

### *Main References*

AKHTARI, Mitra; MOREIRA, Diana; TRUCCO, Laura. Political turnover, bureaucratic turnover, and the quality of public services. *American Economic Review*, v. 112, n. 2, p. 442-93, 2022.

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DI MARO, Vincenzo et al. Building State Capacity: What Is the Impact of Development Projects?. Available at SSRN 4075621, 2021.

**GRADING**

In class presentation.....30%  
Assignment.....20%  
Final Exam.....50%

**PROFESSOR – EMAILS**