

Economics Department Newsletter

January 23, 2013

[Note: the economics department newsletter usually comes out about once per week, but we have two newsletters this week because we were notified of some time-sensitive information just after the previous one came out. For future reference, if you have an event you want included in the newsletter, please make sure to notify us *at least one week in advance of the event*, so we'll be able to get it into the newsletter!]

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Seminars and events

1. Economics Job Candidate Seminar -- **S. Anukriti, Columbia University, “The Fertility-Sex Ratio Trade-off: Unintended Consequences of Financial Incentives.”**
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At **4:00PM Thursday January 24th in Griffin 6**, economics job candidate [S. Anukriti](#) of Columbia University will present her paper “[The Fertility-Sex Ratio Trade-off: Unintended Consequences of Financial Incentives.](#)” From the abstract: “Lower fertility

can translate into a more male-biased sex ratio if son preference is persistent and sex-selection technology is easily accessible. This paper investigates whether financial incentives can overcome this trade-off in the context of an Indian scheme, Devirupak, that seeks to promote a one-child norm and reduce the sex ratio. First, I construct a model where the effects of incentives are determined by the strength of son preference, the cost of children, and the cost of sex-selection, relative to the size of incentives. Next, I create a woman-year panel dataset from retrospective birth histories and use variation in the composition of pre-existing children as well as the state and the year of implementation of the scheme to estimate its causal effect. Devirupak successfully lowers the number of children by 0.9 percent, but mainly through a 1.9 percent decrease in the number of daughters. Faced with a choice between a son and a daughter, couples choose a son despite lower relative benefits, and thus the sex ratio unintentionally increases. A subsidy worth 10 months of average household consumption expenditure is insufficient to induce parents to give up sons entirely and have only one daughter. Instead, Devirupak increases the proportion of one-boy couples by 5 percent. Only the most financially disadvantaged couples exhibit an increase in the one-girl outcome.”

2. “Roundtable Discussion about the Fiscal Cliff” with Liz Robinson, Treasurer of Goldman Sachs, and Professor Kenneth Kuttner, Williams Economics Department

At **5:45PM on Thursday January 24th in Griffin 4**, Liz Robinson, Treasurer of Goldman Sachs, and Professor [Kenneth Kuttner](#), Williams Economics Department, will discuss the “Fiscal Cliff.” Description: What is the fiscal cliff? What are the implications of the current “deal?” What about the debt ceiling? How does all of this affect financial institutions? We will address all of these questions and more. Sponsored by the Eph Business Association.

3. Economics Job Candidate Seminar -- David Blakeslee, Columbia University, “Politics and Public Goods in Developing Countries: Evidence from India”

At **4:00PM on Monday, January 28th, in Griffin 6**, economics job candidate [David Blakeslee](#) of Columbia University will present his research paper, “[Politics and Public Goods in Developing Countries: Evidence from India](#).” From the abstract: “To better understand the role played by political parties in shaping public goods allocations, I examine the effects of an exogenous shift in party representation following India’s 1991 national elections, employing as an instrument the assassination of the Congress party leader mid-way through the voting process, which had the effect of dramatically increasing the probability of Congress victory for a subset of constituencies. Using this variation, I find that representation by the ruling Congress party leads to a substantial increase in the provision of public goods favored by the poor, consistent with the party’s expressed populist agenda. Among the salient changes are increases in the availability of drinking water and declines in infrastructure such as productive electrification and paved roads. I also estimate party effects using a regression discontinuity identification strategy, which generates variation in party identity for closely contested elections. Here I find little effect of Congress representation on public goods allocations, consistent with

models emphasizing the importance of both the identity of the winning party and the margin of its victory in determining policy outcomes.”

Consider taking an economics senior seminar spring 2013

4. Junior economics majors: consider enrolling in an economics “senior seminar” for spring 2013

Several of our economics “senior seminar” classes (economics classes numbered 450 through 475) are under-enrolled for spring 2013, and we’d like to take this opportunity to encourage junior economics majors (or anyone else with the necessary prerequisites) to consider enrolling in one of these classes in the spring. Every economics major must complete a senior seminar to satisfy the major requirements, and students may also take more than one such seminar when space is available (a senior seminar can substitute for one of your 300+ electives). Despite the name, the classes are open to anyone with the prerequisites, whether or not they are seniors. It can often be a good idea to take a senior seminar during your junior year. This is especially true if you are interested in writing an honors thesis during your senior year, as many of these seminars are designed to teach you how to read and critically evaluate real economic research, and in some cases (e.g., the labor economics, urban economics, and economic history senior seminars offered in the spring) systematically teach you how to conduct your own empirical research. It is also a good idea if one of the senior seminars this year fits your interests particularly well, since there is some variation in which topics are offered from year to year. This is a great (and very rare) opportunity to take an upper-level economics class which is likely to have less than 10 students, where you’ll get plenty of individual attention from your professor, and will learn invaluable advanced research skills. Examples of under-enrolled senior seminars offered spring 2013 include [ECON 453 Research in Labor Economics](#), [ECON 455 Research in Economic History](#), [ECON 469 Topics in Urban Economics](#), and [ECON 473 Microfinance](#).

About the newsletter

5. How to get items into the newsletter and how to unsubscribe

Please contact [Jon Bakija](#) with any news, events, or other information that you would like to send around to Economics and Political Economy faculty and majors, as well as anyone who has manifested an interest in the field by taking a class in either department this semester. If you would prefer not to receive the newsletter, please contact [Helen McShane](#) to unsubscribe.