Assignment: Eco 415 (Monsoon 2023)

Due date November 30th, 2023

Objective and Description

This assignment will involve your knowledge from the course and will teach you how to apply that while writing on a topic from the field of development economics. This assignment, if written neatly, can be used by you in future as an evidence of your work involving large micro datasets or example of your applied work.

You will be evaluated on the basis of knowledge on the specific topic (in which the problem is written), your skills of using data to establish your findings (use of Stata is mandatory), your overall quality of writing the answer to the assignment applying your knowledge and viva-presentation (if required to identify your contribution). While writing, you may feel free to study relevant literature (Debraj Ray book has references too on each topic).

Please note that it is your responsibility to make your work distinctly different from other. If two or more works look very similar (which falls within the definition of plagiarism and will be decided by me), each of those students will be penalised, which may lead to getting zero in the paper. So, please make sure to do your own work and ask me for any help, if required. Do not copy Stata codes from others. If you need Stata help from others and you discuss that with your friends, I have no issues as long as you write your own code, and you can explain that to me when required. Also, the discussion should only be limited within Stata knowledge, but not about the problem given. The way you address your own problem should have the evidence of originality.

Following the main problem posted below, you are expected to read relevant literature (starting from the book and the references there), approach to use the right kind of information from the given data, generate necessary variables and find the answers to the question posted. **Your assignment should be of 4-6 page long (Formatted in Times New Roman, 12 font, 1.5 space, 2.54 cm margin on each side, pages are marked). It will consist of the following sections:**

- Introduction and Question/problem description in detail

- Explanation of the data and variables created (important section)

- Methods explaining how do you address the problem (this should have all the details of calculation at each step, but do not include Stata table or file here) – most important section

- Results and related write up explaining your findings

- Conclusion

- Reference

You are most welcome to submit before the due date, but I will not accept any submissions after the deadline.

You need to submit:

1. The Word document of the term paper (not pdf),

2. Stata code (do file) and

3. Stata log file.

All three should be put in a **zipped file and should be shared in google drive to the TA Subarna**. **Each file should have your full name. The folder too will have your full name and nothing else.**

Save your final data, so that if required, I may ask you to share that data. If I run your do file, I should be able to get the same data set and the same results.

Since this paper has 30% weight of the total course, I would suggest you to do it in phases and ask question if you have any in between. I would keep reminding you about the work and keep enquiring about the progress, so you should try to use that opportunity to make sure you are on right track. If you want to discuss your individual progress with me at any point, to get my opinion, you are more than welcome. However, if you keep all work till the end of the semester, my experience says, nothing can be done at that point and the grade gets affected.

Problem for the Assignment:

Data to be used: *India Human Development Survey,* NCAER and University of Maryland., Year 2011-12. Use the Individual level data file.

Downloadable link: https://www.icpsr.umich.edu/web/DSDR/studies/36151/datadocumentation

Assignment

Q1. Following page 35 of Devraj Ray (Figure 2.7)

- Take India as a country for a sample.
- Use the Income data by state.
- Calculate the per capita income of each state.
- Calculate the index of human development for each domain.
- Scatter plot each of the above 3 indexes against per capita of Income of the state. So, for 25 states, you will have 25 data points for each dimension (3 different plots for 3 dimensions)

Do you see any trend of connection between per capita state income and human development indicators in any of the dimensions? Comment.