

Summer School (2024): Development Economics

Dr Niclas Moneke, University of Oxford, niclas.moneke@economics.ox.ac.uk

Seminar 4: The Electrification Puzzle

- (a) Describe briefly in two paragraphs the prevailing “electrification puzzle” in the empirical development economics literature.
- (b) What are the potential reasons why the existing macro evidence (which broadly supports transformative effects of electrification on development) should be treated with caution? Give specific examples from the literature to support your answer.
- (c) What are the potential reasons why the existing micro evidence (which broadly fails to find support for transformative effects of electrification on development) should be treated with caution? Give specific examples from the literature to support your answer.
- (d) Describe the findings by Burlig & Preonas (2022). To what extent, if at all, do the authors provide insights toward solving the electrification puzzle?
- (e) Burlig & Preonas (2022) report significant heterogeneity in their results. Please comment on the potential sources of heterogeneity they identify. Do you think that the authors study a relevant margin of electrification? Why/why not?
- (f) If you had the hypothetical chance to randomise the roll-out of the electric grid in a previously unelectrified part of a low income country, which electrification margin would you choose to expand? Which locations and/or customers would you aim to connect?

Oxford, September 2024.