ECON5460

DEVELOPMENT ECONOMICS

Second Term, 2018-2019

Time
Monday 08:30AM - 11:15AM
Room
Wong Foo Yuan Building LT4
Instructor
BAI, Ying
Department of Economics, ELB906
Tel: 39438004
Email: ybai@cuhk.edu.hk
Office hour
Monday, 3:30PM – 5:00PM

COURSE DESCRIPTION
This course covers current research topics and methods in Development Economics. The goal of this course is to understand the economic problems of developing countries by using economic theories and their applications. The course will cover both the macroeconomics and microeconomics approaches to development economics. We will first overview the theories of growth and discuss their potential in explaining income differences across countries, and then move to study the different facets of human development: market, institution, and culture.

LEARNING OUTCOMES
By the end of this course, students are expected to be able to:
1. Outline the main theories and concepts in development economics;
2. Summarize and evaluate empirical work in development economics;
3. Make judgements about what policies the government should (or should not) pursue to foster economic development.

PREREQUISITES
(Intermediate-level) Coursework in microeconomics, macroeconomics, and econometrics

GRADING POLICY
1: Group presentation and peer evaluation (40%)
- Students need to form a group which includes 3 members. Each group needs to summarize economic differences (income, inequality, literacy, …) between two (randomly assigned) countries/regions and explain the potential roots of the differences.
- [10%] Slides: each group needs to prepare slides and submit by 5:00 pm on April 7, 2019. Late submission will result in 1/2 reduction of the grade for this part.
- [20%] Presentation: presentation lasts for 8-12 minutes.
- [10%] Anonymous Peer Evaluation: to avoid free-riding, students are required to evaluate the overall contribution made by their group members (not including themselves). The evaluation form will be available on course website. Students need to email me the filled form after the presentation (within one day). Those who do NOT submit their peer evaluation will NOT receive grade for this part.
2: **In-Class final exam (50%)**

- There will be a closed book final examination on Monday, April 15, 2019. All the material covered up to the last class will be considered part of the exam. A problem set will be provided around the mid-March. Moreover, I will help review the main contents of this course in the class on April 1.
- Be sure to arrive punctually for these exams. NO additional time will be given to students who arrive late.
- There will be NO make-up examination. The only exceptions are for serious medical emergencies. Upon a proper doctor's notice, a make-up exam (or essay) will be scheduled.

3: **Class participation (10%)**

Attendance will be taken and contribute 10% to your final grade as participation score. Three attendance checks will be randomly conducted. If you are absent for all those 3 lectures, you will receive ZERO participation score. Active class participation enriches the course, which is highly encouraged.

**COURSE SCHEDULE**

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<th>Topic</th>
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<td>1 Introduction: Global patterns of economic growth and development</td>
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<td>01/14</td>
<td>2 Growth theory I: Classical growth theories</td>
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<td>01/28</td>
<td>4 Inequality and social mobility</td>
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<td>02/18</td>
<td>6 Market I: Land market</td>
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<td>9 Institution and comparative development</td>
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<td>03/25</td>
<td>10 Culture I: the Effects of culture</td>
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<td>04/01</td>
<td>11 Culture II: Culture formation</td>
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<td><strong>04/08</strong></td>
<td>12 Presentation (8:30 AM -11:15 AM)</td>
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<td><strong>04/08</strong></td>
<td>13 Presentation (6:30 PM – 09:15 PM) <strong>Make-up class</strong></td>
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<td><strong>04/15</strong></td>
<td>14 In-class Final Exam</td>
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READING LISTS

1: Global patterns of economic growth and development (1/07)

2: Growth Theories (1/14)

3: Complementarity (1/21)

4: Inequality and Social Mobility (2/11)
5: Population and Gender (2/18)


7: Market II: Labor Market and Poverty (3/04)

8: Market III: Credit Market and Economic Development (3/11)

9: Institution: The Security of Property Rights (3/18)
10: Culture I: The Effects of Culture (3/25)


11: Culture II: Culture Formation (4/01)

* Bai, Ying, James Kung and Chicheng Ma. Endogenous Neo-Confucianism: the Path of Historical Development in China
