Syllabus
Economic Development
Maymester 2012
ECON 4600-005
(CRN 53787)
MTWRF 11:00 am – 1:20 pm
General Classroom Building 503

Instructor: Mark Rider
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Office hours: T 2:00 pm – 3:00 pm (or by appointment)

Prerequisites: Principles of Microeconomics (ECON 2106)

Course materials:


Catalog description: This course analyzes the issues underlying vast differences in development among the nations of the world. Economic growth, subject to appropriate restraints on environmental degradation, is seen as a major instrument for improving the development of nations and the welfare of their people. The course employs elements of theories of growth, international trade and finance, industrial organization, money, as well as micro and macroeconomics to analyze causes of and prescribe cures for, underdevelopment.

Course objective: The goal of Econ 4600 is to develop a framework which the student may use to analyze economic growth, particularly of low income countries. This framework introduces the student to the economic way of thinking about the forces at work in society which guide economic growth.
Learning outcomes:

1. The student should be able to understand and describe the Harrod-Domar model of economic growth.

2. The student should be able to understand and describe the new growth theories.

3. The student should be able to understand and describe the role of path dependence or history in the development experience of countries in Sub-Saharan Africa, Asia, and South America.

4. The student should be able to understand and describe measures of inequality and be familiar with basic data on inequality for major regions of the developing world.

5. The student should be able to understand and describe the interconnections between inequality and development.

6. The student should be able to understand and describe the functional impact of poverty and under nutrition among developing countries.

7. The student should be able to understand and describe the effects of population growth on economic development.

8. The student should be able to understand and describe the effects of land, labor, and financial institutions on economic development.

9. The student should be able to describe the role of international trade on economic development.

10. The student should be able to understand and describe the “Washington consensus’ and the arguments of its critics.

Method of instruction: ECON 4600 is taught through a combination of lecture, discussion, and examinations. Class interaction allows the students to discover the strengths and weaknesses of alternative policy recommendations.
Grading policy: There will be take-home exams, and a class presentation based on the assigned readings. A numerical average will be computed by applying equal weights to the grades on the 2 exams and the class presentation. A letter grade will be assigned according to your numerical average (X) and the following table:

<table>
<thead>
<tr>
<th>Average</th>
<th>Letter Grade</th>
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<tbody>
<tr>
<td>97 ≤ X</td>
<td>A+</td>
</tr>
<tr>
<td>93 ≤ X &lt; 97</td>
<td>A</td>
</tr>
<tr>
<td>90 ≤ X &lt; 93</td>
<td>A-</td>
</tr>
<tr>
<td>87 ≤ X &lt; 90</td>
<td>B+</td>
</tr>
<tr>
<td>83 ≤ X &lt; 87</td>
<td>B</td>
</tr>
<tr>
<td>80 ≤ X &lt; 83</td>
<td>B-</td>
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<tr>
<td>77 ≤ X &lt; 80</td>
<td>C+</td>
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<tr>
<td>73 ≤ X &lt; 77</td>
<td>C</td>
</tr>
<tr>
<td>70 ≤ X &lt; 73</td>
<td>C-</td>
</tr>
<tr>
<td>60 ≤ X &lt; 70</td>
<td>D</td>
</tr>
<tr>
<td>X&lt;60</td>
<td>F</td>
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Class presentations: Students should form teams in groups of two and choose an assigned reading from the list of articles provided below. The teams should prepare and deliver a twenty minute presentation, including a Power point presentation. You will be given a grade based on the quality of your presentation, including the Power point, and your ability to answer questions. Class presentations will constitute 1/3rd for your grade.

Attendance policy: Attendance is strongly recommended. Please remember that all university regulations, deadlines, and policies must be observed. In particular, students are expected to follow the GSU “Policy on Academic Honesty” (Section 409 of the Georgia State University Faculty Handbook). Also, on some date after the mid-point of the course (a date set by the Provost), students on the grade rolls but no longer taking the class will be given a grade of WF, and the last day of class that the student attended or turned in an assignment will be reported to the GSU administration.

Make-up exam policy: There will be no make-up exams under any circumstances.
## Tentative Course Schedule

The course syllabus provides a general plan for the course; deviations may be necessary.

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Topic</th>
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| 1   | Monday, May 7   | L1: Measuring economic development  
Begin read “The Elusive Quest for Growth” |
| 2   | Tuesday, May 8  | L2: Simple Solow model of economic growth  
Read Mankiw, Chapter 7 (available through ULearn)  
Homework: problems 1-4, & 6 on page 214 of Mankiw  
Con’t, reading “The Elusive Quest for Growth” |
| 3   | Wednesday, May 9| L3: Solow model of economic growth, with population growth  
Review assigned problems  
Read Mankiw, Chapter 7 (available through ULearn)  
Con’t reading “The Elusive Quest for Growth” |
| 4   | Thursday, May 10| L4: New growth theories  
Read Mankiw, Chapter 8 (available through ULearn)  
Homework: problems 1-5 on page 242-3 of Mankiw  
Finish reading “The Elusive Quest for Growth” |
| 5   | Friday, May 11  | L5: Review assigned problems and discuss “The Elusive Quest for Growth”  
**Exam 1 distributed** |
| 6   | Monday, May 14  | L6: The role of institutions in economic growth  
Reading: Why is the middle east economically underdeveloped? (Governance)  
Begin reading “Portfolios of the Poor”  
**Exam 1 due** |
| 7   | Tuesday, May 15 | L7: Decision-making under uncertainty  
Reading: TBD  
Con’t reading “Portfolios of the Poor” |
| 8   | Wednesday, May 16| L8: Risk aversion and the decisions of low income people? (Risk attitudes)  
Readings: TBD  
Con’t reading “Portfolios of the Poor” |
| 9   | Thursday, May 17| L9: Randomized control trials (Methodology)  
Readings: TBD  
Finish reading “Portfolios of the Poor” |
| 10  | Friday, May 18  | L10: Development and governance (Governance)  
Readings: TBD  
Discuss “Portfolios of the Poor”  
**Exam 2 distributed**  
**Last day to withdraw** |
| 11  | Monday, May 21  | L11: Development and health (Health & HIV)  
Readings: TBD  
Begin reading “More than Good Intentions”  
**Exam 2 due** |
| 12  | Tuesday, May 22 | L12: Development and water/infrastructure (Water & Infrastructure)  
Readings: TBD  
Finish reading “More than Good Intentions” |
| 13  | Wednesday, May 23| L13: Development and education (Education)  
Readings: TBD |
| 14  | Thursday, May 24| L14: Development and agriculture (Agriculture)  
Readings: TBD |
| 15  | Friday, May 25  | L15: Development and ethnic diversity/gender (Ethnic diversity & Gender)  
Readings: TBD |
| *   | Friday, June 8  | Grades available to students through GoSolar after 5:00 pm  
https://www.gosolar.gsu.edu/webforstudent.htm |

*Important dates*
1. Agriculture
2. Corruption
3. Education
4. Ethnic diversity
5. Environment
6. Finance
7. Gender
8. Health
9. HIV
10. Infrastructure
11. Methodology
12. Risk attitudes
13. Water