Development Economics

The grade for this course will be based on class participation, presentation in the class, occasional problem sets, a referee report, and a term paper.

We will be using bits and pieces of the following books in addition to a whole bunch of papers.


1. **Introduction to Development Economics**
   - Ray, Ch. 2.

2. **Economic Growth and Underdevelopment**

2.1 *Introduction to Economic Growth*
   - Grossman G. M. and Helpman E., Ch. 1.
   - Barro R. J. and X. Sala-i-Martin, Introduction
   - Acemoglu, Ch.1.

2.2. **Neo-classical growth theory**
   - Ray, Ch. 3.
   - Acemoglu, Chs. 2 and 8
   - Barro and Salai-Martin, Ch. 1, Ch. 2.

2.3. **Development Accounting (Growth Empirics)**


2.4 Endogenous growth theory (factor accumulation, technological progress)

- Ray, Ch. 4.
- Acemoglu, Chs. 11 and 13
- Barro, R. J. and X. Sala-i-Martin, Ch. 4-7.

3. Globalization and Development

3.1 Trade and Development

- Ray, Ch. 16-17.
- Acemoglu, Ch. 19.

3.2 Financial Globalization and Development


4. Market Failure/Missing Market and Development

4.1 Externalities and Development

• Ray, Ch. 5.
• Acemoglu, Ch. 21.

4.2. Credit Constraints, inequality and Development
4.2.1 Macroeconomic implications

4.2.2 Microeconomic Implications

5. Development Strategies

• Acemoglu, Daron, Simon Johnson, James A. Robinson, Institutions as a Fundamental Cause of Long-Run Growth, Chapter 6 In: Philippe Aghion and Steven N. Durlauf, Editor(s), Handbook of Economic Growth, Elsevier, 2005, Volume 1, Part 1, Pages 385-472.
• Ray, Ch. 16, pp. 621-644, Ch. 17.