Syllabus

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Department: School of Economics Date: Sept. 2024 | | | | | | | | | | | | | | | | | |
| Course Code | | ECON130253h.01 | | | | | | | | | | | | | | | |
| Course Title | | Development Economics (H) | | | | | | | | | | | | | | | |
| Credit | | 4 | | Experiment  (including Computer) Credit | | | |  | | Practice Credit | | |  | | | Aesthetic Education  Credit |  |
| Credit Hours Per Week | | 4 | | Education on The Hard-Working Spirit Credit Hours | | | |  | | [**Language of Instruction**](http://www.baidu.com/link?url=47JJa4qk0LrDpLNqaOc5vq3QapQmx50Zq2Si4vRilP0LBh4dhC7LdZ11ucoXf4IUT8hpalC4TDsTvQgZFq5vOkmJp5rQO-DihNiIVE0Ui-SRoTDGpQwonRCT8aiX7pDO) | | | English | | | Honors  Course | □Yes  □No |
| Course Type | | □Core General Education Course □Specific General Education Course □Basic Course in General Discipline  □Others | | | | | | | | | | 2+X Major ：  □Professional Core Course  □Professional Advanced Course | | | | | |
| Non 2+X Major ：  □Professional Compulsory Course □Professional Elective Course | | | | | |
| Course Objectives | | The goal of the course is to introduce the students to the questions asked and the tools used in frontier research of economic growth and development, and prepare them to pursue their own research agenda in the field, whether it’s policy or academically oriented. | | | | | | | | | | | | | | | |
| Course Description | | This course covers important topics in economic growth and development. It focuses on two distinct but related questions: why does income per capita differ so much over time and across countries? And why does the allocation of economic activity across broad sectors change over time and across countries? The goal of the course is to introduce the students to the questions asked and the tools used in frontier research of economic growth and development, and prepare them to pursue their own research agenda in the field, whether it’s policy or academically oriented. | | | | | | | | | | | | | | | |
| Course Requirements:  You are required to complete five homework assignments during the course, and each is worth 10 possible points. Towards the end of this course, there will be a final exam, which is worth 50 possible points.  There is also an opportunity for extra credit, which comes in the form of class presentation. You will have a chance to win 10 possible points by preparing a class presentation (45-60 minutes) on a research paper on growth and development. You can choose one of the papers on the reading list, or you can work with me to identify another paper on growth and development that you find interesting. You should expect this to be a substantial amount of work. You should not copy all the details or equations from the paper, but rather focus on the motivation, question and methodology of the paper, as well as its contributions and weaknesses. | | | | | | | | | | | | | | | | | |
| Teaching Methods:  Lectures and discussions | | | | | | | | | | | | | | | | | |
| Course Director's Academic Background:  Prof. Xi received his PhD in Economics from Arizona State University in 2016. His research areas are Macroeconomics, Development Economics, and Environment. | | | | | | | | | | | | | | | | | |
| Instructor's Academic Background:  See above. | | | | | | | | | | | | | | | | | |
| Members of Teaching Team | | | | | | | | | | | | | | | | | |
| Name | | Gender | | | | Professional Title | | | Department | | | | | Responsibility | | | |
| Xican (Sean) Xi | | M | | | | Associate professor | | | School of Economics | | | | |  | | | |
|  | |  | | | |  | | |  | | | | |  | | | |
|  | |  | | | |  | | |  | | | | |  | | | |
| **Course Schedule** (Please supply the details about each lesson)**:**  Module 1: Basic Concepts and Questions  Module 2: Measurement  Module 3: Factors of Production: Physical Capital  Module 4: Factors of Production: Human Capital  Module 5: Misallocation and Productivity  Module 6: Comparative Advantage and Talent Allocation  Module 7: Sectors and Structural Change  Module 8: Institutions and Development | | | | | | | | | | | | | | | | | |
| The design of class discussion or exercise, practice, experience and so on:  Lectures and discussions | | | | | | | | | | | | | | | | | |
| If you need a TA, please indicate the assignment of assistant:  The TA will keep the attendance record and help organize discussions. | | | | | | | | | | | | | | | | | |
| **Grading & Evaluation** (Provide a final grade that reflects the formative evaluation process)**:**  There are 110 possible points which determine your course grade, and they will be awarded in the following way:  Homework Assignments (Combined) 50  Final Exam 50  Presentation (Optional) 10 | | | | | | | | | | | | | | | | | |
| **Usage of Textbook：**□Yes(complete textbook information form below) □No  **Textbook Information**(No more than two textbooks) **:** | | | | | | | | | | | | | | | | | |
| Title | Author | | ISBN | | Publishing Time | | Publisher | | | | Type Ⅰ | | | | Type Ⅱ | | |
|  |  | |  | |  | |  | | | | □Self-compiled Textbook (Published)  □Non-mainland Textbook  □Other Textbook (Published) | | | | □National Planning Textbook  □Provincial and Ministerial Planning Textbook  □School Level Planning Textbook  □Others | | |
|  |  | |  | |  | |  | | | | □Self-compiled Textbook (Published)  □Non-mainland Textbook  □Other Textbook (Published) | | | | □National Planning Textbook  □Provincial and Ministerial Planning Textbook  □School Level Planning Textbook  □Others | | |
| **Teaching References** (Including author, title, publisher, publishing time, ISBN)**:**   * Books   The Wealth of Nations, by Adam Smith, Bantam Classics, 2003  Guns, Germs and Steel, by Jared Diamond, W. W. Norton & Company, 2005  The Mystery of Capital, by Hernando De Soto, Basic Books, 2003  Barriers to Riches, by Stephen L. Parente and Edward C. Prescott, MIT Press, 2000  A Farewell to Alms, by Gregory Clark, ‎ Princeton University Press, 2009  More Than Good Intentions, by Dean Karlan and Jacob Appel, ‎ Dutton, 2011  A Culture of Growth, by Joel Mokyr, ‎ Princeton University Press, 2018   * Papers   You are required to read some papers on the list, and are encouraged to read all the papers on the list.  Module 1: Basic Concepts and Questions   1. (\*) Caselli (2005). Development Accounting. *The Handbook of Economic Growth.* 2. Mankiw, Romer, and Weil (1992). A Contribution to the Empirics of Economic Growth. *The Quarterly Journal of Economics.* 3. Parente and Prescott (1994). Barriers to Technology Adoption and Development. *Journal of Political Economy* 4. Prescott (1998). Needed: A Theory of Total Factor Productivity. *International Economic Review.*   Module 2: Measurement   1. Gollin (2002). Getting Income Shares Right. *Journal of Political Economy.* 2. Henderson, Storeygard, and Weil (2012). Measuring Economic Growth from Outer Space. *American Economic Review.* 3. Feenstra, Inklaar, and Timmer (2015). The Next Generation of the Penn World Table. *American Economic Review.* 4. Jones and Klenow (2016). Beyond GDP? Welfare Across Countries and Time. *American Economic Review.* 5. Angrist, Goldberg, and Jolliffe (2021). Why Is Growth in Developing Countries So Hard to Measure?*Journal of Economic Perspectives*. 6. Young (2012). The African Growth Miracle. *Journal of Political Economy.*   Module 3: Factors of Production: Physical Capital   1. (\*) Lucas (1988). Why Doesn't Capital Flow from Rich to Poor Countries? *American Economic Review.* 2. Caselli and Feyrer (2007). The Marginal Product of Capital. *The Quarterly Journal of Economics.* 3. Hsieh and Klenow (2007). Relatives Prices and Relative Prosperity. *American Economic Review.* 4. Lewis (2011). [Immigration, Skill Mix, and Capital Skill Complementarity](https://ideas.repec.org/a/oup/qjecon/v126y2011i2p1029-1069.html). [*The Quarterly Journal of Economics*](https://ideas.repec.org/s/oup/qjecon.html)*.* 5. Manuelliand Seshadri (2014). Frictionless Technology Diffusion: The Case of Tractors. *American Economic Review.* 6. Monge-Naranjo, Sánchez and Santaeulàlia-Llopis (2018). Natural Resources and Global Misallocation. *American Economic Journal: Macroeconomics.* 7. Caunedo and Keller (2021). [Capital Obsolescence and Agricultural Productivity](https://ideas.repec.org/a/oup/qjecon/v136y2021i1p505-561..html).[*The Quarterly Journal of Economics*](https://ideas.repec.org/s/oup/qjecon.html).   Module 4: Factors of Production: Human Capital   1. (\*) Hendricks (2002). How Important Is Human Capital for Development? Evidence from Immigrant Earnings. *American Economic Review.* 2. (\*) Schoellman (2012). Education Quality and Development Accounting. *The Review of Economic Studies.* 3. (\*) Hendricks and Schoellman (2018). Human Capital and Development Accounting: New Evidence from Wage Gains at Migration. *The Quarterly Journal of Economics.* 4. Angrist, Djankov, Goldberg, and Patrinos (2021). [Measuring human capital using global learning data](https://ideas.repec.org/a/nat/nature/v592y2021i7854d10.1038_s41586-021-03323-7.html). [*Nature*](https://ideas.repec.org/s/nat/nature.html). 5. Erosa, Koreshkova, and Restuccia (2010). How Important is Human Capital? A Quantitative Theory Assessment of World Income Inequality. *The Review of Economic Studies.* 6. (\*) Lagakos, Moll, Qian, Porzio, and Schoellman (2018). Lifecycle Human Capital Accumulation Across Countries: Evidence from U.S. Immigrants. *Journal of Human Capital* 7. Bleakley (2007). Disease and Development: Evidence from Hookworm Eradication in the American South. *Quarterly Journal of Economics.* 8. Caselli and Coleman (2001). The U.S. Structural. Transformation and Regional Convergence: A Reinterpretation. *Journal of Political Economy.* 9. Wantchekon, Klašnja, and Novta (2015). Education and Human Capital Externalities: Evidence from Colonial Benin. *Quarterly Journal of Economics* 10. Manuelli and Seshadri (2014). Human Capital and the Wealth of Nations. *American Economic Review.* 11. Porzio, Rossi, and Santangelo (2022). The Human Side of Structural Transformation. *American Economic Review*.   Module 5: Misallocation and Productivity   1. (\*) Hsieh and Klenow (2009). Misallocation and Manufacturing TFP in China and India. *The Quarterly Journal of Economics.* 2. Banerjee, and Duflo (2005). [Growth Theory through the Lens of Development Economics](https://ideas.repec.org/h/eee/grochp/1-07.html). [*Handbook of Economic Growth*](https://ideas.repec.org/s/eee/grochp.html)*.* 3. Restuccia and Rogerson (2008). Policy Distortions and Aggregate Productivity with   Heterogeneous Plants. Review of Economic Dynamics.   1. Song, Storesletten, and Zilibotti (2011). Growing Like China. *American Economic Review.* 2. Bloom, Eifert, McKenzie, Mahajan, and Roberts (2013). Does Management Matter: Evidence from India. *The Quarterly Journal of Economics* 3. Schmitz (2005). What Determines Productivity? Lessons from the Dramatic Recovery of the U.S. and Canadian Iron Ore Industries Following Their Early 1980s Crisis. *Journal of Political Economy.* 4. Buera, Kaboski, and Shin (2011). Finance and Development: A Tale of Two Sectors. *American Economic Review*. 5. Hsieh and Klenow (2014). The Life Cycle of Plants in India and Mexico. The *Quarterly Journal of Economics.* 6. (\*) [Adamopoulos](http://dept.econ.yorku.ca/~tasso/) and Restuccia (2014). The Size Distribution of Farms and International Productivity Differences. *American Economic Review.* 7. Bridgman, Maio, Schmitz, and Teixeira (2012). What Ever Happened to the Puerto Rican Sugar Industry? *Minneapolis Fed Staf Report 477.* 8. Garicano, Lelarge, and Reenen (2016). Firm Size Distortions and the Productivity Distribution: Evidence from France. *American Economic Review*. 9. Hsiehand Moretti (2019). Housing Constraints and Spatial Misallocation. *American Economic Journal: Macroeconomics*.   Module 6: Comparative Advantage and Talent Allocation   1. Roy (1951). Some Thoughts on The Distribution of Earnings. *Oxford Economic Papers.* 2. (\*) Lucas (1978). On the Size Distribution of Business Firms. *Bell Journal of Economics.* 3. (\*) Murphy, Shleifer, and Vishny (1991). The Allocation of Talent: Implications for Growth. *The Quarterly Journal of Economics.* 4. Banerjee, and Newman (1993). Occupational Choice and the Process of Development. *Journal of Political Economy.* 5. (\*) Borjas(1987). Self-Selection and the Earnings of Immigrants. *American Economic Review.* 6. Lagakos and Waugh (2012). Selection, Agriculture, and Cross-Country Productivity Differences. *American Economic Review.* 7. Gai, Guo, Li, Shi, and Zhu (2021). [Migration Costs, Sorting, and the Agricultural Productivity Gap](https://ideas.repec.org/p/tor/tecipa/tecipa-693.html).[*Working Papers*](https://ideas.repec.org/s/tor/tecipa.html)*, University of Toronto*. 8. Young (2014). Structural Transformation, the Mismeasurement of Productivity Growth, and the Cost Disease of Services. *American Economic Review.* 9. Gabaix and Landier (2008). Why has CEO Pay Increased So Much? *The Quarterly Journal of Economics.* 10. Hsieh, Hurst, Jones, and Klenow. (2019). The Allocation of Talent and U.S. Economic Growth. *Econometrica.*   Module 7: Sectors and Structural Change   1. (\*) Baumol (1967). Macroeconomics of Unbalanced Growth: The Anatomy of Urban Crisis. *American Economic Review.* 2. Kuznets (1973). Modern economic growth: findings and reflections. *American Economic Review.* 3. Kongsamut, Rebelo, and Xie (2001). Beyond Balanced Growth. *Review of Economic Studies.* 4. Ngaiand Pissarides (2007). Structural Change in a Multisector Model of Growth. *American Economic Review.* 5. (\*) Herrendorf, Rogerson, and Valentinyi (2014). Growth and Structural Transformation. *Handbook of Economic Growth.* 6. (\*) Gollin, Lagakos, and Waugh (2013). The Agricultural Productivity Gap. *The Quarterly Journal of Economics.* 7. Herrendorf and Schoellman (2018). Wages, Human Capital, and the Allocation of Labor Across Sectors. *American Economic Journal: Macroeconomics.* 8. Rogerson (2008). Structural Transformation and the Deterioration of European Labor Market Outcomes. *Journal of Political Economy.* 9. Buera and Kaboski (2012). The rise of the service economy. *American Economic Review.* 10. Matsuyama (2002).The Rise of Mass Consumption Societies. *Journal of Political Economy.* 11. (\*) Restuccia, Yang, and Zhu (2008). Agriculture and Aggregate Productivity: A Quantitative Cross-Country Analysis. *Journal of Monetary Economics.* 12. Bustos, Caprettini and Ponticelli (2016). Agricultural Productivity and Structural Transformation: Evidence from Brazil. *American Economic Review.* 13. Gollin, Hansen and Wingender (2021). [Two Blades of Grass: The Long-Term Economic Impacts of the Green Revolution](https://sites.google.com/site/douglasgollin/files/Gollin%20Hansen%20and%20Wingender%20JPE%20resubmission,%20corrected.pdf?attredirects=0&d=1). [*Journal of Political Economy*](https://ideas.repec.org/s/ucp/jpolec.html)*.* 14. Duarte and Restuccia (2010). The Role of Structural Transformation in Aggregate   Productivity. Quarterly Journal of Economics.  Module 8: Institutions and Development  8-1 (\*) Hall and Jones (1999). Why Do Some Countries Produce So Much More Output per Worker than Others? *The Quarterly Journal of Economics.*  8-2 La Porta, Lopez‐de‐Silanes, Shleifer, and Vishny(1998). Law and Finance. [*Journal of Political Economy*](https://ideas.repec.org/s/ucp/jpolec.html)*.*  8-3 (\*) Acemoglu, Johnson, and Robinson (2001). The Colonial Origins of Comparative Development: an Empirical Investigation. *American Economic Review.*  8-4 Acemoglu, Johnson, and Robinson (2005). The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth. *American Economic Review.*  8-5Banerjee and Iyer (2005). History, Institutions, and Economic Performance: The Legacy of Colonial Land Tenure Systems in India. *American Economic Review.*  8-6 Michalopoulos and Papaioannou (2013). Pre-colonial Ethnic Institutions and Contemporary African Development. *Econometrica.*  8-7 Dell (2010). The Persistent Efects of Peru's Mining Mita. *Econometrica.*  8-8 Nunn(2008).[The Long Term Effects of Africa's Slave Trades](https://scholar.harvard.edu/nunn/publications/long-term-effects-africas-slave-trades). *Quarterly Journal of Economics.*  8-9 Michalopoulos and Papaioannou (2014). National Institutions and Subnational Development in Africa. Quarterly Journal of Economics.  8-10 Dell (2012). Path Dependence in Development: Evidence from the Mexican Revolution. mimeo, Harvard.  8-11 Bleakley and Lin (2012). Portage and Path Dependence. *Quarterly Journal of Economics.*  8-12 Alesina, Giuliano, and Nunn (2013). On the Origins of Gender Roles: Women and the Plough. *Quarterly Journal of Economics.*  8-13 Dittmar and Meisenzahl (2020). [Public Goods Institutions, Human Capital, and Growth: Evidence from German History](https://ideas.repec.org/a/oup/restud/v87y2020i2p959-996..html). [*Review of Economic Studies*](https://ideas.repec.org/s/oup/restud.html).  8-14 Nunn (2020) .The Historical Roots of Economic Development. *Science.*  8-15 Dell, Lane, and Querubin (2018). The Historical State, Local Collective Action, and Economic Development in Vietnam. *Econometrica.* | | | | | | | | | | | | | | | | | |