COURSE SYLLABUS

THE ECONOMICS OF UNDERDEVELOPMENT

Instructors:
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Economics
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Spring, 2014
Course level: MA
2 Credits (4 ECTS Credits)

Pre-requisites: Intermediate Micro- and Macroeconomics.

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Course Description
The course is designed to give a thorough but intuitive overview of the main causes and consequences of underdevelopment in the global economy. The focus will be on country-level analysis, but inequality within countries will also be discussed. Students will be exposed to the role of technology, human capital, openness, political factors and institutions in explaining underdevelopment. We will explore successful and failed policies in the context of development, and students are expected to contribute actively in debating these issues.

The main textbook for the course is Economic Development, 11/E by Michael P. Todaro and Stephen Smith. Additional recommended readings will be available online.

Learning Outcomes
✓ Students understand the main theories of underdevelopment.
✓ They are able to critically evaluate policies that help or hinder economic growth.
✓ They are able to locate and use data sources related to economic development.
✓ They can formulate specific policy proposals for individual countries.

Course Requirements

Assessment for the 2-credit course is through a final exam (50%), a home assignment (40%) and student participation (10%).
COURSE SCHEDULE

Lectures 1-2  Introduction and overview
1. What is development economics? (Ch.1)
2. Measurement: income, health, education, etc. (Ch.2)

Lecture 3-4  Models of underdevelopment
1. Classic theories of underdevelopment (Ch.3)
2. Modern theories of underdevelopment (Ch.4)

Lectures 5-7  Domestic policy issues
1. Poverty and inequality (Ch.5)
2. Fertility and human capital (Ch.6,8)
3. Urbanization and structural transformation (Ch.7,9,10)

Lectures 7-10  Development and the global economy
1. International trade and development (Ch.12)
2. Foreign debt and exchange rates (Ch.13)
3. Direct investment, multinational, and aid (Ch.14)

Lectures 11-12  Development policy, markets and a states
1. Market failures and government failures (Ch.11,15)
2. Political economy and development (Ch.11,15)