THEORY OF ECONOMIC DEVELOPMENT
ECO6170A
JASON GARRED
FALL 2017

Course schedule: Thursday 14:30 - 17:30
Course location: Social Sciences Building (FSS), room 1005
Office: Social Sciences Building (FSS), room 9020
Office hours: Tuesday 13:45 - 15:15, Thursday 11:00 - 12:00 and 13:15 - 14:15
Telephone: (613) 562-5800 ext. 1750
Email: Jason.Garred@uottawa.ca

OFFICIAL COURSE DESCRIPTION

Theoretical approaches of the economic development literature in relation to the historical, economic, environmental, social, and political dimensions of the development process.

COURSE OBJECTIVES

The main aim of the course is to introduce students to the current academic literature in development economics. The course will cover both purely theoretical papers and papers linking theory to empirical evidence. By the end of the course, it is hoped that students will be better able to read and understand academic papers in the field of development economics, and formulate plans for their own research.

EVALUATION

The evaluation will consist of ten in-class questions, three problem sets, a paper proposal and two exams.

<table>
<thead>
<tr>
<th>Assessment</th>
<th>Weight</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-class questions</td>
<td>10 %</td>
<td>Sept. 14, 21, 28; Oct. 5, 12, 19; Nov. 9, 16, 23, 30</td>
</tr>
<tr>
<td>Problem set 1</td>
<td>6 %</td>
<td>Sept. 28</td>
</tr>
<tr>
<td>Problem set 2</td>
<td>6 %</td>
<td>Oct. 12</td>
</tr>
<tr>
<td>Midterm exam</td>
<td>30 %</td>
<td>Nov. 2</td>
</tr>
<tr>
<td>Problem set 3</td>
<td>8 %</td>
<td>Nov. 16</td>
</tr>
<tr>
<td>Paper proposal</td>
<td>10 %</td>
<td>Nov. 30</td>
</tr>
<tr>
<td>Final exam</td>
<td>30 %</td>
<td>Exam period</td>
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In-class questions: Each student will be assigned one figure, table or equation from one of the next week’s readings. During the next class, the student will then be responsible for answering one question about that figure, table or equation. Questions will not be provided in advance and should be answered orally on the spot. The student’s answer will be graded as satisfactory (full marks) or unsatisfactory (no marks). Each in-class question will have a weight of 1% of the final course grade.

Problem sets: Problem sets will pose questions about a specific academic paper. On each problem set, students will be responsible for providing written answers to a set of three or four questions; each question will have a weight of 2% of the final course grade. Problem sets should be submitted in class on September 28, October 12 and November 16.

Paper proposal: Each student will prepare a two-page proposal for an empirical project related to development economics. The proposal must include discussions of the project’s research question, its theoretical motivation, the data to be used and the proposed empirical strategy. Note that the project will not actually be carried out as part of this course. The paper proposal should be submitted in class on November 30.

Exams: There will be two closed-book exams. On each exam, students will be asked to answer six questions (out of eight possible choices); each question will have a weight of 5% of the final course grade. The midterm exam will be held in class on November 2 and will cover ten of the course readings. The final exam will be held during the final exam period and will cover nine of the course readings. The final exam is not cumulative; see below for the list of readings for each exam.

COURSE OUTLINE

The schedule for the course will be as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>In-class questions</th>
<th>Other key dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 7</td>
<td>Class 1 – Growth and cross-sectional income differences</td>
<td></td>
<td></td>
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<tr>
<td>September 14</td>
<td>Class 2 – Misallocation</td>
<td>Yes</td>
<td></td>
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<tr>
<td>September 21</td>
<td>Class 3 – Poverty traps</td>
<td></td>
<td></td>
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<tr>
<td>September 28</td>
<td>Class 4 – Institutions and historical persistence</td>
<td>Yes</td>
<td>Problem set 1 due in class</td>
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<tr>
<td>October 5</td>
<td>Class 5 – State capacity</td>
<td>Yes</td>
<td></td>
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<tr>
<td>October 12</td>
<td>Class 6 – Human capital: education</td>
<td>Yes</td>
<td>Problem set 2 due in class</td>
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<tr>
<td>October 19</td>
<td>Class 7 – Human capital: health</td>
<td>Yes</td>
<td></td>
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<tr>
<td>October 26</td>
<td>No class (reading week)</td>
<td></td>
<td></td>
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<tr>
<td>November 2</td>
<td>Midterm exam</td>
<td></td>
<td>Midterm exam in class</td>
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<tr>
<td>November 9</td>
<td>Class 8 – Credit, savings and investment</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>November 16</td>
<td>Class 9 – Learning and technology adoption</td>
<td>Yes</td>
<td>Problem set 3 due in class</td>
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<tr>
<td>November 23</td>
<td>Class 10 – Incentives</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>November 30</td>
<td>Class 11 – Politics and corruption</td>
<td>Yes</td>
<td>Paper proposal due in class</td>
</tr>
<tr>
<td>Exam period</td>
<td>Final exam</td>
<td></td>
<td>Final exam in exam period</td>
</tr>
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</table>

The schedule of material for which students will be responsible is laid out by week below. The material for the midterm exam is marked with (M), the material for the final exam is marked with (F) and material for problem sets is marked with (P). Readings marked with (P) will not be used for the midterm or final exams. In-class questions will be assigned from the material marked with (M) and (F). Links to all readings will be posted on the course web site. We will also discuss other material that is not listed here, but students will not be responsible for this material on the exams or the problem sets.
Part 1: Why are some countries poor and others rich?

Class 1 – Growth and cross-sectional income differences

Introductory material – not covered on exams.

Class 2 – Misallocation


Class 3 – Poverty traps


Class 4 – Institutions and historical persistence


Class 5 – State capacity


Part 2: What can be done to change this?

Class 6 – Human capital: education


Class 7 – Human capital: health


Class 8 – Credit, savings and investment


Class 9 – Learning and technology adoption


Class 10 – Incentives


Class 11 – Politics and corruption


Absence from an examination or late submission of an assignment

Absence from any examination or test, or late submission of assignments due to illness, must be justified; otherwise, a penalty will be imposed. The Faculty reserves the right to accept or reject the reason offered. Reasons such as travel, employment, and misreading the examination schedule are not usually accepted.

Only medical certificates from doctors certified by the College of Physicians and Surgeons of Ontario or the College of Psychologists of Ontario, or their Québec equivalents, are considered to be valid medical certificates. Certificates from naturopaths, homeopaths, doctors of traditional Chinese medicine, etc., will not be accepted.

Students requiring deferral of the midterm or final exam should submit the ‘Request for a Deferred Mark’ form to the economics department office. Deferred exams for Fall 2017 economics courses will be held on January 5, 2018.

Beware of Academic Fraud!

Academic fraud is an act committed by a student to distort the marking of assignments, tests, examinations, and other forms of academic evaluation. Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions.

Here are a few examples of academic fraud:

- engaging in any form of plagiarism or cheating;
- presenting falsified research data;
- handing in an assignment that was not authored, in whole or in part, by the student;
- submitting the same assignment in more than one course, without the written consent of the professors concerned.

In recent years, the development of the Internet has made it much easier to identify academic plagiarism. The tools available to your professors allow them to trace the exact origin of a text on the Web, using just a few words.

In cases where students are unsure whether they are at fault, it is their responsibility to consult the University’s Web site at the following address: http://www.socialsciences.uottawa.ca/eng/writing_tools.asp « Tools for Writing Papers and Assignments ».

Persons who have committed or attempted to commit (or have been accomplices to) academic fraud will be penalized. Here are some examples of the academic sanctions, which can be imposed:

- a grade of « F » for the assignment or course in question;
- an additional program requirement of between 3 and 30 credits;
- suspension or expulsion from the Faculty.

Last session, most of the students found guilty of fraud were given an « F » for the course and had between three and twelve credits added to their program requirement.

For more information, refer to:
http://www.uottawa.ca/academic/info/newsletter/fraud_e.html

The University of Ottawa does not tolerate any form of sexual violence. Sexual violence refers to any act of a sexual nature committed without consent, such as rape, sexual harassment or online harassment. The University, as well as student and employee associations, offers a full range of resources and services allowing members of our community to receive information and confidential assistance and providing for a procedure to report an incident or make a complaint. For more information, visit www.uOttawa.ca/sexual-violence-support-and-prevention.