

COURSE OUTLINE

Course Coordinator	:	Tang Cheng Keat
Course Code / Title	:	HE3021 Development Economics
Pre-requisites	:	HE1001 Microeconomics I and HE1002 Macroeconomics I
No. of AUs.	:	3
Contact Hours	:	39

Course Aims

This course will focus on microeconomic analysis of issues in developing countries. The main question will be: what can be done to help the world's poor to improve their wellbeing. Through this course, you will gain a basic understanding of development economics in topics such as poverty, health, education, and governance. You will also have the opportunity to connect these theoretical ideas to real world issues.

Intended Learning Outcomes (ILO)

1. Identify and explain important issues in development economics especially those at the micro level.
2. Apply ideas and theories from academic writings to real world examples.
3. Analyze issues in development economics using tools from microeconomics and econometrics.
4. Appraise development policies in different countries.

Course Content

Development economics is a large field that includes health, education, market, and institutional failures. We will focus on microeconomic issues in developing countries. The main question will be: what can be done to help the world's poor to improve their wellbeing. Issues covered here will not be exhaustive, but we will try to cover the major issues. There will be five main parts to the course. The first part is an introduction to classical development theories with a focus on the concepts and intuitions. The second and longest part will cover human capital, followed by physical capital, financial capital, and institution. The empirical

evidence will come from various developing countries in Africa, South America, and Asia. Aided by the recent development of Randomized Controlled Trials (RCTs) and behavioral development economics, we will be able to examine many issues at individual level.

Course Assessment

Class Participation : 10%

Group Project : 30%

Final Examination : 25%

Total **100%**

Reading and References

[TS] Michael P. Todaro and Stephan C. Smith, Economic Development, 12th Ed., Pearson 2015.

[BD] Abhijit V. Banerjee and Esther Duflo, Poor Economics, 1st Ed., PublicAffairs. Journal articles will also be assigned for group discussions and term projects. [TS] is mainly used for introducing key concepts, theories, and applications. [BD] is used for case studies and discussions.

Course Instructors

Instructor	Office Location	Email
Tang Cheng Keat		

Planned Weekly Schedule

Week	Topic	Course LO	Readings/ Activities
Week 1	Introduction and Overview	1,2,3,4	[TS]1.3, 1.4, 1.5, 2.2, 2.3, 5.4, 5.5

Week 2	Economic Growth	1,2,3,4	[TS]Ch 3
Week 3	Economic Growth	1,2,3,4	[TS]4.2-4.4
Week 4	Human Capital	12,3,4	[TS]6.2, 6.4, 6.5, 7.5, 7.6 [BD]Ch 5
Week 5	Human Capital	1,2,3,4	[TS]8.1-8.3, 8.6, 8.7 [BD]Ch 3
Week 6	Human Capital	1,2,3,4	[TS]8.4, 8.5 [BD]Ch 4
Week 7	Human Capital	1,2,3,4	Journal Article
Recess Week			
Week 8	Physical Capital	1,2,3,4	[TS]7.3, 7.3, 7.6
Week 9	Physical Capital	1,2,3,4	[TS]10.3, 10.4
Week 10	Financial Capital	1,2,3,4	[TS]15.1 15.3 [BD]Ch 7
Week 11	Financial Capital	1,2,3,4	[TS]13.2-13.4
Week 12	Institutions	1,2,3,4	[TS]11.2-11.5, 11.9 [BD]Ch 10
Week 13	Institutions	1,2,3,4	[TS]15.6 [BD]Ch 9