Course Overview and Objectives
This course will present various aspects of economic growth and development from a macro and microeconomic perspective. To understand macroeconomic foundations of development, we will cover theoretical and empirical economic growth models that emphasize the role of human capital, technology, the environment and natural capital as engines of growth. We will include also include the effect of the political economy, trade and other macroeconomic policies in determining economic growth. To understand the microeconomic foundations of development, we will study the role of experiments, both in the laboratory and in the field, in uncovering causal linkages between policies and programs and various indicators of development. This will cover a wide array of topics including education, technology adoption, health, financial institutions and governance.

Administrative details
Prerequisites: Prereq EconS 502, 503, 511
Credits: 3

Lectures and Attendance Policy:
Lectures will be held in Hulbert Hall 27 from 12:00-1:15pm every Tuesday and Thursday. Attendance is very important for your success in this class. Attendance is not monitored but it is well documented to be highly correlated with academic performance.

Learning Goals
This course aims to provide students a framework to try to understand how economies grow and develop using micro and macroeconomic views. Students will be able to apply the models learned to understand and appreciate a wide range of economic development issues. By the end of the course, students should be able to:
• understand and criticize related macroeconomic development journal articles.
• understand and criticize related development journal articles that focus on field and laboratory experiments.
• conduct and write a study on economic development.

Course Outline:
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<th>Week</th>
<th>Topic</th>
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<td>Neoclassical Growth Models</td>
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<td>2</td>
<td>Growth and the Environment</td>
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<td>3</td>
<td>Corruption and Policy Formation</td>
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<td>Trade and the Environment</td>
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<td>Income Inequality and Poverty Traps - Macroeconomics</td>
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Requirements

Exam: A midterm and final exam will be given.

Research Proposal: A research proposal will be due in the middle of the semester. The research proposal should be new and not something that has already been written for other classes.

Research Paper: The project will involve an analysis of an economic development problem. The choice of the topic is not limited to the topic outline in class. The project may be theoretical modeling or empirical (econometric) analysis with a simple theoretical framework. A full paper is not the main output. By the end of the semester you should have a solid research question, a set up of the theoretical model and preliminary results. If it is an empirical model, you need to have the data and conducted some preliminary estimation.

Presentation: You will present your paper in class and you will be assigned one reviewer to make constructive criticisms of your research.

Referee Report: You will be required to write a review of the research paper of one of your colleagues and present your comments.

Grading: The breakdown of weights are as follows:
Final Exam – 20%, Midterm Exam – 20% Research paper – 30%, Research presentation – 15%, Referee report – 10%, Research proposal – 5%

Important Dates:
Final Exam: Please see Registrar’s webpage.
Final Research Paper due: April 26, 2019
Presentations and referee report deadline: April 22-26, 2019
First Draft of Research Paper due on: April 2, 2019
Research Proposal due: March 1, 2019
Instructor switch: February 19, 2019
Midterm Exam: February 26, 2019
Guidelines for writing the paper and criteria for grading

Paper proposal:

Needs to contain two paragraphs:
The first paragraph contains the research question (objective of the study) and its significance. The second paragraph is a literature review which verifies that the study fills a gap in the literature.

Criteria for grading:
Clarity – 30%
Significance of the study – 35%
Literature review – 35%

Final Paper:
Needs to contain the following:
1) Revised version of the first two paragraphs highlighting the research question, significance and literature review.
2) Model – set up
   Note: remember to define all your variables
3) Model – solution
4) Model – results
   Note: all proofs need to be completely done step by step! Do not make me have to work through each line of proof. Each step should be clearly outlined.
   Note: discussion does not need to be in complete paragraphs. We actually prefer bullet points.

If you plan to do something empirical, aside from needing to include 1-4, you also need
5) Data – description of data
   Note: again bullet points are fine
6) Empirical model – this will need to connect clearly with the theoretical model
7) Preliminary estimation results
   Note: discussion does not need to be in complete paragraphs. We actually prefer bullet points.

If you plan to do something experimental, aside from needing to include 1-4, you also need
5) A Pre-analysis Plan including:
   a. Experimental design – description of experimental manipulations/treatments, randomization approach, sample size, and threats to your design
   b. Data – description of data to be collected
      Note: again bullet points are fine
   c. Empirical models and hypotheses that connect clearly with the theoretical model
6) Results from either:
a. Operational pilot **OR**  
b. Estimation results from observation data supporting the need for your experiment  
Note: discussion does not need to be in complete paragraphs. **We actually prefer bullet points.**

Criteria for grading:  
Clarity, Significance, Literature review – 30%  
Appropriateness of model in answering research question – 35%  
Accuracy of solution and results – 35%

**Topic Outline**

*(Read all articles with an “*”. They will be covered in class and part of the exams.)*

**I. Neoclassical Growth models**


