

University of Toronto
Department of Economics
Eco 324Y: Economic Development
OUTLINE for Summer 2012 Academic Year
M. J. Hare [Larkin Room 336]
Office Hours: Monday, 12:30 to 1:30pm in Larkin 336 [Trinity College]

A. Course Description [Updated April, 2012]

This is a course in applied economic theory related to the economic growth of the developing countries in Asia, Africa and Latin American. The pre-requisites are Eco 200Y, Eco 202Y and Eco 220Y [or their equivalents]. A computer check will be used to verify these pre-requisites.

This course will present an analysis of, at least, the following issues:

- 1. the economic goals for developing countries, including economic convergence and productivity growth;**
- 2. the issue of poverty [the Millennium Goals] and the four sets of key contributors: Sachs, Easterly, Banerjee and Duflo and William Lewis;**
- 3. the economic significance of technological change and productivity growth to achieve higher standards of living and economic convergence;**
- 4. Rostow's grand theory of the Stages of Economic Growth: a summary and a critique;**
- 5. strategies to achieve economic growth through initial policies for industrial sector growth;**
- 6. strategies to achieve economic growth through initial policies to gain the transformation of the agricultural sector;**
- 7. strategies to achieve economic growth through public sector actions, including government fiscal policies, educational and environmental issues;**
- 8. strategies to achieve economic growth through international trade policies [i.e., the free trade versus protectionism debate];**
- 9. an analysis of two international economic crises: the international debt crisis in Latin America [1982] and the Pacific Basin crisis in Thailand and other Asian countries [1997];**
- 10. a further review of the fundamental issues of the two important P's: poverty and productivity;**

11. contemporary issues related to economic development theories and strategies, with comments on the economic growth successes of China and India.

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B. Compulsory Readings

There is no satisfactory text for this course. In lieu of a text, compulsory readings are contained in an Extract Package [one for each term] from Scholar House Publications [100 Harbord Street]. Sections are extracted from the two potential basic textbooks by Perkins and Todaro. As required in Canada, royalties are paid to principal authors.

C. Allocation of Marks

1. **First Term:** 25%

Term Test 1 is tentatively scheduled for Wednesday June 20, 2012, [two hours in class time] on Topic 1 through Topic 6 in a room to be assigned.

2. **Second Term:** 25%

Term Test 2 is tentatively scheduled for Wednesday, August 1, 2012 [two hours in class time] on Topic 7 through Topic 10 in a room to be assigned.

3. **Three Hour Final Exam** [all course topics] 50%

NOTES

1. A separate detailed reading list for each term will be available: the compulsory readings are all included in the Extracts [from Scholar House at 100 Harbord Street] for each term.

2. There will be a Web Site for information purposes only.

3. *The instructor does NOT respond to e-mail requests.*

4. Instructor office hours will be held each week: Monday, 12:30 to 1:30 in Larkin 336 [Trinity]. Special aid centre hours by the teaching assistant will be available before each test.

5. Each test [two hours] will contain three equally weighted sections. In each test, there will be one question which uses short essay answer questions with limited choice. There will be a compulsory question on each test. The remaining part will have limited choice. No multiple choice questions will be used. Questions may be taken from key compulsory readings. The emphasis for the tests is on economic analysis – not description -- of the models, theories and comparative strategies. Your *assessment, understanding and analysis* of the key issues and economic strategies is required. **CHEATING CONSTITUTES A SERIOUS OFFENCE.**

6. Make-up tests will be offered to students with *acceptable* health certificates using the University's health form, normally the Friday of the first week of classes after the test [e.g., Friday, July 6 and Friday August 10].