

Economics 116: Economic Development
Fall 2000
TTh 9:35-10:55, CSB 002

James Rauch
Office: TMC Econ 220
Hours: TTh 11:00-12:15
or by appointment

SYLLABUS

This course is intended to provide an introduction to the problems of economic development in the (former) Third World and to the economic relations between it and the mature industrial societies. The text for the course is:

Meier, Gerald M. and James E. Rauch. *Leading Issues in Economic Development*.
Seventh edition, 2000.

Lectures and Problem Sets: You are responsible for all the material and announcements in the lectures. If you miss one, borrow someone's notes. There will be four problem sets, two before the midterm and two after the midterm. I and the TA will be available to help with problem sets during office hours and will correct any that are handed in by the due date. Students are permitted to work together on problem sets. No late problem sets will be accepted. Answers to the problem sets will be available on the class web site after each due date. The address of the class web site is <http://econ.ucsd.edu/classes>.

Grading: Your grade will be determined on the basis of a midterm exam (40%), a final exam (40%), and the problem sets (20%). The midterm will cover the first half of the course and the final will cover the second half. No makeup exams will be given. The midterm will be given on Thursday, November 2 from 7:30-10:00 pm in a room to be announced.

COURSE OUTLINE

The pages listed below from the text marked with an asterisk (*) are required; unmarked pages are recommended.

- I. Introduction 1-4*
 - A. Measuring Development 5-12*, 13-20, 21-29*, 30-34
 - B. Economic performance of less developed countries: The recent past 35-68
- II. Historical Perspective 77-118*
- III. Savings and Investment 119-128*, 141-146, 147-154*; also Appendix 561-566

IV. International Trade and Technology Transfer 155-158*

A. Trade 159-190*, 191-194, 195-203*

B. Foreign Contact and Technology Transfer 204-205*, 206-210, 211-212*

V. Human Resources 213-215*

A. Education 216-228*, 229-240

B. Population 241*, 242-248

C. Health

*McCarthy, Wolf, and Wu, "The Growth Costs of Malaria."

<http://papers.nber.org/papers/W7541> (accessible from UCSD IP addresses or via the UCSD web proxy server)

*World Bank, *Confronting AIDS*, Summary, Chapter 1, Chapter 6.

<http://www.worldbank.org/aids-econ/confront/confrontfull>

*Sachs, Kremer, and Hamoudi, "The Case for a Vaccine Purchase Fund."

http://www2.cid.harvard.edu/cidmalaria/case_vpf.pdf

Kremer, "Creating Markets for New Vaccines, Part I: Rationale."

<http://papers.nber.org/papers/W7716>

Kremer, "Creating Markets for New Vaccines, Part II: Design Issues."

<http://papers.nber.org/papers/W7717>

D. Gender and Development 263-270*, 283-284*, 285-288

VI. Migration and the Urban Informal Sector 289-311*, 318-327

VII. Agriculture 329-331*

VIII. Income Distribution 375-381*

A. The Impact of Development on Income Distribution 382-386, 387-400*

B. The Impact of Income Distribution on Development 401-403, 404-408*

C. Case Studies 409-420*

IX. Political Economy 421-425*

A. The (Proper) Role of the State in Less Developed Countries 426-433

B. Rent Seeking and Government Failure 434-441*, 446-470*

C. State Capacity 471-475, 476-515*

X. Development and the Environment 517-530*, 531-534, 544-559