Economics 116: Economic Development Fall 2005 MWF 12:00-12:50 Ledden Auditorium James Rauch Office: TMC Econ 220 Hours: MWF 1:00-1:50 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*. Eighth edition, 2005.

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. The TAs will schedule sections to help with the problem sets 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://www.econ.ucsd.edu/ugradprog/classwebpages.shtml.

<u>Grading</u>: 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 Wednesday, November 2 from 7:30-10:00 pm in Peterson 110.

COURSE OUTLINE

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

I. Introduction xviii-ix*, 2-4*

A. Measuring Development 5-14*, 15-29, 32-33*

- B. Economic performance of less developed countries: The recent past 34-44*
- II. Historical Perspective 81-131*

- III. International Trade and Technology Transfer 133-136*
 - A. Trade 137-150*, 151-162, 163-171*
 - B. Foreign Contact and Technology Transfer 172-174*
- IV. Human Resources 183-186*; also Appendix 633-638
 A. Education 187-193*, 194-197, 198-200*, 201-205, 206-211*
 B. Health 212-239*
 C. Population 240-247*, 248-259, 260*
 - D. Gender and Development 261-283*, 284-291
- V. Investment and Finance 293-296*, 300-302*, 303-308, 315-330*
- VI. Urbanization and the Informal Sector 331-335*
 - A. Urban Growth and Infrastructure 336-337, 338-342*, 343-352
 - B. Rural-Urban Migration and the Informal Sector 353-354*, 355-359, 360-364*, 365-370, 371-380*
- VII. Agriculture 381-392*, 404-406
- VIII. Income Distribution 433-443*
 - A. The Impact of Development on Income Distribution 449-464*
 - B. The Impact of Income Distribution on Development 465-472*
 - C. Case Studies 473-480*, 481-488

IX. Political Economy 489-493*

A. The (Proper) Role of the State in Less Developed Countries 494-498

- B. Rent Seeking and Government Failure 502-535*
- C. State Capacity 536-572, 573-580*
- X. Development and the Environment 581-602*, 612-621, 622-631*