

Peking University HSBC School of Business

Economics of Development

Syllabus –2015-2016

Instructor: Dr. Prof. FAN Gang

Office: 724

Phone: 0755 2603 3175

Email: fangang@pku.edu.cn

Office Hour:

Course description

This course provides a systematic presentation of various theories and practical issues of economic development. It will be based on all growth theories, but will make emphasis on the differences between the growth in general and the development of backward countries in particular. For MA program, this course may not be too theoretical and mathematic models are avoided, but more real case discussion will be offered. The examples are not only taken from China, but from all countries which have experienced similar stages of growth and developments. It will be made clear that it is a must to have international perspectives when looking at all issues of economic development.

Course Objective

The objective of this course is to let the students understand some “big pictures” of the process and special issues of economic development, different from their daily business of industries and companies. China is a large, complex developing country. And the development is the most and foremost important and difficult issue, and at the same time perhaps is the most confusing issue in current world. This course provides conceptual framework and methodology to understand the realities, and based on that, to get better understanding of the policy debates in the real world. It will give analyses of real phenomena which are happening in the recent history of China’s economic development.

Teaching method

The presentations in the classroom are to explain main points of theories, accompanied by real stories. Group discussions will be arranged and students are encouraged to raise questions any time during the course. Students may be asked to apply the theories they learn in the class to some real cases of development, either in a country, China or others, or in a village.

Grading

Grades will be assigned on the basis of student performance and weighted as follows:

Home work (4 times)	40percent
Final exam	60 percent
Total	100 percent

Reading Materials

Malcolm Gillis, Dwight H. Perkins, Michael Roemer, and Donald R. Snodgrass. *Economics of Development*. New York/London: W. W. Norton & Company. 1983. vii + 599 pp.; 《发展经济学》，经济学译丛，中国人民大学出版社，1998（第四版）。

叶静怡，《发展经济学》，第二版，北京大学出版社，2007。

刘溢海，李雄诒 主编，《发展经济学》，上海财经大学出版社，2007。

左大培，杨春学 主笔，《经济增长理论模型的内生化历程》，中国经济出版社，2007。

樊 纲，《发展的道理》，三联书店，2002 年第一版。

Course outline

- Introduction: Economics and Development
- Growth theories
- Total factor productivity, theory and empirical study (China)
- “Factors of Growth”, including both “inputs” and “efficiency factors”
- The reasons for “take-off” and stay on track for at least one generation: how to overcome the growth barriers
- Growth and structural typology in different stages of modernization: empirical models
- Objectives and Measurement of modernization or prosperity: GDP vs. Human Definition of the developing country and development
- Models explaining why backward countries may not develop as the result of relative disadvantages, and policy implications (Latin America Structuralism models, Raul Prebisch & others)
- Comparative advantages: the original theory
- Comparative advantages of Endowment/Stock of growth factors
- “Macro” policies for economic development – how to speed up the structural change of growth factors so that the development can take place in a poor country
- Micro strategy for companies in a developing country

- Case study: other developing countries in the past.
- Case study: China and Brics
- Government in the development

Student Responsibilities

Attend ALL classes: You are now in a graduate school, and your work ethics should be the same as what it would be in a high responsibility job.

The more you read (before or after the classes) the better!

Do your homework independently and think through by yourself!

Stay on top of the news – economic development is happening right now on every day in China one way and another. The current development issues may be included in your home-works and final exams.