



北京大學  
汇丰商学院

Peking University HSBC Business School

04712170

## Economics of Development 3<sup>rd</sup> Module, 2016-2017

### Course Information

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**Instructor:**

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Office Hour:

**Teaching Assistant:**

Phone:

Email:

**Classes:**

Lectures: Thursdays, 7-9pm. Fridays, 3:30-5:20pm;

Venue: PHBS Building, Room 501

**Course Website:**

None

## 1. Course Description

### 1.1 Context

Course overview:

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.

Prerequisites:

### 1.2 Textbooks and 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）。

Thirlwall 2011, *Economics of Development: Theory and Evidence*.

Maddison, 2001, *The World Economy: A Millennial Perspective*, OECD, Paris

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。

## 2. Learning Outcomes

### 2.1 Intended Learning Outcomes

| Learning Goals   | Objectives  | Assessment |
|--|---|------------|
| 1. Our graduates will be effective communicators.                          | 1.1. Our students will produce quality business and research-oriented documents.  | Y          |
|  | 1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.  |            |
| 2. Our graduates will be skilled in team work and leadership.              | 2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.   | Y          |
|  | 2.2. Students will be able to apply leadership theories and related skills.   | Y          |
| 3. Our graduates will be trained in ethics.                                | 3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it. | Y          |
|  | 3.2. Our students will practice ethics in the duration of the program.  |            |
| 4. Our graduates will have a global perspective.                           | 4.1. Students will have an international exposure.  |            |
| 5. Our graduates will be skilled in problem-solving and critical thinking. | 5.1. Our students will have a good understanding of fundamental theories in their fields.   | Y          |
|  | 5.2. Our students will be prepared to face problems in various business settings and find solutions.  |            |
|  | 5.3. Our students will demonstrate competency in critical thinking.   | Y          |

### 2.2 Course specific objectives

The objective of this course is to first of all provide the students with theoretical framework for their understanding of the complex issues of economic development. It provides opportunity for the students to think of “big pictures” of the process 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.

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.

### **2.3 Assessment/Grading Details**

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 |

### **2.4 Academic Honesty and Plagiarism**

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

## **3. Topics, Teaching and Assessment Schedule**

- Introduction: Economics and Development; what is the difference between Growth theory and Economics of Development.
- Objectives and Measurement of economic growth or prosperity: GDP vs. Human Development Index, Income per capita and PPP. Recent history of development in the world.
- Growth theories, from Malthus to Roemer.
- Structural typology in different stages of modernization: empirical models
- Lewis' Model and its applications to various issues in the case of China.
- Early economics of development: Structuralism, Dominance-Dependence or Centre-Periphery theories.
- Failure of early development strategies and Washington Consensus: market failure and

government failure.

- “Middle income trap” and income disparities.
  
- Growth Factors and Structure of Factor Endowment.
- Comparative advantages: the original theory and take-off.
- Relative Advantages the backward country may utilize for catching up, with focus on knowledge spill-over or relative advantage of late comers (backwardness).
- Opening-up and new development strategies with globalization.
- Trade and FDI with spill-over effects.
- New solution to the infant industry development: how to choose the industries, how long to protect, and how to make the growth-up....
  
- New problems in the case of China: high savings and dual-surplus.
- Institutional reform as the growth factor.
- Economics of Transition and Dual-track reforms.
- Political economy of development and Politics in the changing society (Huntington), and role of government in development. .
- Environment and development, local pollution and global warming.
  
- Miscellaneous