



Department of Economics and Finance

ECON*2650.01.02
Introduction to Economics of Developing Countries
Fall 2013



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Office Hours: M, W Th 1:00 – 2:00 in MacK 713.

Lectures: Section 1: M, W, F 2:30 – 3:20, in Room MinS 300.
Section 2: T, Th 2:30 – 3:50, in Room MacK 121

Labs: Lab 1: T 8:30 – 9:20 MacS 311.
Lab 2: F 9:30 – 10:20 MacS 311.
Lab 3: F 3:30 – 4:20 MacS 311.
Lab 4: F 8:30 – 9:20 MacS 311.

Teaching Assistant: TBA
Email: TBA
Office Hours: TBA

It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of class assignments, what to do when you cannot meet a course requirement and the drop date for this semester. To better understand these policies, visit:

<http://www.uoguelph.ca/economics/node/1115>

1. Course Description

The purpose of this course is to look at a comprehensive list of topics that are relevant for developing economies. It includes topics such as poverty & inequality, economic theories of growth, the role of governments in developing countries, natural resources, informal sector and micro finance, debt crisis and stabilization, foreign aid, etc. These topics are analyzed with an *economic* perspective. The objective is not only to enhance the students' knowledge on these topics, but also to enhance the students' understanding of the (economic) methods that are used to analyze these topics. In particular, research in international development relies heavily on the use of qualitative and quantitative data. For this reason, lectures will also be used to introduce students to basic data techniques and statistical concepts. Every lecture will devote a little bit of time to a segment, which I call 'STATSimmersion.' I strongly believe that a solid understanding of scientific methods is key for a successful career in international development. There are two in-class midterms and a final exam that count towards the final mark.

My advice to students is to attend every class. Have empty scrap paper with you at all times – if not, I'll have some. The reason is that I put lots of emphasis on students being able to develop complicated economic concepts from scratch – i.e. from an empty page. Also, use paper and pen/pencil to make your class notes as electronic devices such as smart phones and notebook computers need to be switched off during class.

More information about this course, which includes a *detailed course plan* and *reading material*, can be found on the class web site at Courselink.

<https://courselink.uoguelph.ca/>

2. The Department of Economics & Finance *Learning Objectives (skills and knowledge competencies)* for this course:

Skills

- Problem Solving in a Real World Context (e.g., using models to explain income differences across countries)
- Empirical testing in a Real World Context (e.g., gather data to describe income levels, inequality, investments, etc. across countries)
- Computer skills (basic excel skills)
- Analytical Problem Solving

Knowledge

- Microeconomic Modeling (supply and demand, market forces, efficient and inefficient markets, etc.)
- Macroeconomic Modeling (economic growth; unemployment and informal sector)
- Statistical and Econometric Methodology (including basic data analysis, sampling, probability, hypothesis testing, confidence intervals, regression analysis, robustness)

3. Readings and Materials

In the course we will not use a textbook. Instead we will read two books that have been quite influential in field of development economics and give a good introduction into the current debates:

- "The Elusive Quest for Growth," by William R. Easterly, MIT Press 2002.
- "Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty," by Abhijit V. Banerjee and Esther Duflo, PublicAffairs 2012.

In addition to these two books, the course uses scientific articles that were published in top economics journals or influential books.

4. Requirements

2 midterm exams, and 1 final exam:

- Midterm 1 (20%): Saturday October 5, 9:30 – 11:30 in RozH 101.
- Midterm 2 (20%): Saturday November 2, 9:30 – 11:30 in RozH 101.
- Final (60%): Dec. 12, 2013 from 11:30 – 1:30 pm

5. Important Note

In order to sign up for this class, you must assure that you do not have a conflict with any of the exams. Note that *the two midterms do not take place in class*. In case you have a conflict, make sure to discuss the conflict within the first two weeks of class with the instructor. If you miss one of the midterms, the missing midterm will count as 0% in the overall grade according to the weights indicated above unless suitable documentation is presented. In case you have a legitimate reason for missing a midterm (upon presentation of suitable documentation), the weight of the missed midterm (20%) is distributed equally over the remaining two exams.

You will be asked to complete an evaluation of this course at some time during the last two weeks of the semester. The Department of Economics policy regarding the conduct and use of these evaluations will be found at:

<http://www.uoguelph.ca/economics/academics/courses/course-evaluation>