Economics of Developing Countries

The course uses Development Economics by Debraj Ray (Princeton University Press, 1998) and selected readings which will be placed on the classroom server or reserve at the Cross Campus Library or downloaded by student from web. Check and if readings do not seem available notify me immediately. Readings will come mainly from the Handbooks of Economics series for Development, and Population and Family and selected journal articles (from JSTOR, NBER, EGC etc.). Emphasis will be given to microeconomic issues of development. It is assumed that the course in international economics will provide suitable coverage of the important development topics in international trade, foreign exchange regimes, multilateral trading arrangements, and debt issues.

The course will have a midterm examination on October 24 and a final examination on a date to be announced. Several Problem sets will monitor your understanding of some of the materials in the course. Overall grades will be based 50% on final, 35% on midterm, 10 percent on problems, 5% or more on class participation. Additional sources can be found at end of syllabus and supplemental readings are marked *.

<table>
<thead>
<tr>
<th>Approximate Date</th>
<th>Topic/ Readings</th>
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<tbody>
<tr>
<td>1. 8/31</td>
<td>Overview of Course and Coverage Ray, Development Economics (DE) Chapters 1 and 2</td>
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<tr>
<td>4. 9/19</td>
<td>Development and Inequality DE, Chapter 6 and 7</td>
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5. 9/26 Education, the Gender Composition of Human Capital and Growth

6. 10/3 Poverty, Malnutrition, Health and Human Capital
DE, Chapter 8 sections 8.3.4 and 8.4.2, chapter 10 section 10.3

7. 10/17 Population Growth: Malthus, Boserup, Mortality, Fertility and Immigration
DE, Chapter 9

8. 10/17 Rural-Urban Equilibrium, Migration and Social Learning
DE, Chapter 10

10/24 MIDTERM Exam

9 10/26 Technical Change, Learning, Research, Development and Adaptation
Ray, DE Chap. 4

10 11/2 Labor Markets with Family and Hired Labor and Bargaining: Household
Agricultural Model
Ray, DE, Chap. 11, 13, and parts of 8.
Johns Hopkins Univ. Press, pp. 17-91. RESERVES
*Benjamin, D. 1992, Household Composition, Labor Markets, and Labor Demand

11 11/9 Consumption Smoothing, Risk and Credit Market: Inter-generational Household
Ray, DE, Chaps. 11, 12, 14
Rosenzweig M.R. and O. Stark, 1989, “Consumption Smoothing, Migration and
*Gertler P. and J. Gruber, 2002, ‘Insuring Consumption Against Illness,’
American Economic Review, 92(1): 51-70

12 11/16 Life Cycle Hypothesis: Implications for the Consequences of Age Composition on
Development Prospects
Population and Development Review, 23(2): 303-318. (NBER#5560)

13 11/29 Institutions, History and Geography
Ray, DE Chapter 5
Comparative Development: An Empirical Investigation”, American
Economic Review, 91(5): 1369-1332 (NBER working paper 7771)

Final Exams December 11-18

Sources:
National Bureau of Economic Research www.nber.org Working paper by number. www.JSTOR.org has most major economic and population journals except for the last couple of years. When not available, use orbis to search other data bases from which you can access to journal papers online from publishers.
You must be logging on to a PC through Yale. Economic Growth Center discussion papers www.econ.yale.edu/~egcenter/EGCdp4.htm
Handbooks of Economic can be accessed through the Yale library as a new database from Elsevier Science.