Syllabus for ECNS 450
Advanced Topics in Economic Development
The University of Montana
Spring 2016

Instructor: Ranjan Shrestha
Office: 405 Liberal Arts
Class Meeting: TR, 2:10 – 3:30pm, ED 312
Office Hours: TR, 3:40 – 4:30pm
Or by appointment
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Course Objectives
This is a course in development economics structured for upper-level undergraduate students as well as graduate students in economics. The course will examine both theoretical and empirical issues in economic development (with an emphasis on microeconomic issues). Topics covered include theories of economic growth, economic inequality, poverty and undernutrition, and the markets for land, labor, and credit. Much of the emphasis of the course will be to explain the development process by studying the factors that cause markets to fail or function ineffectively in low-income countries.

Prerequisites
- Principles of Microeconomics (ECNS 201)
- Although not required, it is recommended that you have taken (or are concurrently taking) Intermediate Microeconomics (ECNS 301) and Intermediate Macroeconomics (ECNS 302).

Course Material


**Problem Sets and Exams**

There will be two midterms and a final exam. The exams will consist of essay questions and numerical problems. Furthermore, you will also be assigned take-home problem sets based on the chapters covered in class.

<table>
<thead>
<tr>
<th>Exam</th>
<th>Date</th>
<th>Time</th>
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<tbody>
<tr>
<td>Midterm 1:</td>
<td>Thursday, Feb 25*</td>
<td>2:10 – 3:30pm</td>
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<tr>
<td>Midterm 2:</td>
<td>Thursday, Mar 31*</td>
<td>2:10 – 3:30pm</td>
</tr>
<tr>
<td>Final Exam:</td>
<td>Monday, May 9</td>
<td>1:10 – 3:10pm</td>
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*The dates are set tentatively and are subject to change.

**Grading**

The following weights will be used to compute your final grade:

- Problem sets: 25%
- Midterms: 40% (20% each)
- Final: 25%
- Attendance and Participation: 10%

Active class participation will be appreciated and will reflect positively on your grade. Your class participation will be evaluated based on your willingness to contribute meaningfully to class discussions. It is therefore important for you to read the relevant chapters in the textbook in advance of the class lectures.

**Procedures for Accommodating Disabilities**

If you are a student with a disability and wish to discuss reasonable modifications for this course, contact me privately to discuss the specific modifications you wish to request. Please be advised I may request that you provide a letter from Disability Services for Students verifying your right to reasonable modifications. If you have not yet contacted Disability Services, located in Lommasson Center 154, please do so in order to verify your disability and to coordinate your reasonable modifications. For more information, visit the Disability Services website.
**Tentative Course Schedule:**

<table>
<thead>
<tr>
<th>Week</th>
<th>Items Due</th>
<th>Chapters to Read</th>
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| 1    |           | Chapter 2: Introduction to development  
|      |           | Chapter 3: Harrod-Domar model |
| 2    |           | Chapter 3: Solow model  
|      |           | Review of consumption and time allocation choices |
| 3    |           | Unitary household models:  
|      |           | - Wage labor households  
|      |           | - Farm households |
| 4    |           | Chapter 6: Measuring poverty and inequality  
|      |           | Chapters 7: Kuznets Curve; Inequality and growth; Inequality and capital markets |
| 5    |           | **Midterm 1: Thursday, Feb 25** |
| 6    | Grad research statement: Thurs, Mar 3 | Chapter 8: Poverty; Functional impact of poverty |
| 7    |           | Chapter 10: Rural urban interaction: Lewis model  
|      |           | Chapter 10: Rural urban migration: Harris Todaro model |
| 8    |           | Chapter 11: Markets in agriculture; Principle agent problem |
| 9    |           | Chapter 12: Land – Ownership and tenancy; Land rental contracts; |
| 10   |           | **Midterm 2: Thursday, Mar 31** |
| 11   |           | **Spring Break** |
| 12   | Grad article summary Thurs, Apr 14 | Chapter 13: Labor – Poverty, nutrition and labor markets |
| 13   |           | Chapter 14: Credit – Rural credit markets; Theories of informal credit markets |
| 14   |           | Chapter 14: Credit – Interlinked transactions; Alternative credit policies: microfinance |
| 15   |           | Chapter 15: Insurance - Perfect insurance model; limits to insurance  
|      |           | Graduate Student Presentations |
|      |           | **Final: Monday, May 9 – 1:10 – 3:10pm** |

I will try to follow the course schedule closely. However, deviations from the schedule are possible and I will adjust speed and coverage of materials as we proceed. The main purpose of the course schedule is to guide you as to what we will cover.
Graduate Increment

Statement of Research Interests, Summary of a Journal Article, and Presentation

In addition to the general requirements for this course, graduate students will be required submit a statement of research interests, an extensive summary of a journal article, and presentation of the journal article in class.

You will be required to submit a two-page (single-spaced) statement of research interests. This statement should discuss a particular policy-related research question related to development economics (among the topics covered in class) that interests you, its relevance, and the findings in the literature. You are expected to have conducted an extensive literature search on the academic work already done on that topic and then pick at least 5 journal articles that are relevant to your specified research question. Your statement will be graded on the refinement of your research question, and the quality and relevance of the journal articles you have listed.

Out of the 5 articles that you have listed, I will pick one for you to focus on. You will be required to write a 7-8 page summary of this article and make a 40 minute presentation in class.

Due Dates
Research Statement and List of Articles Thursday, Mar 3
Summary of Article Thursday, April 14
Presentation Week of May 9

Grading Scheme for Graduate Students
The following weights will be used to compute your final grade:
Problem sets: 20%
Midterms: 30% (15% each)
Final: 20%
Research Statement & Articles 10%
Summary of Journal Article 10%
Presentation 10%
Supplemental Readings

i) Introduction to Development


ii) Empirical Research in Development Economics


iii) Economic Growth


**iv) Political Economy and Public Service Delivery**


**v) Nutrition, Productivity and Health**


**vi) Land, Labor, and Credit**


**vii) Some JEP papers of interest**


