

Development Economics Fall, 2023

- * Time: 9:50-12:15, Wednesday
- * Location: Room 1103, Teaching Building #3
- * Instructor: Xinzheng Shi (shixzh@sem.tsinghua.edu.cn)
- * Office hour: 13:30-14:30pm on Thursday, or by appointment
- * Office: Room 608, Lihua Building

* Requirements

(1) Reading report: It accounts for 40% of the final grade. You can read anything (including a book, an article, an academic paper, et.al) related with economic development. **The length of the report is required to be between 2,500 to 5,000 words. It has to be written in English.** It is due at the end of the eighth week (submitted to the course webpage in Web Learning). **You need to do it independently.** Please see the guidance for details.

(2) Final project: It accounts for 60% of the final grade. You can work on the project with at most two other students. **The project can ONLY be a RESEARCH PAPER related to economic development.** Research paper does not mean you must run regressions or build mathematical models. In contrast, it asks you to tell others something they do not know. **However, it cannot just be the literature review.** You need to submit the name list of your team members before the end of the eighth week. Finally, you need to present your research in class at the end of the semester, and the schedule will be announced. Please see the guidance for details.

* Reading Materials

- (1) Development Economics, by Debraj Ray. Princeton University Press, 1998. (D)
- (2) Development Economics, by Gerard Roland. Pearson, 2014. (G)
- (3) Development Economics: Theory and Practice, by Alain De Janvry and Elisabeth Sadoulet. Routledge, 2016. (AE)
- (4) Other reading materials listed in the syllabus.

* Topics (Tentative)

1. Introduction

Reading:

Chapters 1&2 in D, Chapter 1 in G, Chapters 1, 2, 3 in AE.

Banerjee, Abhijit, and Esther Duflo. (2007). The Economic Lives of the Poor. *Journal of Economic Perspective*, 21(1), 141-167.

2. Economic growth theories

Reading:

Chapters 3&4 in D, Chapter 4 in G, Chapters 8&9 in AE.

Hsieh, Chang-Tai. (2002). What explains the industrial revolution in East Asia? Evidence from the factor market. *American Economic Review*, 92(3), 502-526.

Young, Alwyn. (1995). The tyranny of numbers: Confronting the statistical realities of the East Asian growth experience. *Quarterly Journal of Economics*, 110(3), 641-680.

3. Poverty

Reading: Chapter 8 in D, Chapter 2 in G, Chapter 5 in AE.

Meng, Lingsheng, (2013) Evaluating China's poverty alleviation program: An regression discontinuity approach. *Journal of Public Economics*, 101, 1-11.

Park, Albert, Sangui Wang, and Guobao Wu. (2002). Regional poverty targeting in China. *Journal of Public Economics*, 86, 123-153.

Park, Albert, Sangui Wang. (2010). Community-based development and poverty alleviation: An evaluation of China's poor village investment program. *Journal of Public Economics*, 94, 790-799.

4. Inequality

Reading:

Chapters 6&7 in D, Chapter 2 in G, Chapter 6 in AE.

5. Population growth and development

Reading:

Chapter 9 in D, Chapter 3 in G, Chapter 11 in AE.

Zhang, Junsen. (2017). The evolution of China's one-child policy and its effects on family outcomes. *Journal of Economic Perspectives*, 31(1), 141-160.

6. Human capital and development

Reading:

Chapters 16&17 in G, Chapter 17 in AE.

Li, Hongbin, Prashant Loyalka, Scott Rozelle, and Binzhen Wu. (2017). Human capital and China's future growth. *Journal of Economic Perspectives*, 31(1), 25-48.

7. Labor and migration

Reading:

Chapters 10& 13 in D, Chapter 12 in AE

8. International trade and development

Reading:

Chapter 16, 17, 18 in D, Chapter 6 in G, Chapter 7 in AE.

9. Property rights and development

Reading:

Chapters 12&13 in G, Chapter 16 in AE.

Field, Erica. (2007). Entitled to work: Urban property rights and labor supply in Peru. *Quarterly Journal of Economics*, November, 1561-1602.

10. Institution and development

Reading:

Chapters 7, 9&10 in G, Chapter 20 in AE.

11. Structural change, development strategies, and the role of the state

Reading:

Chapter 5 in G, Chapter 21 in AE.

Wei, Shang-Jin, Zhuan Xie, and Xiaobo Zhang. (2017). From “Made in China” to “Innovated in China”: Necessity, prospect, and challenges. *Journal of Economic Perspectives*, 31(1), 49-70.

12. Sustainable development

Reading:

Chapter 15 in AE.