

Introduction To the Economics of Development

AEM 2350

Fall 2024

Meeting time: Monday/Wednesday, 1:25pm - 2:15pm
Location: Malott Hall 406
Professor: Sergio Puerto
Email: sap257@cornell.edu
Office hours: TBA
Website: Canvas

Teaching Assistant: Vrinda Kapoor, vk289@cornell.edu
Discussion section: Friday 2:45-4:00pm, Statler Hall 396

Course Overview

This course is intended as an introduction to the economics of low-income countries. It focuses on the policies and constraints to promoting growth and development. The expected outcomes of this course are:

1. Students will be able to understand the nature of poverty and how it is measured.
2. Students will be able to understand how economic growth is measured and how it correlates to alternative measures of development.
3. Students will be able to understand the structural changes in the economy that occur as a country increases per capita income.
4. Students will be able to understand the leading economic models explaining these changes.
5. Students will become familiar with competing views of how economic policy can best promote economic growth and development.
6. Students will be able to understand how linkages to the international economy can promote or hinder the process of economic growth and development.

Prerequisites

- ECON 1110, ECON 1120, or comparable introductory courses in Microeconomic Theory. I will assume that students have basic knowledge of calculus, specifically understanding optimization and derivatives.

Reading Materials

Economics of Development 13th edition by Todaro and Smith. The text is available as an e-text on Canvas and it may be automatically charged to your Bursar account unless you opt out (Please check!). It is OK to buy a secondhand version if you like. You can also find other editions online for free.

Grading and Assignments

Student performance in this course will be determined as follows:

Prelim	30 points
Research Paper Proposal	5 points
Research Paper Outline	5 points
Final exam	30 (or 15) points
Final Research Paper	30 (or 45) points
<i>*Special activities</i>	5 extra points

The **prelim** exam will be conducted in person on October 9. The time and location will be announced later. The prelim exam covers all materials up to this date (see course schedule on page 5 for details), including the discussion section.

Students will write a **research paper**, evaluated in three stages. They will select a low- or middle-income country and a development topic (e.g., poverty, unemployment, malnutrition, etc.). The research proposal will describe the selected country, data sources, and the status of the chosen topic. It will include a literature review and a specific research question relevant to economic development. The final submission should answer this question in an academic research paper of 2,500 words or less (excluding tables, figures, and references). More details will be provided later.

The **final exam** will be a cumulative, closed-book exam, conducted in person at a time/day set by the university. The final exam will focus primarily on the material covered in the second half of the course (i.e., after the prelim).

Students who meet the following three requirements will receive **special activities** points:

1. Complete the initial survey at the beginning of the semester, which will be posted on Canvas during the first week of classes.
2. Participate in the economic game (TBA).
3. Complete the student evaluation survey (conducted by the school).

At the end of the term, but before the final exam, some students will have the option to choose between a 30-30 or a 15-45 split between the final exam and the research paper, respectively. Only students who achieve 10 points on the research proposal/outline will be eligible for the 15-45 split.

Important:

- The above should be treated as guidelines. Because this is a somewhat new course, I'll reserve the right to make changes to all aspects of the course assessments, except the date of the final exam.
- I will not permit extensions or make-ups, except in the case of medical emergencies or serious conflicts that we discuss in advance.
- Requests for clarification or regrades can be submitted via email no sooner than 24 hours and no later than 7 days after grades are posted.
- The TA will not hold regular office hours. You are encouraged to use the discussion section to ask questions and receive feedback. If necessary, you may request a meeting with the TA to discuss specific matters.

Academic Integrity

Cornell and the Dyson School expect students to adhere to the highest standards of academic integrity and honesty. A student found to be cheating will receive a zero for that grade. A second offense will lead to a zero for the course. Cheating includes ANY form of assistance that is not properly disclosed and referenced.

Students agree that by taking this course, all required material may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such material. Use of the Turnitin.com service is subject to the Usage Policy posted on the Turnitin.com site.

Important: the use of generative artificial intelligence (AI) tools is generally discouraged but will be permitted for select assignments. You are free to use generative AI assistance whenever it is not explicitly prohibited. If used in any capacity for an assignment, generative AI requires proper attribution for all generated work (in your answers and cited in your references list).

Enrollment, Attendance, Absences

I do not take attendance. However, you can take it as guaranteed that there will be things covered in class that aren't covered elsewhere so if you want an A then you should come to class and attend the discussion sections.

I will only make exceptions for serious health-related issues, or other pressing and non-negotiable travel. Students will not be excused to attend any pre-scheduled personal events. Travel for immigration-related issues will be considered. If you miss an examination because of a last-minute emergency, please let me know by email as soon as you can do so safely and comfortably. Always prioritize urgent health and safety over class-related issues.

Check the University Calendar for the policy on incompletes and withdrawals. We will adhere to the university dates and policies.

Communication

I want you to succeed in this course so I will be as available as possible to answer your questions and support your progress. Here are a few communication guidelines:

- a) I will use Canvas Announcements to send messages to the class. Be sure to configure your settings in Canvas so that you receive Announcements in your email as soon as they are posted. If I post something on Canvas, I will assume you read it.
- b) The best ways to contact me are by email, in office hours, or before/after class.
- c) If you email me, I will get back to you within 48 hours. Except emails sent on Friday, which might not be answered until Monday.
- d) Email etiquette is an important aspect of your professional communication but is rarely discussed directly. Here are some guidelines that I suggest using for my course and for all your other course-related communication at Cornell:
 - i. If you have a question about course policies or the schedule, check the Canvas announcements and the syllabus carefully before emailing me or the TA.
 - ii. If you are upset about something in the class (a grade, materials, etc.), take a break to calm down before sending any emails. If the email can wait, sleep on it and send it tomorrow. This does not apply if you are reaching out for help about a personal issue, mental health crisis, or other emergency.
- e) If you have communication preferences, such as a preferred name or gender pronoun, please let me know in person or by email as soon as possible

Inclusion and Belonging at the JCB

Just as you are obligated to respect others' perspectives, you deserve that same respect in return. You all belong here and if any incident occurs that challenges our commitment to maintaining a supportive and inclusive environment, please let your course instructor or a member of the School or College administration know of your concerns so appropriate

actions can be taken to ensure a diverse and inclusive environment. Disrespectful behavior and language against other students or the instructors will not be tolerated.

Course calendar

All content and dates are subject to change. I will aim to give a week’s notice of any changes. Required readings listed below are required. Dates marked with *** indicate that additional readings may be assigned to complement or replace textbook chapters.

<i>Date</i>	<i>Activity</i>	<i>Assignment</i>
<i>Aug 26</i>	Course overview What is Economic Growth and Development?	
<i>Aug 28</i>	Measuring Economic Growth	Chapter 1
<i>Sep 2</i>	No Class: Labor Day	
<i>Sep 4</i>	What Does a Growing Country Look Like	Chapter 2
<i>Sep 9</i>	Convergence	
<i>Sep 11</i>	Growth Models	Chapter 3
<i>Sep 16</i>	Underdevelopment Trap	Chapter 4
<i>Sep 18</i>	Poverty	Chapter 5
<i>Sep 23</i>	Inequality	> Submit Research Paper Proposal
<i>Sep 25</i>	Population Growth	Chapter 6
<i>Sep 30</i>	Population Policies	
<i>Oct 2</i>	Urbanization and Migration	Chapter 7
<i>Oct 7</i>	Unemployment	***

<i>Oct 9</i>	Examination	> Prelim, (Location and Time TBD)
<i>Oct 14</i>	Human Capital: Education	Chapter 8
<i>Oct 16</i>	No Class: Fall Break	
<i>Oct 21</i>	Human Capital: Health	
<i>Oct 23</i>	Agricultural Transformation	Chapter 9
<i>Oct 28</i>	Rural Development	***
<i>Oct 30</i>	Environment and Development	Chapter 10
<i>Nov 4</i>	Economic Models of Environmental Issues	
<i>Nov 6</i>	International Trade	Chapter 12
<i>Nov 11</i>	Trade Strategy for Development	> Submit Research Paper Outline
<i>Nov 13</i>	Debt Crisis and Stabilization	Chapter 13
<i>Nov 18</i>	International Development Bureaucracy	
<i>Nov 20</i>	Foreign Aid	Chapter 14
<i>Nov 25</i>	NGOs and Private Aid Agencies	Chapter 11.8
<i>Nov 27</i>	Finance and Development	Chapter 15
<i>Dec 2</i>	Microfinance	***
<i>Dec 4</i>	Blind Spots and controversies	***
<i>Dec 9</i>	Review and Q&A session with TA	***

Other important dates:

Final Paper: Due December 20 @ 11:59PM

Final Exam: TBD
