

INTERNATIONAL UNIVERSITY OF JAPAN  
Graduate School of International Relations

Academic Year: 2017

Term: Spring

|                                     |                        |  |                             |
|-------------------------------------|------------------------|--|-----------------------------|
| Course                              | Course code<br>DCC5270 | Course title<br><b>Development Economics</b> |                             |
| Name of Instructor                  | Hideaki Goto           |  | Credit Number: 2            |
| Instructor's contact<br>Information | Office#<br>328         | Office Hours<br>TBA                          | E-mail:<br>h-goto@iuj.ac.jp |
| Class Schedule                      | TBA                    |  |                             |

Course Description:

One out of every eight people in the world, or some 900 million people, live on less than \$1.90 a day. Average per capita incomes in developed countries are ten times as high as those in developing countries. Why is the income gap between developed and developing countries so huge? What promote or inhibit economic growth? What can be done to alleviate poverty? Development economics is a branch of economics that aims to find answers to these questions.

After an introduction to how to measure poverty, this course will focus on several important topics such as institutions, health, education, microfinance, and corruption, and study how these factors influence poverty and economic growth. We will also take up major poverty alleviation policies and analyze why those proved effective/ineffective in reducing poverty.

The course should prove useful to students who are interested in formulating and implementing poverty alleviation policies in their future careers.

Learning Objectives:

Students who have taken this course should be able to:

- (1) understand what causes poverty;
- (2) figure out pros and cons of development/poverty reduction policies; and
- (3) search for an appropriate policy in a unified (economic) way.

Career Relevance: See "Course Description" above.

Course Context or Rationalization:

Various development and poverty reduction policies are analyzed using the framework of microeconomics. Furthermore, empirical papers evaluating the effectiveness of those policies will be discussed. Thus, students can understand how the methods they have learned in the core courses are applied to analyze and solve real-world problems.

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| Delivery Methods: (1) Lectures, and (2) Group discussions.  |  |
| <p>Assessment:</p> <ul style="list-style-type: none"> <li>● Problem Sets: 10%</li> <li>● Participation in Group Discussions: 10%</li> <li>● Midterm Exam: 40%</li> <li>● Term Paper: 40%</li> </ul> |  |
| Prerequisite: Microeconomics and basic econometrics.  |  |
| Textbook(s)   | <p><u>Required:</u> There is no required textbook for this course.</p> <p><u>References:</u></p> <ul style="list-style-type: none"> <li>● Banerjee, A., Roland, B., and D. Mookherjee (Eds.) (2006), <i>Understanding Poverty</i>, Oxford University Press.</li> <li>● De Janvry, A., and E. Sadoulet (2016), <i>Development Economics: Theory and Practice</i>, Routledge.</li> <li>● Ray, D. (1998), <i>Development Economics</i>, Princeton University Press.</li> <li>● Schaffner, J. (2013), <i>Development Economics: Theory, Empirical Research, and Policy Analysis</i>, Wiley.</li> </ul> <p>The following are three popular books published in recent years:</p> <ul style="list-style-type: none"> <li>● Deaton, A. (2013), <i>The Great Escape</i>, Princeton University Press.</li> <li>● Banerjee, A., and E. Duflo (2012), <i>Poor Economics</i>, PublicAffairs.</li> <li>● Karlan, D., and J. Appel (2012), <i>More Than Good Intentions</i>, Reprint edition, Plume.</li> </ul> |
| Course Contents   | <ul style="list-style-type: none"> <li>● Introduction: The Economic Lives of the Poor</li> <li>● Measuring Poverty and Inequality</li> <li>● History and Institutions</li> <li>● Inequality, International Trade and Growth</li> <li>● Cash Transfer Programs / Workfare</li> <li>● Education and Child Labor</li> <li>● Fertility</li> <li>● Health and Diseases</li> <li>● Corruption</li> </ul>   |
| Others (if any)   | <ul style="list-style-type: none"> <li>- This syllabus is tentative and subject to change.</li> <li>- Please make an appointment by e-mail if you need to meet me <i>outside</i> the office hours.</li> </ul>  |