Course Description for Economics 1475 (Theories of Economic Development)

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Office hours: Friday 2:30-4:30

This course covers selected topics in Development Economics. The textbook for the course is Development Economics, by Debraj Ray (Princeton University Press).

The primary objective of the course is to describe economic activity in developing countries. The first section covers institutions in traditional agrarian societies. Topics include consumption smoothing and the organization of land, labor and credit markets. The second section of the course focuses on the role of the community in facilitating economic activity in developing countries.

We will follow the textbook for the first half of the course. Later we will study selected sections of published and unpublished research papers, which are listed in the readings below. The student is not expected to master any of these papers in its entirety, and is only responsible for the material that is covered in class. Relevant sections from the papers will be handed out in class when they are being discussed and a bulk pack will also be made available.

Course requirements:
Students are required to submit five problem sets over the course of the semester. This accounts for 15% of the course grade. The remainder of the grade will be determined by a mid-term examination (35%) and a final examination (50%). The mid-term exam will be held on Wednesday, October 16 and the final exam on Wednesday, December 4.
Syllabus

A. Introduction - game theory (3 lectures)

Textbook - Appendix 1,2

B. Institutions in Traditional Agrarian Economies

1. Insurance (2 lectures) - Chapter 15


2. Land (2 lectures) - Chapter 12


3. Labor (2 lectures) - Chapter 13

4. Credit (2 lectures) - Chapter 14

C. The Role of the Community

1. Information (2 lectures)


2. Networks (3 lectures)


3. Collective Institutions (2 lectures)


D. History and Development (2 lectures)
