Instructor Contact Information:
Prof. Matthieu Chemin
Leacock Building, Room 419 (LEA 419)
Office hours: Monday and Wednesday 3:30-3:55pm
Telephone: 514-398-5077
e-mail: matthieu.chemin@mcgill.ca

Regular Classes:
- Times: Monday and Wednesday 4:05-5:25pm
- Room: ENGMC204

Prerequisites:
- ECON 208 and either ECON 209 or one development course
- “Prior knowledge of high school algebra, as well as of other parts of high school mathematics, is a pre-requisite for all courses in economics” (from department of Economics).

Course Description:
- Theories of economic development: classical models of growth, institutions, structural change. Empirical evidence on education, access to credit, property rights, legal institutions, corruption, political institutions, international trade.
- This is a three (3) credit course.

Learning Outcomes:
- By the end of this semester, you will be able to:
  - Evaluate and compare major competing theories of economic development.
  - Evaluate the role of a range of factors (institutions, education, credit, property rights, legal institutions, corruption, political institutions, international trade) in economic development.
  - Get and manipulate data on key economic development variables, and interpret data trends
  - Access, read, and understand applied papers on development economics
  - Gain the foundation for the next course in economic development (ECON314).

Attendance:
Continuous attendance is mandatory, any points raised in the lectures can end up in the examinations. In addition, you may miss important administrative information discussed during class.

Any scheduling conflicts should be resolved before the course drop-date, as no exceptions will be made for lost grades due to absences caused by such conflicts.

If you miss a lecture, it is your responsibility to arrange with a classmate to borrow his/her notes.

Course Evaluation:

**Quizzes (15% of final grade):**
- There will be 5 scheduled quizzes that will take 10-15 minutes each (provisional dates are written in the syllabus, but these dates might change, the professor will announce any changes in the lectures).
- To calculate your grade, I will exclude your worst grade on the quizzes, and calculate the average on the other quizzes
- Quizzes will consist of multiple choice or short answer questions related to the material covered during the lectures.
- During the quizzes, students may not consult any documents, newspapers, or the Internet. Any student not complying with these regulations will be assigned a grade of zero.
- If you miss a quiz for medical reasons, you must provide a valid and relevant medical note, and your grade will then be adjusted accordingly (i.e., the weight will be shifted on the other quizzes).
- Quizzes can be on ALL the material covered in the lectures.
- Calculator allowed, but no smart phone

**Teamwork (15% of final grade):**
- Will consist of quantitative or statistical questions related to problems in development economics.
- You will be assigned to a group of 4 students to perform this task. Please consult MyCourses to find your group.
- You will meet your colleagues in Conference 1, and will have two weeks to complete your first assignment, which you will submit on MyCourses before the deadline indicated in the course outline (any teamwork submitted after this deadline will not be accepted).
- Use emails to communicate with your colleagues in your group.
- Please contribute a fair share to this teamwork. A student who does not contribute will be evicted from the group, and assigned a grade of zero.
- Do not exchange information across teams. It will be considered as plagiarism, and will be sanctioned by a grade of zero.

**Presentation (15% of final grade):**
- Will consist of a 15 minute group presentation of an applied paper related to a practical issue in development economics, to be presented during a conference (see below). A 3-minute question period will be allowed after
each presentation. Time limits will be strictly enforced to be fair with other presenters.

- You will work with the same team.
- You will ask questions to the TA in Conference 3, and will present your work during one of the following conferences, depending on the timing of your presentation. You will have a minimum of two weeks to complete this assignment.
- A more detailed explanation about the presentation will be given in the course, and you will be given a short questionnaire to help guide you in this process.
- **Grading for the presentation will consist of the three following criteria:**
  1. The ability to understand, summarize, and critique the paper counts for 60% of the total grade.
  2. The quality of the presentation counts for 20%.
  3. The cohesion of the team counts for 20%.
- Please contribute a fair share to this teamwork. A student who does not contribute will be evicted from the group, and will receive a grade of zero.

- **Final exam (55%)**
  - The final exam is cumulative.
  - Date and location TBA, set by University.
  - Be careful: there are multiple sections of ECON313, with different material and different exams. The day of the exam, make sure to take the exam corresponding to this section, not another section. You are responsible for writing the exam in the section you are registered in. If you end up writing the exam in the wrong section, the exam will not be graded and you will have to take the exam during the period for deferred and supplemental exams that is decided by the Arts faculty.

**Grading**

If you miss a quiz, you must hand me an original physician note within 7 days of the date of the quiz which explains the medical reason for your absence. Make a photocopy of it and keep it until the end of the course. Otherwise it will be considered unexcused and you get 0. No valid medical reason also means 0. Quizzes cannot be rewritten. If you miss a quiz for a valid medical reason the weight will be allocated to the other quizzes. If you walk into the examination room your quiz will count. It is your responsibility to make sure that you are healthy enough to write the quiz. If you discontinue the quiz you cannot come back with a medical reason of why the quiz should not count. There is no personalization for how your grade is calculated. Everybody is subject to the grading scheme outlined here.

**Regrading policy**

If you believe that the TAs made a mistake in grading your quiz or exam, you must provide the TA who graded the particular question with a written appeal which clearly points out the mistake(s) the TA made. You and the TA have to sign the appeal and date it. The TA will then regrade your entire quiz or exam (you could end up with a lower grade). If after the regrade you are still convinced that the TA is wrong, you have to provide the TA with a
second written appeal which has to be signed and dated. At this point make photocopies of both signed and dated appeals and hand them to me. Leave the originals with the TA. Finally, you have to ensure that the appeals are done in a timely manner. Your first appeal has to take place during the first three (3) days following the date of when the quiz or exam was officially handed back.

*Preparation for exams*

Exams will consist of multiple choice questions, short answer questions, short problems and/or short essay questions, and will cover material from the lectures. You are primarily tested on the material covered during lectures and the assigned exercises. Attending lectures, taking good notes, and doing the exercises are thus excellent methods of preparation. Discussing the material with your peers can be very useful as well. I also encourage you to come by my office hours if you are having difficulties or you just want to exchange thoughts and ideas.

**In the event of extraordinary circumstances beyond the University’s control, the content and/or evaluation scheme in this course is subject to change.**

**Lectures:**

- Will include derivation and description of models as well as some problem solving.
- The analytical level of this course is designed to accommodate both specialists and non-specialists. That said, the course will draw heavily on graphical approaches to economic models. Occasionally, some basic algebra will be employed to illustrate key concepts. Basic high school math knowledge should suffice here.

**Conferences:**

- The conferences are organized by the TAs to go over practical exercises and help you with the teamworks. The conferences are optional.
- I will assign you to particular conference dates, times and TAs. It is recommended to come to those particular conferences because other members of your team will also be assigned to the same conferences. Thus, it is an excellent opportunity to meet with your team, start the work with them, and coordinate on the progress. Having said this, you can choose to go to any other conferences. If you cannot attend the particular conference date and time I assign to you, you can attend any other conference and make an extra effort to coordinate with your team.
- There will be 8 conferences. **Conference 1** will allow you to meet with your statistical work group, and training on the statistical work will be provided by your TA.
- During **Conference 2**, the TA will review answers to the statistical work.
- In **Conference 3** you will meet your presentation group, start working on your presentation, and ask questions to your TA regarding the presentation.
- **Conferences 4-8** will consist of group presentations. You will have to present in one of these conferences. You can attend the other conferences.

**Teaching Assistants:**
• The Teaching Assistant (TA) will help you with the course material by holding office hours:
  o Clement Andrade, element.andrade@mail.mcgill.ca, Office Hour: Friday office 16.4 3610 McTavish, 11h30-12h30, Conference hours: Thursday 11:35 AM-01:25 PM EDUC627
  o Mahmut Ablay, mahmut.ablay@mail.mcgill.ca Office Hour: Tuesday office 16.4 3610 McTavish 10.30-11.30, Conference hours: Monday 08:35 AM-10:25 AM LEA109
  o Thomas Kokossou, thomas.kokossou@mail.mcgill.ca, Office Hour: Monday Ferrier 470 8.30am-9.30am, Conference hours: Friday 11:35 AM-01:25 PM Arts260

• You are strongly encouraged to visit your TAs in their office hours to ask questions about the course and/or assignments. They are a great source of information about the course.

MyCourses:

• This course utilizes MyCourses for course management and posting of relevant materials. Students are thus expected to have access to a computer and to the Internet. There are a number of campus computer labs for students who might not have a computer and/or access to the Internet at home.
General Course Structure:

- Development economics aims at answering one basic question: why are some countries rich, and others poor?

- Lecture 1 will assess the extent of the development gap across countries, and whether developing countries are catching up. Lecture 2 will present the classical theories of growth attempting to explain the divergent paths taken by different countries.

- Two new research directions have reshaped the way we think about economic development in the last 15 years. First, the role of institutions (lecture 3) is now understood to be a significant driver of economic development. Put simply, in some countries, institutions make it easy to pursue transactions: property rights are secure, contracts are enforced, it is easy to start a business, or get a loan. In other countries, institutions make it hard: property rights are insecure, there is corruption, abuse of power by politicians, laws are flawed, not well enforced. We will review the empirical evidence of the role of institutions (lecture 4). We will also attempt to understand the reasons for the formation of different institutions in different contexts (lecture 5). This understanding of the role of institutions helps us understand the success or failure of other development strategies (lecture 6).

- The other innovation that has reshaped development economics is the use of randomized evaluations. They help us understand what works and what doesn’t. Examples from interventions related to education (lecture 7) or access to credit (lecture 8) will be given.

- After understanding these two concepts (the role of institutions and the need for rigorous empirical evidence), we will take a closer look at some of the important institutions: property rights institutions (lecture 9), legal institutions (lecture 10), corruption (which can affect the quality of institutions, lecture 11), and political institutions (lecture 12). Time permitting, we will explore international trade (lecture 13), revisited through the lens of institutions.

Due to time constraints, it is possible that some topics will not be covered or some topics added. The instructor maintains discretion regarding changes in this outline. Any changes will be discussed in class and/or announced on MyCourses.
## PRELIMINARY COURSE OUTLINE:

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<thead>
<tr>
<th>Week</th>
<th>Date:</th>
<th>Event:</th>
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<tbody>
<tr>
<td>4</td>
<td>Sep 25</td>
<td>Quiz 1, group for teamwork assignment, Methodology session for teamwork</td>
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<tr>
<td>4</td>
<td>TBD</td>
<td>Conference 1: start of teamwork</td>
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<tr>
<td>6</td>
<td>Oct 9 6pm</td>
<td>Deadline for teamwork</td>
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<tr>
<td>6</td>
<td>TBD</td>
<td>Conference 2: review of teamwork</td>
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<tr>
<td>6</td>
<td>Oct. 16</td>
<td>Quiz 2+ guidelines on presentation teamwork</td>
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<tr>
<td>7</td>
<td>TBD</td>
<td>Conference 3: start of presentation work</td>
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<tr>
<td>8</td>
<td>Oct. 23</td>
<td>Quiz 3</td>
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<tr>
<td>8,9,10, 11, 12, 13, 14</td>
<td>TBD</td>
<td>Conferences 4, 5, 6, 7, 8,9,10: presentation</td>
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<tr>
<td>10</td>
<td>Nov. 6</td>
<td>Quiz 4</td>
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<tr>
<td>12</td>
<td>Nov. 18</td>
<td>Quiz 5</td>
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Textbooks:

There is no mandatory textbook.

Optional textbooks are:

- Roland, G., Development Economics

Several copies of both textbooks are at the reserve desk in Redpath library. The Roland Textbook is available as an e-book on the McGill library website.

Reading List:

To access these papers, you have to use a campus computer since McGill paid the subscription to have access to these journals. You can access these articles on your home computer with the appropriate VPN (please contact McGill IT services for more details).

- **Lecture 1: Poverty**
  - Roland, chapters 1 and 2
  - Todaro, chapters 1 and 2
  - Deaton (2005), “MEASURING POVERTY IN A GROWING WORLD (OR MEASURING GROWTH IN A POOR WORLD)?”, The Review of Economics and Statistics VOL. LXXXVII

- **Lecture 2: Growth models**
  - Roland: chapter 4
  - Todaro: chapter 3

- **Lecture 3: Institutions**
  - Roland: chapters 7 and 4
  - Todaro: section 2.7

- **Lecture 4: Empirical Evidence of the Role of Institutions**


- **Lecture 5: A Theory of the Formation of Institutions**

- **Lecture 6: Institutions theory and other development theories**
  - Roland: chapter 5
  - Todaro: chapter 3
  - Sachs, Jeffrey, 2005, “The end of poverty: economic possibilities for our time”
  - Clemens and Demombynes (2010), "When Does Rigorous Impact Evaluation Make a Difference? The Case of the Millennium Villages"

- **Lecture 7: Education**
  - Roland, chapter 17
  - Todaro, chapter 8
  - Duflo, Esther and Rema Hanna (2006), "Monitoring Works: Getting Teachers to Come to School"

- **Lecture 8: Credit**
  - Roland, chapter 15
- **Todaro, chapter 15**
  - Karlan Dean and Jonathan Zinman, (2006), "Observing Unobservables: Identifying Information Asymmetries with a Consumer Credit Field Experiment".

- **Lecture 9: Property rights**
  - **Roland: chapter 12**
  - **Todaro: chapter 9**

- **Lecture 10: Legal institutions**
  - **Roland: chapter 10**

- **Lecture 11: Corruption**
  - **Roland, chapter 19**

- **Lecture 12: Political institutions**
  - **Roland: chapter 9**

- **Lecture 13: International trade**
  - **Todaro, chapter 14**
  - **Roland, Chapter 6**
Academic Policies:

- **Academic Integrity**: McGill University values academic integrity. Therefore all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see www.mcgill.ca/students/srr for more information).

  **En français**: L’université McGill attache une haute importance à l’honnêteté académique. Il incombe par conséquent à tous les étudiants de comprendre ce que l’on entend par tricherie, plagiat et autres infractions académiques, ainsi que les conséquences que peuvent avoir de telles actions, selon le Code de conduite de l'étudiant et des procédures disciplinaires (pour de plus amples renseignements, veuillez consulter le site www.mcgill.ca/students/srr).

- **A Note about the final exam**: According to Senate regulations, instructors are not permitted to make special arrangements for final exams. Please consult the Calendar, section 4.7.2.1, General University Information and Regulations at www.mcgill.ca.

- In accord with McGill University's Charter of Students’ Rights, students in this course have the right to submit in English or in French any written work that is to be graded.

- If you have a disability please contact the instructor to arrange a time to discuss your situation. It would be helpful if you contact the Office for Students with Disabilities at 398-6009 before you do this.

- Additional policies governing academic issues which affect students can be found in the McGill Charter of Students’ Rights (online at http://ww2.mcgill.ca/students-handbook/chapter1.html)

**My E-mail Policy:**

- I will not reply to any emails about the course
- For administrative questions, please refer to this detailed syllabus
- For questions on the content of the course, please come to my office hours, or the TA’s office hours

**My Office Hours:**

- **Note**: There will be days where I will not be in because of travel to conferences and seminars. My office hours and sometimes lectures will be cancelled and rescheduled in these cases. I will try to announce these in advance.
Important Miscellanea:

- Please note that this is a very large class and thus there are several ground rules to follow to maximize your learning environment and experience.

1) **Class participation:** Class participation is encouraged. Please raise your hand if you wish to speak. Because of the class size, it will not always be possible to take up all of your questions. (My office hours are a great venue for your unasked question to be heard)

2) **Please be considerate and cooperative with your classmates:** please arrive to class on time (preferably a few minutes before), turn off your cell phones, iPhones, Blackberries, and any new electronic technology that might appear over the course of the semester and keep any shuffling of papers and so on to a strict minimum.

3) **Institute for the Study of International Development (ISID):** McGill University’s Institute for the Study of International Development hosts a seminar which features high-profile guest speakers from different disciplines and different universities discussing development issues. I encourage you to attend these as your schedule permits. See the ISID website for details: [http://www.mcgill.ca/isid/](http://www.mcgill.ca/isid/) The seminar room has limited seating, however.

4) **Have any more questions, now or during the semester?** There are a number of places for you to go to have them answered. Use the instructor’s and the TAs office hours – they are there for you!