

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2017 /18**

Part I Course Overview

Course Title: Economic Growth and Development

Course Code: EF5402

Course Duration: 1 semester

Credit Units: 3

Level: P5

Medium of Instruction: English

Medium of Assessment: English

Prerequisites:
(Course Code and Title) Nil

Precursors:
(Course Code and Title) EF5472 / EF8072 Advanced Macroeconomics

Equivalent Courses:
(Course Code and Title) Nil

Exclusive Courses:
(Course Code and Title) Nil

Part II Course Details

1. Abstract

This course aims at providing an in-depth analysis of various theoretical and empirical issues related to economic growth and development. This course encourages students to propose new growth policies in different contexts in different countries.

In particular, this course will help students acquire techniques to develop neoclassical growth models and endogenous growth models. The course focuses on the roles of various factors such as human capital, technology, institutions, financial markets, and income inequality.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Demonstrate the understanding of the basic facts on growth and development experiences around the world.	20%	√	√	
2.	Explain the standard paradigms, such as neoclassical growth models and endogenous growth models, for understanding economic growth.	20%	√	√	√
3.	Examine the roles of various factors such as human capital, technology, institutions, financial markets, and income inequality, etc. in growth and development.	40%	√	√	√
4.	Analyze the implications for policies and strategies aimed at improving economic conditions for less-developed countries.	20%	√	√	√
		100%			

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.				Hours/week(if applicable)
		1	2	3	4	
Lectures, in-class discussions:	The lectures introduce the stylized facts regarding economic growth and development that many countries have experienced and encourage students to consider the stylized facts deeply.	√				3 hours lecture per week
Lectures, in-class discussions, assignments:	The lectures provide ideas of neo-classical growth models and endogenous growth model to understand and explain the stylized facts that many countries have experienced. In addition, students will understand the limitations of those growth models. To confirm students' understanding these growth models, assignments will be given.		√			3 hours lecture per week
Lectures, in-class discussions, assignments:	In lectures, sophisticated growth models are introduced in which various factors that affect growth and development are discussed. In particular, the lectures focus on human capital, institutions, financial market imperfections, and income risk and income inequality. To confirm students' understanding these growth models, assignments will be given.			√		3 hours lecture per week
Lectures, in-class discussions, assignments:	Growth policies in different contexts in different countries are discussed in lectures. In particular, the lectures focus on growth-enhancing economic policies for less-developed countries. To confirm students' understanding growth-enhancing economic policies, assignments will be given.				√	3 hours lecture per week

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.				Weighting	Remarks
	1	2	3	4		
Continuous Assessment: <u>30</u> %						
Homework assignments, presentation, discussions	√	√	√	√	30 %	
Examination: <u>70</u> % (duration: 3 hours, if applicable)						
Examination	√	√	√	√	70 %	
					100%	

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
1. Homework assignments, presentation, discussions	Homework assignments (50%), presentation of a research paper (30%), class participation and discussions (20%).	<p>Assignments are handed in on time, and demonstrate an excellent grasp of the course material.</p> <p>The presentation shows a solid understanding of the research paper and an excellent ability of critical thinking.</p> <p>Attendance of classes and active participation in the in-class discussion.</p>	<p>Assignments are handed in on time, and demonstrate a good grasp of the course material.</p> <p>The presentation shows a solid understanding of the research paper and some ability of critical thinking.</p> <p>Attendance of classes and some participation in the in-class discussion.</p>	<p>Assignments are handed in on time, and demonstrate an adequate grasp of the course material.</p> <p>The presentation shows a solid understanding of the research paper and the limited ability of critical thinking.</p> <p>Attendance of classes and some participation in the in-class discussion.</p>	<p>Assignments are handed in on time, and demonstrate effort in understanding the course material.</p> <p>The presentation shows some understanding of the research paper, but lacking the ability of critical thinking</p> <p>Attendance of classes and some participation in the in-class discussion.</p>	<p>Assignments are not handed in on time or do not demonstrate an understanding of the course material.</p> <p>The presentation is not completed or shows a poor understanding of the research paper.</p> <p>Fail to attend classes.</p>
2. Examination	Understanding the basic concepts in the literature of growth theory (20%). Solving standard neoclassical or endogenous growth models and using it as a framework to discuss growth policies. (80%)	<p>Demonstrate excellent understanding of the basic concepts in the growth theory.</p> <p>Demonstrate excellent analytical ability to solve a growth model and use the model to discuss policies.</p>	<p>Demonstrate good understanding of the basic concepts in the growth theory.</p> <p>Demonstrate good analytical ability to solve a growth model and use the model to discuss policies.</p>	<p>Demonstrate adequate understanding of the basic concepts in the growth theory.</p> <p>Demonstrate adequate analytical ability to solve a growth model and use the model to discuss policies.</p>	<p>Demonstrate some understanding of the basic concepts in the growth theory.</p> <p>Demonstrate some analytical ability to solve a growth model and use the model to discuss policies.</p>	<p>Fail to demonstrate any understanding of the basic concepts in the growth theory.</p> <p>Fail to demonstrate any analytical ability to solve a growth model or to use the model to discuss policies.</p>

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

(An indication of the key topics of the course.)

Economics growth and development; Neo-classical growth model; Endogenous growth models; Representative agent framework; Overlapping generations framework; Externalities and increasing returns; Physical capital; Human capital; Public capital; Learning by doing; Technology/Ideas and R&D; Financial development; Inequality; Institutions; Political economy; Economic convergence

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	Acemoglu, Daron. <u>Introduction to Modern Economic Growth</u> . Princeton University Press, current edition.
2.	Selected chapters from the <u>Handbook of Economic Growth</u> , edited by Philippe Aghion and Steven N. Durlauf, current edition.
3.	Selected research papers.

2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

Text(s)

1.	Aghion, Philippe and Peter Howitt, <u>Endogenous Growth Theory</u> , MIT Press, current edition.
2.	Aghion, Philippe and Peter Howitt, <u>The Economics of Growth</u> , MIT Press, current edition.
3.	Barro, Robert J. and Xavier Sala-i-Martin, <u>Economic Growth</u> , MIT Press, current edition.
4.	Easterly, W., <u>The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics</u> , MIT Press, current edition. (Non-technical reading)
5.	Grossman, Gene M. and Elhanan Helpman, <u>Innovation and Growth in the Global Economy</u> , MIT Press, current edition.
6.	Jones, Charles I., <u>Introduction to Economic Growth</u> , W.W. Norton and Co., current edition.
7.	Romer, David, <u>Advanced Macroeconomics</u> , McGraw-Hill, current edition.
8.	Weil, David N., <u>Economic Growth</u> , Addison-Wesley, current edition.
9.	Debraj Ray. <u>Development Economics</u> , Princeton University Press, current edition.
10.	Bardhan, Pranab and Christopher Udry, <u>Development Microeconomics</u> , Oxford University Press, current edition.