The goals of this course are two. The first half is to explore the application of microeconomic analysis to issues of development in poor countries. The second half will analyze the implications for Development of sectoral and economy-wide issues and policies such as growth, savings and investment (including foreign direct investment), domestic and external debt, fiscal, monetary, trade and exchange rate policies, and political economy. The focus of the microeconomic component of the course is the study of household behavior in developing countries. The course will cover formal and informal financial markets, household savings and investment decisions, education, health and nutrition, technological innovation and project evaluation. The focus of the second component is primarily on analytics of policy based on recent literature. Experience of individual and groups of developing countries will be used illustratively. This course presumes knowledge of development economics at an undergraduate level. Students should have knowledge of the structural characteristics of developing countries, and be familiar with the traditional models of development economics (basic growth theory, macroeconomic and trade theories and dual economy models). In addition, it is assumed that you have the first-year sequences in microeconomics and econometrics.

Semester offered: Fall