

Topics in Economic Development (2015)

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This will be an essay course consisting on 12 two hour lectures. Students are expected to form groups of 2 to 3 persons to produce a 30 minute presentation followed by 15 minutes of discussion and a 10-15 page essay on topics dealing with economic development. The maximum number of participants is 40.

Students may choose one out of 16 topics, which include: income inequality, the role of government, technological development, role of health, natural resources, climate change, and endogenous growth theory.

Groups will be provided with additional material on each topic, but they are assumed to search information also independently. Course will be graded based on the presentations (1/2 of the grade) and essay (1/2 of the grade).

Course book: D. Weill: *Economic growth*, 3rd or 2nd edition

Lecture 1: Introduction

Alvaredo, Facundo, Anthony B. Atkinson, Thomas Piketty and Emmanuel Saez, [World Top Incomes Database](#)

Henderson, J., A. Storeygard and D.N. Weil (2012). Measuring economics growth for outer space. *American Economic Review*, 102(2): 994-1028.

[Maddison Database](#)

[OECD.Stat.](#)

Piketty, T. (2014). *Capital in the Twenty-First Century*. Boston: Harvard University Press.

Weil, N. David: *Economic growth*, 2013.

World Bank. [World Development Indicators](#)

Lecture 2: Introduction to the theory of economic growth

Kaldor, N. (1963). "Capital accumulation and economic growth" In Friedrich A. Lutz and Douglas C. Hague (eds.), *Proceedings of a Conference Held by the International Economics Association*. London: Macmillan.

[Maddison Database](#)

Marty Schmidt, Solution Matrix Ltd.

Piketty, T. (2014). *Capital in the Twenty-First Century*. Boston: Harvard University Press.

Taylor A.M. (2002). "A century of current account dynamics." NBER Working Paper no. 8927.

[The Economist, 18.1.2014](#)

World Bank. [World Development Indicators](#)

Lecture 3: Limits to growth, role of finance, sovereign debt and growth

Dollar, D. and A. Kraay (2002). Growth is good for the poor. *Journal of Economic Growth*, 7: 195-225.

Graeber, (2011). *Debt: The First 5000 Years*. New York: Melville House

Gurley, J.G. and E.S. Shaw (1955). Financial aspect of economic development. *American Economic Review*, 45(4): 515-538.

Lof, M. and T. Malinen (2014). Does sovereign debt weaken economic growth? A panel VAR analysis. *Economics Letters*, 122: 403-407.

Lucas, R.E. (1988). On the mechanics of economic development. *Journal of Monetary Economics*, 22: 3-42.

[Maddison Database](#)

Miller, M.H. (1998). Financial markets and economic growth. *Journal of Applied Corporate Finance*, 11(3): 8-15.

Patrick H.T. (1966), "Financial development and economic growth in underdeveloped economies". *EDCC*, 14(2): 174-189.

Piketty, T. (2014). *Capital in the Twenty-First Century*. Boston: Harvard University Press.

Robinson, J. (1952), "The Generalization of the General Theory", *The Rate of Interest and Other Essays*, Macmillan, London.

Schularik M, Taylor AM. (2012). Credit booms gone bust: monetary policy, leverage cycles and financial crises, 1870-2008. *American Economic Review*, 102(2): 1029–1061.

Schumpeter, J. A. (1934). *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest and the Business Cycle*. New Jersey: New Brunswick.

[Statistics Finland](#)

World Bank. [World Development Indicators](#)

Yeyati E.L. and U. Panizza (2011). The elusive cost of sovereign defaults. *Journal of Development Economics*, 94(1): 95–105.

Lecture 4: Economic crises: an overview

Bird, G. (2007). The IMF: A Bird's eye view of its role and operations. *Journal of Economic Surveys*, 21(4): 684–745.

Gorton, Gary B. (2012). *Misunderstanding Financial Crises: Why We Don't See Them Coming*. New York: Oxford University Press.

- Krueger, A. (2003). IMF stabilization programs. In M. Feldstein (ed.), *Economic and Financial Crises in Emerging Market Economies*, University of Chicago Press, pp. 297–346.
- Kuusi, T. (2013). *Essays on Information Communications Technology, Structural Change, and Economic Growth*. PhD Dissertation 153/2013, Aalto University. Helsinki: Unigrafia.
- Laeven, L. and F. Valencia (2012). Systemic banking crises database: an update. IMF Working Paper, no. 163.
- Lawler, A. (2008). Indus collapse: the end or the beginning of an Asian culture? *Science*, 320(June): 1281-1283.
- Reinhart C. M., Rogoff, K. S. (2013). Banking crises: an equal opportunity menace. *Journal of Banking and Finance*, 37: 4557–4573.
- Reinhart C. M., Rogoff, K. S. (2009). *This Time Is Different: Eight Centuries of Financial Folly*. New Jersey: Princeton University Press.
- Schularik M, Taylor AM. (2012). Credit booms gone bust: monetary policy, leverage cycles and financial crises, 1870-2008. *American Economic Review*, 102(2): 1029–1061.
- Toussaint, E. (2012). Debt cancellations in Mesopotamia and Egypt from 3000 to 1000 BC. *Global Research*, 4th of September, 2012.
- World Bank. [World Development Indicators](#)