EF5402: ECONOMIC GROWTH AND DEVELOPMENT

Effective Term

Semester A 2025/26

Part I Course Overview

Course Title

Economic Growth and Development

Subject Code

EF - Economics and Finance

Course Number

5402

Academic Unit

Economics and Finance (EF)

College/School

College of Business (CB)

Course Duration

One Semester

Credit Units

3

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

Nil

Precursors

EF5472 / EF8072 Advanced Macroeconomics

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

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.

Course Intended Learning Outcomes (CILOs)

	CILOs	Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Demonstrate an understanding of the basic facts on growth and development experiences around the world.	20	x	x	
2	Explain the standard paradigms, such as neoclassical growth models and endogenous growth models, for understanding economic growth.	20	x	x	x
3	Examine the roles of various factors such as human capital, technology, institutions, financial markets, income inequality, etc., in growth and development.	40	x	x	x
4	Analyze the implications for policies and strategies aimed at improving economic conditions for less-developed countries.	20	x	x	x

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 real-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.

Learning and Teaching Activities (LTAs)

	LTAs	Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures, in-class discussions	Students will engage in lectures about the stylized facts regarding economic growth and development that many countries have experienced and consider the stylized facts deeply.	1	3 hours lecture per week

2	Lectures, in-class discussions	Students will gain the ideas of neo-classical growth models and endogenous growth models to understand and explain the stylized facts that many countries have experienced and understand the limitations of those growth models.	2	3 hours lecture per week
3	Lectures, in-class discussions	Students will develop an understanding of sophisticated growth models with various factors that affect growth and development in particular on human capital, institutions, financial market imperfections, income risk, and income inequality.	3	3 hours lecture per week
4	Lectures, in-class discussions	Students will analyze growth policies in different contexts in different countries are discussed in lectures in particular on growth-enhancing economic policies for less-developed countries.	4	3 hours lecture per week

Assessment Tasks / Activities (ATs)

	ATs	CILO No.	Weighting (%)	Remarks ("-" for nil entry)	Allow Use of GenAI?
1	Homework assignments, presentation, discussions	1, 2, 3, 4	30	-	Yes

Continuous Assessment (%)

30

Examination (%)

70

Examination Duration (Hours)

3

Assessment Rubrics (AR)

Assessment Task

Homework assignments, presentation, discussions (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion
Homework assignments (50%), presentation of a research paper (30%), class participation and discussions (20%).

Excellent
(A+, A, A-) Assignments are handed in on time, and demonstrate an excellent grasp of the course material.

The presentation shows a solid understanding of the research paper and an excellent ability of critical thinking.

Attendance of classes and active participation in the in-class discussion.

Good
(B+, B, B-) Assignments are handed in on time, and demonstrate a good grasp of the course material.

The presentation shows a solid understanding of the research paper and some ability of critical thinking.

Attendance of classes and some participation in the in-class discussion.

Fair
(C+, C, C-) Assignments are handed in on time, and demonstrate an adequate grasp of the course material.

The presentation shows a solid understanding of the research paper and the limited ability of critical thinking.

Attendance of classes and some participation in the in-class discussion.

Marginal
(D) Assignments are handed in on time, and demonstrate effort in understanding the course material.

The presentation shows some understanding of the research paper, but lacking the ability of critical thinking.

Attendance of classes and some participation in the in-class discussion.

Failure
(F) Assignments are not handed in on time or do not demonstrate an understanding of the course material.

The presentation is not completed or shows a poor understanding of the research paper.

Fail to attend classes.

Assessment Task
Examination (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion
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%)

Excellent
(A+, A, A-) Demonstrate excellent understanding of the basic concepts in the growth theory.

Demonstrate excellent analytical ability to solve a growth model and use the model to discuss policies.

Good
(B+, B, B-) Demonstrate good understanding of the basic concepts in the growth theory.

Demonstrate good analytical ability to solve a growth model and use the model to discuss policies.

Fair
(C+, C, C-) Demonstrate adequate understanding of the basic concepts in the growth theory.

Demonstrate adequate analytical ability to solve a growth model and use the model to discuss policies.

Marginal
(D) Demonstrate some understanding of the basic concepts in the growth theory.

Demonstrate some analytical ability to solve a growth model and use the model to discuss policies.

Failure
(F) Fail to demonstrate any understanding of the basic concepts in the growth theory.

Fail to demonstrate any analytical ability to solve a growth model or to use the model to discuss policies.

Assessment Task
Homework assignments, presentation, discussions (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion
Homework assignments (50%), presentation of a research paper (30%), class participation and discussions (20%).

Excellent
(A+, A, A-) Assignments are handed in on time, and demonstrate an excellent grasp of the course material.

The presentation shows a solid understanding of the research paper and an excellent ability of critical thinking.

Attendance of classes and active participation in the in-class discussion.

Good
(B+, B) Assignments are handed in on time, and demonstrate a good grasp of the course material.

The presentation shows a solid understanding of the research paper and some ability of critical thinking.

Attendance of classes and some participation in the in-class discussion.

Marginal
(B-, C+, C) Assignments are handed in on time, and demonstrate effort in understanding the course material.

The presentation shows some understanding of the research paper, but lacking the ability of critical thinking.

Attendance of classes and some participation in the in-class discussion.

Failure
(F) Assignments are not handed in on time or do not demonstrate an understanding of the course material.

The presentation is not completed or shows a poor understanding of the research paper.

Fail to attend classes.

Assessment Task
Examination (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion
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%)

Excellent
(A+, A, A-) Demonstrate excellent understanding of the basic concepts in the growth theory.

Demonstrate excellent analytical ability to solve a growth model and use the model to discuss policies.

Good
(B+, B) Demonstrate good understanding of the basic concepts in the growth theory.

Demonstrate good analytical ability to solve a growth model and use the model to discuss policies.

Marginal
(B-, C+, C) Demonstrate some understanding of the basic concepts in the growth theory.

Demonstrate some analytical ability to solve a growth model and use the model to discuss policies.

Failure
(F) Fail to demonstrate any understanding of the basic concepts in the growth theory.

Fail to demonstrate any analytical ability to solve a growth model or to use the model to discuss policies.

Part III Other Information

Keyword Syllabus

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

Reading List

Compulsory Readings

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

Additional Readings

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