

## **Empirical Studies on Economic Development**

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*After pointed that “ The poorest countries tend to have the lowest growth; the wealthiest next; the ‘middle-income’ countries highest “, Lucas said, “ once one starts to think about them, it is hard to think about anything else”. (Robert Lucas, 1988, Journal of Monetary Economics 22.).*

### **Course Description**

Empirical studies on economic growth and structural transformation in less developed countries; topics covered include problems and solutions in domestic and foreign sectors; as well as economic liberalization, stabilization and globalization in less developed countries.

### **Source Books and Recommended Readings:**

1. Hollis Chenery and T.N. Srinivasan (eds) Handbook of Development Economics, Volume I. and II New York: North Holland 1988.  
(Hereafter Handbook I, II).
2. Jere Behrman and T.N. Srinivasan (eds) Handbook of Development Economics, Volume IIIA and IIIB. New York: North Holland 1995.  
(Here after Handbook III A, III B).

### **Course Outline ( reading assignments are subject to change)**

#### **I. Economics of Dualism and Structural Transformation**

1. Gustav Ranis,” Analytics of Development: Dualism” Handbook I, Chap.4.
2. Moshe Syrquin, “Patterns of Structural Change”, Handbook I, Chap.7.

#### **II. Theoretic and Empirical Studies on Trade and Development**

- 1 Jose A. Ocampo, “ New Developments in Trade Theory and LDCs”, Journal of Development Economics. 1986 Pp. 129-170. .
- 2.Gershon Feder, 1983,“ On Exports and Economic Growth”,Journal of Development Economics. (12) pp. 59-73.

3. Sebastian Edwards 1993, “ Openness, Trade Liberalization and Growth in Developing Countries”, Journal of Economic Literature, Vol. 31, no.3. pp. 1358-1393.

4. Lall, Sanjaya, John Weiss and Jinkang Zhang, 2005, “The “Sophistication” of Exports: A New Trade Theory”, World Development, vol.34, no. 2. pp. 222-237.

\*5.J. Riedel,” Trade As The Engine of Growth in Developing Countries, Revisited” The Economic Journal. March 1984.

\* 6. I. B. Kravis,” Trade As the Handmaiden of Growth: similarities between the nineteenth and twentieth century “The Economic Journal.Vol.80, No. 320. December 1970, pp. 850-872.

### **III. Trade Strategies and Policies**

1.Christopher Bliss, “ Trade and Development”, Handbook. Vol.II. Chap 23.

2.David Evans, “ Alternative Perspectives on Trade and Development”, Handbook. Vol.II. Chap, 24.

3. Henry Bruton,“ Import Substitution” Handbook Vol.II. Chap. 30.

4. Bela Balassa, “Export promotion”, Handbook. Vol.II. Chap. 31.

### **IV. Topics on Trade-Investment Nexus**

1.Kojima,K., 2000. “ The “ Flying Geese ‘ Model of Asian Economic Development : Origin, Theoretical Extension, and Regional Implications”, Journal of Asian Economics. Winter; 11(4): pp. 375-401.

2. Bernard Mitchell and John Ravenhill,” 1995, “ Beyond Product Cycles and Flying Geese” World Politics, pp. 171-209.

3. Bende-Nabende, Anthony, 2003, “The Trade –investment Nexus: A Literature Review, with reference to East Asia” in Anthony Bende-Nabende (ed) “International Trade, Capital Flows and Economic Development in East Asia: The Challenge of the 21<sup>st</sup> Century”. Burlington, VA: Ashgate Publishing Co.,

4. Hummel, David, Jun Ishii and Kei-Mu Yi, 2001,” The Nature and Growth of Vertical Specialization in World Trade”, Journal of International Trade, (54). Pp. 75-96.

5. Ozawa, Terutomo, 1992, “Foreign Direct Investment and Economic Development”, Transnational Corporations, Vol. 1. pp. 27-54.

6. Narula, Rajneesh and John H. Dunning, 2000,” Industrial Development, Globalization and Multinational Enterprises: New Realities for Developing Countries”, Oxford Development Studies, Vol. 28, n0. 2. pp. 141-167.

7. Dunning, John H. et al, 2001, “ Incorporating Trade into Investment Development Path : A Case Study of Korea and Taiwan” ”, Oxford Development Studies, Vol. 29, N0. 2, pp. 145-154.

## **V. Trade Structures and Industrial Development Policies**

1. Lall, Sanjaya, 1992, “ Technological Capabilities and Industrialization|, World Development, vol.20, no.2. pp. 165-192
2. Narula, Rajneesh and John H. Dunning, 2000,” Industrial Development, Globalization and Multinational Enterprises: New Realities for Developing Countries”, Oxford Development Studies, Vol. 28, n0. 2. pp. 141-167.
- 3 Dunning, John H. et al, 2001, “ Incorporating Trade into Investment Development Path : A Case Study of Korea and Taiwan” ”, Oxford Development Studies, Vol. 29, N0. 2, pp. 145-154.
4. Hummel, David, Jun Ishii and Kei-Mu Yi, 2001,” The Nature and Growth of Vertical Specialization in World Trade”, Journal of International Trade, (54). Pp. 75-96.

## **VI. Policy Reforms on Trade, Stabilization, Structural Adjustment**

1. Anne Krueger “ Policy Lessons from Development Experiences Since the Second World War” Handbook Vol. IIIB Chap 40.
2. V. Corbo and S. Fischer, “ Structural Adjustment, Stabilization and Policy Reform” Handbook Vol. IIIB. Chap.44.
3. .D, Rodrik, “ Trade and Industrial Policy Reform”, Handbook Vol. IIIB. Chap. 45.

## **VII. East Asian Models of Development**

1. Wade, Robert, 1992,” East Asia’s Economic Success: Conflicting Perspectives, Partial Insights, Shaky Evidence” World Politics, 44, pp. 270-320.
2. Lall, Sanjaya, 1996. “ Paradigms of Development: The East Asian Debate” Oxford Development Studies, Vol. 24. Issue 2. p. 111-21.
3. Ballassa, Bela 1988, “ The Lessons of East Asian Development: An Overview”, Economic Development and Cultural Change, April, pp. S 273-307.
4. Adams, F. Gerard 1998 “ The East Asian Development Ladder: Virtuous Circles and Linkages in East Asian Economic Development” in F. Gerard Adams and Shnichi Ichimura (eds), East Asian Development, 1998, Chapter 1.

**\* Summarized in lecture and Recommended for self-reading**

**Grade and Exams**

There will be one final exam (2/3) and a term paper (1/3). Term paper can be written either in Chinese or in English.

