

Economía del Desarrollo

Actualizado: 16 de abril, 2024

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| <p>Profesores:</p> <p>Miguel Ángel Santos miguelsantos@tec.mx</p> <p>José Ramón Morales jose.morales.arilla@gmail.com</p> <p>Horas de consulta (una hora por semana): Martes 830AM-930AM (a partir del 23/04)</p> | <p>Asistentes:</p> <p>Judy Senyacen Méndez j.senyacen@gmail.com Karina Sánchez Bazán A00881988@tec.mx</p> <p>Horas de consulta (una hora por semana): Viernes 830AM-930AM (a partir del 19/04)</p> |
| <p>Clases (todas las semanas desde el martes 16 de abril hasta el jueves 27 de junio)</p> <ul style="list-style-type: none"> ● Martes 700AM-830AM ● Jueves 700AM-830AM <p>Seminarios (algunos viernes según programación, en horario por definir)</p> | |

Descripción del curso

Este es un curso de consolidación que permite a los estudiantes desplegar una variedad de herramientas analíticas para procesar e interpretar los datos y formular un diagnóstico coherente que pueda dar sentido a las observaciones simultáneas sobre el crecimiento económico y los indicadores de bienestar social dentro de un contexto particular. Comprende la teoría y la práctica de metodologías como Complejidad Económica y Diagnóstico del Crecimiento, basándose en investigaciones empíricas, estudios de casos y datos del mundo real para mapear las oportunidades de diversificación productiva, identificar las restricciones más vinculantes que inhiben la materialización de ese potencial y formular estrategias políticas basadas en datos para superarlas.

El curso abarca una amplia gama de temas de la economía del desarrollo. Comienza con una visión general de la dinámica maltusiana, la gran aceleración, la gran divergencia y los modelos modernos de crecimiento, haciendo hincapié en el papel de la productividad y la tecnología. A continuación, explora diferentes aproximaciones al progreso tecnológico, con especial énfasis en el desarrollo institucional y los conocimientos técnicos, tal y como se describen en el marco de Complejidad Económica de Hidalgo y Hausmann (2009). Este enfoque metodológico hace un balance de las capacidades productivas de cada lugar y permite definir una hoja de ruta específica en términos de oportunidades de diversificación que podrían conquistarse a través de la reutilización de las capacidades productivas y el know-how existentes en el lugar.

A continuación, dedicaremos una parte importante al despliegue práctico de la metodología de Diagnóstico del Crecimiento (Hausmann, Rodrik y Velasco, 2008), para identificar las restricciones más vinculantes que impiden que estas oportunidades y potencial se materialicen. Los cuatro principios de diagnóstico diferencial se ilustran con ejemplos prácticos que ilustran como pueden ser implementados para comprobar la existencia de limitaciones vinculantes en los factores de

producción: finanzas y disponibilidad de crédito, capital humano, infraestructura, fallos del mercado (externalidades de coordinación e información), fallos del gobierno (impuestos, regulaciones, derechos de propiedad, corrupción) y riesgos macroeconómicos.

Los estudiantes deberán seleccionar un país o estado de México, y procederán a implementar los conceptos de cada una de las clases en el contexto del lugar de su elección. Este proceso será instrumentado a través de un conjunto de tareas que representan bloques del proyecto final, que constituye un diagnóstico de las oportunidades del lugar, las restricciones más vinculantes, y las recomendaciones de políticas necesarias para superarlas.

En conjunto, las metodologías de Complejidad Económica y Diagnóstico de Crecimiento constituyen dos marcos conceptuales innovadores que permiten a los responsables de las políticas públicas concentrar sus limitados recursos en las áreas de mayor impacto. El curso concluye con varias clases destinadas a trasladar las ideas derivadas del despliegue de estos marcos al diseño y la aplicación de las políticas. Entre ellas se incluyen marcos conceptuales para reflexionar sobre la creación de la capacidad estatal necesaria para movilizar e implementar efectivamente las reformas.

Prerrequisitos

Este curso está diseñado para estudiantes de máster interesados en economía del desarrollo, desarrollo internacional, gobierno y políticas públicas, que hayan realizado cursos previos de macroeconomía, estadística o econometría, y se sientan cómodos manejando grandes cantidades de datos en un idioma de su elección (Stata, R o Python).

Calificación

- Tres tareas (15% cada una – las tareas luego se convierten en secciones del proyecto final)
 - Individual (semana 3, 15%)
 - Individual (semana 5, 15%)
 - En equipo (semana 7, 15%)
- Reporte final y presentación (40%)
 - Semana 11
- Participación en clase (15%)

¿Qué se espera de los estudiantes?

- Leer 50 páginas por clase, asistir a clases dispuestos a compartir ideas y participar activamente.
- Elegir un país o estado de México, organizar un equipo multidisciplinario con otros tres estudiantes de la clase, y utilizar las herramientas de clase para profundizar gradualmente en el conocimiento de sus problemas y posibles soluciones.
- Ser proactivos, aprovechar al máximo los diferentes canales de aprendizaje

Material de lectura

El curso no tiene un libro de texto principal. Se basa principalmente en una colección de artículos y lecturas disponibles en Internet, y en libros o capítulos de libros que se han puesto en reserva. Cada clase tendrá varias lecturas asignadas, que no tendrán una media mayor a 50 páginas por clase (en promedio). Además de estas lecturas, se indicarán vídeos y podcasts elegidos para complementar la experiencia de aprendizaje a través de diferentes canales y plataformas.

Además de los materiales de clase, hay algunos libros que consideramos de lectura obligada para los estudiantes interesados en la economía del desarrollo y que podrían ser buenos compañeros de viaje durante vacaciones y trabajo de campo:

- Adelman, J. (2014). *Worldly Philosopher: The Odyssey of Albert Hirschman*. Princeton University Press.
- Andrews, M., Pritchett, L., and Woolcock, M. (2017). *Building State Capacity: Evidence, Analysis, Action*. Oxford University Press.
- Collier, P. (2018). *The future of capitalism: Facing the new anxieties*. Harper Collins.
- Easterly, W. (2006). *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill, and So Little Good*. Penguin Book.
- Easterly, W. (2001). *The Elusive Quest for Economic Growth: Economists' Adventures and Misadventures in the Tropics*. The MIT Press.
- Epstein, D. (2021). *Range: Why Generalists Triumph in a Specialized World*. Riverhead Books, New York.
- Galor, O. (2022). *The Journey of Humanity: The Origins of Wealth and Inequality*. Penguin Random House.
- Heifetz, R. (1994). *Leadership without easy answers*. The Belknap Press of Harvard University Press.
- Heifetz, R. and Linsky, M. (2017). *Leadership on the line*. Harvard Business Review Press.
- Hirschman, O. (1958). *The strategy of economic development*. New Haven: Yale University Press.
- Hirschman, A. (1963). *Journeys towards progress: Studies of economic policy making in Latin America*. Twentieth Century Fund, New York.
- Hirschman, O. (1998). *Crossing boundaries: Selected writings*. Zone Books.
- Rodrik, R. (2015). *Economic Rules: Rights and Wrongs of The Dismal Science*. W.W.Norton
- Santos, M.A., and Hani, F. (2021). *Diagnosing Human Capital as a Binding Constraint to Growth: Tests, Symptoms, and Prescriptions*. Cambridge University Press.
- Sen, A. (2021). *Home in the world: A written memoir*.
- Werner-Müller, J. (2017). *What is populism?* Penguin Books.
- Koyama, M., and Rubin, K. (2022). *How the world became rich: The historical origins of economic growth*.

- Morales-Arilla, J., Ricart-Huguet, J., and Wantchekon, L. (2022) 'Economic Development in Historical Political Economy', in Jeffery A. Jenkins, and Jared Rubin (eds), *The Oxford Handbook of Historical Political Economy* (2024; online edn, Oxford Academic, 18 Aug. 2022).

LECTURES AND READINGS

(* marks signal a mandatory reading; listed in order of importance – all other readings are recommended)

Week 1 - Lecture 1 (16/04) – Introduction: Economic Growth and Development Economics

- * De Long, B. (undetermined). [Berkeley Faculty Lunch Talk: Main Themes of Twentieth Century Economic History](#).
- * Romer, P. Economic Growth in *The Concise Encyclopedia of Economics*. Available at: <https://www.econlib.org/library/Enc/EconomicGrowth.html>
- * Pritchett, L. (1997) [Divergence, Big Time](#). *The Journal of Economics Perspectives* 11, No. 3.

Week 1 - Lecture 2 (18/04) - Growth Question I: From Malthusian Stagnation to Modern Economic Growth

- * Galor, O. (2022). *The Journey of Humanity: The Origins of Wealth and Inequality*. Penguin Random House. ISBN: 9781847926913.
 - Chapter 3: The Storm Beneath the Surface (pp. 43-55).
 - Chapter 4: Full Steam Ahead (pp. 57-83).
- Galor, Oded, and David N. Weil (1999). [From Malthusian Stagnation to Modern Growth](#). *American Economic Review* 89, no. 2.
- Galor, Oded, and David N. Weil. [Population, Technology, and Growth: From Malthusian Stagnation to the Demographic Transition and Beyond](#). *American Economic Review* 90, no. 4 (2000): 806-828.
- Ashraf, Q. and Galor, O. (2011). [Dynamics and Stagnation in the Malthusian Epoch](#). *American Economic Review*, American Economic Association, vol. 101(5), pages 2003-2041, August.

Week 2 - Lecture 3 (23/04) - Growth Question II: The Basics of Growth Theory

- * Solow Model Study Guide (some teaching notes I prepared to help you navigate the basic insights of the Solow model).
- * Rodrik, D. (2005). [Growth Strategies](#). Chapter 14, in Aghion, P., and Durlauf, S. (editors), *Handbook of Economic Growth*, pp. 967-1014. North Holland.
- * Jones, C. and Romer, P. (2010). [The new Kaldor facts: ideas, institutions, population, and human capital](#). *American Economic Journal: Macroeconomics* 2, no. 1.

- For those without previous exposure to the Solow model - or those that had some exposure but would like to refresh - I recommend reading: Blanchard, O. and Johnson, D. *Macroeconomics*, in particular (section and pages taken from 6th Edition, 2013).

- Chapter 10, section 10.4 onwards (pp. 217 – 221)
- Chapter 11, sections 11.1 – 11.3
- Chapter 12, section 12.1

Week 2 - Lecture 4 (25/04) - Case Study: The Chiapas Puzzle

- * Hausmann, R., Santos, M.A., and Pan, C. (2020). The Chiapas Puzzle. Harvard Kennedy School of Government, Case Study 2174.0.

Week 3 - Lecture 5 (30/04) – Introduction to Growth Diagnostics

- * Hausmann, R., Rodrik, D, and Velasco, A. (2008). [Growth diagnostics](#), in Stiglitz, J. and Serra, N. The Washington Consensus Reconsidered: Towards a new global governance. (Chapter 15). Oxford University Press, NY.
- * Rodrik, D. (November 2007). [Doing Growth Diagnostics well](#) (blogpost)
- Rodrik, D. (2012). [Why We Learn Nothing from Regressing Economic Growth on Policies](#). Seoul Journal of Economics Vol. 25, No. 2, pp. 137-151.
- Aghion, P., and Durlauf, S. (2009). [From Growth Theory to Policy Design](#). Commission on Growth and Development. Working Paper No. 57.

Week 3 - Lecture 6 (02/05) - Growth Diagnostics II: Principles of Differential Diagnosis

- * Hausmann Ricardo, Klinger Bailey, Wagner Rodrigo (2008). [Doing Growth Diagnostics in Practice: A 'Mindbook'](#) CID Working Papers Series No. 177 (pages 1-47).
- * Dixit, Avinash (2007). [Evaluating Recipes for Development Success](#). *The World Bank Research Observer*, Vol. 22, No. 2, pp. 131-157.

Week 4 - Lecture 7 (07/05) - Testing for Human Capital as a Binding Constraint

- * Santos, M.A. and Hani, F. (2021). Testing for Human Capital as a Binding Constraint: Checks, Symptoms, and Prescriptions. Elements in the Economics of Emerging Markets. Cambridge University Press.
- * Hausmann, Ricardo. [The Education Myth](#). *Project Syndicate*. May 31, 2015.
- Hausmann, R., Pietrobelli, C., and Santos, M.A. [Place-specific Determinants of Income Gaps: New Sub-National Evidence from Mexico](#), Journal of Business Research.
- Heckman, James, Lance Lochner, and Petra Todd (2003). [Fifty Years of Mincer Earnings Regressions. \(2003\)](#). NBER Working Paper 9732.

Week 4 - Lecture 8 (09/05) - Testing for Finance as a Binding Constraint

- * Hausmann, R., Santos, M.A., Barrios, D., Taniparti, T., Tudela, J., Muci, J.F., and Lu, J. (2022). [A Growth Diagnostic of Namibia](#) Harvard Center for International Development Faculty Working Paper No. 405, February 2022, pp. 15-22.
- * Hausmann, R., Espinoza, L. and Santos, M.A., (2017). [Switching gears: A Growth Diagnostic of Panama](#). Harvard Center for International Development, Faculty Working Paper Series No. 325 (pages 25-28)

- * Hausmann, R., Espinoza, L., and Santos, M.A. (2015). [The low productivity trap: A growth diagnostics of Chiapas](#). Harvard Center for International Development, Faculty Working Paper Series No. 304 (pages 15-21).
- Rajan, R. and Zingales, L. (1998). [Financial Dependence and Growth](#). The American Economic Review, Vol. 88, No. 3, pp. 559-586.

Week 5 - Lecture 9 (14/05) - Macro Diagnostic I: National Accounts and the Balance of Payments

- * IMF Latest Article IV for the country chosen for your final Growth Diagnostic Report.
- * "[Random Tidbits on National Accounts and Keynesian Models Of Income And Expenditure](#)." The Case for Concerted Action. November 25, 2017.
- Dornbusch, R. (2001). [A Primer on Emerging Market Crises](#). NBER WP No. W8326.
- Rigobon, R. (2004) [Notes on the BBNN model](#).
- Dornbusch, R., (1980). Open Economy Macroeconomics. (Chapter 6).
- Kaminsky, G., Lizondo, S., and Reinhart, C. (1998). [Leading Indicators of Currency Crises](#). Staff Papers (International Monetary Fund) 45, no. 1 (1998): pp. 1-48.

Week 5 - Lecture 10 (16/05) - Macro Diagnostic II: Fiscal Policy

- * IMF Latest Article IV for the country chosen for your final Growth Diagnostic Report.
- * IMF Pamphlet Series No. 49: [Guidelines for Fiscal Adjustment: Section How should the Fiscal Stance be Assessed?](#)
- Eichengreen, B., Hausmann, R., and Panizza, U. (2002). [Original Sin: The Pain, The Mystery, and the Road to Redemption](#). Paper prepared for the conference Currency and Maturity Matchmaking: Redeeming Debt from Original Sin, IADB, Washington, D.C., 21-22.
- Barro, R. (1979). [On the determination of public debt](#). Journal of Political Economy, 87(5).

Week 6 - Lecture 11 (23/05) - Complexity I

- * Hausmann, R., Hidalgo, C., Bustos, S., Coscia, M., Simoes, A. and Yildirim, M. (2013). [The Atlas of Economic Complexity: Mapping Paths to Prosperity](#). MIT Press, 2013. (Sections 1-6, pages 1-55).
- Hidalgo, C., and Hausmann, R. (2009). [The building blocks of economic complexity](#). Proceedings of the National Academy of Sciences, 106(26), 10570-10575.

Week 6 - Lecture 12 (28/05) - Complexity II

- * [The Atlas of Economic Complexity \(site\)](#)
- * Hausmann, R., Hidalgo, C., Bustos, S., Coscia, M., Simoes, A. and Yildirim, M. (2013). [The Atlas of Economic Complexity: Mapping Paths to Prosperity](#). MIT Press, 2013. (Sections 1-6, pages 1-55).
- * Crespi, G., Fernández-Arias, E., and Ernesto Stein (2014). [Selecting Priority Sectors for Productive Transformation](#): An Elephant in the Room? Rethinking Productive Development. Chapter 9, pp. 33-58.
- Bahar, D., Rapoport, H. (2018). [Migration, knowledge diffusion, and the comparative advantage of nations](#). The Economic Journal, Volume 128, Issue 612, pp. F273-F305.

Week 7 - Lecture 13 (21/05) - Technology as Institutions.

- * Galor, O. (2022). *The Journey of Humanity: The Origins of Wealth and Inequality*. Penguin Random House. Chapter 8: The Fingerprints of Institutions (pp. 143-162). ISBN: 9781847926913.
- * D. Rodrik. (2000). [Institutions for High-Quality Growth: What They Are and How to Acquire Them](#). *Studies in Comparative International Development*, vol. 35, no.3, Fall 2000.

Week 7 - Lecture 14 (30/05) - Remoteness as a Binding Constraint

- * Harvard Growth Lab's Flagship Report on Remoteness ([Preliminary Version](#)).
- * Redding, S., & Venables, A. J. (2004). [Economic geography and international inequality](#). *Journal of international Economics*, 62(1), 53-82.
- Redding, S., & Schott, P. K. (2003). [Distance, skill deepening and development: will peripheral countries ever get rich?](#). *Journal of development economics*, 72(2), 515-541.

Week 8 - Lecture 15 (04/06) - Inequality and the Sense of Us

- * Collier, P. (2018). *The future of capitalism: Facing the new anxieties*. Harper Collins Publishers, New York. Chapter 7: The geographic divide: Booming metropolis, broken cities.
- *Anderson, Benedict R. OG. "Imagined Communities: Reflections on the Origin and Spread of Nationalism." London: Verso (2016). (Chapters 1-3)
- Miguel, Edward. "Tribe or Nation? Nation Building and Public Goods in Kenya versus Tanzania." *World Politics* 56, no. 3 (2004): 327-362. doi:10.1353/wp.2004.0018.
- Lustig, N., Lopez-Calva, L., Ortiz-Juarez, E., and Monga, C. (2013). [Deconstructing the Decline in Inequality in Latin America](#). The World Bank. Policy Research WP 6552.

Week 8 – Lecture 16 (06/06) - High-Bandwidth Development Policy I: Conceptual Framework and Investment Promotion Tools

- * Crespi, G., Fernández-Arias, E., Stein, E. (2014). [A Conceptual Framework for Productive Development Policies](#). Rethinking Productive Development. IADB. Ch. 2, pp. 33-58.
- Epstein, D. (2021). *Range: Why Generalists Triumph in a Specialized World*. Riverhead Books, New York. Chapter 8: The Outsider Advantage.
- Rodrik, D. (2007). [Industrial Policy for the Twenty-First Century](#), in *One Economics, Many Recipes*. Princeton University Press, Princeton, pp. 99-152.
- Cherif, R., and Hasanov, F. (2019). [The return of the policy that shall not be named: Principles of industrial policy](#). International Monetary Fund Working Paper Series No. 19/74.
- Cimoli, M., Dosi, G., Nelson, R. and J.E. Stiglitz (2009). [Institutions and Policies Shaping Industrial Development: An Introductory Note](#). Chapter 2 in Cimoli, Dosi, and Stiglitz (eds.), *Industrial Policy and Development*, Oxford University Press, pp. 19-38.

Week 9 – Lecture 17 (11/06) - High-Bandwidth Development Policy II: Productivity Taskforces and Special Economic Zones

- * Santos, M.A. and Fortunato, A. (forthcoming 2023 at Cambridge University Press). *Leveraging Public Private Dialog to Spur Sector Productivity: The Case of Namibia* (preliminary draft).

- * Ghezzi, P. (2017). Mesas Ejecutivas in Peru: Lessons for Productive Development Policies. Global Policy.
- * UNCTAD (2021). [Handbook of Special Economic Zones in Africa: Towards Economic Diversification across the Continent](#). Chapter 5: Guidelines and Policy Recommendations (pp. 153-193).
- Ghezzi, P. (2016). [Mesas Ejecutivas: A new tool for Productive Diversification](#). Ministry of Production, Peru.

Week 9 - Lecture 18 (13/06) - Examples of Growth Diagnostics

- Hausmann, R., Santos, M.A., Barrios, D., Muci, F., Taniparti, N. Tudela, J. (2021). [A Growth Diagnostic of Namibia](#). Harvard CID Faculty Working Paper Series No. 405.
- Hausmann, R., Espinoza, L. and Santos, M.A., (2017). [Switching gears: A Growth Diagnostic of Panama](#). Harvard CID Faculty Working Paper Series No. 325.
- Hausmann, R., O'Brien, T., Santos, M.A., Grisanti, A., Kasoolu, S., Taniparti, N., Tapia, J. and Ricardo Villasmil (2019). [Jordan: The elements of a growth strategy](#). Harvard CID Faculty Working Paper Series No. 346.
- Hausmann, R., Espinoza, L. and Santos, M.A., (2017). [Appraising the Economic Potential of Panama: Policy Recommendations for Sustainable and Inclusive Growth](#). Harvard CID Faculty Working Paper Series No. 334.

Week 10 – Tuesday 18/06 – Session with TA for advice on final presentations (optional attendance)

Week 10 – Thursday 20/06 – Session with TA for advice on final presentations (optional attendance)

Week 10 – Lecture 19 (Friday 21/06) – Navigating the politics of change (mandatory attendance)

- * Heifetz, R., and Linsky, M. (2002). Leadership on the Line: Staying Alive Through the Dangers of Leading. Harvard Business Review Press, Chapter 3: Get on the Balcony
- * Heifetz, R. (1994). Leadership without easy answers. The Belknap Press of Harvard University Press. Chapter 11. (pp. 250-276) and Chapter 4 (pp. 69-100).
- Hirschman, A. (1963). Journeys towards progress: Studies of economic policy making in Latin America. Twentieth Century Fund, NY. Chapter 5: The Contriving of Reform (pp. 251-275).
- Banerjee, A. and Duflo, E. (2011). Poor Economics. Public Affairs, New York. Chapter 10.

Week 11 – (25/06) Students presentations

Week 11 – (27/06) Students presentations

Schedule

| Week | Lecture | Description |
|------|-----------------------|---|
| 1 | 1 (16/04) | Introduction to Economic Growth and Development Economics (MAS) |
| | 2 (18/04) | Growth Question I: From Malthusian Stagnation to Modern Economic Growth (MAS) |
| | Seminar 1 | Stata-R Workshop |
| 2 | 3 (23/04) | Growth Question II: The Basics of Growth Theory (MAS) |
| | 4 (25/04) | Case Study: The Chiapas Puzzle (MAS) |
| | Seminar 2 | Review of Solow models |
| 3 | 5 (30/04) | Introduction to Growth Diagnostics (MAS) |
| | 6 (02/05) | Growth Diagnostics: Principles of Differential Diagnosis (MAS) |
| | Seminar 3 | Instrumentation of Growth trajectory, structural breaks, demographic window of opportunity, peer selection |
| 4 | 7 (07/05) | Testing for Human Capital as a Constraint (MAS) |
| | 8 (09/05) | Testing for Finance as a Constraint (MAS) |
| | Seminar 4 | Atlas revision, data download and exercises |
| 5 | 9 (14/05) | Macro Diagnostic I: National Accounts and the Balance of Payments (MAS) |
| | 10 (16/05) | Macro Diagnostic II: Fiscal Policy and Debt Sustainability (JRM) |
| | Seminar 5 | Factor Intensity at the Sector Level (Camels and Hippos) |
| 6 | 11 (21/05) | Economic Complexity I (JRM) |
| | 12 (23/05) | Economic Complexity II (JRM) |
| | Seminar 6 | Review: National Accounts and the Balance of Payments |
| 7 | 13 (28/05) | Technology as Institutions (JRM) |
| | 14 (30/05) | Remoteness as a Binding Constraint (JRM) |
| | Seminar 7 | Case Study/Metrics on Remoteness |
| 8 | 15 (04/06) | Inequality and the Sense of Us (JRM) |
| | 16 (06/06) | High Bandwidth Development Policy I (Framework, Investment Promotion) (JRM) |
| | Seminar 8 | Testing for constraints using qualitative data coming from Doing Business (Quantity) and Enterprise Surveys (Price) |
| 9 | 17 (11/06) | High Bandwidth Development Policy II (Productivity Taskforces, SEZ) |
| | 18 (13/06) | Examples of Growth Diagnostics |
| 10 | Seminar 9 (18/06) | Session with TA for advice on final presentations (optional attendance) |
| | Seminar 10 (20/06) | |
| | 19 (21/06) | Navigating the politics of change (mandatory attendance) |
| 11 | (25/06) | Presentations of Final Reports (I) |
| | (27/06) | Presentations of Final Reports (II) |