Development Economics

MASTER'S DEGREE IN ECONOMICS AND FINANCE

UNIVERSIDAD INTERNACIONAL MENÉNDEZ PELAYO

GENERAL DATA

Name

Development Economics

Code

102677

Academic year

2023-24

Degree

[MASTER'S DEGREE IN ECONOMICS AND FINANCE](#)

ECTS Credits

6

Type

ELECTIVE

Duration

Cuatrimestral

Language

English

CONTENTS

Contents

This course focuses on the understanding of the process of economic development. The central questions of the course are:
1) Why are some countries so much poorer than others?
2) what are the main barriers to the process of economic development?
3) What are the main barriers that prevent the poor to escape from poverty?
4) Why do these barriers exist and persist? The purpose of the course is to give you a sense of the frontier research topics and a good command of the methodologies used in the field of Economic Development. The main emphasis will be in empirical and micro-studies, although some applied theory studies and macroeconomic analysis will also be discussed.

COMPETENCES

General competences

G1 - Demonstrate solid knowledge of economic theory, and the relevant economic, econometric and computational techniques.

G2 - Know how to apply the knowledge acquired and be able to use problem-solving abilities in new or relatively unknown settings within wider or multidisciplinary contexts related to economics and finance.

G3 - Integrate knowledge and tackle the complexity involved with making judgements based on incomplete or limited information, and which includes reflections on the social and ethical responsibilities tied to the application of one's knowledge and judgement.

G4 - Critically analyse, assess and summarise new and complex ideas related to empirical theories and methodologies in the field of economics.

G5 - Design and carry out an advanced academic research project, formulating reasonable hypotheses in the field of economics.

G6 - Give clear and unambiguous oral presentations of scientific and technical work on economics to specialised and non-specialised audiences.

G7 - Produce suitable written compositions, as well as work projects or scientific articles.

G8 - Organise and plan one's own work, fostering initiative and an entrepreneurial spirit.

G9 - Become part of work groups dedicated to economic research projects.

G10 - Demonstrate sufficient independence, and study and summary skills so that after the master's programme, students are able to undertake a PhD in the field of economics.

Specific competences

EO1 - Be aware of the theory of the firm and the main industrial economics models, as well as their main applications.

EO2 - Be aware of the main job market models and available empirical evidence.

EO3 - Master the analytical tools explained on the course in industrial economics, in order to analyse market failures and the corresponding competition regulation and promotion policies.

EO4 - Be aware of the main models and empirical evidence about economic development, specifically with regard to agriculture, and market and institutional failures.

EO5 - Be aware of the theory of optimal taxation, and empirical models and results regarding the effects of taxation on how households and businesses behave, as well as public spending theory and welfare programmes.

EO6 - Be aware of the economic theory on how land and housing markets, local governmental and territorial development operate.

EO7 - Be aware of advanced theories and models on modern macroeconomics.

EO8 - Be aware of the main open economy models, specifically relating to the interaction between fiscal and monetary policies, and exchange rate policy.

EO9 - Be familiar with the main macroeconomic phenomena, how they are measured through national and international statistical resources, and forecasting through advanced statistical techniques.

EO10 - Use modern macroeconomic quantitative techniques to assess the impact of different economic policies on the principal macroeconomic aggregates, and income and wealth distribution.

EO11 - Be aware of modern applied econometric methods, specifically autoregressive and dynamic general equilibrium models, with a particular focus on Bayesian econometric models.

EO12 - Be aware of the appropriate econometric models to describe and forecast different economic time series, as well as analyse the relationships between them suggested by economic theory.

EO13 - Be aware of the suitable econometric techniques to model behaviour of individual economic agents at theoretical and applied level, with a view to understanding the interaction between models, data and methods.

EO14 - Possess knowledge regarding the interaction between theoretical models, data and econometric methods outlined by applied work, analysing representative articles on different ways to approach empirical work in micro- and macroeconomics.

EO15 - Possess in-depth knowledge on the methods used in estimating models for financial markets.

EO16 - Be aware of the main risk assessment models and their use in different financial instruments.

EO17 - Master advanced asset valuation models for both fixed income and equity, and derivatives, with a particular focus on methods based on arbitrage valuation, stochastic calculus and changing probability measures.

EO18 - Be familiar with analysing business finance decisions and other aspects of their relationship with capital markets, especially information problem-based theories.

EO19 - Be aware of the most characteristic features of micro- and macroeconomics, and the operation and regulation of banking activities from a perspective of modern financial intermediation theories.

EO20 - Master interest rate and exchange rate risk analysis, and well as those risks arising from an equity portfolio, using derivative assets for hedging.

LEARNING PLAN

Training activities

Type of activity	Hours	%In person
Theory classes		100
Practical classes		100
Study of the theory content of the course		0
Solve practical exercises		0
Prepare class presentations		40

Teaching methods

Theory classes
Exercises
Essay writing
Class discussion on work submitted by students

Learning outcomes

-Be aware of the theory of the firm and the main industrial economics models, as well as their main applications.
-Be aware of the main job market models and available empirical evidence.
-Master the analytical tools explained on the course in industrial economics, in order to analyse market failures and the corresponding competition regulation and promotion policies.
-Be aware of the main models and empirical evidence about economic development, specifically with regard to agriculture, and market and institutional failures.
-Be aware of the theory of optimal taxation, and empirical models and results regarding the effects of taxation on how households and businesses behave, as well as public spending theory and welfare programmes.
-Be aware of the economic theory on how land and housing markets, local governmental and territorial development operate.
-Be aware of advanced theories and models on modern macroeconomics.
-Be aware of the main open economy models, specifically relating to the interaction between fiscal and monetary policies, and exchange rate policy.
-Be familiar with the main macroeconomic phenomena, how they are measured through national and international statistical resources, and forecasting through advanced statistical techniques.
-Use modern macroeconomic quantitative techniques to assess the impact of different economic policies on the principal macroeconomic aggregates, and income and wealth distribution.
-Be aware of modern applied econometric methods, specifically autoregressive and dynamic general equilibrium models, with a particular focus on Bayesian econometric models.

-Be aware of the appropriate econometric models to describe and forecast different economic time series, as well as analyse the relationships between them suggested by economic theory.
-Be aware of the suitable econometric techniques to model behaviour of individual economic agents at theoretical and applied level, with a view to understanding the interaction between models, data and methods.
-Possess knowledge regarding the interaction between theoretical models, data and econometric methods outlined by applied work, analysing representative articles on different ways to approach empirical work in micro- and macroeconomics.
-Possess in-depth knowledge on the methods used in estimating models for financial markets.
-Be aware of the appropriate econometric models to describe and forecast different economic time series, as well as analyse the relationships between them suggested by economic theory.
-Master advanced asset valuation models for both fixed income and equity, and derivatives, with a particular focus on methods based on arbitrage valuation, stochastic calculus and changing probability measures.
-Be familiar with analysing business finance decisions and other aspects of their relationship with capital markets, especially information problem-based theories.
-Be aware of the most characteristic features of micro- and macroeconomics, and the operation and regulation of banking activities from a perspective of modern financial intermediation theories.
-Master interest rate and exchange rate risk analysis, and well as those risks arising from an equity portfolio, using derivative assets for hedging.

EVALUATION

Evaluation system

Type	Minimum score	Maximum score
Exercises	0.05	0.3
Presentations	0.05	0.15
Exams	0.7	0.95

FACULTY

Coordinator/s

Martínez Bravo, Mónica

Lecturers

Casas Lupiañez, Agustín

Lekfuangfu , Warn