



UNIVERSIDADE LUSÍADA
LISBOA

Course Unit Program
Development Economics

Academic Year 2026/2027

1. Organic Unit

Faculty of Business and Economic Sciences

2. Course

ECONOMICS

3. Cycle

1st

4. Course Unit

Development Economics (03324)

5. Scientific Area

6. Curricular Year

3rd

7. Type of Curricular Unit / Semester

2nd Semester



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8. Class type and workload (work time)

Theoretical classes:

Practical classes:

Theoretical-Practical Classes 30,00

Tutorial Guidance: 20,00

9. ECTS Credits

6,00

10. Scientific Area Coordinator

11. Regent

Prof. Doutor ALVARO ANTONIO CALADO AFONSO MATIAS

12. Assistants

Prof. Doutor JORGE MIGUEL BRAGA FERREIRA

13. Teaching Language

Portuguese

14. General Objectives

To provide an advanced understanding of the economic, institutional and social mechanisms underlying persistent differences in income, productivity and well-being. The course combines theory, empirical evidence and policy analysis, focusing on structural transformation, incomplete markets, poverty, inequality, human capital, institutions and state capacity in a context of climate and technological transition.

15. Specific Objectives

Students should be able to measure and compare levels of development; explain the persistence of underdevelopment; analyse structural transformation, human capital, demography, incomplete markets and institutions; assess strategies and policies using causal evidence; and discuss the effects of trade, international finance, and climate and technological transitions.

16. Skills to be acquired

Apply microeconomic and macroeconomic tools to development problems; interpret data and indicators; distinguish correlation from causality; compare international experiences; critically assess policies and interventions, considering effectiveness, cost, external validity and scalability; and construct rigorous arguments supported by models, data and scientific literature.

17. Teaching Methodology



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Theoretical-practical classes combining systematic exposition, analysis of models, data and research articles, case-study discussion and problem solving. Policy debates, exercises on empirical evidence and impact evaluation, student presentations and tutorials will connect economic theory, institutional realities and contemporary applications.

18. Course Unit Program



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1. Economic development: concepts, measurement and stylised facts
 - 1.1. Growth, development and well-being.
 - 1.2. Income, productivity and living standards.
 - 1.3. Absolute and multidimensional poverty.
 - 1.4. Inequality and economic and social mobility.
 - 1.5. Human development and sustainable development.
 - 1.6. Convergence, divergence and the limitations of indicators.
2. Mechanisms and persistence of underdevelopment
 - 2.1. Classical and contemporary development theories.
 - 2.2. Coordination failures and complementarities.
 - 2.3. Multiple equilibria, the big push and poverty traps.
 - 2.4. Geography, history, institutions and path dependence.
3. Structural transformation and productive development
 - 3.1. The Lewis dual-sector model.
 - 3.2. Agriculture, productivity and sectoral change.
 - 3.3. Urbanisation and rural-urban migration.
 - 3.4. Industrialisation and premature deindustrialisation.
 - 3.5. Informality and labour markets.
 - 3.6. Industrial policy, exports, foreign direct investment and global value chains.
4. Households, human capital and demography
 - 4.1. Health, nutrition and education.
 - 4.2. Returns and constraints to human-capital investment.
 - 4.3. Fertility and demographic transition.
 - 4.4. Gender and intra-household decisions.
 - 4.5. Child labour.
 - 4.6. Migration and mobility.
5. Incomplete markets and constraints on development
 - 5.1. Asymmetric information, risk and vulnerability.
 - 5.2. Credit, savings and insurance.
 - 5.3. Land and labour markets.
 - 5.4. Entrepreneurship and firm growth.
 - 5.5. Technology adoption and productivity.
6. Institutions, the state and the political economy of development
 - 6.1. Property rights and contract enforcement.
 - 6.2. State fiscal and administrative capacity.
 - 6.3. Governance, corruption and political accountability.
 - 6.4. Elites, interest groups and conflict.



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6.5. Historical legacies and formal and informal institutions.

7. Development policies and impact evaluation

7.1. Policy design and implementation.

7.2. Correlation, causality and identification.

7.3. Randomised experiments and quasi-experimental methods.

7.4. Internal and external validity.

7.5. Scalability, cost-effectiveness and unintended effects.

7.6. Official development assistance, multilateral institutions, debt and development finance.

8. Development in a changing world

8.1. Trade, technology diffusion and national policy space.

8.2. Climate change, adaptation and mitigation.

8.3. Energy transition.

8.4. Digital transformation and artificial intelligence.

8.5. Emerging economies and middle-income countries.

8.6. Future development prospects.

19. Assessment Methods

Continuous assessment follows the applicable regulations and comprises three elements: an individual oral component; an applied analysis assignment, individually or in groups, with presentation and discussion; and an individual written test. Weights, criteria and scheduling will be set out in the Continuous Assessment Plan, assessing knowledge, analytical ability and argumentation.

20. Didactic Resources

Core textbook, selected chapters and research articles; slides, study guides and exercises made available on the platform; databases and indicators from the World Bank, UNDP, UN, IMF and other institutions; case studies, development reports and materials for empirical analysis, policy evaluation and class discussion.

21. Sustainability Objectives

The course contributes directly to SDGs 1, 4, 5, 8, 10, 13 and 16 by examining poverty, human capital, gender equality, work and productive transformation, inequality, climate transition and institutional quality. It promotes critical assessment of sustainable and inclusive development policies, considering effectiveness, equity, state capacity and long-term effects.

22. Keywords

Economic development
Structural transformation
Poverty & inequality
Institutions
Policy evaluation



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23. Main Bibliography

Author(s): Todaro, Michael P.; Smith, Stephen C.
Title: Economic Development
Edition: 13.^a Year: 2020
Local: Harlow
Publisher: Pearson Education Limited
ISBN Code: 978-1-292-29115-4

Author(s): de Janvry, Alain; Sadoulet, Elisabeth
Title: Development Economics: Theory and Practice
Edition: 2.^a Year: 2021
Local: Abingdon
Publisher: Routledge
ISBN Code: 978-0-367-45647-4

Author(s): ACEMOGLU, Daron; ROBINSON, James A.
Title: Why Nations Fail: The Origins of Power, Prosperity and Poverty
Edition: 1st Year: 2012
Local: London
Publisher: Profile Books
ISBN Code: 978-1-84668-429-6

24. Complementary Bibliography

Author(s): Rebelo de Sousa, António
Title: Da Economia
Edition: 2.^a Year: 2021
Local: Porto
Publisher: Diário de Bordo
ISBN Code: 978-989-99884-0-8

Author(s): Ray, Debraj
Title: Development Economics
Edition: 1st Year: 1998
Local: Princeton NJ
Publisher: Princeton University Press
ISBN Code: 978-0-691-01706-8



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