This study guide has two parts. The first consists of the External Exams given over the past three years. Some questions not unlike those appearing on these exams will appear on the instructor's final exam. The rest of the final exam will consist of short-answer questions involving concepts / terms such as those appearing below. Some, perhaps all, of these questions will simply ask for definitions and brief discussion of relevance / importance to economic development and / or its analysis. In any event, each item on the list ought – with effective studying – to trigger a chain of reasoning more or less complex in breadth / depth and multi-dimensional / directional as the case may be. Note well: The following list is meant only to be indicative; concepts / terms of obvious importance not appearing on it are no less fair game for the final exam. Note re usage: vav, vis-a-vis; “vs,” versus.

Agglomeration
Agricultural development
Backwardness: advantages, disadvantages
Balance of payments:
- current, capital account determinants
Bias: industry, trade
Capital / credit markets; vav collateral, limited liability
Capital fundamentalism
Circles: virtuous, vicious; vav traps
Comparative advantage: static vs dynamic
- Gains from trade, static vs dynamic
Comparative development performance: Africa vs Asia (East, South), Latin America
Complementarities, of various forms
Contracts: characteristics, determinants
Convergence: conditional; unconditional
Coordination failure
Corruption, varieties of
Crises: balance of payments, debt, financial
Debt forgiveness, relief
Default
Deficits: balance of payments, fiscal
Demographic transition: causes, effects
Dutch disease
East Asian “miracle”
Effective protection, subsidy, incentive
Entrepreneurship
Equilibria, multiple
Equity, income distribution; vav growth
Ethnic heterogeneity vs homogeneity
Exchange rates: fixed vs floating, other
Export promotion, -led growth
Externalities, of various kinds
Fertility, determinants of
Financing gap: investment, trade gaps
Financial repression
Fiscal policy; expenditure, taxation
Foreign direct investment
Formal vs informal institutions, markets
Gender bias
Government failure, vs market failure
Gradualism; incremental vs shock therapy
Group lending, vav micro-finance
History, vs expectations, vav initial conditions
Human capital; primary, ..., education
Import substitution
Incentives, a la Easterly & otherwise
Increasing returns; economies of scale
Incremental capital-output ratio (ICOR)
Industrialization
Infant industry, argument
Inflation, hyperinflation: causes, effects
Information, incomplete: implications
Infrastructure; vav maintenance expenditures
Institutions, good vs bad
Insurance markets
Interlinked markets, transactions
International organizations
- IMF, World Bank, WTO vs GATT
Inward vs outward looking
Gini coefficient vav Lorenz curve
Globalization: causes, consequences
Government, role of; governance
Green revolution; high yielding varieties
Growth theory: neoclassical (Solow), new / endogenous
Kuznets hypothesis
Labor markets
Land markets, tenure: forms, determinants; reform
Law of one price
Learning, by doing, experience
Liberalization, of markets
Linkages
Market fundamentalism; aka free market ideology
- laissez-faire; “get the prices right”
Mean reversion
Missing markets
Multiple equilibria
Necessary, sufficient conditions
Neutrality
Nutrition, vav energy balance, work capacity
Path dependence
Per capita income, as welfare measure
Permanent income hypothesis
Please effect
Poverty
Privatization
Purchasing power parity, and its uses
Real exchange rate
Rent seeking
Risk
Rural markets
Rural-urban migration; Harris-Todaro model
Savings
Seigniorage, inflation tax
Selective intervention
Sequencing, vav policy reforms
Small vs large country
Social contract, vav safety nets
State owned enterprises (SEOs)
Structural adjustment; per se, vav lending, conditional
Surplus labor (Lewis; Ranis & Fei) model
Technological development, and / vs progress
Technology transfer, vs R&D, invention; innovation
Terms of trade
Total factor productivity (TFP)
Tradables vs non-tradables; relative quantities, prices
Trade policy: tariffs, quotas, etc. (marketing boards)
Trickle-down hypothesis
Typologies
Un- vs under-employment