

**Belarus State Economic University**  
**Educational institution**

**APPROVED**

Rector of the Educational Establishment  
“Belarus State Economic University”

\_\_\_\_\_ V. Y. Shutsilin  
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**ECONOMIC GROWTH AND DEVELOPMENT**

Syllabus for Master’s program  
1-26 80 03 «Business Administration»

**The authors:**

*Bykov A.A.*, Dr. hab., Vice-rector for Scientific Activity of Belarus State Economic University, *Lisitsa E.S.*, Ph.D., associate professor, Department of Finance of Belarus State Economic University, *Glukhova N.M.*, assistant professor of the Department of Economics and Management at the Higher School of Business and Management, Belarus State Economic University.

**Readers:**

*Pavlovskaya S.V.*, deputy dean of School of Economy and Management, Belarus State Economic University, Ph.D., associate professor

*Yakushenko K.V.*, chair of Department of Marketing of Belarusian National Technical University, Ph.D., associate professor

**Recommended for approval:**

by the Department of Economics and Management at the Higher School of Business and Management, Belarus State Economic University (Protocol № \_\_\_\_ from \_\_\_\_\_.\_\_\_\_.2019)

by the Scientific and Methodological Council, Belarus State Economic University (Protocol № \_\_\_\_ from \_\_\_\_\_.\_\_\_\_.2019)

## Explanatory note

The course “Economic growth and Development” is one of the main courses in Master education in Business administration, as it reflects the most important economic growth determinants of the open economy on the contemporary step of the world economy development and regulation instruments, which are connected with the peculiarities of modernization and innovations.

The object of the course of Economic growth and Development is study of dynamics and determination the most important economic growth and development determinants of the open economy, using various approaches and schools.

The aim of the course is to develop in masters systemic knowledge and skills in the sphere of analysis and government of economic growth and development taking into consideration new models of social and economic development and features of interactions in different sectors of national economies.

The course is designed in two tiers: one which will provide the theoretical fundamentals for understanding the economic growth and development and second tier will lead to the presentation of empirical evidence of main trends in economic development at present time.

Master degree student must:

DPC-1. Be equipped with the organization’s planning and forecasting methods.

Targets of the course (implementation of requirements to qualification):

– comprehension of theoretical propositions in dynamics of the most important economic growth and development determinants, using various approaches and schools;

– learning of the structure and content in approaches to government of social and economic development;

– learning of the international practice in the governing of the main economic development determinants for the creation of competitive advantages and national competitiveness;

– obtaining skills in identifying of the peculiarities in dynamics and changes of the main economic growth determinants through innovation strategies and examination of models of new industrial development.

After learning of the course master must:

***have known:***

– main issues of economic growth and development and its proximate determinants;

– the consequences of the growth or lack of thereof on variables of interests;

– resource misallocation, learning and coordination and their impacts on economic growth;

– the role of industrialization and new trends in industrial development;

***be good in:***

- identifying the terms of economic growth and development;
- application of the peculiarities of different theories explaining economic growth in macroeconomic statistics;
- understanding the comparative development from a historical perspective;
- knowledge on different normative perspectives on development and argue from these perspectives, knowledge of various measures of economic growth;

***have skills in:***

- analyzing the importance of determining the drivers of new industrial development;
- applying economic models to study development problems;
- analyzing theories of economic (under)development and scrutinize empirical evidence in order to understand the key features of the development process across countries;
- identifying root causes of economic growth and development;
- analyzing strengths and weaknesses in various models of social and economic development.

The course “Economic growth and Development” is taught in the close connection with other disciplines in the Curriculum of specialty 1-26 80 03 “Business Administration”: “Managerial Economics”, “Applied quantitative methods in management”, “International Business and Competition”, “Strategic organization management”.

Total academic hours for the course – 100, including total academic hours in auditorium – 54, including 34 h – lectures, 20 h – seminars. Form of control recommended – exam.

## **The content of educational material**

### **Topic 1 Theories explaining economic development**

Unlike in many other fields of economics, approaches in development economics may incorporate social and political factors to devise particular plans. Different approaches may consider the factors that contribute to economic convergence or non-convergence across households, regions, and countries.

There are different economic growth and development theories which is applicable to an economy in the post-industrial, developing, and emerging stages.

### **Topic 2 Macroeconomic statistics**

Macroeconomic indicator are statistics that indicate the current status of the economy of a state depending on a particular area of the economy (industry, labor market, trade, etc.). They are published regularly at a certain time by governmental agencies and the private sector.

Macroeconomic indicators monitor the economy's pulse and show volatility of the market.

### **Topic 3 Comparative analysis of national economies**

Comparative economic analysis of countries and their economic relations include main criteria; among them are economic system classification, the structure of economy and its international trade. It suggests that countries encompass great diversity in population, economic development, and trade and investment patterns.

### **Topic 4 Endogenous economic growth**

Endogenous growth theory holds that economic growth is primarily the result of endogenous and not external forces. Endogenous growth theory holds that investment in human capital, innovation, and knowledge are significant contributors to economic growth. The theory also focuses on positive externalities and spillover effects of a knowledge-based economy which will lead to economic development. The endogenous growth theory primarily holds that the long run growth rate of an economy depends on policy measures.

The AK model, which is the simplest endogenous model, gives a constant-saving-rate of endogenous growth. In neo-classical growth models, the long-run rate of growth is exogenously determined by either the savings rate (the Harrod–Domar model) or the rate of technical progress (Solow model).

### **Topic 5 Economic development and competitiveness**

In modern international competition, the roles of key stakeholders, including companies, government, and NGOs, have shifted and expanded, and the traditional separation between them works against successful economic development. Moreover, the process of creating and sustaining an economic strategy for a nation or region is a daunting challenge. The organizational structures, institutional structures, and change processes required for sustained improvements in competitiveness.

### **Topic 6** Innovations and economic growth

Illustrates why technological innovation is considered as a major force in economic growth and focuses on some of the most distinctive features of innovation in the highly industrialized economies. It also touches on the impact of technological innovation in different industries and how it is transforming the business model.

The main postulations of the R&D based growth models that innovation is created in the R&D sectors and it enables sustainable economic growth, provided that there are constant returns to innovation in terms of R&D. Innovation is often seen as carried out by highly educated labour in R&D intensive companies with strong ties to leading centers of excellence in the scientific world.

### **Topic 7** Models of social and economic development

There are diversity of the national systems of institutions and regulations. Socio-economic models can be defined as original systems of institutions and regulations that display a long lasting efficiency and support in regard of the objective (and the means) that are valued by the majority of the population. Countries that have experimented original mixes of institutions and regulations are mostly emerging ones.

### **Topic 8** Model of new industrial development

New technologies are transforming manufacturing, making it leaner and smarter. There are different viewpoints stated by experts on coming revolution in the making. The most familiar manufacturing technologies as: internet of things, 3D printing, advanced energy technologies, etc. The internet of things creates opportunities for more direct integration between the physical world and computer-based systems. 3D printing, also known as additive manufacturing, refers to various processes used to synthesize a three-dimensional object. Advanced energy technologies refers to renewable energy, electric and hybrid vehicles, smart grids and focuses on going away of fossil fuel and climate change prevention. Dissemination of new industrial technologies can result in the global value chains evolution and shifts in certain regions international specialization.

### **Topic 9** Value added increasing: methods and resources

Value added is used to describe instances where a firm takes a product that may be considered a homogeneous product, with few differences (if any) from that of a competitor, and provides potential customers with a feature or add-on that gives it a greater sense of value. Among different ways of increasing value added are to **increase profitability, establish recurring revenue agreements, create seamless processes and routines, keep key employees on board, differentiate product or services,** tidy

**Teaching and methodical card of the course**

Theme number	Outline	Quantity of Academic hours						Other	Testing
		Lectures	Practical studies	Seminars	Laboratory work	Controlled independent work			
						Lectures	Practical studies		
1	Theories explaining economic development	3	2					[2,3,5,13,14]	Test
2	Macroeconomic statistics	2	1			4	2	[1, 4-6]	Analytical research
3	Comparative analysis of national economies	2				2	2	[3,5,10,14]	Test, essay
4	Endogenous economic growth	2	2			2		[3,4,12,14]	Esay
5	Economic development and competitiveness	2					2	[1,7,11,12]	Analytical research
6	Innovations and economic growth	1				4	2	[2,12-14]	Test, essay
7	Models of social and economic development	2	2					[1-3,5,9,14]	Test
8	Model of new industrial development	2	2					[2,3,6,9]	Test
9	Value added increasing: methods and resources	2	1			4	2	[2,5,6,12]	Essay, PowerPoint Presentation
	<b>Total</b>	<b>18</b>	<b>10</b>			<b>16</b>	<b>10</b>		<b>Exam</b>

## **Information and methodology**

### *Methodical recommendations to organize self-students work on the course “Logistics”*

The important stage in learning course is students' independent work. The recommended budget time for independent work is on average 2-2.5 hours to 2 hours of practical studies.

The main areas of students' independent work are:

- Firsthand detailed acquaintance with program and structure of the course;
- Learning reading list (compulsory and additional); visiting libraries and other informative places; search more specific research/working papers for exact topics of the course;
- Learning and finding additional lecture materials through special documents and consultations;
- Be prepare for testing (oral and writing tests, computer tests);
- Be prepare for exam.



## LITERATURE

### Compulsory:

1. Balceronicz, L., Rzońca, A. Puzzles of Economic Growth. – Washington: The World Bank, 2015. – 331 p.
2. Dopfer, K. The evolutionary foundations of economics. – Cambridge: Cambridge University Press, 2005. – 592 p.
3. Grandville de La, O. Economic Growth: a unified approach. – New-York: Cambridge University Press, 2009. – 376 p.
4. Harcourt, G., Karmel, P., Wallace, R. Economic Activity. – Cambridge: Cambridge University Press, 2008. – 340 p.
5. Odagiri, H. The theory of growth in corporate economy: management, preference, research and development, and economic growth. – Cambridge: Cambridge University Press, 2008. – 236 p.
6. Soubbotina, T.P. Beyond Economic Growth: An Introduction to sustainable Development. – Washington: The World Bank, 2000. – 2005 p.

### Additional:

7. Aiginger, K., Bärenthaler-Sieber, S., Vogel, J. Competitiveness under new Perspectives // WWW for Europe Working Paper. – 2013. – October (#43). – 97 p.
8. Allison, H.E., Hobbs, R.J. Science and Policy in Natural Resource Management: understanding system complexity. – Cambridge: Cambridge University Press, 2012. – 266 p.
9. Barbier, E.B. Natural Resources and Economic Development. – New-York: Cambridge University Press, 2007. – 428 p.
10. Barro, R.J. Economic growth in a cross section of countries // The Quarterly Journal of Economics, 2001. – May. – PP. 407-443.
11. Delgado, M., Ketels, C., Porter, M., Stern, S. The Determinants of national competitiveness // NBER Working Paper. – 2012. – # 18249. – 48 p.
12. Milberg, W., Winkler, D. Outsourcing Economics: global value chains in Capitalist Development. – Cambridge: Cambridge University Press, 2013. – 376 p.
13. Rosenberg, N. Exploring the black box: technology, economics and history. – Cambridge: Cambridge University Press, 2000. – 288 p.
14. Skocpol, T. Social Revolutions in the modern world. – Cambridge: Cambridge University Press, 1994. – 388 p.

## Protocol of program endorsement

Name of the course, which is connected with this course	Competent department	Department proposals of changes in course program structure	Department decision (minutes, number and date)

**Changes in program**  
for 20\_\_\_/ 20\_\_\_ year

№	Changes	Reason

Work program is reviewed and approved by Department  
\_\_\_\_\_ (minutes № \_\_ from \_\_\_\_\_ 2019).

Head of Department

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

Approved:  
Dean of Higher School of Management and Business:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date