

## SEMESTER AT SEA COURSE SYLLABUS

**Discipline: Economics**

**Fall 2008**

**ECON 321Z: Development Economics and Policy**

**Upper Division**

**Faculty Name: Veronica Cadac Warnock**

**Pre-requisites:** Principles of Economics (Introductory Microeconomics and Introductory Macroeconomics)

### COURSE DESCRIPTION AND OBJECTIVES

Poverty, inequality, stagnation, urban pressures, environmental degradation, epidemics, violence, distress and economic instability are persistent and widespread. Large numbers of people in many of the countries on our voyage are beset by these socioeconomic problems. At the same time, the quality of life of millions is improving. What explains the failures and successes in development? This course addresses this by introducing key concepts, theories and methods in development economics, exploring commonalities and differences across developing countries, and discussing the role of government and international institutions in effecting prosperity and equity. This course also aims to raise awareness and help students develop critical and broader perspectives on development problems, policies, strategies, successes and failures, as they travel around the world and experience diverse environments and cultures.

### COURSE OUTLINE

	Topic	
1	INTRODUCTION AND OVERVIEW	Meier (2007) Ch, 1 Appendix B
2	Development Institutions	Meier (2007) Ch 3
3	Lives of the Poor	Banerjee (2007)
	<i>Brazil</i>	
4	THEORIES/MODELS Classical Growth Economics	Meier (2007) Ch 2
5-6	Early Development Models	Meier (2007) Ch 4, Ch 5
	<i>Namibia</i>	
7	>>South Africa	Warnock F. (2007) <i>guest</i>
	<i>South Africa</i>	
8	>>Millennium Development Goals	<a href="http://www.un.org/millenniumgoals/">http://www.un.org/millenniumgoals/</a> MDG Progress chart
9-10	Modern Growth Theory	Meier (2007) Ch 6-7
11	New Development Economics	Meier (2007) Ch 8
12	MIDTERM EXAM	
	<i>India</i>	

13	DEVELOPMENT ISSUES Trade and Development	Meier (2007) Ch 11; Dadush and Nielson (2007)
14	Global Governance <i>Malaysia</i>	Boughton and Bradford (2007); Gu et al (2008)
15	Urbanization <i>Vietnam</i>	UNFPA (2007) pp. 1-13; Bloom and Khanna (2007)
16	Microfinance <i>HK/China</i>	Bhatt and Tang (2001); Kota (2007); Rajan (2006)
17	Foreign Aid <i>Japan</i>	Easterly (2003)
18	GLOBALIZATION Notions of globalization	Scholte (2007)
19	Literature Review	Meier (2007) Chapter 10
20-21	Globalization Debate <i>Hawaii</i>	Stiglitz (2004) and Bhagwati (2004)
22	SOCIAL CAPITAL & INSTITUTIONS	Meier Ch 9
23	DEVELOPMENT PROSPECTS	Meier Ch 12
Exam		Final Essay

## FIELD COMPONENT

The objective of the field component of this course is for the student to develop a deeper understanding of how the poor live and the different facets of poverty by getting up close with the issue. To this end, it is recommended that you participate in a number of city orientation tours and service visits. Note that I will lead two tours relevant to this course, namely, the Cachoeira tour in Brazil and the Khayelitsha Township/Kuyasa Fund tour in Cape Town, South Africa.

Document what you see and learn from the organized and self-guided field trips completed in seven countries-Brazil, Namibia, South Africa, India, Malaysia, Vietnam, and China incl. Hong Kong--in your field notebook. Describe the living and working conditions. (Take pictures/videos if possible.) Write down your impressions of the people and places you visit. Find out the effects of poverty on individuals and communities. Record evidence of economic progress. Search for indications of an informal economy. Write down thoughts, clarifying and conflicting points, and questions that come up not just in the field but throughout the course. Examine how your field experience relates to the course materials.

The field notebook is due before we arrive in Kobe, Japan.

### SUGGESTED PRACTICA:

SOUTH AFRICA: Kuyasa Fund & Township Tour (FDP)  
HONG KONG: Central to the Peak Tour (FDP)

## **METHODS OF EVALUATION**

The course is designed to be reading and discussion intensive. The readings serve as a foundation and point of departure for our lecture-discussion classes. Students are expected to read all assignments before coming to class and be able to contribute effectively to class discussions. (Absences count against your participation grade.) Periodic quizzes and in-class writing will help you stay on track with reading and demonstrate your understanding of the assigned materials. The field notebook is due before we arrive in Japan. The Midterm Exam will evaluate your understanding of concepts, theories and models of development. The Final Essay synthesizes what you have learned from the academic materials and from the field.

Class Participation – 25 percent  
Quizzes and In-Class Writing – 25 percent  
Field Notebook – 20 percent  
Midterm Exam – 15 percent  
Final Essay – 15 percent

## **REQUIRED TEXTBOOKS**

**AUTHOR:** Gerald M. Meier  
**TITLE:** Biography of a Subject: An Evolution of Development Economics  
**PUBLISHER:** Oxford University Press  
**ISBN #:** 0-19-517003-2 (pbk)  
**DATE/EDITION:** 2005  
**COST:** 27.50

### **Course Packet**

## **RESERVE LIBRARY LIST**

**AUTHOR:** Michael P. Todaro and Stephen C. Smith  
**TITLE:** Economic Development  
**PUBLISHER:** Pearson Addison Wesley  
**ISBN-** 0-321-27888-7  
**DATE/EDITION:** 2006, 9th edition

**AUTHOR:** Amartya Sen  
**TITLE:** Development as Freedom  
**PUBLISHER:** Anchor  
**ISBN-10:** 0385720270  
**ISBN-13:** 978-0385720274  
**DATE/EDITION:** 2000

**AUTHOR:** Paul A. Samuelson and William D. Nordhaus

**TITLE:** Economics

**PUBLISHER:** McGraw-Hill-Irwin

**ISBN-0-07-287-205-5**

**DATE/EDITION:** 2005, 18th edition

**AUTHOR:** World Resources Institute

**TITLE:** The Next 4 Billion: Market Size and Market Strategy at the Base of the Pyramid

**PUBLISHER:** IFC/World Resources Institute

**ISBN #:** ISBN 1-56973-625-1 (soft cover)

**DATE/EDITION:** 2007

PDF available online

### **ELECTRONIC COURSE MATERIALS**

Ahmad (2007). "Big or Too Big." Finance and Development. Volume 44, Number 3, pp. 20-23.

Banerjee and Duflo (2007). "The Economic Lives of the Poor." Journal of Economic Perspectives. Volume 21, Number 1, pp. 141–167. **packet**

Besley and Burgess (2003). "Halving Global Poverty." Journal of Economic Perspectives. Volume 17, No. 3, pp. 3-22. *optional*

Bhagwati (2004). "Anti-globalization: why?" Journal of Policy Modeling. Volume 26, pp. 439-463. **packet**

Bhatt and Tang (2001). "Delivering Microfinance in Developing Countries: Controversies and Policy Perspectives." Policy Studies Journal. Volume 29, Number 2, pp. 319-333. **packet**

Bloom and Khanna (2007). "Urban Revolution;" Finance and Development. Volume 44, Number 3, pp. 9-14. **packet**

Boughton and Bradford (2007). "Global Governance: New Players, New Rules." Finance & Development. Volume 44, Number 4.

Dadush and Nielson (2007). "Governing Global Trade." Finance and Development. Volume 44, Number 4, pp. 20-23.

Easterly (2003). "Can Foreign Aid Buy Growth?" Journal of Economic Perspectives. Volume 17, Number , pp. 23–48. **packet**

Easterly (2007). "Are Aid Agencies Improving?" Economic Policy October, pp. 633–678. *optional*

Gu et al (2008). "Global Governance and Developing Countries: The Implications of the Rise of China." World Development. Volume 36, No. 2, pp. 274-292. **packet**

Jha and Bawa (2007). "The Economic and Environmental Outcomes of Microfinance Projects: An Indian Case Study." Environment, Development and Sustainability. Volume 9, pp. 229-239.

*optional*

Kingdon and Knight (2004). "Unemployment in South Africa: The Nature of the Beast." World Development. Volume 32, No. 3, pp. 391-408. *optional*

Kota (2007). "Microfinance: Banking for the Poor." Finance and Development. Volume 44, Number 2.

Morcotullio and Schulz (2007). "Comparison of Energy Transitions in the United States and Developing and Industrializing Economies." World Development. Volume 35, No. 10, pp. 1650-1683. *optional*

Rajan (2006). "Separate and Unequal." Finance and Development. Volume 43, Number 1.

Ravallion (2007). "Urban Poverty;" Finance and Development. Volume 44, Number 3, pp. 15-17.

Scholte (2007). "Defining Globalisation." The World Economy. doi:10.1111/j.1467-9701.2007.01019.x **packet**

Stiglitz (2004). "Globalization and Growth in Emerging Markets." Journal of Policy Modeling. Volume 26, pp. 465-484. **packet**

Tignor (2004). "Unlimited Supplies of Labor," Manchester School. Vol. 72, Number. 6, December, pp. 691-711. *Optional*

UN. Millennium Development Goals. <http://www.un.org/millenniumgoals/>

UN. MDG Progress Chart.

UNFPA (2007). State of World Population 2007: Unleashing the Potential of Urban Growth [http://www.unfpa.org/swp/2007/presskit/pdf/sowp2007\\_eng.pdf](http://www.unfpa.org/swp/2007/presskit/pdf/sowp2007_eng.pdf)

Warnock (2007) South Africa.