

MONTEREY INSTITUTE OF INTERNATIONAL STUDIES
GRADUATE SCHOOL OF INTERNATIONAL POLICY STUDIES

IP551 Development Economics

SYLLABUS - FALL 2005 FERNANDO DE PAOLIS (fernando.de.paolis@miis.edu)

FORMAT

Lecture: Tuesday - Thursday 8:00-9:50 -- Morse B209

Office Hours: Tuesday - Thursday 2:30-4:30 PM. 116 McCone. (Also by appointment)

Virtual Classroom: Visit <http://faculty.miis.edu/~fdepaolis/teaching.htm> for changes and additions regarding syllabus, homework, datasets, and assignments. Also, check daily the course conference on First Class. Once the information has been published, I will assume that you are aware of the changes or additions. Check both sources regularly.

DESCRIPTION

The course is designed to introduce students to the complex subject of Economic Development, its theoretical framework and the policies designed to stimulate it. That complexity is derived conceptualizing the nature of economic development as the intersection of economic, political and social dimensions and their evolution overtime. The course will address the technical, ideological and sociological implications of the "process of economic development" in both more and less developed economies around the world.

Every year, a development issue is selected to be the guiding theme of the course. This year, the theme is "*DEVELOPMENT POLICY and POVERTY REDUCTION.*" This will be the dominant issue and the main focus of readings, assignments and tests.

OBJECTIVES

Upon the completion of the course, students will be able to:

- Understand the interplay of the economic, political and social dimensions of the process of development in the context of a global political economy.
- Understand alternative theories and paradigms of economic development, their historical evolution and the current state of the main debates in the field.
- Think analytically about the problems facing developing countries, as well as the policy options available to address those problems.
- Apply different techniques to measure income growth and distribution, absolute and relative poverty, and other related concepts.
- Examine, in a critical fashion, the role that international agencies, international trade relations, and foreign aid and investment play in the process of economic development.

Last Modified 08-10-05

TEXTBOOKS & OTHER MATERIAL

Required:

- **Ray, Debraj** Development Economics. Princeton University Press 1998.
- Additional readings will be distributed in class or electronically.

Suggested:

- **Todaro, Michael**. Economic Development, 9th Edition. Pearson. 2006. (Some chapters will be available in reader format).
- **Sen, Amartya**. Development as Freedom. Anchor Books. 1999.
- **(*) World Bank**. World Development Report (various years).
- **(*) UNDP**. Human Development Report (various years).
- **Peet, Richard**. Theories of Development. The Guilford Press. 1999.
- **Perkins, D. et al.** Economics of Development, 5th Edition. W.W. Norton & Co. 2001.
- Subscribe to / visit www.undp.org and www.eldis.org

(*) Students are responsible for becoming familiar with these publications, especially the data appendices.

METHODOLOGY AND POLICIES

METHODOLOGY

The course is developed as a series of twice-a-week lectures and class discussions. The lectures follow the structure of Ray's book, and other material, some of which is indicated in the list of suggested textbooks, as well as occasional readings, which will be available at the MIIS library (reserve desk), and/or will be distributed electronically. Students are expected to read the material assigned and be prepared to answer questions during class.

For the academic experience to be fully realized, student's involvement is not only welcome but required. Notice that part of your grade is determined by your level of preparedness and participation in class. Be prepared to participate asking and answering questions during class.

KEYS TO STUDENT SUCCESS

There are a few suggestions that—over the years—have helped students succeed in this class. The first one is to attend the lectures regularly. Second, read the assigned material in advance. Third, work on your assignments as if they were part of your professional production (which they are) and submit them in a timely fashion. Finally, participate in class.

WORK SUBMISSION

Homework is due by 5:00 p.m. of the date specified. It will be returned one week from that date. Homework which is submitted late, but before the week is over will be marked down a grade. Late homework must be submitted before the graded homework is returned. Late submission of the final paper is not allowed.

ACADEMIC CONDUCT

Students are responsible for abiding the rules in the Academic Policy and Standards Manual (APSM). The most serious academic offense in this course is plagiarism, as defined in APSM. I treat this issue very, very seriously. Assignments in which students failed to cite source in the proper fashion will receive a failing "F" grade. I reserve the right to submit any of your work (including drafts and informal pieces) to plagiarism search engines and sites. **No replacement assignment will be given in lieu of the failed assignment.** Students who, through action or omission, facilitate the commission of plagiarism are violating academic integrity. This behavior is unacceptable in all cases (written assignment, in-class tests, etc.) and will be severely penalized.

REQUIREMENTS AND GRADING

Class preparation & participation	10%
Term Project (incl. partial submissions and presentation)	30%
Other Assignments	10%
Exams	
Short Quizzes (combined)	25%
Long Quiz	25%
Total	100%

LETTER GRADE SCALE

Letter grades are derived from natural breaks in numeric grades. Most of the time, "numeric" grades are rounded upward when calculating the "letter" grade.

SCHEDULE AND WEEKLY READINGS

PART I. Concepts and Theories

Week 1 August 30 – September 1

Class Introduction. Positioning. Some basic Macroeconomics definitions.

Readings:

Week 2 September 6-8

Classic Theories of Economic Development. Linear Stages. Structural Change. Dependency Theory. Neoclassical Revival.

Readings: Ray 3.

Week 3 September 13-15 Continuation

Week 4 September 20-22

Contemporary Theories of Economic Development.
Endogenous Growth. Globalization.

Sep 16 Country Selection. Basic Outline. Prelim bibliography.
--

Readings: Ray 4-5.

Week 5 September 27-29 Continuation

Sep 29 SHORT QUIZ #1

PART II. Domestic Issues

Week 6 October 4-6

Growth versus Distribution. Distributional Effects of Economic Growth and its Relation to Development.

Readings: Ray 6-7

Oct 7 – Country Analysis I.

Week 7 October 11-13

Poverty. Principles. Observing and measuring.

Readings: Ray 8

Oct 24 – Book Review is Due.

Week 8 October 18-20

The Demographic Imperative.

Readings: Ray 9

Week 9 October 25-27

Urbanization and Internal Migration. Origin and Role of Cities. Toward an Urban World?

Readings: Ray 10

Week 10 November 1-3

Human Capital. The Role of Education and Health in Development.

Readings: Todaro 8

Nov 1 or 3 – SHORT QUIZ #2.

Week 11 November 8-10

The Environmental Critique. Development or Sustainability: Real or Perceived Conflict?

Readings: Todaro 10; Clapp & Dauvergne 1

Nov 11 – Country Analysis II.

PART III. International Issues

Week 12 November 15-17

Globalization. Trade and Finance. Effects on Development Paths.

Readings: Ray 16,17,18

Week 13 November 22-24

The Role of the State and Civil Society in the Development Process.

Readings: Todaro 11

Week 14 November 29 - December 1

Student presentations (**)

Nov 29 – LONG QUIZ.

Week 15 December 6

Student presentations (**)

Dec 9 – Complete Paper.

(**) Subject to time availability.