

Introduction

If one were to reflect for a moment on the most significant areas of concern that the field of economics addresses, economic development would rank at or near the top of the list. A considerable percentage of the world's population lives on less than \$2 a day. This course is consequently devoted to the study of economic development. In the course of trying to better understand life in developing countries we shall focus on describing some country-specific settings, theories of economic development as well as policies that seek to encourage the process of economic growth.

On the adjustments made for Spring 2020 and the current pandemic

This semester will be a challenging one in a number of different ways. Every effort will be made to continue the high level of quality instruction DePaul University students deserve and rely on, while recognizing the challenges faced by students, instructors and staff. The volume of information regarding the coronavirus is daunting. Among the sources that one would expect to be unbiased, authoritative and consistently updated is the Coronavirus Resource Center found at the health.harvard.edu website. Never hesitate to ask a question or to contribute a positive response with respect to various and sundry topics. I have no medical training, but the following seem to be the best basic practices: 1) cover your mouth when you cough or sneeze; 2) wash your hands; 3) try to avoid touching your face.

In terms of course material, students will be asked to follow along with the readings which are arranged in the outline below based on the sequence of topics we will consider in this course. Information from the instructor will be provided in different forms, including self-standing videos, video lectures, MS PowerPoint and MS Word documents. Discussion topics will be posted on D2L for the introductory presentation regarding the class and for each individual topic area covered, e.g. measuring economic development, the neoliberal policy experiment in Chile under Pinochet, and so on. A self-standing discussion topic devoted solely to COVID-19 and related topics will be created for students to participate in. The discussions regarding COVID-19 will not be graded and will not count toward the final course grade. Please post responsibly in this arena, relying on verifiable authoritative sources.

All communications concerning individual private matters should be conducted via email directly with the instructor.

The Administration of the College of Business is asking that all classes be asynchronous—a word I never used prior to the last week. That means that classes will not be provided in real time, e.g. a TTH 9-10:40 class will not meet at those times. Students will be able to access materials at any time day or night within certain constraints. I shall be loading material that corresponds to what would typically be covered in a standard week by midnight Sunday night of each week. This is the place to start each week since this is the lecture-type material to be digested/learning/studied for the coming week. Sometimes this material will be

audio-enhanced PowerPoint presentations, sometimes MS Word documents, sometimes videos embedded in D2L. Then, by Tuesday midnight, 48 hours later, I will be adding the discussion question(s) for the week. The deadline for loading discussion posts for each individual week is midnight (CDT) on Friday evening of each week. Both sets of material though will remain available throughout the week. Review the material at your own pace, but I would suggest imposing some type of schedule, e.g. reading/viewing material for the week on Monday-Wednesday at some regular time, then checking the discussion posts Wednesday-Friday again at some fairly standardized time. An example of best practices with respect to discussion posts will be provided in the first week.

Keep in mind that these changes will not be permanent and that life will return to a more normal one in the near future. The financial crash of 2008 was a devastating event, wiping away \$24 trillion in assets. In the years that followed, however, the U.S. economy entered the longest economic expansion in our entire history. That episode has ended, but just as surely as recessions follow expansions, an expansion will follow the developing economic downturn. One is not a Pollyanna in recognizing, to quote the songwriter, that ‘the sun’ll come out tomorrow.’ We shall get past this episode by listening to reason and supporting one another. In this crowded hour, keep in mind the statement of President John F. Kennedy made in his 1961 inaugural address: ‘And so, my fellow Americans: ask not what your country can do for you — ask what you can do for your country’.

I will be asking students to voluntarily email me to let me know what city and time zone they believe that they will most often be locating in during the ten week term. This will help me organize the process of keeping in contact with students. Please **do not provide** a specific address.

Testing

There will be two take-home exams in this class, a midterm and a final. The midterm exam, given during the fifth week will account for 40 percent of the final grade. The final exam will account for 40 percent. One week prior to each exam, sample exam questions will be placed on D2L. Students will have 48 hours to complete each of these exams. Each exam will be placed on D2L at noon on the Monday of the relevant week and due on Wednesday at noon. This gives the student three days effectively to finish each exam.

The balance of the grade, 20% percent will be made of scores on discussion posts. Students are required to submit one question for our guest, Mr. Dennis Sheehan, a former Peace Corps volunteer in east Africa, who currently works for the development consulting firm, DAI. In preparing your question for Mr. Sheehan you might visit the peacecorps.gov and/or DAI.com websites for more information. The deadline for submitting a question for Mr. Sheehan is April 10. Four additional discussion post responses to questions posted by the instructor over the course of the term are also required. Each question and post will earn a maximum of four points (A = 4, B = 3, C = 2, D = 1 and F = 0), for a possible maximum of 20 points. These questions and responses will then form the basis for the midterm and final exams. Discussion posts should be in your own words—do not copy and paste from PowerPoints or Word documents. A

detailed three to four sentence posting will be sufficient to earn maximum points—do not hoard responses. Points will be subtracted if a student hoards toilet paper a response. Again, three to four sentences will be sufficient. This format implies that every student will not be able to post on every question posed, but should have no difficulty doing so before the term is complete. An example of best practices will be supplied in the first week posting.

As the average grade in a standard upper division class typically finishes at 75 percent or higher, the standard ten point grading scale will be relied upon in making final course grade decisions, i.e. 100-90 = A, 89-80 = B and so on. Borderline grade decisions at the end of the course will be based on exam improvement between the midterm and the final.

Outline

I shall be starting off the course by posting a short video that includes with a brief introduction to the course material and how we shall attempt to conduct this grand experiment. Throughout the term I shall be posting videos and audio presentations on D2L to complement the readings listed below.

Lecture 1. Introduction to economic development:

1. How can we measure economic development
2. An alternative: the freedoms and unfreedoms of Amartya Sen
3. There is no such thing as a typical developing country

Readings:

- A. Hans Rosling on development:
www.ted.com/talks/hans_rosling_the_best_stats_you_ve_ever_seen
- B. A.V. Banerjee and Duflo, E. (2007). “The Economic Lives of the Poor”. *The Journal of Economic Perspectives*. 21 (1): 141–167.
- C. granta.com/how-to-write-about-africa/ Binyavanga Wainaina
- D. www.ted.com/talks/elif_shafak_the_politics_of_fiction?language=en
- E. www.pbs.org/pov/watch/goodfortune/video-goodfortune-classroom-clip-amartya-sen-on-development/

Lecture 2. Mainstream theories of development

1. Harrod-Domar model
2. Lewis model
3. Ranis-Fei
4. Kremer's O-ring

Readings:

- A. <https://www.youtube.com/watch?v=ZJMF7pFgMf0>
- B. <https://www.econlib.org/library/Enc/bios/Lewis.html>
- C. www.bbc.com/news/world-asia-india-50048519
- D. www.youtube.com/watch?v=CKkOmIW9bjg

Lecture 3. Snapshot 1: Chile. An application of neoliberal policy

Readings:

- A. slate.com/business/2016/01/in-chicago-boys-the-story-of-chilean-economists-who-studied-in-america-and-then-remade-their-country.html
- B. theguardian.com/commentisfree/2019/nov/13/why-is-inequality-booming-in-chile-blame-the-chicago-boys
- C. www.citylab.com/equity/2019/10/chile-protest-santiago-metro-public-transit-fare-inequality/600874/
- D. www.nytimes.com/2020/01/24/opinion/chile-protests.html
- E. “Chicago Boys” video. This video can be accessed by searching the DePaul Library website for ‘Alexander Street’ and then searching **all videos** for “Chicago Boys.”

Lecture 4. A success story: Singapore

Readings:

- A. hbr.org/2015/02/how-singapore-became-an-entrepreneurial-hub

Lecture 5. Skype session with Mr. Dennis Sheehan, former Peace Corps volunteer and staff member for Kenya and Mozambique of DAI.

Lecture 6: Gandhian Socialism and Microfinance

Readings:

- A. Kazuya Ishii. The Socioeconomic Thought of Mahatma Gandhi: Origin of Alternative Development. Sept. 2001. *Review of Social Economy*, 59 (3), 297-312.
- B. Rajdeep Sengupta and Craig P. Aubuchon, The Microfinance Revolution: An Overview. *Federal Reserve Bank of St. Louis Review*. January/February 2008: pp. 9-30.

Lecture 7: Islamic economic theory: Islamic finance

Readings:

- A. Timur Kuran. “The genesis of Islamic economics: A chapter in the politics of Muslim identity.” *Social Research* v64 n2 (Summer 1997) 301-338.

Lecture 8: Snapshot 2: Turkey. Islamic economic theory in practice

Readings:

- A. Nilgun Onder. "Turkish Political Economy: Globalization and Regionalism." *Perspectives on Global Development & Technology*. 2007, Vol. 6 Issue 1-3, pp. 229-259.

Lecture 9: Relations with high-income market economies

9.1 Foreign aid

Readings:

- A. <https://www.brookings.edu/blog/unpacked/2017/04/07/myths-about-u-s-foreign-aid/>
B. <https://www.brookings.edu/blog/future-development/2017/05/08/once-more-into-the-breach-does-foreign-aid-work/>
C. C. Graham. "Foreign Aid." *The Brookings Review*. Vol. 15, No. 2 (Spring, 1997) 19-20.
D. Abhijit Banerjee: "Making Aid Work," *Boston Review*, July 2006.
E. www.ted.com/talks/andrew_mwenda_aid_for_africa_no_thanks#t-133636

9.2 International relationships and institutions.

9.2.1 GMOs: Trading with the high income market economies—which ones?

Readings:

- A: Robert Paarlberg. "GMO foods and crops: Africa's Choice." *New Biotechnology*. November 2010. 25 (5): 609-13.

9.2.2 The WTO goes bananas

Readings:

- A. Anthony Payne. "After Bananas: The IMF and the Politics of Stabilization and Diversification in Dominica." *Bulletin of Latin American Research*. V.27 n.3 (July 2008) pp. 317-332.

9.2.3 Colonization and its aftermath: Burma and her sins

Readings:

- A. Ian Brown. "Tracing Burma's Economic Failure to Its Colonial Inheritance." *Business History Review* v.85 n.4 (Winter 2011) pp. 725-747.