Economics of Development
PPA 757 / ECN 661
Spring 2011

John McPeak
336 Eggers Hall
Office Phone: 443-6146
web page: http://faculty.maxwell.syr.edu/jomcpeak/
e-mail: jomcpeak@maxwell.syr.edu
Office Hours: M W 10:30-12:00.

Course Description:
This course will familiarize the student with a variety of alternative theories on what causes (or
hinders) economic development. Different strategies and outcomes from a variety of settings will be
presented and discussed. The goal of the course is to develop the student’s understanding of
international, national, sectoral, local, and household level issues related to economic development
and the language used by economists to discuss these issues. Special attention will be given to the
following questions: how do we explain economic growth?; how do we measure and understand
poverty and poverty dynamics? what are the environmental implications of economic development?;
and how are urban/industrial needs balanced against rural/agricultural needs in development? The
course is aimed at students who have taken a basic economic course, and effort will be made to stress
how economic theory relates to development policy.

Materials:

Articles linked to in this syllabus

Others will be available as pdf files.

Grading:
Two exams, 30 points each, total of 60 points.
10 homeworks, 2 points each, total of 20 points
Presentation (poster or power point), 5 points.
Term paper, 15 points.

Exams.
There will be two exams, one in class covering the first section of the course, the second during the
final exam period covering the second half of the course. They will be closed book exams, and are
accorded the same number of points. The final is not comprehensive. A calculator can be used in the
class. If you have a multi function calculator, it is not acceptable to use this for any purpose other
than basic calculations during the exam. Non native English speakers are allowed to bring in a
dictionary to aid in translation if they so desire.
**Homework:**
Students will select a country to follow throughout the semester. They will research this country for each of the topical themes in class. A one to two page brief on the status and major issues facing the country in terms of this topic will be required. Each brief is worth two points.

**Presentation:** The last three classes of the semester will be devoted to students presenting the findings of their research. Students will have the choice of presenting a 10 minute power point summary of their findings or preparing a poster. More details will follow as we get further into the semester.

**Term paper.**
The student will be responsible for a term paper of 15-20 page length (12 point, double spaced, standard academic references). The paper will be a statement of the status and prospects of the particular issue and at the appropriate level in the country the student selects. The paper should highlight: one, what is the current status and what are the major issues facing the sector on which you are focusing; two, how did the sector come to be in this situation from a historical perspective, and three, what are the priorities in this sector and for the future and how do you suggest decision makers go about addressing these priorities. The student should illustrate that these insights were developed by conducting extensive research on their chosen country and sector – this is a research paper. The paper is due by May 3rd, the last day of class.

**Note on academic honesty:**
Syracuse University policy requires students to "exhibit honesty in all academic endeavors. Cheating in any form is not tolerated, nor is assisting another person to cheat. The submission of any work by a student is taken as a guarantee that the thoughts and expressions in it are the student's own except when properly credited to another. Violations of this principle include giving or receiving aid in an exam or where otherwise prohibited, fraud, plagiarism, or any other deceptive act in connection with academic work. Plagiarism is the representation of another's words, ideas, programs, formulae, opinions, or other products of work as one's own, either overtly or by failing to attribute them to their true source" (Syracuse University Bulletin 2003-2004: p. 2).
The PA office has suggested students can refer to the following web site if in doubt about the rules concerning how to cite properly to avoid inadvertently committing plagiarism. :http://www.essex.ac.uk/sociology/course_materials/doc_down/PhD_handbook.pdf
Not only will you truly disappoint me if you violate the policy on academic honesty, but you will lose any chance of me ever writing a letter of reference for you that does not refer to the incident, and by your own actions will have placed your professional career in jeopardy.

**Office Hours:** Noted above are my office hours. I am pretty open to scheduling times outside of these if you contact me by e-mail to make other arrangements if these times do not work for you.
First six weeks of the course (January 19-February 23): Development, Growth, International Institutions, Trade, and Aid.

January 19, 24
*Development Economics – what is it and what do we mean when we say it is a developing country?*


Chapter 1. “Economics, Institutions, and Development”

Chapter 2. “Comparative Development”

January 26, 31, February 2,7
*Development Theory*

Chapter 3. “Classic Theories of Economic Development”

Easterly, William (2002). Chapters 2 and 3 of *The Elusive Quest for Growth*.


Chapter 4. “Contemporary Models of Development and Underdevelopment”


HW #1 Growth experience in your country due February 9th.

February 9, 14
*International Issues 1*


HW #2 Trade and your country due February 16th.
February 16, 21, 23  
*International Issues 2, Development Policy*


Chapter 15. “Foreign Finance, Investment, and Aid”

HW #3. Aid / investment / financial restructuring in your country due February 23rd.

February 28: Exam covering first part of the course

March 2, 7, 9  
*Poverty and Inequality*

Chapter 5. “Poverty, Inequality, and Development”


HW #4. Poverty / inequality due March 9th.

Third week of March is Spring Break.

March 21, 23.  
*Population issues.*


March 28, 30, April 4  
*Urbanization, Migration, Rural sector, Agriculture topics*

Chapter 7. “Urbanization and Rural-Urban migration”

HW #6. Urbanization / migration / informal sector due March 30th
Chapter 9. “Agricultural Transformation and Rural Development”
Chapter 1 in Agricultural Development in the Third World 2nd edition. Carl K. Eicher and John

HW #7. Agriculture / rural development due April 6th

April 6, 11
*Human Capital I and II: Education and Health*
Chapter 9. “Human Capital”

Development. 22(9): 1325-1343.

HW #8 education and
HW #9 health due April 13th

April 13, 18.
*Environment and Development*


Agricultural Intensification, Economic Development and the Environment.” Chapter 1 in Tradeoffs

HW #10. Environmental issues due April 25th

April 20, 25, May 2
In class presentations

April 27th I will be away and will arrange a guest speaker

**Final Exam: TBA**

Final is an exam covering the second half of the course.