

**ECONOMICS 305/  
DEVELOPMENT STUDIES 305  
Economic Development I**

**Fall 2018**

**Instructor:** Santo Dodaro  
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**Office Hours:**

**Monday** ..... 11:15 am – 2:00 pm  
**Wednesday** ..... 11:15 am – 2:00 pm  
**Thursday** ..... 11:15 am – 2:00 pm.  
*At other times by appointment*

**Course Description:**

The course provides an overview of the most pressing issues and problems facing present day LDCs (the Global South). The course also provides a broad but also detailed analysis of the various attempts to deal with the problems facing these countries through the promotion of economic growth and development over time. In the process it provides a clear overview of the evolution of ideas and their implication for economic development up to the present time.

**Course Objectives:**

The objective is to provide a broad based understanding of the existing economic realities and to begin to formulate the questions that must be answered in the search for appropriate national and international development policies and strategies. In the process it provides an analysis what has been accomplished and the remaining problems that persist and raises questions about where developing countries go from here, especially within the context of an ever changing world.

**Course Evaluation:**

**Short quizzes** ..... 10%  
**Class participation** ..... 5%  
**Term tests (2)** ..... 25%  
**Research Paper** ..... 30%  
**Final Exam** ..... 30%

**Short Quizzes**

*A total of 7 short quizzes, mostly involving multiple choice questions will be given during the term, with the best 5 counted. While I often announce them in the previous class they can also be unannounced. There will be no make ups scheduled for these*

## **Research paper - Dates and Deadlines:**

*September 24, 2018 – deadline for choosing research paper topic*

*October 10, 2018 – deadline for handing in the research paper outline*

*November 7, 2018 - group discussions based on research paper findings*

*November 21, 2018 – deadline for research paper*

## **Test Dates:**

*October 15, 2018, Test #1*

*November 14, 2018, Test #2*

## **Class Participation:**

*Class participation will be based on class discussions including those emanating from some of the case studies in the text, periodic one minute essays, and specific questions that are raised as part of the lectures.*

## **Final Exam:**

*To be announced*

## **Required Textbook:**

Michael P. Todaro and Stephen C Smith, Economic Development 12<sup>th</sup> edition (Pearson- Addison Wesley, 2015).

(If you already have Michael P. Todaro and Stephen C Smith, Economic Development 11<sup>th</sup> edition (Pearson- Addison Wesley, 2012) you may use that edition).

## **Additional Texts:**

- Besley, Timothy (ed), Contemporary Issues in Development Economics (Palgrave Macmillan, 2016) *HD 75 C66*
- Cypher, James M., The Process of Economic Development 4<sup>th</sup> edition (Routledge, 2014)
- De Janvry, Alain and Elisabeth Sadoulet, Economic Development: Theory and Practice (Routledge, 2016).
- Easterly, William, The Elusive Quest for Growth: Economist's Adventures and Misadventures in the Tropics (MIT Press, 2001)
- Mavrotas, George and Anthony Shorrocks (eds), Advancing Development: Core Themes in Global Economics (Palgrave Macmillan, 2007) *HD 73 A33*
- Nafziger, E. Wayne, Economic Development 5<sup>th</sup> edition (Cambridge University Press, 2012) or 4<sup>th</sup> edition (Cambridge University Press, 2005)
- Roland, Gerard, Development Economics (Pearson, 2014)
- Schaffner, Julie, Development Economics: Theory, Empirical Research and Policy Analysis (Wiley, 2014)
- Secondi, Georgio (ed), The Development Economics Reader (Routledge, 2008)

## **Abbreviated Course Outline**

*All students are required to read the Todaro and Smith text plus any additional material assigned at the start of each topic, which may include some additional readings, especially for periodic group and class discussions. Students are encouraged to read additional material, particularly in areas that they are most interested in. Lecture notes, power point presentations and the like will be posted on moodle.*

**September 5, 2016 – September 10, 2018**

### **I. Introduction and Overview of the General State of the World**

#### **Required Reading**

- Todaro & Smith, chapter 1 (pp. 2-9), chapter 2 and Case Study (pp. 96-101).  
[Todaro & Smith (11<sup>th</sup> edition), chapter 1 (pp. 2-7), chapter 2 and Case Study (pp. 94-99)].
- Easterly, William, The Elusive Quest for Growth (2001), chapter 1, (pp. 5-15)

**September 12, 2018 – September 17, 2018**

### **II. The Meaning of Development and Measurement Problems.**

#### **Required Reading**

- Todaro & Smith, chapter 1 (pp. 9-29 & 36) and Case Study (pp. 30-35).  
[Todaro & Smith (11<sup>th</sup> edition), chapter 1 (pp. 7-27 & 34) and Case Study (pp. 28-33)].
- Nafziger, E. Wayne, “From Seers to Sen: The Meaning of Economic Development” in Mavrotas and Shorrocks (2007), pp. 50-62.

**September 19, 2018 – September 24, 2018** *(September 24, 2018, deadline for choosing the essay topic)*

### **III. Introduction to the Theory of Growth and Development**

#### **(a) Introduction to Economic Growth and Its Components and Constraints**

#### **Required Reading**

- Todaro & Smith, chapter 3, appendix 3.1 (pp. 149-154) & Case Studies, (pp. 142-145 & pp. 200-209)  
[Todaro & Smith (11<sup>th</sup> edition), chapter 3, appendix 3.1 (pp. 142-146) & Case Studies, (pp. 133-136 & pp. 189-194)].

#### **(b) The Pattern and Structure of Development**

#### **Required Reading**

- Todaro & Smith, chapter 3 (pp. 129-131) & chapter 2 (pp. 73-95)  
[Todaro & Smith (11<sup>th</sup> edition), chapter 3 (pp. 120-122) & chapter 2 (pp. 71-93)]

**September 26, 2018 – October 3, 2018**

### **IV. Classical Models of Growth and Development**

#### **(a) The Ricardian Model (*Optional*)**

### **Required Reading**

- Nafziger (2012), chapter 5, pp. 120 – 121

### **(b) The Harrod-Domar Model**

#### **Required Reading**

- Todaro & Smith, chapter 3 (pp. 121-123) [Todaro & Smith (11<sup>th</sup> edition), chapter 3 (pp. 112-114)].

### **(c) The low level equilibrium trap and Minimum Effort Thesis**

#### **Required Reading**

- Todaro & Smith, chapter 6 (pp. 296-301).  
[Todaro & Smith (11<sup>th</sup> edition), chapter 6 (pp. 281-285)].

### **(d) Two Sector and Labor Surplus Models and the Problem of Dualism**

#### **Required Reading**

- Todaro & Smith, chapter 3 ( pp. 124-129 & pp. 133-134)  
[Todaro & Smith (11<sup>th</sup> edition, chapter 3 ( pp. 115-120 & pp. 124-125)]

### **(e) The Theory of the Take-off**

#### **Required Reading**

- Todaro & Smith, chapter 3, (pp. 119 - 120 & 123-124) [Todaro & Smith, chapter 3, (pp. 109 – 111 & 114-115)].
- Nafziger (2012), chapter 5 ( pp. 124 – 127)

**October 10, 2018 –October 17, 2018** (October 10, deadline for handing in the essay outline; October 15, test #1)

## **V. Alternate Approaches to Growth and Development**

### **(a) Balanced & Unbalanced Growth**

#### **Required Reading**

- Todaro & Smith, chapter 4.  
[Todaro & Smith (11<sup>th</sup> edition), chapter 4].
- Nafziger (2012), chapter 5, pp. 128-133

### **(b) Radical Approaches and the Dependency Theory**

#### **Required Reading**

- Todaro & Smith, chapter 3 (pp. 122-126) [Todaro & Smith (11<sup>th</sup> edition), chapter 3 (pp. 131-135)]
- Ferraro, Vincent, “Dependency Theory: An Introduction” in Secondi (2008), pp. 58-64.

- Nafziger (2012), chapter 5 ( pp. 122-123 & 138-144)

### (c) **The Grassroots or Community Based Approach**

#### **Required Reading**

- Todaro & Smith, chapter 11 (pp. 569-582) & Case Study (pp. 583-591)  
[Todaro & Smith (11<sup>th</sup> edition), chapter 11 (pp. 539-551) & Case Study (pp. 552-556)].
- Dodaro and Pluta (relevant material to be provided)

*October 15, 2018 (Term Test #1)*

*October 22, 2018 – October 24, 2019*

## **VI. The Neoclassical Counterrevolution and the Theory of Endogenous Growth**

#### **Required Reading**

- Todaro & Smith, chapter 3 (pp. 135-140) & appendix 3.3 (pp. 159-162), chapter 11, pp. 560-562.  
[Todaro & Smith (11<sup>th</sup> edition), chapters 3 (pp. 126-132) & appendix 3.3 (pp. 150-154)].
- Roland (2014), pp. 97-102.

*October 31, 2018 – November 5, 2018*

## **VII. The Environment and Sustainable Development.**

#### **Required Reading**

- Todaro & Smith, chapter 10, and Case Study (pp. 532-536) [Todaro & Smith (11<sup>th</sup> edition), chapter 10, and Case Study (pp. 502-506)].

*November 7, 2018 group discussions based on Research Papers*

*November 14, 2018 Test #2*

*November 5, 2018 – November 19, 2018 (November 19, deadline for research paper)*

## **VIII. Agriculture, the Rural Sector and Economic Development**

#### **Required Reading**

- Todaro and Smith, chapter 9 & Case Study (pp. 477-482).  
[Todaro and Smith (11<sup>th</sup> edition), chapter 9 & Case Study (pp. 453-458)].
- Paarlberg, Robert, “From the Green Revolution to the Gene Revolution: Review of Agricultural Biotechnology: Meeting the Needs of the Poor” in Secondi (2008), pp. 362-366.

*November 21, 2018*

## **IX. Industrialization and Development**

#### **Required Reading**

- Todaro & Smith, chapter 12 (pp. 630-644).  
[Todaro & Smith (11<sup>th</sup> edition), chapter 12 (pp. 593-603)].

- Nafziger (2012), chapter 11.

November 21, 2018 – November 28, 2018

## **X. Elements and Theory of Development Planning, the Role of Government and Markets and Institutions**

### **Required Reading**

- Todaro & Smith, chapter 11.  
[Todaro & Smith (11<sup>th</sup> edition), chapter 11].

November 28, 2018

## **XI Emerging Issues in Economic Development**

### **Required Reading**

- Readings to be assigned later

## **Research Paper**

Students are required to write **one 10 page** research paper. The paper needs to be typewritten and double-spaced (12 font and with 1 inch margins) at least **8 sources must** be consulted – i.e., there should be **no less than 8 entries** in the bibliography (or list of references). Moreover all of these **must** be used.

At least **6** of the sources used must be articles in refereed professional journals or books available in the **St. Francis Xavier University library - including the Coady Library - (or that can be accessed on line)**. Materials obtained from other libraries through Novanet (or through inter-library loans) may also be used. **Hard copies** of all material used that is not in our library, particularly material taken from the internet that is subject to change, **must be submitted** in a dossier along with the research paper. I may assign up some of the sources that are to be used if the need arises. Internet sources such as **Wikipedia** are **not** acceptable.

The research papers must be written following a proper essay format. You may consult with me as well as sources such as, Margot Northley, Making Sense (Oxford University Press). Also, you are **strongly** encouraged to seek help from the **Student Success Center** if you have any additional questions or require additional help (but do not wait until the last moment). Also, librarians are always willing to offer assistance. Different essay formats are acceptable as long as they are consistently applied.

The essay or research paper can be on any topic covered in the course but **must** focus on a **particular country** or **geographic region**. Before starting you are required to discuss the topic and the country (or geographical region) chosen with me by **September 24, 2018**. While a chat during my office hours would be preferred, if it is more convenient, this can also be done through email. A critical component in choosing a topic is coming up with a question that you want your research paper to address. Once the choice of topic and research question has been made and approved, an outline including a preliminary bibliography, must be prepared and handed in. The outline must be about two pages and must be handed in by **October 10, 2018**. The outline is required for the final paper to be accepted.

The class of **November 7, 2018** will be devoted to a discussion of the research findings so that the bulk of the research will need to be completed by then. The students will be divided into groups and will have an opportunity to present their findings with the rest of the group having the opportunity to ask questions and offer feedback to improve the quality of the paper. All must attend and more detailed instructions will be provided a week or so prior to the presentations. The research papers must be handed in by **November 21, 2018**.

Topics that have not been **cleared** with me **will not be accepted (and no exceptions will be made)**. I will be available to discuss the papers and the research that is undertaken and offer any help and guidance that I can. As established by the University, Essays containing **plagiarism** or any other form of **cheating** (including such things as submitting essays submitted by other students in previous years or submitted in other courses or downloaded from the internet) will receive a grade of zero. I am also required to report such instances to the administration (as instructor, I have no choice in the matter). **ABSOLUTELY NO EXCUSES WILL BE ACCEPTED.** If you have any questions about what constitutes plagiarism, please let me know.

## **Possible Topics**

Possible Topics include the following (but you are free to choose others as well as long as they are cleared with me):

1. LDC Development and Poverty (severity, recent experience, policies, implications etc.)
2. Development and Underdevelopment (alternate views and approaches, concepts, issues, etc.)
3. The Basic Needs Approach to Economic Development (problems, implications, prospects, etc.)
4. Case study of recent economic development strategy or experience (types of policies, history of development, targets, results, etc.)
5. Aspects of the environment and sustainable development (policies, strategies, effects on development, salient features, etc.)
6. Aspects of agriculture and economic development (agriculture and development, rural development, the green revolution, the economics and experience of land reform, prospects, economics of food and food security, etc.)
7. Famine in the Third World (causes, effects, solutions, etc)
8. Industrialization and Economic Development (strategies, effects, large versus small scale enterprises, import substitution versus export promotion, etc.)
9. The role of women in the process of economic development (issues, implications, prospects, etc.)
10. The Role of the government in the Development Process.