ECON 332

Economic Development

Time: MTWR, 1045-1135
Room: TJ Day 102

Instructor: Eric Schuck, Ph.D.
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Office Hours: Monday-Thursday: 0930-1030
Monday – Thursday: 1400-1530
Friday: 0900-1130
By Appointment
Any other time when available

Textbook: Economics of Development, 6th Ed.
Perkins, Radelet, and Lindauer
ISBN-10: 0-393-92652-4

Selected Readings and Handouts provided by the Instructor

Course Description: Economies perform differently across countries and regions. This course examines why and how economies develop into their current states, what policies and programs are used to move them to different levels of performance, and how history and culture influence the ability for an economy to evolve over time. Special emphasis is placed on less developed countries in Latin America, Asia, and Africa.

Linfield Curriculum Designation: This course provides four credits toward fulfilling the Global Pluralisms (GP) area of the Linfield Curriculum, as outlined on page 7 of the Linfield College 2010-2011 Course Catalog. As such, students in this course will have the opportunity to:

1) Develop a better understanding of the issues of identity, politics, culture, history, health care, and/or economics in a context of a culture other than that of the United States.
Through lectures, discussions, examinations, homework, and completion of the development journal/discussion project, students will explore how other economies have either developed or underdeveloped over time. Specific understanding of how culture, history, climate, and natural resource endowment contribute to economic development or underdevelopment will be addressed within the context of comparisons between under-developing states to both industrialized and newly-industrialized countries.

2) Interrogate issues of colonialism, dominance, hegemony, and control by examining the social, economic, business, and/or political relationships that formerly colonized countries share with their imperial sites.
Through lectures, discussions, examinations, homework, and completion of the development journal/discussion project, students will examine how colonial pasts, both informal and formal, influence the development trajectories of less-developing countries. Special emphasis will be placed on how past colonial relationships influence patterns of ownership of productive resources and access to education, legal systems, and financial capital. The relative performance of
different economies emerging from similar colonial pasts will also be evaluated to determine why some economies succeed and others fail when exiting a colonial relationship.

3. **Examine the impact of globalization and interdependence of cultures and economies on the lives of individuals.**

Through lectures, discussions, examinations, homework, and completion of the development journal/discussion project, students will examine how colonial pasts, both informal and formal, influence the development trajectories of less-developing countries. Special emphasis will be placed on how past colonial relationships influence patterns of ownership of productive resources and access to education, legal systems, and financial capital. The relative performance of different economies emerging from similar colonial pasts will also be evaluated to determine why some economies succeed and others fail when exiting a colonial relationship.

**Pre-Requisites:** ECON 210 or equivalent.

**Course Objective:** At the end of this course, students should have a basic understanding of why and how economies evolve over time. Students should have an understanding of the role history, geography, climate, and culture play in the development of economies around the globe. More critically, students will be able to identify and discuss different approaches to improving economic performance in less developed countries with a solid understanding of the relative merits of different approaches, not only in terms of economic growth but also in terms of environmental and social equity terms.

While study will be focused on the specific area of development economics, students will also develop the following general proficiencies:

1) **Gain access to economic knowledge.** Through the completion of the assigned readings, article reviews, and completion of the development journal, students will be required to locate and utilize published economic development information;

2) **Display command of existing economic knowledge.** Through the completion of examinations, the economic development journal and participation in class discussions, students will be required to explain and apply theoretical concepts, summarize current conditions, summarize economic policy options, and synthesize economic theories as they apply to economic development in less-developed countries;

3) **Utilize economic knowledge to explain economic issues.** Through completion of the development journal, students will analyze economic development issues, identify potential policy solutions, and briefly explain the relative merits and potential problems associated with possible policy options.

4) **Create new economic knowledge.** Through completion of the economic development journal, students will required to synthesize economic data from outside class into new policy analyses and prescriptions for different less developed countries being analyzed.

This course will examine how individuals, groups, and countries make decisions to satisfy needs, especially as they attempt to balance economic growth with other economic objectives, particularly as they relate to distributional equity and economic development goals as established by the United Nations Development Program.
Tentative Course Outline:

**General Background:**

1. Economic Measurement
   READ: PRL, Ch 2
2. Growth Concepts and Patterns
   READ: PRL, Ch 3
3. Growth Theories
   READ: PRL, Ch 4
4. States and Markets
   READ: PRL, Ch 5

**Production and Trade**

8. Agriculture
   READ: PRL, Ch 16
9. Natural Resources and Raw Exports
   READ: PRL, Ch 17
10. Industry
    READ: PRL, Ch 18
11. Trade and Development
    READ: PRL, Ch 19

**Demographic Issues**

5. Income Inequality
   READ: PRL, Ch 6
6. Education
   READ: PRL, Ch 8
7. Health
   READ: PRL, Ch 9

**Macro Policy**

12. Foreign Aid
    READ: PRL, Ch 14
13. Foreign Debt
    READ: PRL, Ch 15
14. Fiscal Policy
    READ: PRL, Ch 12
15. Financial Policy
    READ: PRL, Ch 13

**NOTE:** PRL is *Economics of Development, 6th Ed.* by Perkins, Radelet and Lindauer

**Course Evaluation:** Grades in the course will be determined through a combination of in-class quizzes, midterm examinations, and an economic development journal writing/discussion project. Weighting will be as follows:

- Development Journal/Discussions: 20%
- In-class Quizzes: 25%
- 1 Midterm Exam: 20%
- Final Exam: 25%
- Reflective Essay: 3%
- Participation: 7%

The midterm exam and quizzes will be announced two weeks prior to the date upon which the exam or quiz will be held; typically one or two quizzes will be held in the weeks prior to the exam to gauge student progress before taking an exam. The development journal applied analysis project will be explained in more detail later, but will involve identifying a less developed country to follow for the semester, writing biweekly reports on that country, and leading periodic in-class discussion on this country relating news reports and developments occurring in that country to topics discussed in class. Final grades will be determined as follows: 100% >= A >= 90%; 90 > B >= 80%; 80 > C >= 70%; 70 > D >= 60; 60 > F. This grade distribution may use +/- ‘s or be moved downward at the instructor’s discretion.
COMMENTS:
1. The final exam is non-cumulative and may not be rescheduled. It is scheduled for this room, Monday, December 12th, at 1030.
2. Late work will be accepted only with the prior approval of the instructor. Exceptions will be made for emergencies and regularly scheduled College events, but it is the student’s responsibility to notify the instructor in a timely and efficient manner. Unless otherwise indicated, all work is due no later than 2359 on the assigned due date.
3. Course material will be distributed via the course e-mail list when and as it is completed. Do not ask for course material prior to the topic being covered in lecture. Lecture material is intended to supplement and to clarify materials in the book and is not a substitute for the book.
4. Dr. Schuck is an officer in the Naval Reserve. This may occasionally require rescheduling of lectures and office hours, and your forbearance is greatly appreciated.
5. The instructor tends to give assignments with relatively brief instructions. If you are in the least bit confused, do not hesitate to ask for clarification or to ask for a review of your work prior to turning it in for final evaluation.
6. Cell phones, PDA’s, iPods, and other electronic devices will be turned off during the class. Failure to comply with this policy will result in the confiscation and potentially the destruction of the offending device.
7. Learning is a collaborative process and you are encouraged to cooperate with your fellow students in your coursework where appropriate. However, you should be aware that this course strictly adheres to the college policy on academic honesty, as published in the Linfield College Course Catalog. This means you are ultimately responsible for your own work and neither cheating nor plagiarism, as defined in the College Catalog, will be tolerated. Incidents of cheating or plagiarism will be reported to the relevant College authorities, will result in a failing grade for the assignment or evaluation in question, and may result in a failing grade for the course. The instructor reserves the right to keel haul offenders.
8. Students with disabilities are protected by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. If you are a student with a disability and feel you may require academic accommodations contact Cheri White, Assistant Director of Learning Support Services (LSS), within the first two weeks of the semester to request accommodations. LSS is located in Walker 124 (503-883-2444). You are also strongly encouraged to communicate with the instructor about any accommodations and/or any special needs you may need during your time in this class.
9. If you matriculated into the College in Fall 2010 or later, in order to receive credit within the Linfield Curriculum for this course, you must complete the electronic submission of exemplar work and supporting descriptions by the last day of finals week, as discussed in the Linfield College Course Catalog.