

ECON 441: Economic Development: Theory, Policy and Evidence
1pm – 2.15pm, Smith 251
Xavier University, Fall 2018

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Office Hours:	T/TR 2.30pm – 4pm; By appointment	

Course Overview:

During the last two centuries, the world has experienced an Industrial Revolution, two rounds of globalization, and unprecedented technological progress. Despite these advances, a large majority of countries and people live in abject and persistent poverty, and face its natural consequences such as disease, crime, social unrest, and the inability to participate in economic decision-making. This course analyzes the problems and issues that are fundamental to developing countries. In contrast to Econ 341, this course will focus on topics that are "external" to developing countries, such as International Migration, Foreign Aid, Technology Diffusion, and Climate Change. At the heart of this course lies the complex relationship between market and government failure: while markets do not usually deliver socially desirable outcomes, governments also do not pursue socially desirable objectives. Understanding these complex issues forms the core of this course. Case studies will be used throughout the semester to reinforce the material and provide some real-world context for what we're learning. Moreover, you will learn to understand and apply some of the theoretical and empirical tools used by economists in this field.

Learning Goals:

By the end of this course, students will be able to characterize the developing world and understand the conditions that define developing countries, including the lives of the more than 5.5 billion people who live in them. Furthermore, you will be able to provide a comprehensive explanation of development and the various external factors that comprise a country's state of development. You will critically analyze problems in the process of development, including economic, demographic, socio-political, and financial issues, and comparatively assess the advantages and disadvantages of corrective policy actions. Finally, you will learn to draw from real-world data to support your analyses and policy recommendations.

Textbook:

There are no textbook requirements for this class. Lectures will be based on research articles and reports that will be posted on Canvas. It is the student's responsibility to, at least, skim through these articles before class.

Software:

This class will make frequent use of the software Stata. I expect all students to purchase a license for 1 semester. A 6-month license for Stata/IC is available for \$45 and can be purchased via this link: <https://www.stata.com/order/new/edu/gradplans/student-pricing/>

I will provide an Introduction to Stata in the first few weeks of class.

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Grading:

	Capstone	Non-Capstone
Class Attendance	Not required	Not required
Quizzes	10%	10%
Assignments	60%	60%
Research Paper	20%	30%
Capstone presentations	10%	N/A
TOTAL	100%	100%

- Quizzes: There will be about 5 - 8 short quizzes during the semester covering the assigned readings. The average of the quiz grades will account for 10% of the course grade.
- Assignments: Notice the large weight on this category. Since there are no in-class exams, you can think of these assignments as multiple take-home exams. These assignments are designed to gradually lead you towards your final research paper. They will take a number of different formats and will be designed to either help you practice the material in class or to serve as milestones for your research paper. Late assignments will not be accepted. Here is an overview of the assignments and their due dates (subject to change):

○ Intro to Stata: Due August 28th (5%)
○ Intermediate Stata: Due September 4th (5%)
○ Referee Report: Due September 18th (10%)
○ 3-Research ideas: Due September 25th (5%)
○ Annotated Bibliography: Due October 9th (10%)
○ One-page paper proposal: Due October 16th (10%)
○ Paper outline: Due November 6th (5%)
○ Data section: Due November 20th (10%)

- Research Paper: You will be pursuing an independent research project on a topic related to economic development this semester. You may designate the research paper (10-15 pages, double spaced, excluding tables, figures, and bibliography) for this class as your “capstone paper”. The grade for capstone paper will be based on: (1) the final paper, (2) a presentation to the economics department faculty towards the end of the semester, and (3) attendance and participation in ECON 491: Capstone Experience in Economics. Non-capstone students are not required to present their papers to the economics faculty, or attend ECON 491.
- Grading Scale:

A	93+	C	73 - 76
A-	90 - 92	C-	70 - 72
B+	87 - 89	D+	67 - 69
B	83 - 86	D	63 - 66
B-	80 - 82	D-	60 - 62
C+	77 - 79	F	<60

Final grades are rounded to the nearest whole number, e.g. 89.50 is a A- and a 89.49 is a B+.

Missed Deadlines:

I will not give extensions to deadlines, unless PREVIOUSLY agreed upon. You are forewarned well in advance to properly schedule your time and make proper arrangements for any potential conflicts (exceptions include illness or family emergency, subject to the discretion of the instructor).

Honor Code:

The Honor Code is taken very seriously. Cheating will not be accepted. As a Xavier student, you have accepted to abide by the University's academic honesty code. Information about Academic Integrity can be found at <http://www.xavier.edu/handbook/standards/Academic-Honesty.cfm>. Lack of knowledge of this policy is not a reasonable excuse for a violation.

WCB Mission Statement:

"We educate students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition."

Attendance, Participation and Classroom Preparation:

This course will be driven by discussions in class, and supplemented by outside readings. My primary goal is to motivate thoughtful analysis of the topics in this course. Active participation and regular attendance are necessary for success in this class. There will not be a mandatory attendance policy, however. Instead, 10% of your grade will be reflected by your performance in quizzes. Students cannot take the quiz if they are not in attendance, and quiz material will include subjects discussed in class that cannot be found in the readings, so students are strongly encouraged to attend every class. Devote as much time and effort as necessary to master the material covered in this course. Like many other skills, economics is best learned by doing. Thus, the more problems you work, and the more you participate in class, the better your understanding of the material will be.

Disability and Health Related Issues:

If you are a student with a disability and feel that you may need a reasonable accommodation to fulfill the essential functions of the course that are listed in this syllabus, students with physical, medical and/or psychiatric disabilities or students with AD(H)D and/or specific learning disabilities are encouraged to contact Student Disability Services. See <http://www.xavier.edu/disability-services/index.cfm> for more information.

Classroom Conduct:

Your instructor and classmates deserve courtesy. If you must arrive late or leave early, please do so quietly. Do not talk in class, and turn off mobile phones during class. Any disruptive behavior constitutes grounds for dismissal from the course. However, constructive participation in classroom discussion/activities is highly encouraged!

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Tentative Course Outline:

Tuesday

August	
Day	Topic
21	Intro to Stata
28	Intro to Stata
September	
Day	Topic
4	Poverty Traps
11	Foreign Aid
18	Foreign Aid
25	International Trade
October	
Day	Topic
2	International Trade
9	International Trade
16	Foreign Direct Investment
23	Foreign Direct Investment
30	Technology Diffusion
November	
Day	Topic
6	Technology Diffusion
13	Migration and Remittances
20	Migration and Remittances
27	Climate Change
December	
Day	Topic
04	Climate Change

- 1
- 2
- 1
- 2
- 3
- 4
- 1
- 2
- 3
- 4
- 5
- 1
- 2
- 3
- 4
- 5
- 1
- 2

Thursday

August	
Topic	Day
Intro to Stata	23
Intro to Stata	30
September	
Topic	Day
Poverty Traps	6
Foreign Aid	13
Foreign Aid	20
International Trade	27
October	
Topic	Day
FALL HOLIDAY	4
Foreign Direct Investment	11
Foreign Direct Investment	18
Technology Diffusion	25
November	
Topic	Day
Technology Diffusion	1
Migration and Remittances	8
Migration and Remittances	15
THANKSGIVING	22
Climate Change	29
December	
Topic	Day
Climate Change	7
FINAL PAPER DUE	13