

ECO324H1F: Economic Development Spring 2023

Lectures: Wednesday 2:00 PM - 4:00 PM (OI 2212)

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Office Hours: Friday, 1:00 PM - 3:00 PM

1 Course Description

Why are some countries (or people) rich while others are poor? What can be done to improve living standards? These questions motivate this course, which is intended to provide a broad introduction to and overview of the study of economic development. Each week, we will critically examine an explanation for differences in living standards across the world, assessing its strengths and weaknesses.

2 Prerequisites

Microeconomic Theory: ECO200Y1/ECO204Y1/ECO206Y1

Quantitative Methods: ECO220Y1/ ECO227Y1/ (STA237H1, STA238H1)/ (STA247H1, STA248H1)/ (STA257H1, STA261H1)

3 Required Materials

Textbook: *Shaping the Developing World: The West, the South, and the Natural World* by Andy Baker, 2nd ed., 2021. This textbook will serve as the foundation of the course. The first edition of the textbook will suffice, but be aware of differences in the ordering of chapters. I expect students to read the corresponding chapter(s) before lecture each week.

Journal articles: I will provide links or PDFs to articles on the course website. I expect students to read the corresponding article before lecture each week.

4 Office Hours, E-mail, and Piazza

Students are encouraged to visit my office hours if they have questions or concerns about the class or if they would like to discuss topics from class with me in greater depth. Emails should only be sent if your question is not answered in the syllabus or cannot wait until office hours or lecture.

I also created a Piazza page for our course to facilitate discussions about topics discussed in class or covered in the readings. Find our class sign-up link at: <https://piazza.com/utoronto.ca/fall2021/eco324h1f>. Participation is voluntary. I will occasionally check and respond to posts, and I might post some questions for you to think about, too. Piazza

should not be used to ask questions about tests or assignments. Please visit my office hours (or email me, if necessary) to ask such questions.

5 Tests and Assignments

Item	Weight	Due Date
Term Test	30%	Mar. 1
Writing Assignment	30%	Mar. 22
Final Exam	40%	TBD

Writing Assignment: Students will write a short essay about a topic in economic development. Students will be graded on the quality and sophistication of their argument, not on arriving at a “right” answer. More information, including the prompt, will be provided later in the semester. If late, papers will be penalized by 25% per day late. No papers will be accepted more than three days after the assignment is due.

Normally, students will be required to submit their course essays to the University’s plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool’s reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University’s use of this tool are described on the Centre for Teaching Support & Innovation web site (<https://uoft.me/pdt-faq>).

Examinations: There will be one term test and one final exam. The final examination is cumulative. Any material from the readings or lecture can appear on exams, but lecture will provide a strong indication of the material that I expect you to know. I will provide more information prior to each exam.

A grade of zero will be given to students who do not write the midterm test unless an appropriate and convincing note is received within one week of the missed test, explaining why the test was missed. If the student misses the test due to illness, the student must email me the day of the test to indicate that they will not be able to write the test. If the student misses a term test due to another excused absence, the student may be asked to provide a note from a responsible third party that I can verify in order for excusal to be considered. If a student has been excused from the midterm test, they will be permitted to write a comprehensive make-up test in the last week of class. Consistent with university policy, there is no “make-up test” for the make-up test. No medical excuses or scheduling conflicts will be accepted, and a grade of zero will be applied if a student fails to write the make-up test.

6 Course Topics and Schedule

Jan. 11	Introduction to Economic Development
Jan. 18	Slavery, Colonialism, and Persistent Inequality
Jan. 25	Globalization and Trade
Feb. 1	Foreign Aid
Feb. 8	States, Markets, and Development Models
Feb. 15	Economic Institutions and Finance
Feb. 22	No Class (Spring Reading Week)
Mar. 1	Midterm Exam
Mar. 8	Political Institutions and Governance
Mar. 15	Culture
Mar. 22	Gender and Fertility
Mar. 29	Geography, Environment, and Health
Apr. 5	Violence and State Failure

7 Required Readings

January 11: Introduction to Economic Development

- Chapters 1-3, *Shaping the Developing World*

January 18: Slavery, Colonialism, and Persistent Inequality

- Chapter 4, *Shaping the Developing World*
- Sokoloff, K.L., and Engerman, S.L. (2000). “History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World.” *Journal of Economic Perspectives*, 14(3): 217-32.

January 25: Globalization and Trade

- Chapter 5, *Shaping the Developing World*
- Stiglitz, J. (2017). “The Overselling of Globalization.” Paul A. Volcker Prize Lecture, delivered at the meetings of the National Association of Business Economists.

February 1: Foreign Aid

- Chapter 6, *Shaping the Developing World*
- Easterly, W. (2006). “The Big Push Déjà Vu: A Review of Jeffrey Sachs’s *The End of Poverty: Economic Possibilities for Our Time*.” *Journal of Economic Literature*, 44(1): 96-105.

February 8: States, Markets, and Development Models

- Chapter 7, *Shaping the Developing World*
- Naughton, B. (2017). “Is China Socialist?” *Journal of Economic Perspectives*, 31(1): 3-24.

February 15: Economic Institutions and Finance

- Chapter 8, *Shaping the Developing World*
- Rapaczynski, A. (1996). “The Roles of the State and the Market in Establishing Property Rights.” *Journal of Economic Perspectives*, 10(21): 87-103.

March 8: Political Institutions and Governance

- Chapter 9, *Shaping the Developing World*
- North, D.C., Wallis, J.J., Webb, S.B, and Weingast, B.R. (2012). “Limited Access Orders: Rethinking the Problems of Development and Violence,” Mimeo.

March 15: Culture

- Chapter 10, *Shaping the Developing World*
- Guiso, L., Sapienza, P. and Zingales, L. (2006). “Does Culture Affect Economic Outcomes?” *Journal of Economic Perspectives*, 20(2): 23-48.

March 22: Gender and Fertility

- Chapter 11, *Shaping the Developing World*
- Duflo, E. (2012). “Women Empowerment and Economic Development.” *Journal of Economic Literature*, 50(4): 1051-1079.

March 29: Geography, Environment, and Health

- Chapters 13 and 14, *Shaping the Developing World*
- Weil, D. (2015). “A Review of Angus Deaton’s *The Great Escape: Health, Wealth, and the Origins of Inequality*.” *Journal of Economic Literature*, 53(1): 102-114.

April 5: Violence and State Failure

- Chapter 12, *Shaping the Developing World*
- Rotberg, R.I. (2003). Failed States, Collapsed States, Weak States: Causes and Indicators. In R.I. Rotberg (Ed.), *State Failure and State Weakness in a Time of Terror* (pp. 1-26). Brookings Institution Press.

8 Academic Integrity

Academic integrity is essential to the pursuit of learning and scholarship in a university, and to ensuring that a degree from the University of Toronto is a strong signal of each student's individual academic achievement. As a result, the University treats cases of cheating and plagiarism very seriously. The University of Toronto's Code of Behaviour on Academic Matters (<http://www.governingcouncil.utoronto.ca/Assets/Governing+Council+Digital+Assets/Policies/PDF/ppjun011995.pdf>) outlines the behaviours that constitute academic dishonesty and the processes for addressing academic offences. Potential offences include, but are not limited to:

In papers and assignments:

1. Using someone else's ideas or words without appropriate acknowledgement;
2. Submitting your own work in more than one course without the permission of the instructor;
3. Making up sources or facts;
4. Obtaining or providing unauthorized assistance on any assignment.

On tests and exams:

1. Using or possessing unauthorized aids;
2. Looking at someone else's answers during an exam or test;
3. Misrepresenting your identity; and
4. When you knew or ought to have known you were doing it.

In academic work:

1. Falsifying institutional documents or grades;
2. Falsifying or altering any documentation required by the University, including (but not limited to) doctor's notes; and
3. When you knew or ought to have known you were doing so.

All suspected cases of academic dishonesty will be investigated following procedures outlined in the *Code of Behaviour on Academic Matters*. If students have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, they are expected to seek out additional information on academic integrity from their instructors or from other institutional resources.

9 Crowdmark

This course will use Crowdmark, a collaborative online grading tool for marking and providing feedback on graded term assessments. Crowdmark provides efficiencies with grading, data recording, returning term assessments and handling regrade requests. Copies of student work marked in Crowdmark, including grading and feedback, will be available online to students for at least one year. Digital (i.e., online) copies will serve as the authoritative record for course administrative purposes, and paper copies of assessments scanned and uploaded to Crowdmark will be destroyed after the term has ended and final grades are approved. If you have questions about how your information is stored on Crowdmark, please contact your course instructor.

10 Equity, Diversity and Inclusion

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

11 Accommodations

Students with disabilities

The University provides academic accommodations for students with disabilities in accordance with the terms of the Ontario Human Rights Code. This occurs through a collaborative process that acknowledges a collective obligation to develop an accessible learning environment that both meets the needs of students and preserves the essential academic requirements of the University's courses and programs.

Students with diverse learning styles and needs are welcome in this course. If you have a disability that may require accommodations, please feel free to approach me and/or the [Accessibility Services office](#).

Religious observances

The University provides reasonable accommodation of the needs of students who observe religious holy days other than those already accommodated by ordinary scheduling and statutory holidays. Students have a responsibility to alert members of the teaching staff in a timely fashion to upcoming religious observances and anticipated absences and instructors will make every reasonable effort to avoid scheduling tests, examinations or other compulsory activities at these times.

Please reach out to me as early as possible to communicate any anticipated absences related to religious observances, and to discuss any possible related implications for course work.

Family care responsibilities

The University of Toronto strives to provide a family-friendly environment. You may wish to inform me if you are a student with family responsibilities. If you are a student parent or have family responsibilities, you also may wish to visit the Family Care Office website at familycare.utoronto.ca.