

Syllabus

George Mason University

Econ 360: Economics of Developing Areas

Contact Information

Professor Yong J Yoon

Office location: Roberts House upstairs, (703) 993-2332

Office Hours: by Appointment

Email: yoon@gmu.edu, Webpage: Blackboard

Class: 10:30-11:45am, T&Th, Robinson Hall B22

Course Description

The Catalog description of the course is: a study of theories of economic growth, alternative approaches to development policy, and their applications in various developing countries and regions.

The description above is too dry and abstract to reflect the richness of the subject. We explore in this course (i) “why are some countries poor” and (ii) “what can be done about this poverty”? These questions are as old as economics as a science. And what we learn in this course has relevance and applications to the current issues such as the “Venezuela problem.” We study the development questions at the microeconomic and macroeconomic level.

Learning outcomes: The class is designed to help students understand global patterns of economic activity and its interaction with society. This will include analyzing the policies of economic development and policy debates.

Catalog Course prerequisites are: Econ 103 or Econ 104.

Course Requirements

Your course grade will be based on the following

1. Two midterm exams and a take-home final.
2. Homework that include problem solving and short papers.
3. Attend class, participation, and presentations.

To summarize, your final letter grade will be based on the following raw scores:

1*. Midterm 1 (25%), midterm 2 (25%), takehome final exam (30%). The final will be given on 12/7 and is due on the date of the final exam: 10:30 AM, 12/19. We meet in the classroom.

2*. Homework (10%) will include problem solving and reading response to “Factory girls” and a review of the movie “The Naked Island.” Each paper is 2-page long and the due date will be announced later. You will keep the list of your scores and submit to me on 11/30.

3*. Attendance and group presentation (10%). You will keep your own class attendance sheet (provided) and turn in on 11/30.

Presentation: During the semester you will participate in group presentations. Immediately after the first midterm, you will form a group of four and turn in the list to me on 10/19. You will produce a 10 minute power point presentation. The topic will be on a paper or topic that I assign or you may choose for my approval. I will assign you a grade based on the collective quality of the slides and your individual part of the presentation. You may imagine making a cinema that involves scriptwriter, producer, director, camera, actors, etc. You as a group provide the details and individual segment of the final product that is the presentation.

The course is lecture driven in that all the necessary information comes from my lectures. I will use video presentation from

Tyler Cowen and Alex Tabarrok. *Modern Principles: Macroeconomics*. Worth Publisher, New York 2011.

Grades

An 'A' grade will be awarded if the student displays excellent knowledge of the appropriate economic theory and is able to apply it correctly to analyze problems in development economics. The student is also expected to be able to write clear and grammatically correct English.

A 'B' grade will be awarded if the student's performance is between A and C described here.

A 'C' grade will be awarded if the student displays some knowledge of the appropriate economic theory and makes an attempt to apply it correctly to analyze problems in development economics.

Plus and minus grades apply to students whose work falls between these categories.

Course Material

The required books for the course are:

*Dwight Perkins et al (2013), *Economics of Development*, 7th edition, Norton Press.

*William Easterly. *The Elusive Quest for Growth*. MIT Press, Cambridge MA, 2001.

*Ezra Vogel, *The four little dragons: the spread of industrialization in East Asia*, Harvard University Press, 1993

*Leslie Chang, *Factory Girls: voices from the heart of modern China*, Pan Macmillan UK, 2010 (you will write a reading response to this book.)

*Japanese movie “The naked island” directed by Kaneto shindo. Available on Youtube.

Some important dates

First day of classes: 8/29

Midterm 1: 10/12

Midterm 2: 11/28

Power point presentations: 11/30 and 12/5

Last day of classes: 12/9

Final Exam: Take home assignment due: in class, 12/19, 10:30 AM

Readings and course outline

The course consists of 4 parts. The first part is on growth. The second part is the conditions of poverty. The third part is solutions to escape from poverty: policies. One policy is internal to the country, saving and investment. The other policy is trade. The fourth part is the development experience of East Asian counties and the Japan’s modernization. In discussing East Asia and Japan’s modernization I will also consult

1: David Flath (2014), *The Japanese Economy*, 3rd edition, Oxford University Press

2: Dwight Perkins (2013), *East Asian Development: foundations and strategies*, the Edwin O. Reischauer Lectures, Harvard University Press.

Also, please allow me to change this outline as we go along.

0. Introduction (8/29-)

Chapter 1 in Perkins et al. Rachmina’s vignette

Chapter 1 in Easterly.

I. Economic Growth (9/5)

Chapter 3 and 4 and 5 in Perkins et al.

Chapter 3 and 4 in Easterly.

II. Conditions of poverty

Chapter 6, 7, 8, 9 in Perkins et al.

III. Institutions

Chapter 5 in Perkins et al.

Chapters 11 and 12 in Easterly

Stephan Haggard

IV. Policies

Chapter 10, 14, 18, 19

V. East Asia and Japan

Ezra Vogel

Flath

Perkins's Reischauer lecture

References

[0] Leslie Chang, *Factory Girls: voices from the heart of modern China*,

New York : Spiegel & Grau, 2008.

(you will write a reading response to this book.)

[1] Tyler Cowen and Alex Tabarrok. *Modern Principles: Macroeconomics*. Worth Publisher, New York 2011.

[2] William Easterly. *The Elusive Quest for Growth*. MIT Press, Cambridge MA, 2001.

[3] David Flath (2014), *The Japanese Economy, 3rd edition*, Oxford University Press

[4] Stephan Haggard. "Institutions and growth in East Asia," *Studies in Comparative International Development*, 2004, 38 (4), 53–81.

[5]___, David Kang, and Chung-In Moon, "Japanese colonialism and Korean development: A critique," *World Development*, 1997, 25 (6), 867 – 881.

[6] Atul Kohli. "Where do high growth political economies come from? The Japanese lineage of Korea's "developmental state"," *World Development*, 1994, 22 (9), 1269 – 1293.

[7] Dwight Perkins et al (2013), *Economics of Development*, 7th edition, Norton Press.

[8] Dwight Perkins (2013), *East Asian Development: foundations and strategies*, the Edwin O. Reischauer Lectures, Harvard University Press. Available online GMU library.

[9] Ezra Vogel, *The four little dragons: the spread of industrialization in East Asia*, Harvard University Press, 1993