

Economics 360-002
Economics of Developing Areas
Meeting Time: **Tuesday and Thursday, 3:00-4:15 PM**; Room: **Robinson Hall B203**
Course Pre-Requisites: Econ 103 and 104, or instructor permission

Contact Information

Instructor: Scott King
Office: Buchanan Hall, Suite D101
Email: mking18@gmu.edu
Office Hours: **Tuesday, 1:00-3:00 PM**

Required Books:

1. William Easterly (WE), *The Elusive Quest for Growth* (2002)
2. Acemoglu and Robinson (AR), *Why Nations Fail* (2012)

Learning Outcomes: The goal of global understanding courses is to help students see the world from multiple perspectives, reflect upon their positions in a global society, and be prepared for future engagement as global citizens. While it may include a historical perspective, global understanding courses focus primarily on a contemporary understanding of one's place in a global society.

Learning Objectives:

1. Identify and articulate one's own values and how those values influence their interactions and relationships with others, both locally and globally.
2. Demonstrate understanding of how the patterns and processes of globalization make visible the interconnections and differences among and within contemporary global societies.
3. Demonstrate the development of intercultural competencies.
4. Explore individual and collective responsibilities within a global society through analytical, practical, or creative responses to problems or issues, using resources appropriate to the field.

Course Description: Why is it that some nations are rich, and other nations are poor? For nations that are poor, how can they become rich? Why should we care about economic growth, and is there any way that we can help nations that are poor become wealthy? Discussion of these questions has dominated the economics discipline since its inception, and answers have been far from forthcoming. This course is designed to help you become an active part of this discussion by studying the theory and empirics behind economic development.

This will be a **reading heavy course**. If you do not keep up with the readings, it is very likely you will find it difficult to do well. Keeping up with the assigned readings and being an active classroom participant are the best ways to maximize your grade and get the most of the course. Readings will come from the assigned books and other that I select. A link to assigned readings not in the books will be available on Blackboard.

Grading: Your grade will be determined by two midterms, a final exam, three short assignments, and quizzes on the day's readings, given at the beginning of every class. Each portion will be weighted as follows:

Homework: 15% Quizzes: 15% Midterm 1: 20% Midterm 2: 20% Final: 30%

Grading Scale:

A+: 100-98 A: 97-93. A-: 92-90. B+: 89-88. B: 87-82. B-: 82-80. C+: 79-77. C: 76-73. C-: 72-70. D: 69-60. F: Below 60

Exams: Exams will be closed book. You will not be able to use a calculator (you won't need one) or any cell phones, tablets, computers, or mobile devices. The final exam will be cumulative, and cover material from the whole class. Exams will be made up of multiple choice questions, true/false questions, short response, and long response questions.

There will be no make-up exams. However, if you have to miss an exam for any reason, the grade on the final exam will replace the score on the exam you missed. For example, if you miss one midterm, the final exam will count for 50% of your grade. If you miss both midterms, the final exam will count for 70% of your grade. If you're risk averse, however, it's a good idea to be present for all of the exams!

Reading Quizzes: At the beginning of class, I will distribute a short quiz based on the week's assigned readings, no more than two questions at most. All quiz questions will be answerable in a short paragraph. The goal of this quiz is not to test your in-depth knowledge of the concepts in the readings, but to give you an incentive to keep up with the readings and be able to come to class prepared to discuss them. If you diligently keep up with the readings, these will be easy points for you! I will also drop your lowest four quiz grades. If you are unable to attend class or miss the quiz at the beginning, you will be assigned a score of zero, which can be dropped. **I will not be offering make-up quizzes.**

Assignments: I will hand out three assignments over the term which are designed to help prepare you for exams. Working in groups is encouraged, but each student will be required to turn in an individual copy to receive credit. If you will be absent from class the day a problem set is due, please contact me to arrange a way to turn it in before class or send the assignment along with one of your colleagues.

Attendance: Class attendance is not mandatory—however, if you miss class, you will miss out on that day's quiz. I also reserve the right to ask exams questions that may be drawn more from topics in my lectures and classroom discussions rather than readings. If you would like to do well in the class, attendance is strongly encouraged. If you miss class, you are responsible for getting notes from one of your classmates.

Important Dates:

Midterm 1: 2/25 Midterm 2: 3/31 Final exam: 5/7

Class Schedule: The following schedule should be viewed as tentative, and subject to change. However, I will notify you of any changes in class beforehand.

Week	Topic	Readings
January 21 st	What is Economic Development: A Brief Introduction; the Great Fact; Syllabus Review	
January 23 rd	What do economists mean by development?	WE—Prologue, Chapter 1 “Two Cheers for Capitalism?”—Peter T. Leeson
January 28 th	Geography and Growth	“The Geography of Poverty and Wealth”—Sachs, Mellinger, and Gallup “Digest of Guns, Germs, and Steel”
January 30 th	Natural Resources	“The Curse of Natural Resources”—Sachs and Warner
February 4 th	Disease and Poverty	“The Economic Burden of Malaria”—Gallup and Sachs
February 6 th	Foreign Aid	WE—Chapter 2, Aid for Investment “What Aid Can Do”—Skarbek and Leeson
February 11 th	Property Rights	“Toward a Theory of Property Rights”—Harold Demsetz
February 13 th	Property Rights and Prices	“Economic Calculation—the Austrian Contribution to Political Economy”—Peter J. Boettke
February 18 th	Investment and Growth	WE—Chapter 3
February 20 th	Aid and Investment	WE—Chapter 6
February 25 th	Midterm Exam 1	NO READINGS
February 27 th	What are Institutions?	“Institutions”—Douglass C. North A&R—Chapter 1
March 3 rd	Institutions and Development	A&R—Chapter 3
March 5 th	Institutions and Culture	“Institutional Stickiness and the New Development Economics”—Boettke, Coyne, and Leeson
March 10 th	NO CLASS—BREAK	
March 12 th	NO CLASS—BREAK	
March 17 th	Institutions and History	A&R—Chapter 4
March 19 th	Extractive Institutions	A&R—Chapter 5
March 24 th	Extractive Institutions, Continued	A&R—Chapter 8

March 26 th	NO CLASS	NO READINGS
March 31 st	MIDTERM EXAM 2	NO READINGS
April 2 nd	Colonialism and Economic Development	A&R—Chapter 9
April 7 th	Institutional Failure	A&R—Chapter 13
April 9 th	Human Capital: Education	WE: Chapter 4
April 14 th	RCTs	Vox write-up, RCTs Esther Duflo—Ted Talk “Randomization in the Tropics Revisited”—Angus Deaton
April 16 th	Democracy and Growth	“Democracy and Growth”—Robert J. Barro “Democracy Does Cause Growth”—Acemoglu, Naidu, Restrepo, and Robinson (OPTIONAL, but will be discussed)
April 21 st	The State and Development	“Institutions and Credible Commitment”—North WE—Chapter 11
April 23 rd	Institutions, Prosperity, and Poverty	A&R—Chapter 15
April 28 th	Comparative Institutional Analysis: Compared to What?	“Assume Anarchy”—Raghuram Rajan “Efficient Anarchy”—Peter T. Leeson
April 30 th	Final Exam Review	
May 7 th	FINAL EXAM: 1:30-4:15 PM	

Disability Services: No person should be denied educational access due to a disability. All accommodations for disabilities must be set up at the beginning of the semester with the Office of Disability Services. They can be reached at (703)-993-2474 or ods@gmu.edu. Additional information about GMU policy can be found at ds.gmu.edu.

Honor Code: At George Mason University, Academic Integrity is demonstrated in our work, community, the classroom and research. We maintain this commitment to high academic standards through Mason’s Honor Code. It is an agreement made by all members of our community to not “cheat, steal, plagiarize, or lie in matters related to your academic work.” Students sign an agreement to adhere to the Honor Code on their application for admission to Mason and are responsible for being aware of the most current version of the code.

For more information about the honor code—including definitions of what counts as cheating, lying, and plagiarism—please visit the Office of Academic Integrity’s website.

Notice of mandatory reporting of sexual assault, interpersonal violence, and stalking: As a faculty member, I am designated as a “Responsible Employee,” and must report all disclosures of sexual assault, interpersonal violence, and stalking to Mason’s Title IX Coordinator per University Policy 1202. If you wish to speak with someone confidentially, please contact one of Mason’s confidential resources, such as Student Support and Advocacy Center (SSAC) at 703-380-1434 or Counseling and Psychological Services (CAPS) at 703-993-2380. You may also seek assistance from Mason’s Title IX Coordinator by calling 703-993-8730, or emailing titleix@gmu.edu.

If you have read this far, you are indeed a diligent and motivated student. For one (1) extra credit point, please send me an email telling me what your favorite movie from the past 5 years is, and why. This offer only stands for the first two weeks of class.