Introduction

Concepts of development
Growth, human development, poverty alleviation, expanded basic goods provision

Dimensions of poverty and deprivation
Income, education, health, empowerment/agency, basic goods
Relative vs. absolute terms
Income poverty: poor vs. extremely poor

Concepts of Economic Development

Improvement in human well-being
Economic development as growth in per capita income
GDP, GNI, net factor payments
Per capita GDP/GNI and its growth rate
Limitations of per capita GDP/GNI as a development indicator
PPP adjustment
Lorenz curve and Gini coefficient

Economic development as human development
The human development concept (capabilities approach)
The human development index (HDI)
Criticisms of the HDI
Defenses of the HDI
Additional human development indices
Nussbaum’s conception of human development

Economic development as structural transformation
Kuznets and the “basic idea” behind structural transformation
Changes in agriculture, manufacturing, and services as a percent of GDP
The importance of producer services

Economic development as basic goods provision
Progress in gender equity (World Bank WDR)

Globalization and development (basic patterns)

History and Colonial Legacies

Institutions in economic development
The elements of institutions (North’s conception)
Path dependence
China’s unrealized colonial potential
Mercantilism
Colonial systems of Spain and Portugal
- Columbian exchange
  - Roles of disease, mining, sugar plantations, and slavery in the New World
  - Demographic catastrophes in Latin America and Africa
  - Role of slavery and differing natures of Old and New World slavery
- Mining
  - Holland’s merchant colonialism- role of Dutch East India Company
  - England’s “free trade” colonialism- forced deindustrialization in India
- New colonialism and the "Scramble for Africa" in late 1800s
  - Belgian Congo
The Middle East
- The set of colonial legacies or elements of path dependence
  - lack of productive investments, biased international division of labor,
    manipulated terms of trade, demographic catastrophes, active
deindustrialization, economic dualism, destruction of indigenous
  - knowledge/culture, colonial education systems

Classical Theories of Economic Development

Important elements of Adam Smith’s theory of development
- What is wealth and how is it best provided?
  - Vision of accumulation process

Important elements of Thomas Malthus’ ideas on population and development
- Geometric vs. arithmetic increases
- Views on "moral restraint" and social policies
- Validity in light of historical evidence (fertility rates and agricultural productivity)

David Ricardo’s ideas of conflicts within capitalist development
- Law of diminishing returns
- Landowners vs. industrialists (conflict in development)

Karl Marx’s theory of technical change in capitalist development
- Positive and negative legacies
  - Dependency/underdevelopment theory
- Joseph Schumpeter and “creative destruction”
- Max Weber's theory of "the spirit of capitalism."
  - Culture as an explanatory factor

Neoclassical Growth Theory

Neoclassical growth theory
- \[ Y = AF(L,K) \]
- \[ y = Af(k) \]
- Actual investment vs. breakeven investment in the fundamental equation
- Steady state
- Graphical determination of the steady state \( k \)
- Effects of changes in \( n, s, \) and \( A \)
Conditional convergence hypothesis and Solow residuals
New or endogenous growth theory
  Alternative aggregate production function (role of human capital)
  New growth theory and human development
Trade and growth
Institutions and growth
“What do you need to remember?” page of handout.

Technology

Endogeneity of technological development
Szirmai decomposition
Sources of labor productivity
Neoclassical vs. evolutionary perspective on technological development
  Global public goods variety of neoclassical perspective
  Limits of neoclassical perspective
Intellectual property rights
Technology diffusion/transfer and learning
Information and communication technology (ICT)
Biotechnology
Clusters and local innovation
Global location of R&D
Insights from Global Economics Prospects 2008

Population and Development

Promoting women’s agency from the World Bank WDR (2011)
Malthusianism and neo-Malthusianism
Basic definitions
  crude birth rate, crude death rate, natural rate of population growth, net migration,
  actual rate of population growth, population doubling time, total fertility rate,
  life expectancy, dependency ratio
Population pyramids and age-gender structures
Determination of crude death rate
Determination of crude birth rate
Demographic transitions
Population policies
Maternal mortality
UN population policy history, including Cairo ICPD 1994
Migration process

Midterm Exam to Here

Sample Questions Below
Health and Development

Human development perspective and ends versus means
Quantitative indicators of health
  Demographic, morbidity and service indicators
Life expectancy and infant and child mortality
Morbidity characteristics in developing countries
Gender issues in health, including World Bank (2011)
Water and sanitation
TB, malaria, HIV/AIDs
Nutrition and micronutrients

Education and Development

Human development perspective and ends versus means
Quantitative indicators of education
  Gross vs. net
Human capital theory
Rate of returns to education (RORE) and its associated policy implications
Gender and education, including girls' and women's education
  Effect on infant and child mortality
  Effect on fertility rates
  World Bank (2011)
Role of education in growth and development, including measurement issues as they relate to education and growth
Qualities of education in developing countries
Education policy lessons from East Asia, Latin America and Africa
Gender differences in employment from World Bank (2011)

Agricultural and Rural Development

Basic facts and implications
Structural transformation
Agricultural productivity
  Extensive versus intensive agricultural development
Food crisis and food security
Induced technological change: Boserup, Hayami and Ruttan
The Green Revolution, including criticisms
The CGIAR
Policies for agricultural development
  Streeten’s 6 “Ins”
Rural nonfarm development and the role of agriculture vs. manufacturing
Land redistribution
Genetic engineering vs. agroecology
Land grabs
Industrialization and Trade

Manufacturing indicators
Ricardian model
Lewis model (modified Ricardian model)
  The model itself
  Its implications
  Criticisms of the model
Balanced Growth, the Big Push, and large-scale industrialization
  Criticisms of large-scale industrialization
The informal sector and approaches to it
Import substitution industrialization and export promotion
  Infant industry protection
Exports and manufacturing productivity
Globalization and gender from World Bank (2011)

And finally...

What main lessons do you take from the course?

Sample Questions

1. We have discussed the “classical” theories of economic development, covering the work of Smith, Malthus, Ricardo, and Marx. For each of these four economists, write a brief paragraph, summarizing their main ideas as they relate to economic development.

2. Please consider the following quotation from our main text by Szirmai: “Social scientists have stated that development should not be viewed in terms of economics only, and that attention should also be paid to changes in family structures, attitudes and mentalities, cultural changes, demographic developments, the transformation of rural societies and processes of urbanization” (p. 6).
   a. In a concise paragraph, please comment on this quotation from the perspective of population and development.
   b. In a concise paragraph, please comment on this quotation from the perspective of health and development.
   c. In a paragraph, please comment on this quotation from the perspective of the roles of rural development.