

**ECON 360-001: Economics of Developing Areas**  
**Fall 2021, Tuesdays and Thursdays 10:30 – 11:45a.m.**  
**Innovation Hall 316**

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## 1 Contact Information

**Instructor:** Alexander Taylor

**Email:** [ataylo46@gmu.edu](mailto:ataylo46@gmu.edu)

**Office Hours:** Wednesdays from 1-3pm on Zoom. You will need to email me beforehand to reserve a time slot. You are also free to schedule meetings outside of this time, but my availability may vary.

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## 2 Course Overview

**Prerequisites:** ECON 103 and 104

**Course Description:** Why are some nations rich and others poor? How do poor nations become rich and rich nations become poor? These questions have been fundamental to economics since its founding. This course provides an overview of different approaches to these questions.

Among the topics discussed are growth theory, political economy, the role of NGOs, formal and informal institutions, culture, and the influence of history on development.

**Mason Core, Global Understanding:** This course qualifies as a Mason Core class under the Global Understanding category. Therefore, it has the following learning outcomes and objectives:

- **Learning Outcomes:** The goal of the global understanding category 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.

**Readings and Textbooks:** Our primary readings will be drawn from the following two books:

- [Banerjee, A. & E. Duflo. 2011. \*Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty\*. New York: Public Affairs.](#)
- [Easterly, W. 2001. \*The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics\*. Cambridge: The MIT Press.](#)

All additional readings will be posted to blackboard. A *tentative* schedule of assigned readings may be found below.

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### 3 Grading

**Grading Scale:** I will be using the standard undergraduate grading scale. I will round grades ending in .50 and above up but .49 and below down.

97-100	A+	73-76	C
93-96	A	70-72	C-
90-92	A-	67-69	D+
87-89	B+	63-66	D
83-86	B	60-62	D-
80-82	B-	<60	F
77-79	C+		

**Grading Breakdown:** Your final grade will be comprised of 5 core components.

- Midterm – 20%
- Final – 30%
- Weekly Reflection Papers – 10%
- Discussion/Participation – 10%
- Paper/Presentation – 30%

**Weekly Reflection Papers:** Starting Tuesday August 31<sup>st</sup>, you will have a **1–2-page (double spaced) paper due by email every Tuesday before class**. You will discuss the weekly readings, meaning you must do the readings **before** they are covered in class. While no one likes weekly assignments, view these papers not only as proof you did the readings (though that's part of it), but also as a space to lay out your thoughts about the topic for the week in preparation for class discussion. Tell me what you agreed or disagreed with, what you thought was controversial, or what you found most interesting. Ideally, these reflections will serve as a jumping off point for our class discussions and shape the content of the course. Make your voice heard!

**Discussion & Participation:** Given its small size, participation and discussion will be an important part of this class. Time will be set aside **every Thursday** for this purpose. Discussion will be student driven, and I will participate only to the extent necessary to encourage discussion and keep things on topic. This is purely for students to articulate their perspectives on class

content and sharpen their understanding as a group. This means that regular attendance is important to this portion of your grade, and multiple unexcused absences on discussion days will negatively impact your grade. Further, achieving these goals requires that all students show respect to one another and refrain from personal attacks or bad faith interpretations/arguments. Any student that violates this simple request will be asked to leave.

**Paper & Presentation:** Each student must write a 5–8-page paper and produce a 10–15-minute PowerPoint presentation on a pre-approved development topic. These will be **worth 20% and 10% of your grade**, respectively. Topic selection may range from reviewing a book/paper to your own original work but must be cleared with me first. To ensure you are planning ahead, your topic must be emailed to me by **October 19<sup>th</sup>**, the day of the class following the midterm. The final draft of your paper must be emailed to me by midnight on **Friday, December 3<sup>rd</sup>**.

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## **4 Important Dates**

First Day of Class: 8/24

Last Day to Drop: 9/7

Fall Break: 10/11

No Class: 10/12

**Midterm: 10/14**

Paper/Presentation Topic Due: 10/19

Class Presentations: 11/16, 11/18, 11/23

Last Class: 12/2

**Papers Due by Midnight: 12/3**

**Final Exam Period: 12/14 from 10:30am – 1:15pm**

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## **5 Course Policies**

**Honor Code:** Mason is an Honor Code university; please see the Office for Academic Integrity for a full description of the code and the honor committee process. The principle of academic integrity is taken very seriously, and violations are treated gravely. As such, cheating, plagiarism, lying, and stealing are strictly prohibited. All violations will be reported to the Honor Committee. Another aspect of academic integrity is the free play of ideas. Vigorous discussion and debate are encouraged in this course, with the firm expectation that all aspects of the class will be conducted with civility and respect for differing ideas, perspectives, and traditions. When in doubt (of any kind) please ask for guidance and clarification.

## **COVID-19 Policies:**

- **Safe Return to Campus:** All students are required to follow the university's public health and safety precautions and procedures outlined on the university [Safe Return to Campus webpage](#). Similarly, all students must also complete the [Mason COVID Health Check](#) daily, seven days a week. The COVID Health Check system uses a color code system **and students will receive either a Green, Yellow, or Red email response**. Only students who receive a "green" notification are permitted to attend this course. **If you suspect that you are sick or have been directed to self-isolate, please quarantine or get testing. I reserve the right to ask you to show me your Green email and are thereby permitted to be in class.**
- **Class Absence due to COVID-19:** If you receive a Yellow or Red email response on a Tuesday, your reflection paper is still due before the start of class that day. If this occurs on a Thursday, you are exempt from discussion. However, this will increase the weight of other discussion sessions on your grade.
- **Campus Closure or Emergency Class Cancellation/Adjustment:** The pandemic is an ongoing health emergency and is therefore largely unpredictable. If in- person class must be cancelled for this or any other reason, you should check your email and blackboard regularly for updates on how we will proceed.

**Gender Identity and Pronoun Use:** If you wish, please share your name and gender pronouns with me and how best to address you in class and via email. I use he/him for myself, and you may address me as "Mr. Taylor" in email and verbally.

**Disability Accommodations:** Disability Services at George Mason University is committed to providing equitable access to learning opportunities for all students by upholding the laws that ensure equal treatment of people with disabilities. If you are seeking accommodations for this class, please first visit <http://ds.gmu.edu/> for detailed information about the Disability Services registration process. Then please discuss your approved accommodations with me. Disability Services is located in Student Union Building I (SUB I), Suite 2500. Email: [ods@gmu.edu](mailto:ods@gmu.edu) | Phone: (703) 993-2474

**Electronic Devices:** Regarding electronic devices (such as laptops, cell phones, etc.), please be respectful of your peers and your instructor and do not engage in activities that are unrelated to class. Such disruptions show a lack of professionalism and may affect your participation grade. Laptops and tablets may be used to take notes, but I highly encourage hand-writing notes.

## **Privacy:**

- **Email:** Students must use their Mason email account to receive important University information, including communications related to this class. I will not respond to messages sent from or send messages to a non-Mason email address.

- **Recording:** Due to the discussion-oriented nature of the class, audio and video recording will not be permitted.
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## 6 Reading Schedule

Below is a tentative reading schedule. I reserve the right to revise it at any time, and any changes will be announced in class. Videos and Podcasts are highly recommended but not required. *Poor Economics* will be abbreviated as **PE** and *The Elusive Quest for Growth* as **EQG**.

### I. Introduction (Week of August 23<sup>rd</sup>)

- (1) Chapter 1 of PE
- (2) Chapter 1 of EQG
- (3) Pritchett, Lant. 1997. "Divergence, Big Time." *Journal of Economic Perspectives*, 11 (3): 3-17.
- (4) [Primer on Regression Analysis](#)

### II. Economic Growth

#### *Growth Theory* (Week of August 30<sup>th</sup>)

- (5) Chapters 3-4 of EQG
- (6) Chapters 7-8 of Cowen, Tyler & Alex Tabarrok. 2011. *Modern Principles: Macroeconomics*. New York: Worth Publishers.
- (7) [Marginal Revolution University: The Solow Model](#)

#### *East Asia* (Week of September 6<sup>th</sup>)

- (8) Easterly, William. 1995. "Explaining Miracles: Growth Regressions Meet the Gang of Four." In *Growth Theories in Light of the East Asian Experience, Vol. 4*. Ito, Takatoshi & Anne O'Krueger ed. 267-299.
- (9) Haggard, Stephan. 2004. "Institutions and Growth in East Asia." *Studies in Comparative International Development*, 38(4): 53-81.

#### *Poverty Traps and the Big Push* (Week of September 13<sup>th</sup>)

- (10) Chapter 3 of Sachs, Jeffrey. 2006. *The End of Poverty*. New York: Penguin Press.
- (11) Chapter 2 of EQG
- (12) Easterly, William. 2006. "Reliving the 1950s: The Big Push, Poverty Traps, and Takeoffs in Economic Development." *Journal of Economic Growth*, 11(4): 289-318.
- (13) Easterly, William. 2006. "The Big Push Déjà vu: A Review of Jeffrey Sachs's *The End of Poverty: Economic Possibilities for Our Time*." *Journal of Economic Perspectives*, 44(1): 96-105.
- (14) Chapter 10 of Easterly, William. 2006. *The White Man's Burden*. New York: Penguin Books.
- (15) [Econtalk: Nina Monk on Jeff Sachs](#)

- (16) [Econtalk: Jeff Sachs Responds](#)

### **III. Institutions**

*Historical Origins* (Week of September 20<sup>th</sup>)

- (17) Acemoglu, Daron, Simon Johnson, & James A. Robinson. “Institutions as a Fundamental Cause of Long-Run Growth.” In *Handbook of Economic Growth, Vol. 1*. Aghion, Philippe & Steven Durlauf ed. 385-472.
- (18) [Primer on Causal Analysis](#)
- (19) [Econtalk: Acemoglu on Why Nations Fail](#)

*Africa* (Week of September 27<sup>th</sup>)

- (20) Nunn, Nathan. 2008. “The Long-Term Effects of Africa’s Slave Trades.” *Quarterly Journal of Economics*, 123(1): 139-176.
- (21) Nunn, Nathan & Leonard Wantchekon. 2011. “The Slave Trade and the Origins of Mistrust in Africa.” *American Economic Review*, 101(7): 3221-52.

*Elections, Civil War, and Corruption* (Week of October 4<sup>th</sup>)

- (22) Fisman, Raymond & Edward Miguel. 2007. “Corruption, Norms, and Legal Enforcement: Evidence from Diplomatic Parking Tickets.” *Journal of Political Economy*, 115(6): 1020-1048.
- (23) Chapters 4-5 of Easterly, William. 2006. *The White Man’s Burden*. New York: Penguin Books.
- (24) Blattman, Christopher & Edward Miguel. 2010. “Civil War.” *Journal of Economic Literature*, 48(1): 3-57.
- (25) [Marginal Revolution University: Corruption and Growth](#)
- (26) [Econtalk: Collier on the Bottom Billion](#)

No class on October 12<sup>th</sup> due to Monday/Tuesday Switcheroo

**Midterm: October 14<sup>th</sup>**

### **IV. Policies**

*Health and Education Pt. 1* (Week of October 18<sup>th</sup>)

- (27) Chapters 2-5 in PE
- (28) Chapter 4 in EQG
- (29) Banerjee, Abhijit, Sharon Barnhardt, & Esther Duflo. 2016. “Can Iron-Fortified Salt Control Anemia? Evidence from Two Experiments in Rural Bihar.” NBER Working Papers 22121, National Bureau of Economic Research, Inc.

*Health and Education Pt. 2 (Week of October 25<sup>th</sup>)*

- (30) Friedman, Willa, Michael Kremer, Edward Miguel, and Rebecca Thornton. 2016. "Education as Liberation?" *Economica*, 83(329): 1-30.
- (31) Duflo, Esther, Rema Hanna, & Stephen P. Ryan. 2012. "Incentives Work: Getting Teachers to Come to School." *American Economic Review*, 102(4): 1241-78.
- (32) Duflo, Esther, Pascaline Dupas, & Michael Kremer. 2011. "Peer Effects, Teacher Incentives, and the Impact of Tracking: Evidence from a Randomized Evaluation in Kenya." *American Economic Review*, 101(5): 1739-74.
- (33) Moulin, Sylvie, Michael Kremer, & Paul Glewwe. 2009. "Many Children Left Behind? Textbooks and Test Scores in India." *American Economic Journal: Applied Economics*, 1(1): 112-35.

*Capital & Microfinance (Week of November 1<sup>st</sup>)*

- (34) Chapters 6-8 in PE
- (35) Duflo, Esther, Abhijit Banerjee, Rachel Glennerster, & Cynthia G. Kinnan. 2013. "The Miracle of Microfinance? Evidence from a Randomized Evaluation." NBER Working Papers 18950, National Bureau of Economic Research, Inc.
- (36) [Marginal Revolution University: Microcredit](#)

*Aid (Week of November 8<sup>th</sup>)*

- (37) Chapters 5-6 of EQG
- (38) Burnside, Craig and David Dollar. 2000. "Aid, Policies, and Growth." *American Economic Review*, 90(4): 847-68.
- (39) Clemens, Michael A., Steven Radelet, Rikhil R. Bhavnani, & Samuel Bazzi. "Counting Chickens when they Hatch: Timing and the Effects of Aid on Growth." *Economic Journal*, 122(561): 590-617.
- (40) Nunn, Nathan & Nancy Qian. 2014. "US Food Aid and Civil Conflict." *American Economic Review*, 104(6): 1630-66.
- (41) Easterly, William. 2009. "Can the West Save Africa?" *Journal of Economic Literature*, 47(2): 373-447.
- (42) [Marginal Revolution University: Basic Facts about Aid](#)
- (43) [Econtalk: Clemens on Aid](#)
- (44) [Econtalk: Easterly on Aid](#)
- (45) [Dambisa Moyo on Aid](#)

*Presentations November 16<sup>th</sup>, 18<sup>th</sup>, & 23<sup>rd</sup>*

**V. Course Summary & Conclusion (Week of November 29<sup>th</sup>)**

*Papers due by Midnight December 3<sup>rd</sup>*

**FINAL EXAM PERIOD: Tuesday, December 14<sup>th</sup> 10:30am – 1:15pm**