

ECON 4774-001: Economic Reform in Developing Countries

- Instructor: Murat Iyigun
- Office: Economics Building, Room 102
- Phone: (303) 492-6653
- E-mail: murat.iyigun@colorado.edu
- URL: <http://stripe.colorado.edu/~iyigun>
- Class Schedule: MWF 1:00 p.m. – 1:50 p.m. in ECON 117.
- Office Hours: F 10:00 a.m. – 11:30 a.m. and by appointment.
- Textbooks: There are five required textbooks for this class: (1) *Has Globalization Gone Too Far?* by Dani Rodrik (Institute for International Economics, 1997); (2) *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth* by Dani Rodrik (Princeton University Press, 2007); (3) *The Quest for Growth* by Bill Easterly (The MIT Press, 2002); (4) *Why Globalization Works* by Martin Wolf (Yale University Press, 2nd edition 2005); (5) *In Defense of Globalization* by Jagdish Bhagwati (Oxford University Press, 2005).
- Course Objectives: The persistent disparities in incomes per capita across the world today pose one of the most important questions that confront economists. What are the fundamental determinants of sustained economic development? Is economic integration good for economic development? What about socio-political progress? Thanks to a proliferation of reliable data both at the macro and the micro levels in the last two decades, economists have made important strides in helping to answer this question. Yet, the continuing failure of many countries to pull out of the ranks of the hopelessly poor is a testament to the amount of work that still needs to be done. While many determinants of sustained economic growth and progress are economy-wide (like the establishment of the rule of law, the security of property rights, sustained rates of technological progress and levels of investment etc.), many others stem from decisions made within the household (like how many children to have and how much to invest in each). In this class, we shall explore how and why some countries have succeeded and many others have failed (so far) in the pursuit of economic

prosperity. An important emphasis will be on trying to assess the impact of globalization in all this.

Assignments and Grading:

The final grade for the class will be determined as follows:

Midterm 1	20 %
Midterm 2	20 %
Group Project/Presentations	25 %
Term Paper	20 %
Class Participation	15 %

No makeup exams or substitute grading assignments will be given. The only exceptions are covered by campus guidelines on absences due to religious observance (see below).

Group Project:

Each group, which should comprise of four members, is expected to pick a developing country by the end of January and write a double-spaced, twelve-page report on the country of focus in the chapter. The report, which would be due the last week of classes, should explain the key findings in the chapter and critique them. The report would serve as the basis of a roughly half an hour class presentation.

Group Paper Presentation:

The same groups are expected to pick two articles from the reading list for the class (see below) by February 8th, Friday. They will then present the main findings and conclusions of their papers in class. The main purpose of the presentation, which should last about 15 minutes, is to (a) help convey your assessment of the article to the class and (b) stimulate a class discussion. A double-spaced, four-page executive summary will also be turned in (and handed out) at the presentation.

Disability Accommodations:

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and <http://www.Colorado.EDU/disabilityservices>

Absences due to Religious Observance:

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with

scheduled exams, assignments or required attendance. See full details at http://www.colorado.edu/policies/fac_relig.html If you have scheduling conflict covered by this policy, please let me know at least one week in advance so that we can reschedule the relevant assignment.

Reading List:

<http://www.colorado.edu/Economics/courses/iyigun/E4774readlist.pdf>

Preliminary Course Outline: (thru first midterm)

<u>Week Starting</u>	<u>Topic</u>
1/14	The Course Mechanics and logistics Introduction & Relevant Facts
1/16	More Facts & Questions
1/18	Pritchett (Reading list I.10) Jones (Reading List I.6)
1/23	Rodrik (1997, Ch. 1 & 2007, Ch. 1)
1/25	Easterly (2002, Ch. 1)
1/28	Bhagwati (2005, Ch. 1)
1/30	Bhagwati (2005, Chs. 2, & 3)
2/1	Wolf (Ch. 1)
2/4	Easterly (2002, Ch. 2)
2/6	Easterly (2002, Chs. 3 & 4)
2/8	Easterly (2002, Chs. 5 & 6)
2/11	Easterly (2002, Ch. 7)
2/13	Wolf (2005, Chs. 2 & 3)
2/15	Bhagwati (2005, Ch. 5)
2/18	Bhagwati (2005, Ch. 6)
2/20	Bhagwati (2005, Ch. 7)
2/22	Midterm Exam 1
3/24 – 3/28	Spring Break
4/11	Midterm Exam 2
5/6	Final Examination (4:30 pm – 7:00 pm)