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## ECONOMIC DEVELOPMENT in Fall 2020 (EC3042)

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|-----------------------|--------------------------------------------------|-------------------------|------------------------------------------|
| <b>Course Code</b>    | EC3042                                           | <b>Professor(s)</b>     | Maria Bach                               |
| <b>Prerequisites</b>  | None                                             | <b>Office Number</b>    | G205                                     |
| <b>Class Schedule</b> | M: 16:20-17:55 in PL-1<br>R: 10:50-12:25 in PL-1 | <b>Office Hours</b>     | Mondays and<br>Wednesdays<br>14:00-15:00 |
| <b>Credits</b>        | 4                                                | <b>Email</b>            | mbach@aup.edu                            |
| <b>Semester</b>       | Fall 2020                                        | <b>Office Tel. Ext.</b> |                                          |

## Course Description

The course aims at providing the students with an understanding of the predicament of developing countries. To explain the economic position of developing countries the course will select a number of performance criteria on the basis of which it would compare the economic condition of industrialized countries with that of developing countries. Through the exposition and critique of such criteria an attempt is made to provide a broad definition of economic development.

The second part of the course deals with the models of economic development that have evolved. These models will be classified and analysed in terms of paradigms. Different paradigms of economic development with different objects and strategies particular to them will be studied. The theoretical assumptions, techniques, limitations and contributions of each model and each paradigm will be evaluated. Finally their degree of practical success will be assessed.

The third part of the course will deal with the recent emphasis on economic liberalization as the prerequisite of economic development. The topics of stabilization policy and structural adjustment will be discussed, addressing the issues of why the need for these policies, what is to be stabilized and adjusted and the degree to which these policies have proved to be successful.

## Course Learning Outcomes

The historical evolution of different meanings, measurements and explanations of economic development.

The basic indicators of economic development

Theories of economic growth and development

Poverty, its measurement and the role of development

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Inequality, its measurement and the role of economic development  
Migration, Urbanization and the informal sector  
International trade theory and development

## General Education

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### Course Outline

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#### **Section 1: Defining and Measuring Development** (2-3 lectures)

*Preparation for class:*

1. Todaro and Smith, *Economic Development*, Chapter 1
2. Lewis, W. A. (1965) A Review of Economic Development. *The American Economic Review*. 55 (1/2), 1–16.  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/jstor\\_archive\\_11816239](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/jstor_archive_11816239)
3. Meier, Gerald and Joseph Stiglitz. 2001. *Frontiers of Development Economics*. Washington and New York: World Bank and Oxford University, pp. 1-50.  
<http://documents1.worldbank.org/curated/en/586861468762924370/pdf/multi0page.pdf>
4. Boianovsky, Mauro. 2017. When the history of ideas meets theory: Arthur Lewis and the classical economists on development. *CHOPE Working Paper*, 2017-08.  
<https://www.econstor.eu/bitstream/10419/172300/1/2017-08.pdf>
5. Morris and Adelman. Speech in Yugoslavia 1972 at OECD and IBRD.  
<http://pubdocs.worldbank.org/en/594861404936456144/wbg-archives-1649970.pdf>
6. Myrdal (1989) The equality issue in world development. (Nobel Memorial Lecture, March 17, 1975) (transcript). 79 (6), 8–17.  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/gale\\_ofa8538289](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/gale_ofa8538289)
7. Goulet, D. (1975) The Paradox of Technology Transfer. *Bulletin of the Atomic Scientists*.  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/proquest64093358](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/proquest64093358)
8. D. Seers. (1972). What are we trying to measure? *Journal of Dev. Studies*, 8(3), pp. 21–36.  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/proquest220597358](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/proquest220597358)
9. Swaroop, Vinaya. 2016. World Bank's Experience with Structural Reforms for Growth and Development, *MFM Discussion Paper*

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no.11.

<http://documents1.worldbank.org/curated/en/826251468185377264/pdf/105822-NWP-ADD-SERIES-MFM-Discussion-Paper-11-PUBLIC.pdf>

10. Sen, A. 2005. Human Rights and Capabilities. *Journal of Human Development*, 6(2), pp. 151–267.

[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/proquest38174361](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/proquest38174361)

11. Interviews with Sen:

a. <https://www.youtube.com/watch?v=BunGwSCuksE>

b. <https://www.youtube.com/watch?v=-6A7k6peWRM>

12. Bach, Maria and Mary Morgan. 2020. Measuring Difference? The United Nations' Shift from Progress to Poverty. *History of Political Economy Journal*, 52(3): 539-560.

13. Defining and measuring poverty podcast episode:

<https://ceterisneverparibus.net/defining-and-measuring-poverty-episode-16/>

14. Morgan, Mary and Maria Bach. 2018. Measuring Development - from the UN's Perspective. *History of Political Economy Journal*, 50: 193-210.

15. Political Economy of Poor Numbers with Professor Morten Jerven

<https://podcasts.google.com/feed/aHR0cHM6Ly9mZWVkcY5idXp6c3Byb3V0LmNvbS8xMDY1MTMzLnJzcw/episode/QnV6enNwcm91dC01MzI2Nzcx?sa=X&ved=0CAQQkfYCahcKEwj46bvavJDsAhUAAAAAHQAAAAQAQ&hl=en-FR>

16. Sachs, Geff. 2012. From Millennium Development Goals to Sustainable Development Goals. *The Lancet*, 379: 2206–11.

17. Millennium Development Goals to Sustainable Development Goals: <https://www.sdgfund.org/mdgs-sdgs>

*Contents of short lecture in class:*

1. Historical evolution of definitions of development
2. Historical evolution of measuring development
  1. GDP growth
  2. Poverty line, Total Poverty Gap
  3. HDI, HPI, MPI
  4. Gini coefficient

*Class Activities:*

1. Build wiki of all key definitions of development.
2. Debate: Is development the same as growth?
  - a. Schmelzer, M. (2016) *The hegemony of growth the OECD and the making of the economic growth paradigm*. Cambridge: New York.  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/1n1ctv/alma991841583406026](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/1n1ctv/alma991841583406026)

## **Section 2: Uneven Development and Colonialism (4 lectures)**

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## A. Resource Extraction

### a. Natural Resources

#### i. Ex. Silver Mining in Bolivia

i. <https://www.kgou.org/post/looking-solutions-latin-america-s-resource-curse>

ii. <https://medium.com/vantage/poverty-at-the-gates-of-bolivias-riches-73e934417dc3>

iii. <https://www.imf.org/external/pubs/ft/wp/2015/wp15265.pdf>

#### ii. Protecting Indigenous Knowledge against Biopiracy in the Andes:

[https://www.jstor.org/stable/resrep17953?seq=1#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/resrep17953?seq=1#metadata_info_tab_contents)

## B. Resources and Forced Labor

### a. Land Allocation and Animal Agriculture

i. [Uneven development in the Papua New Guinea highlands: Mining, corporate social responsibility, and the "life market"](#)

ii. [Indigenous Peoples, Resource Extraction and Sustainable Development: An Ethical Approach](#)

iii. [Internationalism and the labours of the Portuguese colonial empire \(1945-1974\). \(native forced labor\)](#)

iv. [Land concentration and accumulation after redistributive reform in post-settler Zimbabwe](#)

### b. Structural Change in Western Africa as a Legacy of European Colonialism: The Labour System in Ghana and the Ivory Coast

i. <https://journals-sagepub-com.proxy.aup.fr/doi/10.1177/0011392103051003008>

#### ii. Power Corrupts: Blood Diamond / Blood Chocolate:

<https://podcasts.apple.com/fr/podcast/blood-diamond-blood-chocolate/id1458750622?i=1000443595328>

## C. Education

### a. What effect did colonial education programs have on labor force and development?

#### i. Brain Drain

i. [Colonization and education: exploring the legacy of local elites in Korea](#)

ii. [THE CAUSAL IMPACT OF BRAIN DRAIN MIGRATION ON ECONOMIC DEVELOPMENT](#)

iii. As Covid-19 Closes Schools, the World's Children Go to Work:

<https://www.nytimes.com/2020/09/27/world/asia/covid-19-india-children-school-education-labor.html?referringSource=articleShare>

iv. <https://opendata.com.pk/blog/brain-drain-in-pakistan>

v. [Stopping the brain drain of African doctors | Christopher Ategaka](#)

### b. Models:

a. The cost and benefits of sending your children to school

b. Should we ban child labour? Two equilibria model. Read articles on Teams.

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## D. Capitalism and Property Rights

### a. Uneven Development through a Marxist lens

#### i. Property Rights and Ownership

- i. [Colonialism, Property Rights and the Modern World Income Distribution](#)
- ii. [Colonial Terrorism, Global Capitalism and African Underdevelopment: 500 Years of Crimes Against African Peoples](#)
- iii. [Uneven and combined development: a fusion of Marxism and structural realism](#)
- iv. The Role of Property Rights in Development:  
<http://proxy.aup.fr/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=asn&AN=129060067&site=ehost-live&scope=site>
- v. [https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP\\_INST:default\\_view&lang=en&search\\_scope=MyInst\\_and\\_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0](https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP_INST:default_view&lang=en&search_scope=MyInst_and_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0)
- vi. [https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP\\_INST:default\\_view&lang=en&search\\_scope=MyInst\\_and\\_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0](https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP_INST:default_view&lang=en&search_scope=MyInst_and_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0)
- vii. [https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP\\_INST:default\\_view&lang=en&search\\_scope=MyInst\\_and\\_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0](https://aup.primo.exlibrisgroup.com/discovery/fulldisplay?docid=prquest1534261550&context=PC&vid=33AUP_INST:default_view&lang=en&search_scope=MyInst_and_CI&adaptor=Primo%20Central&tab=Everything&query=any.contains.theory%20of%20scarcity&offset=0)
- viii. <http://web.a.ebscohost.com.proxy.aup.fr/ehost/detail/detail?vid=0&sid=7d59c920-616a-46d8-975d-05dbf1568784%40sdc-v-sessmgr02&bdata=JnNpdGU9ZWWhvc3QtbGl2ZSZzY29wZT1zaXRI#AN=96848232&db=asn>  
<http://web.a.ebscohost.com.proxy.aup.fr/ehost/detail/detail?vid=0&sid=7d59c920-616a-46d8-975d-05dbf1568784%40sdc-v-sessmgr02&bdata=JnNpdGU9ZWWhvc3QtbGl2ZSZzY29wZT1zaXRI#AN=96848232&db=asn>  
<http://web.a.ebscohost.com.proxy.aup.fr/ehost/detail/detail?vid=0&sid=7d59c920-616a-46d8-975d-05dbf1568784%40sdc-v-sessmgr02&bdata=JnNpdGU9ZWWhvc3QtbGl2ZSZzY29wZT1zaXRI#AN=96848232&db=asn>
- ix. <http://web.a.ebscohost.com.proxy.aup.fr/ehost/detail/detail?vid=0&sid=7d59c920-616a-46d8-975d-05dbf1568784%40sdc-v-sessmgr02&bdata=JnNpdGU9ZWWhvc3QtbGl2ZSZzY29wZT1zaXRI#AN=96848232&db=asn>

## E. From Decolonization to Neo-colonization

### a. De-centering Development

- i. Thinking Race, Thinking Development, Sarah White (on Teams)
- ii. Decentering the White Gaze of Development, Robtel Neajai Pailey (on

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Teams)

- b. Peaceful Transition?
- c. Immediate Stability?
- d. Aid Programs – Do they work?
  - i. <https://www.oecd-ilibrary.org/docserver/9789264123571-5-en.pdf?expires=1602142628&id=id&accname=guest&checksum=92224D9A24E58EA90305D5DD315D5501>
  - ii. <https://www.washingtonpost.com/news/wonk/wp/2015/10/13/why-trying-to-help-poor-countries-might-actually-hurt-them/>
  - iii. <http://citeseerx.ist.psu.edu/viewdoc/downloaddoi=10.1.1.177.2407&rep=rep1&type=pdf>
  - iv. <https://digitalcommons.du.edu/cgi/viewcontent.cgi?article=1014&context=advancedintlstudies>
  - v. The bottom billion and why they keep failing  
[https://www.ted.com/talks/paul\\_collier\\_the\\_bottom\\_billion?language=en](https://www.ted.com/talks/paul_collier_the_bottom_billion?language=en)
  - vi. Documentary on private and public funding aid and its related issues on a local level for its recipient <https://www.youtube.com/watch>
  - vii. Pros and cons of foreign aid and its restrictions  
[https://www.youtube.com/watch?v=dxhj4Jg3dzU&ab\\_channel=PolyMatteR](https://www.youtube.com/watch?v=dxhj4Jg3dzU&ab_channel=PolyMatteR)
  - viii. NGO gave cows to an Indian village which led to the families taking some of their children out of school to take care of the cows  
[https://www.youtube.com/watch?v=H-Q3zWv0Evw&ab\\_channel=TEDxTalks](https://www.youtube.com/watch?v=H-Q3zWv0Evw&ab_channel=TEDxTalks)
- e. What similarities or differences exist among countries and their development trajectory based on their specific colonizer?
  - i. Konadu-Agyemang, Kwadwo. "The Best of Times and the Worst of Times: Structural Adjustment Programs and Uneven Development." Professional Geographer 52, no. 3 (August 2000): 469. doi:10.1111/0033-0124.00239. -  
[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/wj10.1111%252F0033-0124.00239](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/wj10.1111%252F0033-0124.00239)
  - ii. Kwon, Roy. "How the Legacy of French Colonization has Shaped Divergent Levels of Economic Development in East Asia: A Time-Series Cross-National Analysis." The Sociological Quarterly 52, no. 1 (2011): 56. doi:10.1111/j.1533-8525.2010.01194.x -  
<https://www.jstor.org/stable/23027460>
  - iii. Engerman, Stanley L, Sokoloff, and Kenneth L. "Colonialism, Inequality, and Long-Run Paths of Development." NBER, January 17, 2005.  
<http://www.nber.org/papers/w11057>.
  - iv. Model: Kuznet's curve
  - iv. Aid at a glance charts – Côte d'Ivoire  
<https://www.oecd.org/countries/cotedivoire/aid-at-a-glance.htm>
  - v. Indicators of economic development  
<https://www.economicshelp.org/blog/glossary/indicators-of-economic-development/>

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*Questions:*

1. How did colonial goals (wealth accumulation) shape the economies of developing countries?
2. What similarities or differences exist among countries and their development trajectory based on their specific colonizer?
3. How did colonization affect different social classes within the colonized country?
4. What is uneven development and how did it evolve?
5. What role does education play in uneven development?
6. How did (or didn't) decolonization set up developing countries for success?
7. What power dynamics from the colonial period are still intact today?
8. What role do aid programs play in a post-colonial world?

### **Section 3: Population growth and Development**

*Readings/Listening/Watching:*

1. Todaro and Smith, Economic Development, Chapter 6
2. Sinha, S. (1999). Thomas Malthus and sustainable agriculture. Current Science, 76(12), 1528-1531. <http://www.jstor.org/stable/24102129>
3. Hamburg, D. (1984). Population Growth and Development. Science, 226(4676), 785-785. <http://www.jstor.org/stable/1693249>
4. Johnson, D Gale. "Is Population Growth the Dominant Force in Development? (Population Growth, Economic growth and foreign aid)" (p.187-193) <https://www.cato.org/sites/cato.org/files/serials/files/cato-journal/1987/5/cj7n1-10.pdf>
5. Spengler, J. (1973). ECONOMIC DEVELOPMENT AND POPULATION GROWTH. International Journal of Health Services, 3(4), 577-581. <http://www.jstor.org/stable/45132139>
6. Global development podcast: <https://www.theguardian.com/world/audio/2011/jul/27/focus-podcast-population-growth>
7. [Population and Economic Growth](#)
8. Sustainable Development
  - a. Planet of the Humans (Documentary) - [Michael Moore Presents: Planet of the Humans | Full Documentary | Directed by Jeff Gibbs](#)
  - b. Owen Green – Environmental Issues – on Teams
  - c. Exploring Power and Procedural Justice Within Climate Compatible Development Project Design: Whose Priorities Are Being Considered? Benjamin T. Wood, Andrew J. Dougill, Claire H. Quinn and Lindsay C. Stringer - [https://www-jstor-org.proxy.aup.fr/stable/26197981?seq=1#metadata\\_info\\_tab\\_contents](https://www-jstor-org.proxy.aup.fr/stable/26197981?seq=1#metadata_info_tab_contents)
  - d. Plan B 2.0 Rescuing a Planet under Stress and a Civilization in Trouble (Introduction): [http://www.earth-policy.org/images/uploads/book\\_files/pb2ch01.pdf](http://www.earth-policy.org/images/uploads/book_files/pb2ch01.pdf)
  - e. The Triad of Sustainable Development: Promoting Sustainable Development in

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Developing Countries: <https://www.jstor.org/stable/44319439>  
f. [What makes a good sustainable development plan? An analysis of factors that influence principles of sustainable development](#)

### *Models*

1. Malthusian Population Trap
2. Micro-Fertility Model

### *Themes and Questions:*

1. What is the link between population growth and economic development?
2. Does population growth boost the economy? In what ways?
3. The impact of population growth on resource use, the physical environment, social structure?
4. The effect of population growth on climate change.
5. Rising population in a developing country vs. in a developed country.
6. Benefits of rising population.
7. The negative sides of overpopulation

## **Section 4: Stages of Growth and Emerging Economies**

### *Readings/Listening/Watching:*

1. Rostow, Marx and the Theory of Economic Growth  
<https://www.jstor.org/stable/40400810?seq=1>
2. Explore the potential for the New Big Emerging Markets, e.g. Armenia  
[https://www.youtube.com/watch?v=qliu\\_bBVPY8](https://www.youtube.com/watch?v=qliu_bBVPY8)
3. China and India- separation from the BRICS  
[https://www.youtube.com/watch?time\\_continue=560&v=L0rpRRAEqEc&feature=emb\\_title](https://www.youtube.com/watch?time_continue=560&v=L0rpRRAEqEc&feature=emb_title)
4. Why is India's Growth Slowing
5. Recovery of the Emerging Markets post-Covid-19
6. Rise of an Asian Giant - China documentary
7. What isn't the History of Knowledge (Rostow's Stages of Growth from 20 min) - Lorraine Daston
8. Criticism of Rostow's Stage Approach: The Concepts of Stage, System And Type By Yoichi Itagaki  
<https://onlinelibrary.wiley.com/doi/pdf/10.1111/j.1746-1049.1963.tb01138.x>
9. An alternative to Marxism? by Paul A. Baran: <https://go-gale-com.proxy.aup.fr/ps/i.do?id=GALE%7CA7426285&v=2.1&u=aupl&it=r&p=AONE&sw=w>
10. Beyond Growth: Towards A New Economic Approach by OECD
11. Emerging markets have become more resilient <https://www.economist.com/special-report/2017/10/05/emerging-markets-have-become-more-resilient?zid=295&ah=0bca374e65f2354d553956ea65f756e0>
12. How Effective Is India's Government, Compared with Those in Other Emerging

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Markets? By: Bhaskar Chakravorti and Ravi Shankar Chaturvedi

<https://hbr.org/2019/05/how-effective-is-indias-government-compared-with-those-in-other-emerging-markets>

13. Brazil as an emerging economy: a new economic miracle? By: Edmund Amann and Werner Baer  
[https://www.researchgate.net/publication/262632674\\_Brazil\\_as\\_an\\_Emerging\\_Economy\\_A\\_New\\_Economic\\_Miracle](https://www.researchgate.net/publication/262632674_Brazil_as_an_Emerging_Economy_A_New_Economic_Miracle)
14. Outperformers: <https://www.mckinsey.com/featured-insights/innovation-and-growth/outperformers-high-growth-emerging-economies-and-the-companies-that-propel-them>
15. Baran, Dependency Theory: <https://www.marxists.org/history/etol/document/swp-us/misc-1/edonbaran.htm>
16. The Environment and Emerging Development Issues: Volume 1, Chapter 8 (8.1 and 8.2) "Development Strategies and the Environment" by Partha Dasgupta (available on AUP database)
17. Comparison of Rostow's and Marx's approach / different stages of development: [https://www.jstor.org/stable/40400810?seq=1#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/40400810?seq=1#metadata_info_tab_contents)

#### *Themes and Questions:*

1. China - opposite approach from the expected, tariff constraints, protectionism, external relations; Covid-19 effect, is the worst over for China?
2. Mexico - currency depreciation; deteriorating growth prospects.
3. India- increase in unemployment; current approaches for a future rebound?
4. Russia - focus on natural resources and external relations; After the 2014-15 crisis, the government managed to rebuild its sovereign wealth fund, which is now enabling it to offset the loss of oil revenue; capitalization on natural resources is very noticeable, the question is are there any countries with potential that haven't capitalized as much as they should?
5. Indonesia - a solid economy that was slightly weakened by the slowdown in global trade is now feeling the consequences of the world pandemic.
6. Brazil-While the Covid-19 epidemic continues to spread, restrictions have started to ease in parts of the country. Contraction of economic activity expected in Q2 2020.
7. While the currency continues to exhibit weakness and fiscal balances keep deteriorating, continued monetary easing has helped boost the stock market.

#### *Class Activities:*

1. Categorizing different countries into Rostow's 5 stages of development
  1. Identify a good example country for each stage and then look at how they got there
  2. How did they approach development?
  3. Did they find aid helpful?

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4. Did they borrow from Western institutions (i.e. world bank)/did they rely on western credit to develop? or did debt further impoverish them?
  2. Find 2 or 3 economies that have completely different approaches towards growth and development and compare them

#### *Lecture Outline:*

1. What is an emerging economy and how is it different from the non-emerging ones?
2. Compare and contrast Rostow's stages of growth and Marxist model of development
3. Different Models that explain how developing countries can develop:
  - a. Lewis Model
  - b. Harrod-Domar model
  - c. Nurkse's balanced growth model
  - d. Dealing with regional disparities: Neoclassical versus Myrdal's structuralist arguments
  - e. Dealing with international disparities: Neoclassical versus structuralist views, Myrdal, Bhagwati, Prebisch and Singer.
4. What are some of the fastest growing emerging economies and why (what is interesting about their approaches towards development?)
5. The sustainability issue: how the contemporary model of growth is not sustainable and leads to irreparable ecological/environmental costs

### **Section 5: Multinational Corporations and Foreign Direct Investment**

1. Theoretical Overview of FDI and MNCs
  1. Berkeley Lecture on MNCs – on Teams under Files, Readings
  2. Advantages of FDI: <https://www.youtube.com/watch?v=Ktc7Grj4hC4>
  3. Disadvantages of FDI: <https://www.youtube.com/watch?v=4Ux9MvephYA&t=113s>
  4. Multinational Corporations, Emergence and Evolution, by Paz Estrella Tolentino, Part 1: The theoretical foundations (pp.3-23) [https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/pq\\_ebook\\_centralEBC179782](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/pq_ebook_centralEBC179782)
2. Environmental Impact & Legal Issues
  1. Global Environmental Liability: Multinational Corporations under scrutiny, by Vidyaranya Namballa [https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/doaj\\_soai\\_doaj\\_org\\_article\\_67e3f54fe3f94f94846e1508142de39f](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/doaj_soai_doaj_org_article_67e3f54fe3f94f94846e1508142de39f)
  2. Foreign Direct Investment and Development: Launching a Second Generation of Policy Research, by Theodore H. Moran, Chapter 2: FDI in Extractive Industries (pp.9-23) [https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/12f2gg6/ndljpoi%3](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/12f2gg6/ndljpoi%3)

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[Aiss.ndl.go.jp%3AR100000002-I023224058-00](http://Aiss.ndl.go.jp%3AR100000002-I023224058-00)

3. Podcast with specific example: <https://www.bbc.co.uk/sounds/play/p02xlxtm>

3. China

1. Does Foreign Direct Investment Promote Development?, by Blomstrom, Graham & Moran, Chapter 12 China's Policies on FDI: Review and Evaluation (pp. 315-335)

[https://aup.primo.exlibrisgroup.com/permalink/33AUP\\_INST/1n1ctv/alma991982769406026](https://aup.primo.exlibrisgroup.com/permalink/33AUP_INST/1n1ctv/alma991982769406026)

2. Watch the documentary film American Factory, available on Netflix

### Questions

1. What is the role of FDI and MNCs in economic development?
2. What are some positive and some negative externalities of FDI and MNCs?
3. Why is the environment such a concern with MNCs?
4. Does FDI promote development? What kind?
5. What is the point of the documentary film American Factory? Why were the workers not able to unionize the new factory?
6. Why is it difficult to hold MNCs legally accountable?

### Activities

1. Split into groups and watch this video about the girl effect ([https://www.youtube.com/watch?v=WlvmE4\\_KMNw&t](https://www.youtube.com/watch?v=WlvmE4_KMNw&t)). What is 'the girl effect' and what is it trying to achieve? Think about the role of girls and women in economic development.
2. Discuss American Factory - think about the role of MNCs and FDI in the film.

## Textbooks

| Title                                                | Author          | Publisher     | ISBN          | Required |
|------------------------------------------------------|-----------------|---------------|---------------|----------|
| Economic Development, (ED)S.C. Smith<br>12th Edition | M.P. Todaro and | PRENTICE HALL | 9781292002972 | Yes      |

## Attendance Policy

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Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an "F" for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

## Grading Policy

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| Assessment Type  | Format                                                                                                                                                                                                              | Due Date             | Weighting |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|
| Midterm exam     | MCQs written together                                                                                                                                                                                               | 5 November           | 25%       |
| Essay Assignment | Topic/question TBD<br>Options include:<br><br>1. Is growth the same as development?<br>2. Choose one development model that trumps them all/choose the most important development model.<br>3. Why does development | 10 December in class | 25%       |

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|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----|
|               | economics<br>need to be a<br>sub-discipline?<br>Do not all<br>economists<br>deal with<br>development?                                                                                                      |                            |     |
| Group Project | Choose one of the<br>following data analysis<br>projects in units 4, 5, 9<br>or 12.<br><br><a href="https://core-econ.org/doing-economics/index.html">https://core-econ.org/doing-economics/index.html</a> | 19 November                | 10% |
| Final Exam    | Questions on graphs<br>covered in the second<br>half of the semester                                                                                                                                       | 17 December<br>15:00-17:30 | 40% |

## Other

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