Faculty of Commerce and Economics
School of Economics

ECON 3110
DEVELOPMENT ECONOMICS

COURSE OUTLINE
SESSION 2, 2005
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1. COURSE STAFF

Contact details

John Lodewijks
Rm. 218 Goodsell Building, ext. 53386

Formal Consultation times will be announced in class. Generally I am available whenever my door is open.

1.1 Communication with Staff

In addition to the consultation times, I may be contacted via phone or email:

J.Lodewijks@unsw.edu.au

Email contact is usually speedier and more convenient for students.

2. INFORMATION ABOUT THE COURSE

2.1 Teaching times and Locations

Lectures/ tutorials

Lectures:

<table>
<thead>
<tr>
<th>Day</th>
<th>Time</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>Monday</td>
<td>14:00-16:00</td>
<td>ME 304</td>
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Tutorial:

<table>
<thead>
<tr>
<th>Tutorial</th>
<th>Day</th>
<th>Time</th>
<th>Location</th>
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<tbody>
<tr>
<td>Tutorial 1</td>
<td>Monday</td>
<td>11:00-12:00</td>
<td>Quad G035</td>
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<tr>
<td>Tutorial 2</td>
<td>Monday</td>
<td>16:00-17:00</td>
<td>ME 304</td>
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2.2 Units of Credit

Faculty: Faculty of Commerce and Economics
School: School of Economics
Contact: Lodewijks, John
Campus: Kensington Campus
Career: Undergraduate
Units of Credit: 6
Contact Hours per Week: 3
Enrolment Requirements:
Prerequisite: ECON2101 or ECON2103 or 48uoc in Arts and Social Science
Offered: Semester 2 2005
Fee Band: 2

2.3 Relationship of this course to other course offerings

This is a third year option, particularly suitable for students interested in international development issues. ECON3109 is a complementary course to this one and students may find it useful to do both 3110 and 3109. ECON3116, 3112 and 3113 (when offered) are also useful courses for those interested in international economic policy and global development topics. ECON3110 is available in a number of programs outside this Faculty – particularly in Development Studies · COMDB14807 · in the Faculty of Arts and Social Sciences Bachelor of Social Science.

2.4 Approach to learning and teaching

Learning outcomes:

In addition to acquiring a deeper and more meaningful understanding of the problems and policy options that emerging market economies face this course assists in providing an environment that fosters in our students the following graduate attributes:

1. the skills involved in scholarly enquiry;
2. the capacity for analytical and critical thinking and for creative problem solving;
3. the ability to engage in independent and reflective learning;
4. Information Literacy – the skills to locate, evaluate and use relevant information;
5. the capacity for enterprise, initiative and creativity;
6. a respect for ethical practice and social responsibility;
7. the skills of effective communication.

Students will be supported in developing the above attributes through:
(i) the course design
(ii) assessment strategies
(iii) learning and teaching strategies used in this course.

The learning and teaching philosophy underpinning this course reflects the UNSW Guidelines on Learning and Teaching, available at:
3. COURSE AIMS AND OUTCOMES

3.1 Course Aims

This course provides an introduction to different theories relating to emerging market economies and the associated strategies for fostering development. It investigates the role of international institutions, such as the World Bank and IMF, the process of structural transformation and economic liberalisation. Stabilisation policies and growth-oriented structural adjustment programs are discussed in the context of domestic and international policy questions.

3.2 Student Learning Outcomes and Teaching Strategies

By the end of this course, you should be able to apply economic concepts and reasoning to a wide variety of domestic and international development policy issues. You should be aware of complexities involved and the structural barriers to development. Country studies are a key learning tool in this course. See Approaches to Teaching and Learning above.

4. STUDENT RESPONSIBILITIES AND CONDUCT

4.1 Workload

It is expected that you will spend at least ten hours per week studying this course. This time should be made up of reading, research, working on exercises and problems, and attending classes. In periods where you need to complete assignments or prepare for examinations, the workload may be greater.

Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities.

4.2 Attendance

Your regular and punctual attendance at lectures and seminars is expected in this course. University regulations indicate that if students attend less than eighty per cent of scheduled classes they may be refused final assessment.

4.3 General Conduct and Behaviour

You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct which unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class. More information on student conduct is available at: www.my.unsw.edu.au

4.4 Keeping informed

You should take note of all announcements made in lectures, tutorials or on the course website. From time to time, the University will send important announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information.

5. LEARNING ASSESSMENT
5.1 Formal Requirements

In order to pass this course, you must:

- achieve a composite mark of at least 50; and
- make a satisfactory attempt at all assessment tasks (see below).

5.2 Assessment Details

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>In-Class Exam</td>
<td>10%</td>
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<tr>
<td>Essay</td>
<td>30%</td>
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<tr>
<td>Final examination</td>
<td>60%</td>
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The essay should be approximately 3,000 words and the due date for submission is 10th October or earlier if you wish. Please hand in your essays during the class meeting or to me later.

For the essay, select a specific developing or transitional economy. Examine and evaluate its development performance over the last decade or so. This is not a history essay so don’t go back in time more than 2 decades. Try to explain the country’s development performance in an analytical way. Don’t be too descriptive and focus on what you see as the key explanatory variables.


Students will present their country studies in tutorials.

The in-class exam will be held on Monday, August 29. It will cover the first five weeks of classes and focus on an analysis of development statistics.

The final exam is of three hours duration and will consist of three essay questions out of a choice of six.

The assessment tasks test all of the learning outcomes listed above to different degrees.

5.3 Special Consideration and Supplementary examinations

Examinations: requests for consideration.

No supplementary examinations will be offered for the in-class examination. Those who have a fully documented and acceptable case for their absence (eg, medical certificate - copies of which
should be submitted to the (lecturer-in-charge) will have their remaining marks reapportioned to determine their final grade.

Only students who maintain an acceptable grade during the session will be considered for a supplementary for the final exam. A fully documented case for consideration will be required. Failure to pass the final examination is certainly not grounds for being granted a supplementary.

Employment obligations are not acceptable reasons for absence from exams, nor for failing to hand in assignments on time.

The time of the final examination is determined by the university administration. **If, for any reason you believe you may not be present for the entire examination period in November, withdraw from this subject now. No final examination other than that scheduled by the University administration will be offered.**

To pass this subject, an acceptable performance in the final examination is required.

### 6. Academic Honesty and Plagiarism

The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For full information regarding policies, penalties and information to help you avoid plagiarism see:

[www.my.unsw.edu.au/student/atoz/Plagiarism](http://www.my.unsw.edu.au/student/atoz/Plagiarism)

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Plagiarism is the presentation of the thoughts or work of another as one’s own.* Examples include:

- direct duplication of the thoughts or work of another, including by copying work, or knowingly permitting it to be copied. This includes copying material, ideas or concepts from a book, article, report or other written document (whether published or unpublished), composition, artwork, design, drawing, circuitry, computer program or software, website, Internet, other electronic resource, or another person’s assignment without appropriate acknowledgement;
- paraphrasing another person’s work with very minor changes keeping the meaning, form and/or progression of ideas of the original;
- piecing together sections of the work of others into a new whole;
- presenting an assessment item as independent work when it has been produced in whole or part in collusion with other people, for example, another student or a tutor; and,
- claiming credit for a proportion a work contributed to a group assessment item that is greater than that actually contributed.†

Submitting an assessment item that has already been submitted for academic credit elsewhere may also be considered plagiarism.

The inclusion of the thoughts or work of another with attribution appropriate to the academic discipline does *not* amount to plagiarism.
Students are reminded of their Rights and Responsibilities in respect of plagiarism, as set out in the University Undergraduate and Postgraduate Handbooks, and are encouraged to seek advice from academic staff whenever necessary to ensure they avoid plagiarism in all its forms.

The Learning Centre website is the central University online resource for staff and student information on plagiarism and academic honesty. It can be located at:

www.lc.unsw.edu.au/plagiarism

The Learning Centre also provides substantial educational written materials, workshops, and tutorials to aid students, for example, in:

- correct referencing practices;
- paraphrasing, summarising, essay writing, and time management;
- appropriate use of, and attribution for, a range of materials including text, images, formulae and concepts.

Individual assistance is available on request from The Learning Centre.

Students are also reminded that careful time management is an important part of study and one of the identified causes of plagiarism is poor time management. Students should allow sufficient time for research, drafting, and the proper referencing of sources in preparing all assessment items.

* Based on that proposed to the University of Newcastle by the St James Ethics Centre. Used with kind permission from the University of Newcastle
† Adapted with kind permission from the University of Melbourne.

7. Student Resources

Reading

There is no suitable textbook for this subject. Standard texts on Development Economics cover some of the relevant topics, for example:


Internet Sites


Bank for International Settlements: [www.bis.org/publ/](http://www.bis.org/publ/)
(I use their Annual Reports extensively)

Nouriel Roubini: [www.stern.nyu.edu/globalmacro](http://www.stern.nyu.edu/globalmacro)

Asian Development Bank: [http://aric.adb.org](http://aric.adb.org)

International Monetary Fund: [http://www.imf.org](http://www.imf.org)


African Development Bank: [http://www.afdb.org/](http://www.afdb.org/) (go to Development topics)

UN Economic and Social Commission for Asia and the Pacific: [http://unescap.org/](http://unescap.org/)
(The Annual Economic and Social Surveys of Asia and the Pacific are very useful.)

Other Links: [http://faculty.oxy.edu/gsecondi/dev.html](http://faculty.oxy.edu/gsecondi/dev.html) (useful links);
[http://www.usaid.gov/about/resources/](http://www.usaid.gov/about/resources/) (good links to NGOs); and

7.1 Other Resources, Support and Information

The University and the Faculty provide a wide range of support services for students, including:

- Learning and study support;
- Counselling support;
- Library training and support services;
- Disability support services;

Students should also note that assistance is available from the Library ([http://info.library.unsw.edu.au/web/services/teaching.html](http://info.library.unsw.edu.au/web/services/teaching.html)). Please ensure that Occupational Health and Safety requirements are met. See: ([http://www.riskman.unsw.edu.au/ohs/ohs.shtml](http://www.riskman.unsw.edu.au/ohs/ohs.shtml)).

The Equity Officer (Disability) can be contacted at the Equity & Diversity Unit on 9385 4734. The Equity & Diversity Unit website is: [http://www.equity.unsw.edu.au/](http://www.equity.unsw.edu.au/).

In addition, it is important that all students are familiar with University and Faculty policies and procedures in relation to such issues as:

- Examination procedures and advice concerning illness or misadventure;
- Supplementary Examinations;
- Occupational Health and Safety policies and expectations;

8. CONTINUAL COURSE IMPROVEMENT
Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process (http://www.ltu.unsw.edu.au/ref4-5-1_catei_process.cfm) is one of the ways in which student evaluative feedback is gathered. Significant changes to courses and programs within the School are communicated to subsequent cohorts of students.

9. COURSE SCHEDULE

LECTURE PROGRAM

Weeks 1-3: Developing Regions: Contrasting Performances
(July 25, August 1 & 8).

During these 3 weeks we present a broad survey of regional disparities in development performance.

References for further reading:


Week 4: Growth and Structural Transformation
(August 15)

We have now finished our survey of the different development regions. We next see if there are common patterns of development. The focus is on empirical findings with respect to structural transformation.

References for further reading:


Week 5: Foreign Trade Regimes and Industrialization Strategies
(August 22)

We have now finished looking at common patterns of development. We have identified the empirical findings with respect to structural transformation. One important aspect of this is
Industrialization. So now we examine how industrialization proceeded in most developing countries. In the first hour we look at import substitution and in the second hour, the export of manufactures.

References for further reading:


Week 6: **In-Class Test**  
(August 29)

There are no tutorials on this Monday. In class we will do the 10% exam which tests our understanding of development statistics. This is a 75 minute exam plus reading time. I will go over the answers after the exam. Paper will be provided.

Week 7: **The World Bank and Structural Adjustment Policies**  
(September 5)

Now we start looking at the first of the major international organizations that affect developing countries - the World Bank. We start off talking generally about what the World Bank does but then focus specifically on its Structural Adjustment Programs.

References for further reading:

Stein, Leslie (1992) *Structural Adjustment in Developing Countries*. AIDAB: AGPS


Khan, Mohsin et al. (eds.) (1991) *Macroeconomic Models for Adjustment in Developing Countries*, Washington D.C: IMF

Weeks 8-9: **The IMF and the Asian Currency Crisis**  
(September 12 & 19)

We now begin two weeks of lectures on the IMF and the Asian Crisis. In lectures we will start going through the Crisis. Once we have set background we look at the specific IMF policies implemented and the appraisal, often critical, of the effectiveness of these policies. We also look at the social implications. At the end we allow the IMF to defend itself against these criticisms.

*References for further reading:*


Nouriel Roubini at [www.stern.nyu.edu/globalmacro](http://www.stern.nyu.edu/globalmacro) and then click on ‘Asian Crisis’.


After this class we have 2 weeks off and don't meet again until 10 October when you have the joy of presenting me with your essays.

[AVCC Common Non-Teaching Week and Note Public Holiday on Monday October 3]

Week 11: **The Role of the State**  
(October 10)

In class we look at the role of the State – focusing on the views of leading development economists.

*References for further reading:*

“Symposium: The State and Economic Development” *Journal of Economic Perspectives* Vol.4 No.3 Summer 1990 pp.3-74


Weeks 12: **Direct Foreign Investment, Multinational Corporations and International Technology Transfer**  
(October 17)

This week we cover multinational corporations and technology transfer. We look at indigenous technical capacity and how to nurture it.

*References for further reading:*


Weeks 13-14: **Sustainable Development, WID and NGOs**
(October 24 & 31)

We now begin 2 weeks of material examining some of the social aspects of development and sustainable development. In week 14 there are no tutorials. When the lecture content is finished I am happy to go through the last 5 years of past exam papers in this course. I will not go through every question, so pick in advance the questions you would like me to answer.

**References for further reading:**


Clark, John (1990) *Democratizing Development: The Role of Voluntary Organizations*, Conn: Kumarian


