CGS 3516F Economies of Development Fall 2013 Centre for Global Studies Huron University College Bharat Punjabi

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Lecture Hours: Thursdays, 230 pm to 530 pm.

Classroom: W106

Office Hours: Thursdays, 1pm to 2pm

COURSE DESCRIPTION

This course is an introduction to the field of human development within international development studies with a focus on investigating the notion of poverty, inequality and welfare and their relationship with economic growth and social policy. The course will begin with a review of the ideas of the great classical economists on economic progress, poverty, welfare and human well-being. Using ideas and concepts from the classical economists (Smith, Ricardo, Malthus, and Mill) and Keynes, the course will also provide an introduction to the early development economics and its relationship with classical economics and its influence on development policy after World War 2. The course will then provide a brief and quick overview of some theories from the Marxian, Institutionalist and Post-Keynesian schools of thought on finance and the macroeconomy. These will be presented as general heterodox frameworks of economic theory. We will follow up this quick sweep of economic thought by an exhaustive treatment of the human development paradigm as an example of alternative economic thinking. Ideas of human development have challenged the growth centered theories of mainstream economics and have also succeeded in placing the idea and pursuit of human centered development at the centre of economic theory and policy. Developed in collaboration between the economists, Mahbub Ul Haq, Amartya Sen and philosopher Martha Nussbaum and others, the United Nations human development index and Sen's capabilities approach (which informs human development) are now an integral part of global development policy and discourse. The course will focus on the intellectual evolution of the capabilities approach in Amartya Sen's research in welfare economics, social choice theory, gender and development and his philosophical critique of classical utilitarianism and its use in economics. The course will also provide a description of how the capabilities framework informs the United Nations Development Programme's human development index and its various annual reports. We will also be paying attention to the influence of the work of feminist scholars in disciplines like political science, women's studies, sociology, anthropology and geography who have also contributed to the development of the capabilities approach and the human development paradigm. A central highlight of the course will be a comparison of the experiences of

social and economic development in India and China from the 1940's until the 2000's. China's success with human development (and economic growth) will be contrasted with the mixed success of India's in fields such as primary and secondary education, health care access and female empowerment. Examples from the development experiences of Latin America and Africa will also be presented throughout the course and with the help of visiting faculty. We will also focus on growing income inequality in Canada through a visiting lecture and will explore the relevance of the human development approach to developed countries in the context of persistent inequalities and the Great Recession of 2008-12.

COURSE LEARNING OBJECTIVES

From a policy and global studies perspective, the course will advance the knowledge of students on how the human development approach is informing the present growth versus redistribution debate in India and China and other parts of the developing world. Several indicators on growth and development will be presented in the course and students will develop an understanding of how to interpret statistical data from different national and international sources i.e. the United Nations, World Bank, national datasets such as the Census of India, and the Millennium Development Goals. Links to some of these sources are under the heading "Links to web pages" in the outline below. Students will also learn to analyze and understand policy debates within development and take with them a nuanced understanding of the political economy of development. From a theoretical perspective, students will be exposed to some of the micro foundations of welfare economics (basic concepts such as utility, Pareto optimality, externalities will become clearer). Concepts around economic welfare and development will be elucidated throughout the course with the help of concrete examples from the everyday world of human experience in the developing world. At the very outset, it should be clear to all students that this is neither a course in standard economic theory or introductory economics. However, the course will offer students a glimpse into how economic ideas and theory around welfare evaluation are being constantly debated and revised by scholars working on the interdisciplinary interface of economics, ethics, development and philosophy. The course is thus best seen as complementary to what students learn in mainstream economics courses. The difference between this course and standard economics courses is that material covered in this course is an interdisciplinary treatment of the subject matter in economic welfare and development. As an instance, ideas around welfare, freedom and human well-being as they have evolved in the ideas of the classical economist-philosophers such as Jeremy Bentham, Adam Smith, Karl Marx and John Stuart Mill will be our initial focus in this course. In addition, the work of modern twentieth century economists and political philosophers who have written on freedom and welfare e.g. Isaiah Berlin, John Rawls, John Roemer and G.A (Jerry) Cohen will be reviewed. These ideas will then be contrasted with those of Amartya Sen's capabilities approach. Through examples from development policy, this course will also help students understand how important it is to understand, situate and integrate economic theory with the socio-cultural context of societies, the institutional dynamics of change and the politics of development. Students will learn to appreciate the positive/ descriptive, but also the normative and constructive role of economic ideas and theory in the modern world.

Prerequisite Information: 0.5 Centre for Global Studies course at the 1000-1099 level, or permission of the Centre for Global Studies.

DESCRIPTION OF CLASS METHODS

The course is largely based on lectures and class discussion. Visual Media and Guest Lectures will be used extensively. Students are expected to attend and watch videos and guest lectures as questions from both will appear in the mid term take home exam and assignments. Class discussion is encouraged. It is important that you read and come to class. It will be difficult to understand some of the economic concepts, if you neglect the assigned weekly readings and other content distributed on owl. The videos are very important as well. Please note that they come from other libraries, so if you miss watching a film, you will be unable to grasp the concepts which are later used in the content of the following classes. The videos that will be screened are not available at Western libraries for re-viewing. The same applies to visiting lectures. You also have to ensure that you come to class on time and not distract others by arriving late or leaving before the class is over. Please inform me prior to class, if you need to leave early or on email if you are arriving late. While laptops and cell phones are allowed in class, please ensure that you do not access social networking websites in class. If you are caught using Facebook, Twitter, and other social networking websites on your cell phones or laptops, you can be asked to leave the class. Chatting through your email from within class is also not allowed and any use of computers other than related to the course should be avoided. Given the small size of the class, talking and conversing with each other should be kept to a bare minimum and should in no way distract the instructor or your colleagues in class. Three warnings will be given and failure to follow these instructions and heed the warnings will lead to you being asked to leave the class. Please be mindful that you have to be prudent in the way you write emails. Addressing the instructor by his or her first name is acceptable, but failing to adhere to university email protocol and writing one line emails without addressing the instructor respectfully is not acceptable. Please write emails and draft queries responsibly and carefully. A negative view will be taken if any student fails to follow these instructions.

TEXTBOOKS AND OTHER REQUIRED RESOURCES

The following three books have to be purchased and are required for the course.

"Economics for Everyone: A Short Guide to the Economics for Capitalism", 2008. Fernwood publishing by Jim Stanford. Available at the Western book store on Western campus. Additional resources such as power points can be accessed at http://www.economicsforeveryone.ca/

"An Introduction to the Human Development and Capability Approach: Freedom and Agency." Edited by Severine Deneulin and Lila Shahani. Taylor and Francis, 2009. This book is available at the Western Book Store on Western campus.

"Development as Freedom" by Amartya Sen. Oxford University Press, 2009. This book is also available at Western Book Store.

Recommended for Purchase: "An Uncertain Glory: India and its Contradictions" by Jean Dreze and Amartya Sen, Princeton University Press, 2013 (just published)

All material other than the chapters in the text books will be posted by 4th September, 2013 on owl. Please log into owl for such material. Slides will be posted before each lecture.

Recommended Reading:

Robert Heilbroner 1952. The Worldly Philosophers. WW Norton. (Multiple copies available in the library)

Please note: Copies of all the above texts are also kept on reserve in the library. Some of the books are also available in e book form through the Huron University library website.

Links to webpages related to the course

Recommended and important web pages of organizations that gather statistics on human development:

http://hdr.undp.org/en/ (United Nations Development Programme's Human Development Report link). This is a website where all the Global and National Human Development Reports are available

http://www.devinfo.org/libraries/aspx/Home.aspx (Monitoring Human Development indicators website linked to the Millennium Development Goals, you can construct your own graphs through this website). This is also an important potential source for writing essays

http://www.devinfo.org/indiacensus2011/libraries/aspx/home.aspx (Census of India, 2011. You can construct your own charts and graphs on human development indicators through this website). This is also an important potential source for writing essays

http://www.ophi.org.uk/ (Oxford Human Development Institute at Oxford University)

Other Resources:

Important webpages from the Institute for New Economic Thinking

http://ineteconomics.org/

http://ineteconomics.org/blog/institute

Academics Stand Against Poverty website

http://academicsstand.org/

History of Economic Thought website (from the New School)

http://www.hetwebsite.org/het/ (New School website on the history of economic thought.

Websites and Wikipedia pages of important development economists, past scholars and contemporary and classical philosophers whose ideas and contributions are covered in the course:

<u>http://www.binaagarwal.com/</u> (website of Bina Agrawal, feminist economist from India based at the University of Manchester)

http://people.umass.edu/folbre/folbre/ (website of Nancy Folbre, feminist economist from United States based at the University of Massachusetts)

http://www.sanjayreddy.org/ (website of Sanjay Reddy, development economist, New School of Social Research, New York)

<u>http://emlab.berkeley.edu/users/webfac/bardhan/bardhan.htm</u> (website of Pranab Bardhan, development economist and professor emeritus, University of California, Berkeley)

<u>http://hajoonchang.net/</u>(website of Ha Joon Chang, Professor of Development Economics, University of Cambridge)

http://www.josephstiglitz.com/(website of Joseph Stiglitz, Professor of Economics and 2001 Nobel Laureate in Economics, Columbia University)

http://pantheon.yale.edu/~tp4/index.html (website of Thomas Pogge, Yale philosopher who writes on poverty)

http://philosophy.uchicago.edu/faculty/nussbaum.html (website of Martha Nussbaum, philosopher, University of Chicago)

http://en.wikipedia.org/wiki/Amartya_Sen

http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/1998/sen-bio.html

(Nobel Prize biographical account of Amartya Sen's academic background and research)

http://en.wikipedia.org/wiki/Gerald_Cohen

http://en.wikipedia.org/wiki/Martha_Nussbaum

http://en.wikipedia.org/wiki/Adam smith

http://en.wikipedia.org/wiki/Karl_Marx

http://en.wikipedia.org/wiki/Vilfredo Pareto

http://en.wikipedia.org/wiki/John Rawls

http://en.wikipedia.org/wiki/Isaiah_Berlin

http://en.wikipedia.org/wiki/John_Roemer

http://en.wikipedia.org/wiki/John_Stuart_Mill

http://en.wikipedia.org/wiki/Albert_hirschmann

METHOD OF EVALUATION/ASSESSMENT

5% of the grade will be based on class attendance. You can miss up to two classes. Participation is at 5% of the total grade. Participation of the students will be assessed by the submission of brief questions on content presented in class in written form. Students are encouraged to submit at least four written questions during the class intervals or at the end of class throughout the semester. They will be assessed on the quality of the questions and the debate they help engender in class. 40% of the grade will be based on a term paper. I will do my best to address the queries in the submitted questions in subsequent classes.

Term Paper:

Your essay will be an examination of arguments presented in one of the chapters 1-13 of either of the textbooks. You will start by identifying your topic and the chapter that is relevant to your topic. Identify the debates related to the topic with which you wish to

engage. You need to substantiate your argument with reference to examples found in ten scholarly sources, and provide a fifteen page double spaced critical analysis of your position with a clear argument. You are expected to submit this assignment by 5th December, 2013. Further details will be made available in class on the 26th of September. Please also note that you are not permitted to drop term papers under my office door. Please drop them in the drop box out side the administrator's office. If you drop your assignment under my office door, it will be rejected and penalties will accrue.

Please, note that late assignments will be penalized as follows:

Within 24 hrs of deadline 10% will be deducted Within 48 hrs of deadline 20% will be deducted Within 72 hrs of deadline 30% will be deducted.

Essays handed in after 72 hrs have passed from the deadline will not be graded. This will be strictly followed. Please ensure that you start researching your term paper well in advance of the deadline.

Mid-term Exam: An in-class 120 minute midterm exam will be held on Nov 14th. 25% of the course grade will be based on this midterm exam. This exam will be based on material covered until November 7th. The exam will be based on three long answer essay questions. Knowledge of various theories presented in class, the work of major economic and development thinkers, and understanding of concepts covered in the course will be tested. Further details and a handout will be made available in class on the 26th of September. This information will also be posted on owl.

Weekly submissions: 25% of the course grade will be based on five written submissions. These submissions will be submitted in class from 10th October until 14th November and will be based on the readings of the day. Each submission will be three pages double spaced and will summarize the arguments in the chapters to be read for that particular day. You are also expected to make your own reflections on the readings in those three pages. Further details and a handout outlining instructions will be made available in class on the 19th of September. This information will also be posted on owl.

SCHEDULE OF CLASSES, INCLUDING REQUIRED READINGS,

Week One, September 12th: Introduction to the course. What is Economics? The assumptions and frameworks of mainstream neo-classical economics. The sociology of Economics. What is Capitalism?

Reading Content: Introduction & Chapters 1- 3 from Stanford text. Chapter 1 from Stephen Marglin's "The Dismal Science. How thinking like an economist undermines community" (to be made available on owl)

Week Two, (September 19th): Classical Thinkers in Economics; the formative work of Adam Smith, David Ricardo, Karl Marx, Thomas Malthus and John Stuart Mill; economic and philosophical thinking in the nineteenth century; the organization of nineteenth and twentieth century Capitalism.

Reading Content: Chapters 4-10 from Stanford textbook. Chapter 3 "The cutting edge of Modernity" from Stephen Marglin 'The Dismal Science: How thinking like an economist undermines community (to be made available on owl).

Amartya Sen (2011) ``The Uses and Abuses of Adam Smith``. History of Political Economy, 43(2). Accessed at http://hope.dukejournals.org/content/43/2/257.full.pdf

(This article will be made available on owl)

Week Three (September 26th): The birth of Keynesian economics. John Maynard Keynes and Development. Lecture to be followed by video" Age of Uncertainty" by John Kenneth Galbraith.

Reading Content: Chapters 16-20 from Stanford text.

Week Four (October 3rd): The Early Development Economics: Models and Experiences. Modernization, Dependency and Under-Development.; Big Push model; Lewis Model, Unbalanced growth; the development and growth experiences of India, China and other developing countries in Latin America; Sen's critique of growth centered development theory; history of development economics; Limitations of economic thinking.

Reading Content: Chapters 21 and 22 from Stanford text & Chapter 13 "From Imperialism to Globalization, by way of Development" from Stephen Marglin's text "The Dismal Science: How thinking like an economist undermines community (to be made available on owl)

Week Five (October 10th): Amartya Sen as a classical political economist and the connections of his ideas on welfare and human well-being with nineteenth century thinkers. Basic Needs, Freedom, Capabilities and Development.

Reading Content: Chapters 1 & 2 from Shahani and Deveulin. Chapters 1, 2 & 3 from Sen.

Week Six (October 17th): Poverty and Capability; the Human Development Index. Measurement of inequality and poverty.

Reading Content: Chapter 4 from Sen text "Development as Freedom".

Week Seven (October 24th): Gender and Development.

Reading Content: Sen text: Development as Freedom (chapter 9)

Amartya Sen 1990. "More than 100 million women are missing" To be accessed at http://ucatlas.ucsc.edu/gender/Sen100M.html

Week Eight (October 31^{st)}: Human development and Economic Growth. Institutions, Democracy and Economic Development.

Reading Content: Chapters 3, 4, 7,8 from Shahani and Deveulin & chapters 7& 8 from Sen.

Week Nine, (November 7th): Culture, Human Rights and Capabilities.

Reading Content: Chapter 10 from Sen text. Chapter 11 from Shahani and Deveulin.

November 14th mid term exam

Week Ten (November 21st): Chinese and Indian Development compared. Famines in India and China; development policy; the role of development theory; politics in India and China.

Reading Content: Chapters 5, 6 and 7 from Sen text "Development as Freedom".

Week Eleven (November 28th): Chinese and Indian development compared (contd.)

Reading Content: Material to be posted online from Dreze and Sen's recent 2013 book " An Uncertain Glory: India and its contradictions". Chapters 1-3. This book is also available at the Huron Library in e book form.

Week Twelve (December 5th): Economic Alternatives. Challenging Global Capitalism.

Reading Content: Part Five and Conclusion from Stanford text book, and

Àmartya Sen 2009 ``Capitalism and the Crisis``. New York Review of Books. http://www.nybooks.com/articles/archives/2009/mar/26/capitalism-beyond-the-crisis/?pagination=false



Appendix to Course Outlines

Prerequisite Information

Students are responsible for ensuring that they have successfully completed all course prerequisites. Unless you have either the requisites for this course or written special permission from your Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

Conduct of Students in Classes, Lectures, and Seminars

Membership in the community of Huron University College and the University of Western Ontario implies acceptance by every student of the principle of respect for the rights, responsibilities, dignity and well-being of others and a readiness to support an environment conducive to the intellectual and personal growth of all who study, work and live within it. Upon registration, students assume the responsibilities that such registration entails. The academic and social privileges granted to each student are conditional upon the fulfillment of these responsibilities.

In the classroom, students are expected to behave in a manner that supports the learning environment of others. Students can avoid any unnecessary disruption of the class by arriving in sufficient time to be seated and ready for the start of the class, by remaining silent while the professor is speaking or another student has the floor, and by taking care of personal needs prior to the start of class. If a student is late, or knows that he/she will have to leave class early, be courteous: sit in an aisle seat and enter and leave quietly. Please see the *Code of Student Rights and Responsibilities* at:

http://www.huronuc.ca/CurrentStudents/StudentLifeandSupportServices/StudentDiscipline

Technology

It is not appropriate to use technology (such as, but not limited to, laptops, PDAs, cell phones) in the classroom for non-classroom activities. Such activity is disruptive and is distracting to other students and to the instructor, and can inhibit learning. Students are expected to respect the classroom environment and to refrain from inappropriate use of technology and other electronic devices in class.

Academic Accommodation for Medical/Non-Medical Grounds

For UWO Policy on Accommodation for Medical Illness and a downloadable SMC see: http://www.uwo.ca/univsec/handbook/appeals/accommodation_medical.pdf [downloadable Student Medical Certificate (SMC): https://studentservices.uwo.ca under the Medical Documentation heading]

Students seeking academic accommodation on medical grounds for any missed tests, exams, participation components and/or assignments worth 10% or more of their final grade must apply to the Academic Counselling office of their home Faculty and provide documentation. Academic accommodation will be determined by the Dean's Office in consultation with the instructor.

For non-medical grounds or for medical grounds when work represents less than 10% of the overall grade for the course, the student must submit a request to the instructor in writing prior to the due date of an assignment, and immediately in the case of a test. (Or as soon as possible following a medical emergency) Students are protected under the Official Student Record Information Privacy Policy and so written requests need only include a broad and general explanation of the situation, and the approximate length of time required. At the discretion of the instructor, the granting of extensions and re-scheduled tests may require the student to submit supporting either medical or non-medical documentation to the Academic Counsellor, who will then make the determination as to whether accommodation is warranted.

Statement on Academic Offences

Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site:

http://www.uwo.ca/univsec/handbook/appeals/scholastic_discipline_undergrad.pdf.

Statement on Academic Integrity

The International Centre for Academic Integrity defines academic integrity as "a commitment, even in the face of adversity, to five fundamental values: honesty, trust, fairness, respect, and responsibility. From these values flow principles of behaviour that enable academic communities to translate ideals to action." (CAI Fundamental Values Project, 1999).

A <u>lack</u> of academic integrity is indicated by such behaviours as the following:

Cheating on tests;

Fraudulent submissions online:

Plagiarism in papers submitted (including failure to cite and piecing together unattributed sources);

Unauthorized resubmission of course work to a different course:

Helping someone else cheat:

Unauthorized collaboration:

Fabrication of results or sources;

Purchasing work and representing it as one's own.

Academic Integrity: Importance and Impact

Being at university means engaging with a variety of communities in the pursuit and sharing of knowledge and understanding in ways that are clear, respectful, efficient, and productive. University communities have established norms of academic integrity to ensure responsible, honest, and ethical behavior in the academic work of the university, which is best done when sources of ideas are properly and fully acknowledged and when responsibility for ideas is fully and accurately represented.

In the academic sphere, unacknowledged use of another's work or ideas is not only an offence against the community of scholars and an obstacle to academic productivity. It may also be understood as fraud and may constitute an infringement of legal copyright.

A university is a place for fulfilling one's potential and challenging oneself, and this means rising to challenges rather than finding ways around them. The achievements in an individual's university studies can only be fairly evaluated quantitatively through true and honest representation of the actual learning done by the student. Equity in assessment for all students is ensured through fair representation of the efforts by each.

Acting with integrity at university constitutes a good set of practices for maintaining integrity in later life. Offences against academic integrity are therefore taken very seriously as part of the university's work in preparing students to serve, lead, and innovate in the world at large.

A university degree is a significant investment of an individual's, and the public's, time, energies, and resources in the future, and habits of academic integrity protect that investment by preserving the university's reputation and ensuring public confidence in higher education.

Students found guilty of plagiarism will suffer consequences ranging from a grade reduction to failure in the course to expulsion from the university. In addition, a formal letter documenting the offence will be filed in the Dean's Office, and this record of the offence will be retained in the Dean's Office for the duration of the student's academic career at Huron University College.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

Personal Response Systems ("clickers") may be used in some classes. If clickers are to be used in a class, it is the responsibility of the student to ensure that the device is activated and functional. Students must see their instructor if they have any concerns about whether the clicker is malfunctioning. Students must use only their own clicker. If clicker records are used to compute a portion of the course grade:

- the use of somebody else's clicker in class constitutes a scholastic offence,
- the possession of a clicker belonging to another student will be interpreted as an attempt to commit a scholastic offence.

Policy on Special Needs

Students who require special accommodation for tests and/or other course components must make the appropriate arrangements with the Student Development Centre (SDC). Further details concerning policies and procedures may be found at:

http://www.sdc.uwo.ca/ssd/?requesting acc

Attendance Regulations for Examinations

A student is entitled to be examined in courses in which registration is maintained, subject to the following limitations:

- 1) A student may be debarred from writing the final examination for failure to maintain satisfactory academic standing throughout the year.
- 2) Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course will be reported to the Dean of the Faculty offering the course (after due warning has been given). On the recommendation of the Department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course. The Dean of the Faculty offering the course will communicate that decision to the Dean of the Faculty of registration.

Class Cancellations

In the event of a cancellation of class, every effort will be made to post that information on the Huron website, http://www.huronuc.ca/AccessibilityInfo ("Class Cancellations").

Accessibility

Huron University College strives at all times to provide its goods and services in a way that respects the dignity and independence of people with disabilities. We are also committed to giving people with disabilities the same opportunity to access our goods and services and allowing them to benefit from the same services, in the same place as, and in a similar way to, other customers. We welcome your feedback about accessibility at Huron. Information about how to provide feedback is available at: http://www.huronuc.ca/AccessibilityInfo

Mental Health @ Western

Students who are in emotional/mental distress should refer to Mental Health @ Western http://www.uwo.ca/uwocom/mentalhealth/ for a complete list of options about how to obtain help.

Program and Academic Counselling

Centre for Global Studies students registered at Huron who require advice about modules and courses in Global Studies should contact Dr. Mark Franke, Director of the Centre for Global Studies, mfranke@huron.uwo.ca, 519-438-7224 ext. 242. Students should contact Academic Counselling on other academic matters. See the Academic Counselling website for information on services offered.

 $\underline{http://huronuc.ca/CurrentStudents/StudentLife and SupportServices/Counsellors Counselling Services}$