



DEPARTMENT OF ECONOMICS

ECON 303

ECONOMICS OF DEVELOPING COUNTRIES

2024

## COURSE OUTLINE

***Course Lecturer:***

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Office hours: Mon 11-12, Wed 11-12, Thurs 1:30-2:30

***Lectures:*** Monday 1:00-1:50  
and Wednesday 1:00-1:50

***Tutorial:*** Tuesday 12:00-12:50  
or Wednesday 4:00-4:50  
or Thursday 9:00-9:50  
or Thursday 12:00-12:50

Note: tutorials begin in the second week of the semester  
and will be held most weeks.

**Pre-requisites:** ECON201 (or ECON271)

**Disclaimer:** While every effort is made to ensure that the information contained in this document is accurate, it is subject to change. Changes will be notified in class, by email and via Blackboard. Students are encouraged to check Blackboard regularly. It is the student's responsibility to be informed.

## **WHAT THIS COURSE OUTLINE INCLUDES**

This course outline includes key administrative information for the course, including information on assessment, learning goals and objectives. Reading lists and tutorial questions will be posted on Blackboard as separate files in the Course Information folder, rather than included in this Course Outline.

## **OVERVIEW OF WHAT THE COURSE IS ABOUT AND LEARNING OUTCOMES**

In New Zealand income per capita is \$US48,249, virtually everyone can read and write and, on average, people can expect to live for 82 years. In India income per capita is \$US2,388, about a quarter of the population cannot read and write and average life expectancy is 67 years. Most of the countries that make up the world economy have more in common with India than with New Zealand. These countries (where more than two thirds of the world's population live) are known as “developing countries”. Other names for this group of countries include “less developed countries (LDCs)” and “under-resourced countries”.

We will analyse why it is that most of the world's economies appear to be trapped at low standards of living for most of their citizens. We will also ask what policies, if any, are likely to encourage the economic development of these countries. The approach followed will be to relate the theoretical literature to the real-world experience of developing countries. Note that this is a course based around economic theory; only minimal use is made of case studies in class. However, there will be a case study of East Asia.

### ***Topics covered***

Note: this is a provisional topic list only and may be subject to change. More time will be spent on some topics than others.

- Introduction: course content and methodology
- Characteristics of developing countries
- Theories of economic development: a comparative historical analysis
- The Solow-Swan (neoclassical) growth model
- Contemporary models of economic growth and development
- A case study of East Asia
- Deep determinants of economic development: institutions, social capital and geography

- The distribution of income and poverty
- Population growth and economic development
- The economics of micro credit
- Education, health, gender issues and child labour

### ***Learning Outcomes***

In this course we will study different theories and models of the process of economic growth and development. We will compare the predictions of these theories and models to what we observe in the real world, with reference to cross-country data. Some time will also be spent discussing how to measure concepts like economic development, income inequality and poverty. It is your understanding of these theories, models and concepts, and your ability to apply these, that will be examinable in the assignments and exam.

In addition to general mastery of the material, a number of specific learning outcomes follow from this.

- (1) Critical thinking (the ability to decide what the strengths and weaknesses of an argument or model are; and to decide if you agree with the argument and/or the predictions of the model). You will get practise at this in tutorials, and this will be assessed in the assignment, test and final exam.
- (2) The ability to reconcile competing arguments and to draw conclusions (an extension of critical thinking – if two models make different predictions, and/or you are faced with what appear to be contradictory arguments, can you decide which of the arguments are the most convincing and draw conclusions based on this). You will get practise at this in tutorials, and this will be assessed in the assignment, test and final exam.
- (3) Written communication (can you write a good academic essay, demonstrating the ability to think critically, to reconcile competing arguments and to draw conclusions based on sound argument). You will be given guidance on this in class (and see the essay-writing guide on Blackboard). This will be assessed in the test and final exam.

## **GENERAL ADMINISTRATIVE INFORMATION FOR THE COURSE**

### ***Tutorial Streams***

There are four different tutorial streams, and the times of these are given on the front page of this course outline. Tutorials start in the second week of the course and will be held most weeks. You can find out which stream you have been allocated to by looking on Evision. Note that if you have not been streamed, this is probably because you enrolled late. Please email me about this and I will allocate you to a tutorial stream. The same applies if you have been streamed to a tutorial and wish to change streams. Tutorials are scheduled to be held the weeks beginning:

- 4 March
- 11 March
- 18 March
- 8 April
- 15 April
- 29 April
- 13 May
- 27 May

(Note there is a small possibility the dates for the last two tutorials will change, if this happens you will be notified well in advance.)

### ***Reading and Tutorials***

This course involves quite a bit of reading (see the Reading List on Blackboard). Some of the readings summarise the material covered in lectures, but others go beyond what will be discussed in lectures. You are expected to do this reading, much of which will be discussed in tutorials. Tutorials are an integral part of the course, and you should consider attendance at tutorials to be just as important as attendance at lectures. Some tutorial questions will review what was covered in lectures, but more commonly tutorial questions will, based on the set reading, extend what was covered in lectures. Note that all of the learning outcomes mentioned above are developed in tutorials.

I cannot emphasise enough that lectures will only provide an introduction to each of the topics we study. By doing as much of the reading as possible, you will deepen your understanding of the material. If you want to learn as much as possible in this course, you will need to do the

reading as well. The exam will be set on the understanding that everyone has done the reading labelled as essential in the reading list.

### ***Workload***

Note that this is an 18-point semester paper. Under the University's points conventions, a 18-point paper corresponds approximately to an average workload of 10 hours per week (including contact hours), or roughly 180 hours in total over a 15-week period (including the end-of-semester exam period). As you spend three hours in class, this leaves plenty of time for reading, tutorial preparation, reviewing your lecture notes, working on the assignment and studying for the test and exam.

### ***Textbook***

The textbook for the course is Todaro and Smith (2020) (the 13<sup>th</sup> edition). You may be able to buy copies of the 12<sup>th</sup> (2015) or the 11<sup>th</sup> edition (2012) second hand. All three editions are reasonably similar, and it is fine to use any of the three. In the reading list on Blackboard, page and chapter numbers are given for all three editions. The course will follow the text reasonably closely (for 8 of the 11 substantive topics in the course, the textbook is the primary reading), so it is important to have access to a copy. If you do not wish to buy a copy then you will need to make frequent use of the copy on close reserve in the Central Library.

### ***Assessments***

- Assignment (due 27 March at 5pm) 15%
- Mid-semester test (held one evening the week beginning 22 April) 25%
- Final exam 60%

Note that plussage applies to both the assignment and test. That is, if you do better (in percentage terms) in the exam than the piece of internal assessment, your mark for that internal assessment is ignored and more weight placed on the final exam). Your mark will be calculated in the following ways:

Assignment (15%), Test (25%), Exam (60%)

Assignment (0%), Test (25%), Exam (75%)

Assignment (15%), Test (0%), Exam (85%)

Assignment (0%), Test (0%), Exam (100%)

And you will be awarded the highest of these four marks.

The aim of plussage is to enable students who perform poorly on an internal assessment to demonstrate improvement on the final exam. Your mark thereby better reflects what you know at the end of the paper. The risk with plussage is that it can tempt you to skip the internal assessments or not take them seriously seriously. I advise that you resist this temptation because:

- Doing the assignment and studying for the test helps prepare you for the final exam.
- The assignment and test provide feedback on how well you are coping with the course material.
- Doing the assignment and test will likely improve your final mark.
- Your performance on the mid-semester test factors in to determine your eligibility for 'Special Consideration' should you be ill or otherwise impaired during the final exam.

### **Assignment**

The assignment will include short-answer style questions. The assignment will be made available at least a month before the due date.

Extensions for the assignment will only be given for medical reasons (backed up by a medical certificate) or other serious unforeseen circumstances. If you think you have a valid reason for an extension, please email me.

Assignments submitted late (unless I have granted you an extension) will lose 10% of the marks available (i.e. 1.5 marks) for each day they are late. Assignments submitted over a week late will not be marked.

### **Mid-semester test**

This will be held at 7pm one evening the week beginning 22 April. The night this is held will depend on room availability. The test will not be held on April 25 as this is ANZAC day. The test will be one hour long and will likely include both some short answer questions and an essay question. The format of the test will be confirmed closer to the time. I will also let you know the date of the test once this has been confirmed by the Timetables Office.

If the test clashes with another university test held the same evening we will make alternative arrangements for you to sit the test at another time (most likely at another time the same evening). If you have a clash with another university test, please email me at least two weeks prior to the test.

If you miss the test due to:

1. Serious illness or injury.
2. Testing positive for Covid-19, on the day or in the 7 days before the test.
3. Bereavement of a significant other.
4. Serious psychological impairment.
5. Critical personal circumstances involving the health or wellbeing of a relative or close friends.
6. Other exceptional circumstances beyond your control (e.g. natural disaster, damage to significant property, impacts arising from being the victim of a crime, etc.).

If any of these apply please contact me as soon as you are able. You will be offered the option of sitting an alternative test at a time to be determined but likely in the week beginning 29 April. If you're unable to sit the alternate test, either due to continuing impairment or the time does not suit, plussage will automatically apply.

If you have other reasons for missing the test, e.g., a sports practice or match, plussage automatically applies – it's your choice if you sit or skip the test.

### ***Final exam***

The exam will be three hours long. The exact format of the exam will be advised well before the exam, but the exam will include a combination of multi-choice, short-answer and essay questions. The format will be similar to the last few years, other than that multi-choice questions were used for the first time in 2020. Copies of old exams can be found on the library's web site (at <https://www.otago.ac.nz/library/exams/>).

## **Academic Integrity and Academic Misconduct (Plagiarism)**

Academic integrity means being honest in your studying and assessments. It is the basis for ethical decision-making and behaviour in an academic context. Academic integrity is informed by the values of honesty, trust, responsibility, fairness, respect and courage. Students are expected to be aware of, and act in accordance with, the University's Academic Integrity Policy.

Academic Misconduct, such as plagiarism or cheating, is a breach of Academic Integrity and is taken very seriously by the University. Types of misconduct include plagiarism, copying, unauthorised collaboration, submitting work written by someone else (including from a file sharing website, text generation software, or purchased work) taking unauthorised material into a test or exam, impersonation, and assisting someone else's misconduct. A more extensive list of the types of academic misconduct and associated processes and penalties is available in the University's Student Academic Misconduct Procedures.

It is your responsibility to be aware of and use acceptable academic practices when completing your assessments. To access the information in the Academic Integrity Policy and learn more, please visit the University's Academic Integrity website at [www.otago.ac.nz/study/academicintegrity](http://www.otago.ac.nz/study/academicintegrity), or ask at the Student Learning Centre (HEDC) or the Library, or seek advice from your paper co-ordinator.

For further information:

*Academic Integrity Policy*

<http://www.otago.ac.nz/administration/policies/otago116838.html>

*Student Academic Misconduct Procedures*

<http://www.otago.ac.nz/administration/policies/otago116850.html>

### ***Useful internet sites***

The internet can be a very useful resource. It is often easier, for example, to download a journal article or working paper from the internet, than it is to go to the library to read or photocopy a hard copy. Such material has been subject to peer review. Many well respected scholars also maintain web sites that contain lots of useful information. This material has probably not been peer reviewed, but scholars are not going to risk their academic reputation by putting material



on the web that they know does not meet high scholarly standards. However, some other material on the web is simply people's opinions, rather than the result of careful scholarly research. When reading material on the web (that hasn't been published in a book, journal or working paper series) you should ask yourself whether the writer is qualified to be writing such a piece.

The World Bank's World Development Indicators online data set is helpful if you are looking for economic data on different countries. These data can be found at

<https://databank.worldbank.org/source/world-development-indicators>

A very useful youtube clip showing how to use this website can be found at

<https://www.youtube.com/watch?v=MKANI-ZWUTY>

### *Use of Blackboard in this course*

The reading list for each topic and the tutorial questions have been posted on Blackboard. Many of the readings (those labelled as "B" in the reading list document) have also been posted on Blackboard. To find these readings go to the "Course Documents" folder and click on "EReserve Readings".

Copies of the slides I use will be posted on Blackboard before each lecture (I will endeavour to do this 24-hours prior to each lecture but cannot promise to keep to this). After each lecture I will post an additional copy of the slides on Blackboard, which will include any annotations I have made on the slides during lectures.

### *Student Webmail*

#### **IMPORTANT - DO THIS NOW:**

Forward your University email address to an email address that you use regularly as follows:

1. [Log into your StudentMail account](#) using your student username and password
2. Click **Cog button (top right corner) > Options**
3. Under **Account**, select the **Forward your email** shortcut under the **Short Cuts** menu on the right side of the screen.

4. Under the Forwarding heading, type in the email address you want your email to be forwarded to. You can also choose to have a copy of these emails kept on your StudentMail account, so please check the box if you would like this.
5. Click the **Start forwarding** button.

***What to do if you miss a lecture or tutorials***

Lecture recordings will be made available. **Please note though that the University's expectation (and mine) is that you will attend class in person unless you are unwell or isolating or have another good reason for being absent.** If you miss a tutorial, try to attend another tutorial group for that week. If that is not possible, have a go at doing the questions and come and discuss them with me during my office hours. Note that model answers to tutorials are **not** available. One reason for this is that many of the tutorial questions are discussion-type questions with no one correct answer. Another reason is that providing model answers would create a disincentive to participate fully in tutorials.

***Quality Assurance***

At the Otago Business School we monitor the quality of student learning and your learning experience. Your assessed work may be used for assurance of learning processes, such as evaluating the level of achievement of learning outcomes, with the aim of improving the quality of our programmes. All material used for quality assurance purposes will be treated as confidential and the outcome will not affect your grades.

## **Student Learning Support and Information**

### ***Student Charter***

<http://www.otago.ac.nz/about/otago005275.html>

### ***Guidelines for Learning at Otago***

<https://www.otago.ac.nz/hedc/otago616123.pdf>

<http://hedc.otago.ac.nz/hedc/learning/>

### ***Student Learning Centre***

The Student Learning Centre, which is part of the Higher Education Development Centre, provides learning support, free of charge, to ALL enrolled students. Their services include:

- a workshop programme designed to help students to improve their learning strategies and their generic skills;
- individual assistance with learning issues;
- on-line study skills advice
- a student leadership programme
- a student-led peer support programme for students of all ages and backgrounds.
- conversational English groups for students from a non-English speaking background

The Centre also provides two very helpful study guides, “Guidelines for Writing and Editing” and “Writing University Assignments” and these are available on the SLC website.

<http://slc.otago.ac.nz/>

### ***Library Support***

The Library website <http://www.otago.ac.nz/library> provides access to resources and services, including group room bookings, library hours and locations, past exam papers, subject guides, article databases and more.

If you need assistance either check out the self-help guides

<http://otago.libguides.com/selfhelp>, or ask Library staff at the ground floor service desks, or email [ask.library@otago.ac.nz](mailto:ask.library@otago.ac.nz)

### ***Pacific Student Support Facilitators***

#### **Viena Faiva**

Pacific Student Support Facilitator (part-time)

Viena is of Tongan descent and is one of the Pacific Student Support Facilitators responsible for all first-year Pacific students in the division. Viena is a University of Otago, Humanities

and Commerce graduate and is currently completing a Postgraduate Commerce degree in International Business.

Mob +64 21 279 0914

Email [viena.faiva@otago.ac.nz](mailto:viena.faiva@otago.ac.nz)

### **Jekope Maiono**

Pacific Student Support Facilitator (part-time)

Jekope works part time in the Divisional Office at the Otago Business School, Division of Commerce. He is of Fijian descent and is the other Pacific Student Support Facilitator responsible for all second-year Pacific students in the division. Maiono is a University of Otago Commerce graduate, also studying towards a PhD degree in the Division of Humanities.

Mob +64 21 279 0871

Email [jekope.maiono@otago.ac.nz](mailto:jekope.maiono@otago.ac.nz)

### ***Kaiāwhina Māori | Māori student support***

Ben is the Kaiāwhina Māori (Māori student support) for Te Kura Pākihi | Otago Business School. He is able to answer any questions you may have about studying here at the University of Otago. He can provide information about scholarships, campus services, pastoral and financial care. Ben is also here to support those students who are studying away from their whānau, hapū and iwi, to ensure they feel safe and supported. He has a passion for the development of Rangatahi and understands the struggles that can come with academic life.



Tel +64 27 513 6991

Email [ben.sommerville@otago.ac.nz](mailto:ben.sommerville@otago.ac.nz)

### ***Disability Information and Support***

Students are encouraged to seek support if they are having difficulty with their studies due to disability, temporary or permanent impairment, injury or chronic illness. It is important to seek help early, through one of the contacts below:

Website: <http://www.otago.ac.nz/disabilities>

65 Albany St, West Lane, ISB, Student Services

**Tel:** +64 3 479 8235 **Email:** [disabilities@otago.ac.nz](mailto:disabilities@otago.ac.nz)

### **Student Feedback**

We encourage your feedback. This can be in the form of contacting staff, participating in course evaluation surveys, and communicating with class representatives. Continual improvements will be made to this course based in part on student feedback.

### ***Class Representatives***

The class (or student) representative system is an avenue for encouraging communication and consultation between staff and students. It provides you with a vehicle for communicating your views on the teaching and delivery of the paper and provides staff with an opportunity to communicate information and gain constructive feedback from students. It contributes to the development of a sense of community within a department and it adds a further dimension to the range of support services offered to students.

Volunteers for the role of class representatives will be called early in the semester. The OUSA invites all class representatives to a training session, conducted by OUSA, about what it means to be a class representative and some of the possible procedures for dealing with issues that arise. They also provide information on the services that OUSA offers and the role OUSA can play in solving problems that may occur. The OUSA provides support to class representatives during the semester. Departmental staff will also meet with class representatives during the semester to discuss general issues or matters they wish to have considered.

Your class representative's name and contact details will be posted on Blackboard early in the semester.

### ***Concerns about the Course***

We hope you will feel comfortable coming to talk to us if you have a concern about the course. The Course Co-ordinator will be happy to discuss any concerns you may have. Alternatively, you can report your concerns to the Class Representative who will follow up with departmental staff. If, after making approaches via these channels, you do not feel that your concerns have been addressed, there are University channels that may aid resolution. For further advice or more information on these, contact the departmental administrator or head of department.