This course explores economic analysis of behavior and policy issues important in developing economies. While many of these subjects are also important for industrialized economies, some are of special relevance to poor economies. The course is developed around readings. There is no main text, but we will numerous chapters from the text by Professor Julie Schaffner of Tufts University, Development Economics: Theory, Empirical Research and Policy Analysis, Wiley. This is available in print and as an e-book. The electronic version is far less expensive. It is available at http://www.coursesmart.com/IR/6487639/9780470599396?__hdv=6.8. I encourage you to buy this. Also several books that will be used extensively in the course: World Bank, World Development Report, 2008: Agriculture for Development, World Development Report, 2012, Abhijit Banerjee and Esther Duflo, Poor Economics and Paul Collier, The Bottom Billion. The World Bank books are available for free on the web at www.worldbank.org (go to research, then to WDRs then to WDR 2008 or WDR 2011). Banerjee and Duflo and Collier are available at Amazon. These and other books will be available on reserve at Leavey Library and articles will be available on ARES online reserve, plus you can look them up on the web.

As you will see in the syllabus, in each section readings are included that explore an issue in greater detail the required readings. Many of these come from an annual series published by the World Bank entitled, World Development Report (WDR). Some are from a journal published jointly by the World Bank and the International Monetary Fund, titled Finance and Development; these latter tend to be 1 to 3 pages in length. A few other readings are included. The WDRs are on ARES online reserve and should also be at Leavey Library, as are other books used for readings. Articles not in books are available online as electronic files under ARES reserve readings under Strauss. Articles in books can be found in the books, which should be on reserve. Articles in journals will be electronically available.

Grading will be based on two in-class midterms and an in-class final. Weights will be 30% for each midterm and 40% for the final. Exams will be a mixture of multiple choice, true-false and short answer.
Statement on Academic Conduct and Support Systems

Academic Conduct
Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in Scampus in Section 11, Behavior Violating University Standards [https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/]. Other forms of academic dishonesty are equally unacceptable. See additional information in Scampus and university policies on scientific misconduct, [http://policy.usc.edu/scientific-misconduct/].

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the Office of Equity and Diversity [http://equity.usc.edu/], or to the Department of Public Safety [http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us]. This is important for the safety whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. The Center for Women and Men [http://www.usc.edu/student-affairs/cwm/] provides 24/7 confidential support, and the sexual assault resource center webpage sarc@usc.edu describes reporting options and other resources.

Support Systems
A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the American Language Institute [http://dornsife.usc.edu/ali], which sponsors courses and workshops specifically for international graduate students. The Office of Disability Services and Programs [http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html] provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, USC Emergency Information [http://emergency.usc.edu] will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.
I. What is development economics?

Schaffner, Development Economics: Theory, Empirical Research and Policy Analysis, Chapter 1, Introduction

II. Measuring development

Schaffner, Chapter 2, Well-Being
Schaffner, Chapter 3, Economic Growth

III. Poverty and inequality

Schaffner, Chapter 5, Poverty, Inequality and Vulnerability


Martin Ravallion, “How long will it take to lift one billion people out of poverty?” World Bank Research Observer, August 2013.


World Bank, World Development Report, 2012, Overview

In more detail:


MIDTERM 1

IV. Agriculture and rural development

V. Investment in human capital


Banerjee and Duflo, Chapters 2-5

Schaffner, Chapter 6.1-6.3, Consumption, Time Allocation and Production Choices; Chapter 15, Targeted Transfer Programs; Chapter 19, Education; Chapter 22, Public Health, Health Care and Health Insurance


In more detail:


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MIDTERM 2

VI. Population and development


VII. Investment, Savings and Taxes

Schaffner, Chapter 18, Infrastructure Policies and Programs; Chapter 10, Investment and Financial Markets; Chapter 21, Microfinance

Banerjee and Duflo, Chapters 7-9


IX. Globalization, Growth and Poverty

World Bank, Globalization, Growth and Poverty

Hogendorn, Economic Development, Chapters 13-14

In more detail:


**X. Governance and civil war**


Schaffner, Chapter 13.3, 13.4, Good governance of policy implementation, Political Economy of Development
