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**Faculty of Economic and Management Sciences
Department of Economics**

Economics 281 Development

Economics (12084-281)

Module Outline

2019



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INTRODUCTION

THE MODULE FRAMEWORK

This information document contains important information about your module that you might need during the semester. It should be regarded as a contract between the lecturers and the students.

PREREQUISITES

Economics 114 & 144 OR Economics 288.

MODULE AIM

Development Economics studies some of the most important challenges facing humankind today. In an article that appeared in the *Journal of Economic Growth* in 2004, Dani Rodrik, Arvind Subramanian and Francesco Trebbi put it as follows:

Average income levels in the world's richest and poorest nations differ by a factor of more than 100... What accounts for these differences, and what (if anything) can we do to reduce them? It is hard to think of any question in economics that is of greater intellectual significance, or of greater relevance to the vast majority of the world's population.

This part of the Economics 281 module provides an introduction to Development Economics. It outlines key theories of economic development; summarises the development experiences of countries in Africa, Asia and Latin America; and discusses policies to deal with many economic development problems. The relevance of the study material for South Africa is emphasised throughout.

MODULE OUTCOMES

After the successful completion of this module the student will be able to:

- Explain contemporary views about the nature of economic development and indicate how these views differ from those held in the past
- Discuss the most important traditional and contemporary theories of economic

development and use these theories to analyse development problems

Use economic theory and lessons from the experiences of countries to analyse and discuss possible solutions to various development problems (e.g. poverty and inequality, rural-urban migration, human capital development, rural development and protection of the environment)

- Discuss development policymaking and the roles of states, markets and civil society in development processes.

LANGUAGE OF INSTRUCTION

Economics 281 is presented according to the following language option as indicated in the Faculty language plan:

- During each lecture, all information is conveyed at least in English and summaries or emphasis on content are also given in Afrikaans. Questions in Afrikaans and English are, at the least, answered in the language of the question.
- Students are supported in Afrikaans and English during a combination of appropriate, facilitated learning opportunities (e.g. consultations during office hours, or routinely scheduled tutorials and practicals).
- During the second and subsequent years of study, simultaneous interpreting is made available by SU upon request by a faculty, if the needs of the students warrant the service and SU has the resources to provide it. If two weeks have passed with no students making use of the interpreting service, it may be discontinued.

The learning materials for undergraduate modules are made available as follows:

- All compulsory reading material is provided in English except where the module is about the language itself.
- Compulsory reading material (excluding published material) is also provided in Afrikaans where reasonably practicable.
- SU module frameworks and study guides are available in Afrikaans and English.
- Question papers for tests, examinations and other summative assessments in undergraduate modules are available in Afrikaans and English. Students may answer all assessments and submit all written work in Afrikaans or English.

ADMINISTRATION**MODULE COORDINATOR**

Name	Office	Email address	Telephone number	Consultation hours
Eldridge Moses	613	eldridge@sun.ac.za	021 808 2228	By appointment

Departmental telephone number: (021) 808 2247

Physical address of the department: Department of Economics, 5th & 6th Floors, CGW Schumann Building, Bosman Street, Stellenbosch.

LECTURE TIMES

Lectures will be presented on the following days and times during 2019.

Language	Day	Time	Venue
English	Monday	10h00 – 10h50	Maths / Ind Psych 2002
English	Tuesday	08h00 – 08h50	Merensky 2013
English	Friday	11h00 – 11h50	OuHoof 1031

RESOURCES**PRESCRIBED TEXTBOOK**

Todaro, Michael P. & Stephen C. Smith 2014. *Economic Development (12th Edition)*. Harlow: Pearson.

SUGGESTED ADDITIONAL RESOURCES AND READING MATERIAL

Additional resources and reading material may be made available on SUNLearn from time to time. Such resources will **not** be prescribed material for formal assessments.

MODULE METHODOLOGY

METHOD OF INSTRUCTION

Principles of adult learning will be applied, with an emphasis on blended learning. Methods of instruction will include theoretical inputs, class discussions and practical exercises. Students are invited to participate interactively in this module and to ask questions in class whenever something is unclear.

CLASS ATTENDANCE

Students are expected to attend all lecture sessions.

TUTORIAL CLASSES

Lecturers will provide information on tutorial classes.

MENTORS

Students should approach the lecturers if they need any assistance.

SUNLEARN

SUNLearn is an integral part of this module and students should consult it regularly for resources, communication and learning activities.

FLEXIBLE ASSESSMENT

Economics 281 is a year module.

<p>Main Assessment 1 Semester 1 (A1S1) [Test 1: Economic History] [23 April 2019] Contribution to final FM: 20%</p>	
<p>Main Assessment 2 Semester 1 (A2S1) [Test 2: Economic History] [25 May 2019] Contribution to final FM: 20%</p>	
<p>Main Assessment 1 Semester 2 (A1S2) [Test 3: Development Economics] [20 September 2019] Contribution to final FM: 20%</p>	
<p>Further Assessment (FA)</p>	
<p>Summative (FAS): Semester 1: [Essay] [Submission date to be announced] Contribution to final FM: 10%</p> <p>Semester 2: [Assignment] [Submission date to be announced] Contribution to final FM: 10%</p>	<p>Formative (FAF): [Quizzes, student discussions] Participation percentage to be achieved: None</p> <p>Level of competency to be achieved: None</p>
<p>Main Assessment 2 Semester 2 (A2S2) [Test 4: Development Economics] [29 October 2019] Contribution to final FM: 20%</p>	
<p>Main Assessment 3 Semester 2 (A3S2) [Test 5: Economic History and Development Economics] [21 November 2019]</p>	

TURNOVER TIMES AND FEEDBACK

Students will receive feedback three weeks after an assessment opportunity.

ASSESSMENT 3

Access to A3S2 will be published five days before the assessment date.

ASSESSMENT RESULTS, HANDOUT OF TESTS AND APPEALS

Consult the departmental guidelines in the General Information document available on SUNLearn.

WORK PROGRAMME

A provisional work programme is provided below. The headings "Chapter" and "Pages" refer to relevant parts of the prescribed textbook. Any changes to this programme will be announced in advance.

Chapter	Date	Topics	Pages	Lecturer
1	22-07	Introduction Economics and Development Studies	— 9-16	Moses
	23-07	What do we mean by development?	16-24	Moses
	26-07	The Millennium Development Goals	24-28	Moses
2	29-07	Defining the developing world	42-45	Moses
		Basic indicators of development	45-51	
		Holistic measures	51-55	
30-07	Characteristics of the developing world	55-73	Moses	
	Development challenges now and in the past	73-80		
02-08	Are living standards converging? Long-run economic development	80-85 85-93	Moses	
3	06-08	Linear-stages theories	119-124	Moses
		Structural-change models	124-131	
12-08	The international-dependence revolution	131-135	Moses	
	The neoclassical counterrevolution	135-140		
4	12-08	Contemporary theories: Introduction	164-174	Moses
	13-08	The Big Push	174-187	Moses
		The O-ring model	187-191	
16-08	Development as self-discovery Growth diagnostics	192-193 193-197	Moses	
5	19-08	Measuring inequality	218-225	Moses
		Measuring absolute poverty	226-228	
	20-08	Poverty, inequality and social welfare	230-240	Moses
		Absolute poverty: Extent and magnitude	240-250	
23-08	Economic characteristics of poverty groups Policy to reduce poverty and inequality	250-256 256-263	Moses	
23-08	Poverty and inequality in South Africa	—	GUEST	

6	26-08	Population growth: Past, present and future The demographic transition	285-293 293-296	Moses
	27-08	Causes of high fertility in poor countries	293-307	Moses
	30-08	The consequences of high fertility Some policy approaches	307-315 315-320	Moses
RECESS 7 TO 15 SEPTEMBER 2019				
7	16-09	Urbanisation: Trends and living conditions The role of cities Urban giantism	331-338 339-348 344-348	Moses
	17-09	The urban informal sector	348-355	Moses
	20-09	Migration and development An economic theory of migration A comprehensive strategy	355-357 357-365 365-368	Moses
	23-09	Internal migration in two African countries		
8	27-09	The central role of education and health The human capital approach Child labour The gender gap in education and health	382-388 388-391 391-396 396-400	Moses
	30-10	Educational systems and development	401-406	Moses
	01-10	Education in South Africa	—	Guest
10	04-10	The environment and development: Issues Global warming and climate change	490-502 502-508	Moses
	07-10	Economic models of environmental issues Urban development and the environment Rain forest destruction	508-518 518-523 523-525	Moses
	08-10	Policy options	526-531	Moses
	11-10	Financing "green" growth	—	Guest
—	14-10	Feedback on Assignment	—	Moses
11	15-10	Development planning	542-546	Moses
	18-10	Government failure The market economy The role of the state in development Theories of policy formulation and reform	554-558 558-559 560-562 562-569	Moses
	21-10	NGO's and civil society Trends in governance and reform	569-575 576-582	Moses
	22-10	Development policymaking in South Africa	—	Moses
	25-10	NO CLASS		