

Graduate Course Outline

**Department of Economics
School of Business and Economics**

**ECON 6070-3
Sustainable Macroeconomic Development (3,0,0)**

1. COURSE OVERVIEW

Calendar Description

Students explore the macroeconomic theories and issues, internal and external challenges, and alternative policy options for sustainable economic development. Topics include a comparative analysis of the leading theories of economic growth, development and sustainability; lack of economic growth, poverty and income distribution; consequences of population growth and technological change; employment and migration, human capital, agriculture and rural development, international trade and commercial policy, foreign investment and aid; and global integration, economic transition and environmental degradation.

Educational Objectives/Graduate-Level Learning Outcomes

After successfully completing the course, students will be able to:

1. Distinguish between economic growth, development, and sustainable development.
2. Explain the different measures and indicators of sustainable economic development.
3. Discuss classic theories of economic growth and development.
4. Compare the contemporary models of economic development.
5. Summarize the relationship between economic growth, poverty, and inequality and their implications on sustainable development.
6. Appraise the implications of population growth on the quality of life.
7. Assess the consequences of increasing urbanization on the planet.
8. Critique the importance of investment in human capital for sustainable economic development.
9. Defend the need for agricultural and rural development for overall economic development.
10. Assess the significance of globalization and international trade on sustainable development.
11. Recognize the role of international flow of financial resources on economic development.
12. Evaluate the burden of economic development on the environment and policies for sustainable management.

Course Topics

1. Economic Growth, Development, and Sustainable Development
 - Macroeconomics
 - Economic growth versus economic development
 - Sustainable development
 - Millennium Development Goals
 - *Case study: Brazil*
2. Comparative Economic Development

- Basic indicators of development
 - Holistic measures of living standards and capabilities
 - Indicators of sustainable development
 - Characteristics of the developing world
 - Convergence/divergence of living standards among nations
 - *Case study: Comparative economic development: Pakistan and Bangladesh*
3. Classic Theories of Economic Growth and Development
- Linear-stages theories
 - Structural-change models
 - International-dependence revolution
 - Neoclassical counterrevolution
 - *Case study: Schools of thought in context: South Korea and Argentina*
4. Contemporary Models of Development and Underdevelopment
- Coordination failure
 - Multiple equilibria
 - Big Push Theory
 - O-Ring Theory
 - Economic development as self-discovery
 - Growth Diagnostics Framework
 - *Case study: China*
5. Poverty, Inequality, and Economic Development
- Measuring inequality and poverty
 - Poverty, inequality, and social welfare
 - Growth and poverty
 - High-poverty groups
 - Policy options for sustainable development
 - *Case study: Institutions, inequality, and incomes: Ghana and Côte d'Ivoire*
6. Population Growth and Its Consequences
- Population growth and the quality of life
 - Population growth: past, present, and future
 - Demographic transition
 - Malthusian and Household Models of fertility
 - Some policy approaches
 - *Case study: Population, poverty, and development: China and India*
7. Urbanization and the Informal Sector
- Migration and urbanization dilemma
 - Role of cities
 - Urban giantism problem
 - Urban informal sector
 - Migration and development
 - An economic theory of rural-urban migration
 - *Case study: Rural urban migration and urbanization: India and Botswana*
8. Human Capital: Health and Education
- Roles of education and health
 - Investing in education and health

- Child labour
- Gender gap
- Educational systems and development
- Health measurement and distribution
- Health, productivity, and policy
- *Case study: Pathways out of poverty: Progreso/Oportunidades*

9. Agriculture and Rural Development

- Agricultural progress and rural development
- Agricultural growth: past progress and current challenges
- Agrarian systems in the developing world
- Farmer behaviour and agricultural development
- Strategies for agricultural and rural development
- *Case study: Agricultural extension for women farmers: Kenya*

10. International Trade and Commercial Policy

- Economic globalization
- International trade: some key issues
- Traditional free-trade theory
- Trade strategies for sustainable development
- South-South trade
- Trade policies of developed countries
- *Case study: Development success through trade: Taiwan*

11. Foreign Finance, Investment, and Aid

- The international flow of financial resources
- The multinational corporations
- Foreign aid
- Conflict and development
- *Case study: African success story: Botswana*

12. The Environment and Development

- Environment and development
- Rural development and the environment
- Global warming and climate change
- Economic models of environmental issues
- Urban development and the environment
- Costs of rain forest destruction
- Policy options in developing and developed countries
- *Case study: A world of contrasts: Haiti and Dominican Republic*

Texts/Materials

Textbooks

Todaro, M. P. and Smith, S. C. Economic Development, 11th Edition, Pearson, 2012.

Meier, G. M. and Rauch, J. E. Leading Issues in Economic Development, 8th Edition, Oxford University Press, 2005.

Hussen, A. Principles of Environmental Economics and Sustainability: An Integrated Economic and Ecological Approach, 3rd Edition, Routledge, 2013.

Suggested Readings

Banerjee, A. (2006). Globalization and all that, Understanding Poverty, ed. Banerjee. A., et. al., New York.

Baran, P. (1975). The Political Economy of Neo-Colonialism, London.

Chenery, H. (1979). Structural Change and Development Policy, Baltimore.

Daly, H. (1994). For the Common Good: Redirecting the Economy toward Community, the Environment and a Sustainable Future, Beacon Press.

Hardin, G. (1968). The Tragedy of the Commons, Science, 162: 1243-1248.

Kuznets, S. (1955). Economic Growth and Income Inequality, American Economic Review, 45: 1-28.

Krugman, P. (1995). Development, Geography, and Economic Theory, Cambridge.

Rawls, J. (1971). A Theory of Justice, Cambridge.

Rostow, W. (1960). The Stages of Economic Growth: A Non-Communist Manifesto.

Sachs, J. (2005). The End of Poverty: Economic Possibilities for Our Time, New York.

Sen, A. (1995). Rationality and Social Choice, American Economic Review, 85: 1-24.

Sen, A. (1999). Development as Freedom, Knopf, New York.

Solow, R. (1956). A Contribution to the Theory of Economic Growth, Quarterly Journal of Economics, 70: 65-94.

Solow, R. (1993). An Almost Practical Step Toward Sustainability, Resources Policy, pp. 162-172.

Stern, N. The Stern Review on the Economics of Climate Change.

Strauss, J. and Thomas, D. (1998). Health, Nutrition, and Economic Development, Journal of Economic Literature, 36: 766-817.

The Millennium Development Goals. <http://www.un.org/millenniumgoals/>.

UNDP (2009, 2010, 2013). Human Development Report, New York.

UN population Fund (2009). State of the World's Population, New York.

Yunus, M. (2008). *Creating a World without Poverty: Social Business and the Future of Capitalism*, New York.

World Bank (2010). *World Development Indicators*, Washington, D.C.

World Commission on Environment and Development (1987). *Our Common Future*, New York.

Student Evaluation Philosophy and Methods

Face-to-Face

Case Study	20%
On-line Discussions	15%
Midterm Exam	25%
Final Exam	40%

Online

Case Study	40%
On-line Discussions	15%
Final Exam	45%

Case Study

Students will be required to prepare written analyses of one sustainable economic development case in teams. A grade of zero will be given for all late assignments unless permission is received in advanced.

On-line Discussion

Six discussion questions will be posted for comments by students at different times throughout the course.

- Discussion 1 – What do you mean by development?
- Discussion 2 – Economic growth, poverty, and inequality
- Discussion 3 – Increasing urbanization and its consequences
- Discussion 4 – Investment in education and health
- Discussion 5 – The multinational corporations
- Discussion 6 – Economic development and the environment

Students are expected to engage in an active debate with each other of the issues involved. The discussion will be monitored to ensure it remains focused on the question asked and that all students are respectful of each other and engaged. A grade will be assigned at the end of each discussion question based on the quality and not the quantity of each student's contributions.

Mid-term Exam

There will be a midterm exam after Module 6. Translators or other electronic devices are not permitted during exams with the exception of a scientific calculator.

Final Exam

The comprehensive final exam is three hours in length. Translators or other electronic devices are not permitted during exams with the exception of a scientific calculator.

2. RELATIONSHIP TO OTHER COURSES

Prerequisites

ESMN 6060

Co-requisites

None

Links to Previous, Concurrent and Subsequent courses

The knowledge in Principles and Applications of Sustainable Economic Management (ESMN 6010 and ESMN 6060) will help students better understand various economic development issues in this course. The course Sustainable Community Economic Development (ESMN 6050) is also related though the focuses of these two courses are very different. One examines community economic development, and the other one examines national and global economic development, and its sustainability.

3. COURSE PURPOSE AND FIT IN GRADUATE PROGRAM

What is this course's role in the graduate program?

For sustainable economic management, it is important for students to understand various issues of economic development and their implications on sustainability.

4. DELIVERY

Delivery mode (face-to-face, blended, distance)

The course will be developed for distance, blended, and campus delivery.

Delivery Features

- Lectures recorded using Camtasia
- Group case analysis
- Online discussions

Instructional Approach

This course employs an active, collaborative learning approach with a heavy reliance on independent and in-class problem solving and participation, team case analysis, and online discussion.

5. OTHER

Methods for Prior Learning Assessment and Recognition

PLAR is not allowed in graduate programs under Northwest Commission on Colleges and Universities (NWCCU) accreditation standards. No PLAR credit will be awarded, which is permissible under TRU policy.

Course Policies

Academic Integrity – In accordance with TRU Policy 5-0.

Examinations – In accordance with TRU Policy ED 3-9. In addition, students must pass the final exam to receive a passing grade for the course.

Grading – In accordance with TRU Policy ED 3-5.

Late Assignments - A grade of zero will be given for all late assignments unless permission is received in advanced from the instructor/facilitator.

Student Academic Appeals - In accordance with TRU Policy ED 4-0.

Student Attendance – In accordance with ED 3-1.

Team Conflict - All team members should actively participate in the analysis of the case and the preparation of the report and act professionally towards each other. During the course, if a student feels this is not occurring, they should bring this matter to the attention of the facilitator immediately so they can investigate the conflict and take the appropriate action including assigning students a failing grade for the course. Working effectively in teams and acting professionally towards one's colleagues is a major learning goal of an MBA program. Students should be careful to ensure their behaviour does not become an issue.

Withdrawals – In accordance with ED 3-0.