



**FRE 521G (1.5) SPECIAL TOPICS IN FOOD AND RESOURCE ECONOMICS – ECONOMIC DEVELOPMENT
COURSE OUTLINE**

Class Time: Tue-Thu 10:00-11:30 AM

Room: MCML 154

Instructors

Rick Barichello

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COURSE DESCRIPTION:

The focus of the course is to provide working knowledge of frameworks and underlying factors of economic development that are particularly relevant in the area of institutions, environment, agriculture and resources. In this course, the theoretical literature will be applied to the real-world experience of developing countries so that students gain knowledge and can critically review economic development frameworks that encourage development in select countries.

The first section of the course examines economic development from the perspective of factor markets including capital investment, labor mobility and urban versus rural wages. The integrating role of institutions as mechanisms for risk sharing and incentives for technology adoption is also featured. The second part of the course uses important papers in the field to examine the role of agriculture in economic development, especially how institutions and property rights can explain the economic development of countries, and how these features interact with gender and culture.

LEARNING OBJECTIVES

Upon completion of this course, students will be able to:

- Explain the concepts of economic development and poverty reduction, including identification of the many dimensions of these concepts, as they apply to food and resources.
- Discuss frameworks involved when thinking about economic development.
- Understand the importance of institutions, property rights, gender, labour, social capital and geography on economic development.
- Identify and explain theories of economic development and utilization of empirical evidence in this field.
- Identify select literature and data sources most relevant to this topic.

EVALUATION PLAN

Your grade shall be determined as follows:



Evaluation	Date	Percent of Grade
Final Exam in-class	TBA	50%
Individual Assignments (2)	Assignment 1: Week 1 to 3 Due March 17 th Assignment 2: Week 4 to 6 Due April 3 rd	20%
Group Project (Group of Two Students)	Proposal Due March 31 st Final Submission Due April 14 th	30%

GROUP PROJECT

This group project requires the development of a project proposal that includes the following elements:

- Research Question: Development of a good question in this field (based upon course topics, your interest and discussions with the professor)
- Literature Review
- Theoretical framework utilized and justification for the selection
- Data and Analysis required to conduct research
- Expected results of the project
- Limitations

Length: Approximately 6 to 10 pages

More details will be provided as the class progresses.

CLASS FORMAT

12 lectures of 1.5 hours, twice a week for 6 weeks from Feb. 28th to April 3rd. Lecture Schedule (Instructor week 1-3 Rick Barichello, week 4-6 Mukesh Eswaran)

Week 1 Feb 28 -March 2	<u>An Investment Approach to Development: Technology and Education, Institutions and Policies</u> Overview; Shifting out the frontier vs moving toward frontier (Innovation, Efficiency) <ul style="list-style-type: none"> ▪ <u>Reading:</u> Robert C. Allen, <i>Global Economic History: A Very Short Introduction</i>, Oxford University Press, 2011, Chapters 1-7 [READ FOR LECTURE 1, Feb 25] Traditional vs Modern Agriculture: importance of disequilibrium; <ul style="list-style-type: none"> ▪ <u>Reading:</u> TW Schultz, <i>Transforming Traditional Agriculture</i>, chapters 3-6. <i>Read for Lec1</i> Agriculture vs Industry <ul style="list-style-type: none"> ▪ <u>Reading:</u> M. Gillis, D. Perkins, M. Roemer, D. Snodgrass, <i>Economics of Development</i>, Ch 16, 18, 19.
Week 2 March 7, 9	The Importance of Factor Markets Credit Market: fallacies and realities <ul style="list-style-type: none"> ▪ <u>Reading:</u> D. Snodgrass and R.H. Patten, "Reform of Rural Credit in Indonesia: Inducing Bureaucracies to Behave Competitively", ch.13, Perkins and Roemer, <i>Reforming Economic Systems in Developing Countries</i>, HIID/Harvard Univ Press. Labour Markets: migration and a post-Lewis world Research, Knowledge and returns to education <ul style="list-style-type: none"> ▪ <u>Readings:</u> ▪ Richard Barichello and Faisal Harahap, "Reducing Rural Poverty Through Trade? Evidence from Indonesia", chapter 6 in Richard Barichello, Arianto Patunru, and



	<p>Richard Schwindt, Eds., <i>Trade, Poverty and Income Distribution: The Indonesian Experience</i>. UBC Press, in process 2019.</p> <ul style="list-style-type: none"> Finis Welch, "Education in Production", <i>Journal of Political Economy</i>, vol 78:32-59 Dean T. Jamison and Lawrence J. Lau, <i>Farmer Education and Farm Efficiency</i>, Ch.1
<p>Week 3</p> <p>March 14, 16</p>	<p>Cases of the Importance of Institutions</p> <p>Land Property Rights in Vietnam: evolution and regression of VN's Land Law</p> <ul style="list-style-type: none"> <u>Reading</u>: OECD (2015), <i>Agricultural Policies in Vietnam 2015</i>, OECD Publishing, Paris. Chapters 2,3. <p>Incentives: that motivate consumers, firms and agents; those that policy and institutions impart to often undermine their effects on the economy</p> <ul style="list-style-type: none"> <u>Reading</u>: Easterly, W. and R Levine (1997), "Africa's Growth Tragedy: Policies and Ethnic Division," <i>Quarterly Journal of Economics</i>, 112, pp.1203-1250. <p>Methods of and Incentives for Corruption</p> <ul style="list-style-type: none"> <u>Reading</u>: J.Dreze and Amartya Sen, <i>India: Development and Participation</i>, Oxford University Press, 1996/2002, pp. 363-36. <p>Trade Policy, Institutions, Reform: Case of Indonesia</p> <ul style="list-style-type: none"> <u>Reading</u>: Richard Barichello and Frank Flatters, "Trade Policy Reform in Indonesia," Chapter 10, Dwight Perkins and Michael Roemer, Eds., <i>Reforming Economic Systems in Developing Countries</i>, HIIID and Harvard University Press, 1991.

<p>Week 4</p> <p>March 21 23</p>	<p>The Role of Agriculture in Economic Development</p> <p><u>Readings</u>:</p> <ul style="list-style-type: none"> Lewis, W.A. (1954), "Economic Development with Unlimited Supplies of Labour", <i>The Manchester School</i>, 22, pp. 139-191. Reprinted in A.N. Agarwala and S.P. Singh (eds), <i>The Economics of Underdevelopment</i>, Oxford University Press, New York, 1971, pp. 400-449. [On Reserve in Koerner Library] Call No. HD82 .A545 1963 <i>This is a classic paper on economic development which provides a characterization of agriculture and industry that has stood the test of time.</i> Eswaran, M. and A. Kotwal (1993), "A Theory of Real Wage Growth in LDCs", <i>Journal of Development Economics</i>, 42, pp. 243-269. [Sections 1, 2, and 4] <i>This paper formally models show why and how agriculture is crucial to industrial development.</i>
<p>Week 5</p> <p>March 28 30</p>	<p>Property Rights and the Role of Institutions in Economic Development</p> <p><u>Readings</u></p> <ul style="list-style-type: none"> Acemoglu, D., S. Johnson, and J.A. Robinson (2001), "The Colonial Origins of Comparative Development: An Empirical Investigation", <i>American Economic Review</i>, 91, pp. 1369-1401. Acemoglu, D., S. Johnson, and J.A. Robinson (2002), "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution", <i>Quarterly Journal of Economics</i>, 117, pp. 1231-1294. <p><i>Both these are classic papers on the how institutions can explain the economic development of countries.</i></p>
<p>Week 6</p> <p>April 4 6</p>	<p>Women and Economic Development</p> <p><u>Readings</u></p> <ul style="list-style-type: none"> Chapters 6, 8, 9, and 11 of <i>Why Gender Matters in Economics</i> by Mukesh Eswaran, Princeton, University Press, 2014.



	<i>This topic will focus on how contraception, fertility decline, globalization, and suffrage have enhanced women's contribution to economic development.</i>
	Final Exam: TBA

ACADEMIC MISCONDUCT

Academic honesty is essential to the continued functioning of The University of British Columbia as an institution of higher learning and research. All UBC students are expected to behave as honest and responsible members of an academic community. Breach of those expectations or failure to follow the appropriate policies, principles, rules, and guidelines of the University with respect to academic honesty may result in disciplinary action.

Academic misconduct that is subject to disciplinary measures includes, but is not limited, to the following:

- **Plagiarism**, which is intellectual theft, occurs where an individual submits or presents the oral or written work of another person as his or her own. In many UBC courses, you will be required to submit material in electronic form. The electronic material will be submitted to a service which UBC subscribes, called TurnItIn. This service checks textual material for originality. It is increasingly used in North American universities. For more information, review TurnItIn website online.
- **Cheating**, which may include, but is not limited to falsification of any material subject to academic evaluation, unauthorized collaborative work; or use of unauthorized means to complete an examination.
- **Submitting others work as your own**, may include but not limited to i. using, or attempting to use, another student's answers; ii. providing answers to other students; iii. failing to take reasonable measures to protect answers from use by other students; or iv. in the case of students who study together, submitting identical or virtually identical assignments for evaluation unless permitted by the course instructor.
- **Resubmission of Material**, submitting the same, or substantially the same, essay, presentation, or assignment more than once (whether the earlier submission was at this or another institution) unless prior approval has been obtained from the instructor(s) to whom the assignment is to be submitted.
- **Use of academic ghostwriting services**, including hiring of writing or research services and submitting papers or assignments as his or her own.

Student Responsibility: Students are responsible for informing themselves of the guidelines of acceptable and non-acceptable conduct for examinations and graded assignments as presented via FRE code of conduct guidelines; course syllabus and instructors; and UBC academic misconduct policies, Review the following web sites for details:

- UBC Academic Misconduct and Discipline (<http://www.calendar.ubc.ca/Vancouver/index.cfm?tree=3,54,111,0>)
- UBC Learning Commons web-based Academic Integrity (<http://learningcommons.ubc.ca/academic-integrity/>).

Penalties for Academic Dishonesty: The integrity of academic work depends on the honesty of all those who work in this environment and the observance of accepted conventions. Academic misconduct is treated as a serious offence at UBC and within the MFRE program. Penalties for academic dishonesty are applied at the



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discretion of the course instructor. Incidences of academic misconduct may result in a reduction of grade or a mark of zero on the assignment or examination with more serious consequences being applied if the matter is referred to the Dean's office and/or President's Advisory Committee on Student Discipline.

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