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Curriculum Proposal Cover Sheet - University-Wide Undergraduate Curriculum Committee

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Check all appropriate lines and complete all information. Use a separate cover sheet for each course proposal and/or program proposal.

1. Course Proposals (check all that apply)

New Course Course Prefix Change Course Deletion
X Course Revision Course Number and/or Title Change X Catalog Description Change

Current course prefix, number and full title: ECON 339 Economic Development I

Proposed course prefix, number and full title, if changing:

2. Liberal Studies Course Designations, as appropriate

X This course is also proposed as a Liberal Studies Course (please mark the appropriate categories below)
Learning Skills Knowledge Area X Global and Multicultural Awareness Writing Intensive (include W cover sheet)
Liberal Studies Elective (please mark the designation(s) that applies - must meet at least one)
Global Citizenship Information Literacy Oral Communication
Quantitative Reasoning Scientific Literacy Technological Literacy

3. Other Designations, as appropriate

Honors College Course Other: (e.g. Women's Studies, Pan African)

4. Program Proposals

Catalog Description Change Program Revision Program Title Change New Track
New Degree Program New Minor Program Liberal Studies Requirement Changes Other

Current program name:
Proposed program name, if changing:

Table with 3 columns: Approvals, Signature, Date. Rows include Department Curriculum Committee Chair(s), Department Chairperson(s), College Curriculum Committee Chair, College Dean, Director of Liberal Studies, Director of Honors College, Provost, Additional signature, and UWUCC Co-Chairs.

Received Received
SEP 30 2013 APR 30 2013
Liberal Studies Liberal Studies

Part II - Revised as of 9/17/2013

1. New Syllabus of Record

I. Catalog Description

ECON 339: Economic Development I	3 class hours
	0 lab hours
Prerequisites: ECON 121 and ECON 122 or instructor permission	3 credits
	(3c-0l-3cr)

Introduces the student to the following concepts: theory of growth; theory of economic development of underdeveloped countries.

II. Course Outcomes and Assessment (Expected Undergraduate Student Learning Outcomes—EUSLO).

At the end of the course, students will be able to:

Objective 1:

Explain the contemporary economic problems of developing countries.

Expected Undergraduate Student Learning Outcomes 1 and 2:

Informed and Empowered Learners

Rationale:

Lectures, readings, and associated assignments will develop widely used theoretical and empirical models that will allow the student to understand complementary and contrasting explanations about economic growth and economic development and of why poor countries are underdeveloped. Through the use of these models with many statistics, students will gain insight into the historical perspective of developing nations. Assignments will require students to use the models to critically evaluate the measurement of growth and economic development and apply them to the real world. Assignments will require students to use, analyze, and interpret numerical and graphical data. This course material intentionally includes dominant and non-dominant cultures. For instance, we will discuss the environmental crisis along with the miracle development in China, and we will discuss these issues in developing countries, including Bangladesh, as well as the pathways out of poverty.

Objective 2:

Discuss the theories of economic growth and the patterns of growth that foster a more rapid economic development.

Expected Undergraduate Student Learning Outcomes 1 and 2:

Informed and Empowered Learners

Rationale:

Lectures, readings, and associated assignments will develop widely used theoretical and empirical models that will allow the student to understand complementary and contrasting explanations about various theories of economic growth. Through the use of these models, students will gain insight into observed challenges faced by developing nations. Assignments will require students to use the models to critically evaluate the potential issues posed by both hypothetical and real-world events. Assignments will

require students to use, analyze, and interpret numerical and graphical data. Students will gain an ability to compare and contrast schools of thought in the context of issues confronting several developing nations, including South Korea and Argentina.

Objective 3:

Examine the policy problems based on sectoral issues such as agriculture, industry, trade, and finance.

Expected Undergraduate Student Learning Outcomes 1 and 2:

Informed and Empowered Learners

Rationale:

Lectures, readings, and associated assignments will develop widely used theoretical and empirical models that will allow the student to understand how tariffs and various non-tariff barriers reduce levels of imports (import-substitution growth) and exports (export-led growth) and hence negatively impact the process of economic development.

Discussion will include the policy options on income inequality and poverty for economic growth to potentially benefit everyone in a nation. Assignments will require students to use the models to critically evaluate the potential arguments in favor of trade barriers, population reduction, and macroeconomic policies. Assignments will require students to use, analyze, and interpret numerical and graphical data. This course material intentionally includes dominant and non-dominant cultures. For instance, we will discuss the need to improve agriculture extension for women farmers in Kenya, and we will discuss the issues of trade, capital flows, and development strategy for South Korea.

Objective 4:

Explain why development economists need to combine relevant theory with realistic institutional analyses.

Expected Undergraduate Student Learning Outcomes 1, 2, and 3:

Informed, Empowered, and Responsible Learners

Rationale:

Lectures, readings, and associated assignments will develop widely used theoretical and empirical models that will allow the student to understand the historical, cultural, colonial, structural, and institutional evolution of developing countries. Discussion will focus on how developing countries can achieve institutional changes such as democratic regime, rule of law, strong and independent legal system, less corruption, and transparent governance. Assignments will require students to use the models to critically evaluate the potential problems posed by both hypothetical and real-world events. Assignments will require students to use, analyze, and interpret numerical and graphical data.

Students will gain an ability to compare and contrast the challenges from the institutional changes to reduce income inequality in developing countries such as Ghana and Côte D'Ivoire.

Objective 5:

Describe the crucial role of government and interest group politics in the economic development of nations.

Expected Undergraduate Student Learning Outcomes 1, 2 and 3:

Informed, Empowered, and Responsible Learners

Rationale:

Lectures, readings, and associated assignments will allow the student to better understand the degree to which countries can achieve the balance of the relationship among the state, markets, and civilian society in the process of economic development.

Of particular interest is the impact of the political processes on the quality of policy decisions. Assignments will require students to critically evaluate the trends in governance and reform including tackling the problem of corruption, implementing decentralization, and encouraging broad-based development participation. Assignments will require students to use, analyze, and interpret numerical and graphical data. This course material intentionally includes dominant and non-dominant cultures. For instance, we will discuss the curtail role of development of Non-Governmental Organizations (NGOs) like the Bangladesh Rural Advancement Committee (BRAC) Model in Bangladesh, and we will discuss the issues of government failure and the resurgent preference for markets over planning in several other developing nations.

Objective 6:

Evaluate the interdependence between economic and non-economic factors – such as cultural traditions, systems of land tenure, the integrity of government agencies, and the organization and rules of the global economy – in the development process.

Expected Undergraduate Student Learning Outcomes 1, 2 and 3:

Informed, Empowered, and Responsible Learners

Rationale:

Lectures, readings, and associated assignments will allow the student to better understand how international trade and globalization affect developing nations. Students will be exposed to the issues of industrialization in developing countries. Of particular interest is the issue of global balance of payments deficits, debt and service of debt, and financial crises that can undermine the process of economic development across developing nations. Assignments will require students to use the models to critically evaluate the potential problems faced by the government leaders and citizenry of developing nations. Assignments will require students to use, analyze, and interpret numerical and graphical data.

III. Course Outline

- A. Introduction to Economic Development and Characteristics of Less Developed Countries (LDC) (1 hour [1])
- B. Growth vs. Development (5 hours [6])
 - 1. Meaning of Economic Growth and Economic Development
 - 2. Measuring Growth and Economic Development
 - 3. Growth and Development in Historical Perspective
 - 4. Case Study 1: Progress in the Struggle for More Meaningful Development: Brazil
- C. Theories of Growth (7 hours [13])
 - 1. The Classical (Ricardian) Growth Model
 - 2. The Lewis Growth Model
 - 3. The Harrod-Domar Growth Model
 - 4. The Neo-Classical Growth Model
 - 5. Contemporary Growth Models
 - 6. Case Study 2: Comparative Economic Development: Pakistan and Bangladesh
 - 7. Case Study 3: Schools of Thought in Context: South Korea and Argentina
 - 8. Case Study 4: Understanding a Development Miracle: China

Exam 1

(1 hour [14])

D. Growth, Poverty, and Income Inequality

(5 hours [19])

1. Measuring Inequality and Poverty
2. Poverty, Inequality and Social Welfare
3. The Extent and Magnitude of Absolute Poverty
4. Economic Characteristics of High-Poverty Groups
5. Policy Options on Income Inequality and Poverty: Some Basic Considerations
6. Case Study 5: Institutions, Inequality and Incomes: Ghana and Côte d'Ivoire

E. Population and Development

(5 hours [24])

1. Patterns of World Population Growth
2. Demographic Transitions
3. Theory of Fertility Behavior
4. Population Policy
5. Case Study 6: Population, Poverty, and Development: China and India
6. Unemployment, Urbanization and Rural-Urban Migration: Theory and Policy (4 hours [28])
7. Employment and Development
8. Urbanization and Urban Unemployment
9. Rural-Urban Migration
10. Case Study 7: Rural-Urban Migration and Urbanization in Developing Countries: India and Botswana

Exam 2

(1 hour [29])

F. Human Capital: Education and Health in Economic Development (3 hours [32])

1. Education
2. Health
3. Case Study 8: Pathways out of Poverty: Progres/Oportunidades

G. Agriculture and Development

(4 hours [36])

1. The Role of Agriculture in Development
2. The Performance of Agriculture in LDC Countries
3. Explaining the Poor Performance of LDC Agriculture
4. Case Study 9: The Need to Improve Agriculture Extension for Women Farmers: Kenya

H. Markets versus Government Intervention in a Developing Economy

(2 hours [38])

1. Government Failure and the Resurgent Preference for Markets over Planning
2. The Market Economy
3. Trends in Governance and Reform
4. Case Study 10: The Role of Development NGOs (Non-Governmental Organizations): The BRAC (Bangladesh Rural Advancement Committee) Model

I. Trade, Industrialization and Development

(4 hours [42])

1. Is Trade an Engine of Growth?
2. Trade Policies of LDCs
3. The Role of Industry in Development
4. Concepts and Issues in LDC Industrialization
5. Case Study 11: A Pioneer in Development Success through Trade: Taiwan
6. Case Study 12: Trade, Capital Flows, and Development Strategy: South Korea

Final Exam (During Finals Week)

(2 hours)

IV. Evaluation Methods

Homework Assignments: 25% of overall grade. Objective homework/in-class assignments will be administered for each chapter covered in the text. The homework/in-class assignments will involve a mixture of questions relating to knowledge of core concepts, quantitative analysis, the application of theoretical models developed in class, and the critical evaluation of outside articles.

Participation: 15% of overall grade. The participation includes the class presentation of the country study report assigned to each student at the beginning of the semester and various in-class collaborative applications. Several of the class applications will consist of case analysis reports that are based on the assigned article readings.

Content Exams: 35% of overall grade. There will be two content exams (each worth 17.50% of the overall grade) throughout the semester. The content exams will not be comprehensive, meaning that each of the content exams will only cover the information discussed in the prior section(s). Exam questions will stress analysis including short essay questions, numerical problem solving, and defining economic terms or concepts. Using graphs to illustrate your reasoning is a critical part of answering most short essay questions.

Final Exam: 25% of overall grade. The final exam will be scheduled for finals week. The final exam will have the same format as the major exams. The final exam will be comprehensive, covering all of the course material for the whole semester. Exam questions will stress analysis including short essay questions, numerical problem solving, and defining economic terms or concepts. Using graphs to illustrate your reasoning is a critical part of answering most short essay questions.

V. Grading Scale

Grading: Grades will be assigned using the standard scale. Your total number of points will be averaged, and letter grades will be assigned as follows:

- A = 90 to 100%
- B = 80 to 89%
- C = 70 to 79%
- D = 60 to 69%
- F = Below 60%

VI. Attendance Policy

To be consistent with the Undergraduate Course Attendance Policy as outlined in the IUP Undergraduate Catalog.

VII. Required Course Material

Required Textbook

(Text) Todaro, Michael, and Stephen Smith. *Economic Development*. 11th ed., Addison Wesley. 2012.

(Course Packet) *The Pro-Packet Class Packet*. Prepared by the instructor for this class.

Supplemental Books and Readings

Perkins, Dwight H., Steven Radelet, David L. Lindauer, and Steven A. Block. *Economics of Development*. 7th ed., W.W. Norton and Company, New York, 2013.

Supplemental articles, including *The Economist*, *Finance & Development* and *The Wall Street Journal*, will be assigned through the semester and either distributed in class or made available on-line.

VIII. Special Resource Requirements

None

IX. Bibliography

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- Ellis, Tania. *The New Pioneers: Sustainable Business Success Through Social Innovation and Social Entrepreneurship*. John Wiley & Sons Inc., New Jersey, 2010.
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General Readings

Finance & Development (A quarterly publication of the International Monetary Fund and the World Bank – Print and Online)

New York Times (New York Newspaper, daily – Print and Online)

The Economist (London, Weekly – Print and Online)

Wall Street Journal (Business and Finance Newspaper, daily – Print and Online)

World Development Indicators (An annual publication of the World Bank – CD Rom and Online)

World Development Report (An annual publication of the World Bank – Print and Online)

VHS/DVD/ONLINE VIDEOS

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YouTube videos about Poverty in Africa, Various Videos available online.

Part II

2. Summary of the proposed revisions.

1. Objectives and Course Outline– the course objectives and course outline were revised from the original syllabus of record to be more student-centered and to better reflect current emphases of the course. Additional objectives were added to better align the stated objectives with the course outline. Furthermore, objectives were aligned with the Expected Undergraduate Student Learning Outcomes (EUSLOs) for a Liberal Studies Global and Multicultural Awareness course.
2. EUSLOs for Global and Multicultural Awareness courses are met in the content portion of this course (not necessarily a specific revision but it should be noted that the objectives for the new curriculum have been met). These objectives are:

EUSLOs for Global and Multicultural Awareness:

As Informed Learners, students will demonstrate knowledge and understanding of:

- The interrelationships within and across cultures and global communities

As Empowered Learners, students will demonstrate:

- Critical thinking skills including analysis, application, and evaluation
- Reflective thinking and the ability to synthesize information and ideas

As Responsible Learners, students will demonstrate:

- An understanding of themselves and a respect for the identities, histories, and cultures of others.

An examination of global issues is specially addressed in the context of the growth theories of the course. The quantitative measure of economic development is economic growth. Developed countries including the U.S. and the Western European countries have used the Classical Growth Model, the Harrod-Domar Growth Model, or the Neo-Classical Growth Model to achieve higher economic growth. Of particular interest is to allow students to understand complementary and contrasting explanations about various theories of economic growth. Through the use of these models with many statistics, students will gain insight into observed challenges faced by developing nations in the process of becoming developed countries. Students may go to help/assist these underdeveloped/developing countries as, for instance, Peace Corps or Non-Governmental Organizations (NGO)' volunteers after leaving schools. They may also find themselves working for multinational corporations that moved overseas to take advantage of the cheaper labor from developing countries such as Mexico, India and China. Therefore, students will have to continue to navigate living in a global economy.

Repeated interpretation and analysis of the World Development Indicators (WDI) database occur throughout the course. The WDI database, a publication from the World Bank, covers all the countries around the world. The use of these social and economic data from tables, charts, diagrams enables the empirical investigation of the theories of growth models of the course. The textbook presents various case studies about developing countries including the behavior of Gross Domestic Product, education literacy, life expectancy, gender statistics, poverty and inequality index, and human development index. Other sources of economic development data used in the textbook include the Global Development Finance (GDF), International Debt Statistics (IDS) both

from the World Bank, and the International Financial Statistics (IFS) from the International Monetary Fund (IMF). Assignments and in class discussion will illustrate the use, analysis, and interpretation of numerical and graphical data about the theories of economic growth and development.

3. Updated textbook reading to a more current book.
4. Updated and added to bibliography.

3. Justification/Rationale for the revision.

The course was not previously included in the set of Non-Western cultures classes. Nevertheless, given the new curriculum criteria for the Global and Multicultural Awareness category, we believe the course satisfies the criteria and should be included as an option for students to satisfy their degree requirements. Both Economics majors and PAS (Pan-African Studies) Minor students will take the course. Other students broadly interested in areas of Development, including Political Science, Sociology, History, and foreign exchange students, also regularly take the course to fulfill their degree requirements.

Part II.

4. Old Syllabus of Record

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- VI. **Course Syllabus**
- I. **CATALOG DESCRIPTION**
- EC 339 Economic Development I 3c-01-3sh
Prerequisites: EC121, EC122
- Introduces the student to the theories of growth and the theories of economic development of underdeveloped countries.
- II. **COURSE OBJECTIVES**
1. Students will learn about the processes of, and the distinction between economic growth and economic development.
 2. Students will be exposed to the theories of economic growth, and the patterns of growth which foster a more rapid economic development.
 3. Students will come to understand the role played by interest group politics and government policies in the economic development of a developing nation.
 4. Students will grapple with policy problems based on sectoral issues such as agriculture, industry, trade, and finance.
 5. Students will learn about the role of international economic relations in economic development.
 6. Students will study, as applications of concepts in economic development, policy problems drawn from less developed countries such as Brazil, Costa Rica, Mexico, Nigeria, Kenya, Egypt, Pakistan, the Philippines, Malaysia, and Indonesia.
- III. **COURSE OUTLINE**
- Part 1. **Introductory Survey of the Problem and Process of Development**
- A. Characteristics of Less Developed Countries (LDCs) (1 hour)
- B. Growth versus Development (6 hours)
1. The meaning of economic growth, the meaning of economic development.
 2. Measurement of Growth, measures of economic development.
 3. Growth and Development in Historical Perspective
 4. Growth and Income Distribution
- C. Theories of Growth (3 hours)
1. The Classical (Ricardian) Model
 2. Marxian Theory of Growth
 3. The Lewis Growth Model
 4. The Harrod-Domar Growth Model

Part 2. Policy Issues in Development

- D. Introduction: The Role of the State (1 hour)**
1. A Hierarchy of Policy Objectives
 2. Major Policy Instruments & their Implementation
 3. Fiscal Policy and Monetary Policy
 4. State-Owned Enterprises
- E. Population (6 hours)**
1. Patterns of World Population Growth
 2. Demographic Transition
 3. Theories of Fertility Behavior
 4. Population Policy
- F. Poverty & Inequality; Human Resource Development (5 hours)**
1. Measuring Poverty
 2. Education
 3. Employment and Unemployment
 4. Rural-Urban Migration
- G. Agriculture (6 hours)**
1. The Role of Agriculture in Development
 2. The Performance of Agriculture in LDCs
 3. Explaining the Poor Performance of LDC Agriculture
- H. Industry and Technology in Development (6 hours)**
1. The Role of Industry in Development
 2. The Performance of Industry in LDCs
 3. Concepts and Issues in LDC Industrialization
 4. Choice of Industrial Technology in LDCs
- I. Trade and Development (6 hours)**
1. Is Trade an Engine of Growth?
 2. Import Substitution
 3. Export Promotion
 4. Export Substitution
 5. Export Price Stabilization Schemes
- J. Managing the Balance of Payments (3 hours)**
1. The Balance of Payments
 2. Balance of Payments Equilibrium
 3. Currency Over-valuation and Exchange Control
 4. Devaluation
 5. Coping with Foreign Debt

IV. EVALUATION METHODS

The final grade for the course is determined as follows:

- | | |
|-----|--|
| 60% | Tests. Two tests (mid-term and final) featuring both essay and true/false (with explanation) questions. |
| 25% | Country Study (Research) Paper. Each student will submit a 12-page paper surveying an under-developed economy of his or her choice. The paper is designed to get students to apply the theories of economic development to the growth experience of a real country, and to help them understand the role which interest group politics and government policies, among others, play in a nation's development. It will be written in five phases or pieces, and each two-page piece has to be reviewed by the instructor. The composite country study paper will be due on the last day of classes. |
| 15% | Class Participation. Unannounced quizzes based on material previously covered in class will be given. The score on the quizzes and points earned through oral class participation will be the bases of each student's class participation score. |

V. REQUIRED TEXTBOOK AND BIBLIOGRAPHY

Textbook: Todaro, M.P., Economic Development in the Third World, 4th Edition, Longman, 1989.

VI. SPECIAL RESOURCE MATERIALS (None Required)

VII. BIBLIOGRAPHY

Gillis, M. et al. Economics of Development, 2nd edition, Norton, 1987.

Nafziger, E.W. The Economics of Developing Countries, 2nd edition, Prentice-Hall, 1990.

Meier, G.M., Leading Issues in Economic Development, 5th Edition, Oxford University Press, 1989.

The New Palgrave (Dictionary of) Economic Development, W.W. Norton, 1989.

Ranis, G. and Schultz, T.P., The State of Economic Development, Basil Blackwell, 1988.

Eicher, C. and Staatz, Agricultural Development in the Third World, 2nd Edition, Johns Hopkins University Press, 1990.

The Economist (the London weekly).

Finance & Development (A quarterly publication of the IMF and the World Bank).

World Development Report, (An annual publication of the World Bank), Oxford University Press.

Assignment Instructions & Grading for one of the Major Course Assignments

Part I: Homework and In-Class Assignments

HOMEWORK #1

1. **(100 pts)** Read the case study “Progress in the Struggle for More Meaningful Development: Brazil” about Brazil at the end of Chapter one. Provide a **one page summary** of the case study and then answer to the following questions:
 - a. Why is Brazil struggling to get developed?
 - b. How can Brazil overcome these important problems related to its development?

 2. **(50 pts)** Why is a strictly economic definition of development inadequate? What do you understand economic development to mean? Can you give hypothetical or real examples of situations in which a country may be developing economically but still be underdeveloped?

 3. **(100 pts)** Read the case study “Divergent Development: Pakistan and Bangladesh” at the end of Chapter two of your textbook. Provide a **one page summary** of the case study and then compare the development schemes followed by the two countries. Finally, answer the following two questions:
 - a. Briefly explain each of the eight (8) Millennium Development Goals (MDGs).
 - b. Apply the eight (8) MDGs to Pakistan and Bangladesh. Which country is successfully achieving these goals and why?

 4. **(50 pts)**
 - a. **(25 pts)** Explain the distinction between low levels of living and low per capita incomes. Can low levels of living exist simultaneously with high levels of per capita income? Explain.
 - b. **(25 pts)** What are the advantages and disadvantages of using a concept such as the international poverty line? Do you think that a real annual income of \$370 in, say Mexico, has the same meaning as in, say Nigeria or Thailand? Explain your answer.
- Note that HW#1, **worth 300 points**, must be **typed** (single or double space) and is due on **Friday 9/14** in class at the beginning of the lecture.

Class Application #1: Provide the policy implications of each target of the MDGs.

Table 1.1 Millennium Development Goals (MDG) and Targets for 2015

Goals	Targets	Policy Implications
1. Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> • Reduce by half the proportion of people on less than \$1 a day • Reduce by half the proportion of people who suffer from hunger 	
2. Achieve universal primary education	<ul style="list-style-type: none"> • Ensure that all boys and girls complete a full course of primary schooling 	
3. Promote gender equality and empower women	<ul style="list-style-type: none"> • Eliminate gender disparity in primary and secondary education, preferably by 2005, and at all levels by 2015 	
4. Reduce child mortality	<ul style="list-style-type: none"> • Reduce by two-thirds the mortality rate among children under 5 	
5. Improve maternal health	<ul style="list-style-type: none"> • Reduce by three –quarters the maternal mortality ratio 	
6. Combat HIV/AIDS, malaria, and other diseases	<ul style="list-style-type: none"> • Halt and begin to reverse the spread of HIV/AIDS • Halt and begin to reverse the incidence of malaria and other major diseases 	
7. Ensure environmental sustainability	<ul style="list-style-type: none"> • Integrate the principles of sustainable development into country policies and programs; reverse loss of environmental resources • Reduce by half the proportion of people without sustainable access to safe drinking water • Achieve significant improvement in lives of at least 100 million slum dwellers by 2020 	
8. Develop a global partnership for development	<ul style="list-style-type: none"> • Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system; includes a commitment to good governance, development, and poverty reduction - both nationally and internationally • Address the special needs of the least developed countries; includes tariff and quota free access for least developed countries' exports; enhanced program of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous official development assistance (ODA) for countries committed to poverty reduction • Address the special needs of land locked countries and small island developing states • Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term • In cooperation with developing countries, develop and implement strategies for decent and productive work for youth • In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries • In cooperation with the private sector, make available the benefits of new technologies, especially information and communications 	

Source: United Nations Development Program, "Millennium Development Goals," <http://www.undp.org/mdg/goallist.shtml>, Aug. 16, 2007

CLASS APPLICATION #2: EXPLAINING DIFFERENCES IN GROWTH RATES

Economic growth can be determined by the level of income, openness to trade, healthy populations, effective governance, favorable geography, and high savings rates.

- ⇒ *Comparing Major Sources of Growth in East and Southeast Asia, Latin America, and Sub-Sahara Africa*
- ⇒ *Which region is lagging behind in achieving growth and development? Why?*
- ⇒ *Which region is leading in achieving growth and development? Why?*

Sources of Factors	East & Southeast Asia	Latin America	Sub-Sahara Africa
1. Government saving rates			
2. Trade			
3. Government institutions			
4. Life expectancy			
5. Geography			
6. Average income			
7. Output per worker			
8. Health care			

CLASS APPLICATION #3:

Application of Harrod-Domar Growth Model: Thai Economy

Category	Periods	
	1960's	1990's
GDP per capita		
Infant mortality rate		
Life expectancy		
Share of Agriculture in GNP		
Share of Industry in GNP		
ICOR=k (ICOR = Increment of Capital- Output Ratio)		
Saving Rate = s		
$g = s/k$ (g = Economic Growth Rate)		

1. Read the article Box 4.1 on "Economic Growth in Thailand" and then fill in the table above. How does the Harrod-Domar Growth model apply to the Thai economy? Explain.
2. Briefly explain some specific policies that led to rapid economic growth in Thailand.

CLASS APPLICATION #4:

APPLICATION OF THE TRADITIONAL AND THE H-T MODELS

Assume that we are dealing with the Rural-Urban Migration (R-U Migration) in Mexico. Workers are making the decision whether or not to migrate from the countryside of Guadalajara to the city of Mexico City.

a. Traditional Model:

- i. $P = 1$ (for both rural and urban sectors)
- ii. $W_u = 85,000$ Peso (W_u = Average annual urban income)
- iii. $W_r = 50,000$ Peso (W_r = Average annual rural income)

Using the above information, will workers migrate from the countryside of Guadalajara to the city of Mexico City and why?

b. Harris-Todaro Model (H-T Model):

- i. $W_u = 85,000$ Peso
- ii. $W_r = 57,000$ Peso
- iii. $U_u = 4.8$ million people
- iv. $E_u = 10$ million people
- v. $\lambda = 0.01$

Using the above information from the H-T Model, answer the following questions:

1. Estimate the probability (P) of finding an urban job in Mexico?
2. Compute the urban unemployment rate in Mexico?
3. Will rural workers migrate to Mexico City? Explain.
4. How many people will migrate from Guadalajara to Mexico City?

Liberal Studies Course Approval General Information

1. ECON 339 I is a single instructor course. It will counts as a controlled elective option for economics and Asian studies majors as well as economics and Asian studies minors, and for students in various other programs. The Economics Department will assure that the instructor meets its objectives, content, assignments, and evaluation by holding regular discussions on these matters at department meetings as well as through the program-level assessment of student learning.
2. ECON 339 I will include perspectives and experiences of diverse peoples and cultures, including ethnic and racial minorities and women. Much of the socioeconomic analysis and modeling is applicable across many developing countries and practices. Care will be taken to help students not only examine economic growth and development through a non-Western, underdeveloped country perspective, but to also try to look at topics of debate about global trade, global economic recession/depression from the perspective of a Western, developed country. For instance, students will be introduced to the impacts of political progresses on the quality of policy decisions in both developing countries and some selective developed countries. Some sections of the course deal more directly with the need for cross-cultural awareness including the impacts of institutional changes such as democratic regime, rule of law, strong and independent legal system, less corruption, and transparent governance on economic development in both developing and developed countries (availability of the database on WDI, GDF, IDS, and IFS). Students will gain insight into observed challenges faced by developing nations in the process of becoming developed countries. Students will be exposed to basic international trade such as import substitution and export-led growth, current account sustainability, industrialization leading to economic growth and hence development.
3. Students in ECON 339 I will be assigned several outside readings, usually consisting of collections of articles from various sources pertaining to current issues related to economic growth and development. Specific examples may include articles from sources such as the journal of *African Development Review*, *Economic Development Quarterly*, the *Journal of Development Economics*, the *Journal of Development Studies*, *Development and Change*, the *Journal of International Trade & Economic Development*, *Agricultural Economics*, the *Journal of African Economies*, the *American Journal of Agricultural Economies*, the *Economist*, *Finance and Development*, *World Development*, and news articles from the U.S. national news sources (World News section) such as the *New Times*, and the *Wall Street Journal*.
4. The course is not required of all majors in the department. This course does require prior completion of both Principles of Microeconomics and Principles of Macroeconomics to establish fundamental economic language and theory from which the course will continue to build. This course does not serve as a prerequisite for any subsequent IUP economics course.

Multicultural Awareness Course Proposals

1. X Review the Criteria for Global and Multicultural Awareness – particularly note the section on Differentiating the Global Citizenship competency and the Global and Multicultural Awareness category.
 2. X Follow the 2012 Undergraduate Curriculum Handbook for new (p. 20-27) or revised courses (p. 15-19).
 3. X Use the new Curriculum Proposal Cover Sheet (interactive PDF or word document – available at <http://www.iup.edu/senate/uwucc/default.aspx>).
 4. X Course Outcomes and Assessment (Section II, The Syllabus of Record - p. 23 and 85 in UWUCC Handbook) map to the three required Global and Multicultural Awareness Expected Undergraduate Student Learning Outcomes (EUSLOs): Informed Learners (I), Empowered Learners (II), and Responsible (III) Learners. <http://www.iup.edu/page.aspx?id=113234>.
 5. X Course content – meets the required course content for a Global and Multicultural Awareness course. While the course outline may not explicitly state the items in the required content, it needs to be clear that the content of the course attempts to address these required elements. <http://www.iup.edu/page.aspx?id=113234>.
 6. X Proposal includes the assignment instructions for one of the major course assignments and a grading rubric or grading criteria for that assignment (p. 33 UWUCC Handbook).
 7. X Proposal includes the answers to the four Liberal Studies questions (p. 91 UWUCC Handbook).
 8. X Proposal meets the spirit of Liberal Studies (p. 30 UWUCC Handbook).
- If this is a course revision (p. 18 UWUCC Handbook)**
9. X Summary of the proposed revisions – address how the revisions are meeting the various required course content elements and the EUSLOs for Global and Multicultural Awareness category.
 10. X Justification/rationale for the revision – include any departmental discussions of the overall offerings of their Liberal Studies Courses and why this course is included in those offerings.
 11. X The old syllabus of record.
 12. X Review the Liberal Studies course approval checklist (p. 90 UWUCC Handbook).