

BLOCK SEMINAR

CONTROVERSIES IN DEVELOPMENT ECONOMICS

Supervisor: Dr. Sebastian Prediger (sebastian.prediger@kfw.de)

Preliminary meeting: February 8th

Block seminar: April 20, 11 am – April 21, 7 pm

Course description

This seminar addresses controversial issues in development economics. The seminar aims at providing a comprehensive overview of fiercely debated issues in development economics. The seminar paper will be written together by the two students assigned to the same topic and will provide a balanced stance towards a specific controversy. Based on the paper, students will prepare a 10 minutes presentation/statement that assumes a one-sided position during the seminar. There will be two presentations for each controversy. Moderated discussions between the two positions will be preceded and followed by a vote of the entire group to assess how convincing the respective presenter has made his or her argument. Active class participation matters a lot for overall quality of seminar.

Eligible participants

Students enrolled in the MA program “Development Economics and International Studies”.
Maximum number of participants: 20

Seminar paper

Two students will be assigned to each topic. Students assigned to the same topic will write the seminar paper together and provide a balanced stance towards the specific controversy. The paper must not exceed 20 pages, excluding Tables and Figures. The authorship of each section must be indicated in the Table of Contents. The introduction and conclusion must be written together. The paper ought to be written in English, using Times New Roman (12 points) or Arial, Calibri or Cambria (11 points). Line spacing 1.5, margins: left 2.3 cm, right 4 cm, top/bottom: 3 cm. Please include page numbers (numbering should start with “1” on the first page of maintext).

A comprehensive search of the relevant literature and a critical survey of it are of great importance for the quality of the paper. The literature suggestions for each topic are just the starting point for a more comprehensive literature search.

Students should hand in an electronic (pdf, to: Sebastian.prediger@kfw.de, including topic number) as well as one printed copy of their seminar papers (in the secretary’s office, Ms. Lohmaier, Kochstraße 4). The electronic version will then be made available to all other students for reading.

Deadline is April 30, 2 pm.

Presentation and Discussion

We will have two presentations on each topic. Before the presentation, the “audience” will vote on the controversial issues (for example, “Do you think that states should play a more active role in

promoting economic development than they currently do?”). In the presentations, each presenter will then take one of the possible views on the issue and make an attempt to convince fellow students of that view. The students will be facing the audience and seated in front of their fellow students as in a panel discussion format. The speakers can use any visual device for their presentations (e.g. handouts, transparencies). Note that the one-sided view will only be required in the presentation. The seminar paper must be more balanced.

After the presentations the audience can ask questions and let the presenters defend their positions, before there is another vote on the same issue. It is expected that all other students have briefly gone through the papers of the other participants before the seminar, so that a good discussion after the presentations can take place.

Course registration and topic assignment

Course registration and theme assignment via STUDON from Feb 19, 8 am till Feb 22, 8 pm

Theme assignment on a first-come, first-served basis

Studon: „Controversies in development (summer term 2018)“

Password: controversies

Themes

T1: THE SUSTAINABLE DEVELOPMENT GOALS: (A) A STEP FORWARD OR (B) BACKWARDS AS COMPARED TO THE MILLENNIUM DEVELOPMENT GOALS?

- <http://www.copenhagenconsensus.com/>
- Institute of Development Studies' (IDS) Hot Topic site
- (<http://www.ids.ac.uk/idsresearch/millennium-development-goals-mdgs-and-post-2015-agenda>).

T2: RANDOMISTAS VERSUS POOR DEVELOPMENT ECONOMISTS: RANDOMIZED CONTROL TRIALS AS THE (A) GOLD STANDARD OF DEVELOPMENT ECONOMICS OR (B) MISGUIDED CERTAINTY?

- Banerjee A., Duflo E. (2009) The Experimental Approach to Development Economics. Annual Review of Economics, 1:151-178.
- Ravallion M. (2009) Should the Randomistas Rule?. The Economists' Voice, 6, February 2009:1-5T3:
- Dani Rodrik (2008): The New Development Economics: We Shall Experiment, but How Shall We Learn? Faculty Research Working Paper Series RWP08-055.

T3: MICROCREDITS: (A) PANACEA FOR POVERTY ALLEVIATION OR YET ANOTHER (B) INEFFECTIVE DEVELOPMENT INSTRUMENT?

- Khandker, S. and Samad, H. (2014) Dynamic effects of Microcredit in Bangladesh. Policy Research Working Paper 6821. The World Bank.
- Banerjee, A., Duflo, E., Glennerster, R. and Kinnan, C. (2015) The Miracle of Microfinance? Evidence from a Randomized Evaluation. American Economic Journal: Applied Economics, 7(1): 22-532

T4: THE ROLE OF THE STATE IN ECONOMIC DEVELOPMENT: (A) MARKET-LED DEVELOPMENT OR (B) INTERVENTIONIST MODELS?

- Rodrik, D. (2004) Industrial Policy for the 21st Century. <https://www.sss.ias.edu/files/pdfs/Rodrik/Research/industrial-policy-twenty-first-century.pdf>
- Pack, H. and Saggi, K. (2016) Is There a Case for Industrial Policy? A Critical Survey. World Bank Research Observer 21(2): 267 – 297
- Joseph Stiglitz, Justin Lin and Celestin Monga (2013): The Rejuvenation of Industrial Policy

T5: A NEW WTO AGREEMENT: (A) NEEDED OR (B) ARE WE FINE WITH MORE BI- AND MULTILATERISM?

- <http://www.globalexchange.org/resources/wto/oppose>
- Froman, M., (2015). We are at the End of the Line on the Doha Round of Trade Talks. Financial Times, December 13, 2015.

T6: FAIR TRADE: AN ALTERNATIVE FOR EXPORT-LED DEVELOPMENT OR (B) MISSING THE TARGET?

- de Janvry, A., McIntosh, C., Sadoulet, E. (2015). Fair Trade and Free Entry: Can a Disequilibrium Market Serve as a Development Tool?. Forthcoming in Review of Economics and Statistics.
- Leclair, M.S. (2002). Fighting the Tide: Alternative Trade Organizations in the Era of Global Free Trade. World Development, 30(6): 949-58. Sachs, Jeffrey D. "From millennium development goals to sustainable development goals." The Lancet 379.9832 (2012): 2206-2211

T7: INVESTMENTS IN AGRICULTURE AND LAND: (A) LAND GRAB OR (B) DEVELOPMENT OPPORTUNITY?

- Cotula, L., Vermeulen, S., Leonard, R., Keeley, J. (2009). Land Grab or Development Opportunity? Agricultural Investment and International Land Deals In Africa, IIED/FAO/IFAD, London/Rome.

T8: CLIMATE CHANGE MITIGATION AND ECONOMIC DEVELOPMENT: (A) TRADE-OFF OR (B) WIN-WIN SITUATION?

- Dercon, S. (2012) Is Green Growth Good for The Poor? Policy Research Working Paper 6231. The World Bank, Washington DC, United States.
- Hallegatte, Stéphane; Heal, Geoffrey M.; Fay, Marianne; Treguer, David (2011): From Growth to Green Growth- A Framework. Policy Research Working Paper 5872. The World Bank, Washington Dc, United States.

T9: INTERNATIONAL CAPITAL FLOWS: (A) EASY ACCESS TO CAPITAL OR (B) BEYOND THE POOR?

- Arestis, P., Caner, A. (2010). Capital account liberalisation and poverty: how close is the link?. Cambridge Journal of Economics, 34(2): 295-323.
- Kose, M. A., Prasad, E. et al. (2009). Financial globalization: a reappraisal. IMF Staff Papers, 56(1): 8-62.

T10: FOREIGN AID: (A) DEAD AIR (B) THE END OF POVERTY?

- Sachs, J. (2007) Breaking the Poverty Trap. Targeted Investments can Trump a Region's Geographic Disadvantages. Scientific American, September 2007: 40-41
- Collier, P (2007), The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It, Oxford: Oxford University Press.
- Bourguignon, F and M Sundberg (2007), "Aid Effectiveness: Opening the Black Box", American Economic Review 97(2): 316-321.
- Doucouliagos, H and M Paldam (2009), "The aid effectiveness literature: The sad results of 40 years of research", Journal of Economic Surveys 23(3): 433-461.
- Easterly, W (2009), "[Sachs Ironies: Why Critics are Better for Foreign Aid than Apologists](#)", Huffington Post, 25 May.

All dates at a glance

February 19-22: Topic assignment on STUDON

April 15: Deadline for presentation (to be sent to me via email)

April 20-21: Two days block seminar

April 30: Deadline for seminar papers (PDF AND print version)