

School of Economics and Finance

ECON 415 TOPICS IN DEVELOPMENT ECONOMICS

Trimester Two 2007

COURSE OUTLINE

Contact Details

COORDINATOR/LECTURER: Dr. Geoff Bertram, office RH 423, telephone: 4635814; Email: Geoff.Bertram@vuw.ac.nz

Class Times and Room Numbers

TIMETABLE: Thursdays 12.40 – 14.30 in RWW220.

EXAM PERIOD: 15 October – 11 November 2007

Course Objectives

The course explores a range of current issues in development economics, by discussion of recent journal articles, books and working papers from leading researchers in the field. The aim is to advance students' familiarity with the contemporary literature and with areas of ongoing scholarly debate. The teaching format will be seminar-style with class members expected to read widely and to participate in discussion.

Expected Workload

Honours study is generally expected to require at least 12.5 hours per week. The class will normally meet for two hours each Thursday. Students will be expected to put in at least two hours each week reading the background material for the session, in addition to which each student will be expected to prepare three detailed presentations, summarising and evaluating a set of papers in depth and leading discussion. Joint presentations by two or three students may be arranged for certain topics.

Group Work

Students are encouraged to collaborate in reviewing material and preparing for presentations, but all assessment will rest on individual performance and contributions.

Assessment Requirements

Assessment will be on the basis of students' seminar presentations (at least two of which must be distilled into written essays, unless by agreement with the course coordinator the student adopts to extend and build up one to the level of a full research essay) on course topics, and the final examination. The final mark will weight these two assessment components equally [Essay 1 = 25%, Essay 2 = 25%, or Research Essay = 50%; Final Examination = 50%] unless the final exam mark is higher, in which case the exam mark will be used. Credit may also be given for excellence in oral presentation.

Mandatory Course Requirements

Each member of the class must prepare and present not less than TWO seminar presentations based on allocated readings.

Communication of Additional Information

All necessary information will be placed on Blackboard

Notice of Turnitin Use

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. At the discretion of the Head of School, handwritten work may be copy typed by the School and subject to checking by Turnitin. You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Readings

There is no set text. Journal articles, monographs and working papers used for the class will be posted in PDF format on the ECON 415 Blackboard site. A list of topics and key readings is included at the back of this course outline. Students should endeavour to look through the latest issues of key journals such as *Journal of Development Economics*, *World Development*, *Economic Development and Cultural Change* and *Journal of Development Studies*.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.vuw.ac.nz.

For information on the following topics go to the Faculty's website : www.vuw.ac.nz/fca under Important Information for students.

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the needs of Students with Impairments
- Student Support.

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.

Topic 1: Background to Modern Development: What Happened in the Past Century/Millennium?

- Robert H. Bates, John H. Coatsworth and Jeffrey G. Williamson *Lost Decades: Lessons from Post-Independence Latin America for Today's Africa* NBER Working Paper 12610, October 2006
- Ulrich Blum and Leonard Dudley, "Standardised Latin and medieval economic growth", *European Review of Economic History*, 7: 213-238, 2003.
- Ulrich Blum and Leonard Dudley, "Religion and Economic Growth: Was Weber Right?" *Journal of Evolutionary Economics* 11: 207–230, 2001.
- Diego Comin, William Easterly and Erick Gong, *Was the Wealth of Nations Determined in 1000 B.C.?* NBER Working Paper 12657, October 2006
- Diamond, Jared M., *Guns, Germs and Steel: The Fate of Human Societies*, Norton, New York, 1997.
- Easterly, W.R., *The Elusive Quest For Growth: Economists' Adventures and Misadventures in the Tropics*, MIT Press, 2003.
- Easterly, W., *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So little Good*, Penguin, New York, 2006.
- Peter Edward, "Examining Inequality: Who Really Benefits from Global Growth?", *World Development* 34(10): 1667–1695, 2006.
- Maddison, A., *The World Economy: A Millennial Perspective*, OECD, Paris, 2001
- Maddison, A., *The World Economy: Historical Statistics*, OECD, Paris, 2003.
- Maddison, A., "Measuring and Interpreting World Economic Performance 1500–2001", *Review of Income and Wealth* Series 51, Number 1, March 2005 pp.1-35.
- Maddison, A., *World Development and Outlook 1900-2030: Evidence submitted to the Select Committee on Economic Affairs, House of Lords, London, for the inquiry into "Aspects of the Economics of Climate Change"*, 20th February 2005.
- Angus Maddison, "Causal Influences on Productivity Performance 1820–1992: A Global Perspective", *Journal of Productivity Analysis*, 8(4): 325–359 November 1997.
- North, D.C., *Understanding the Process of Economic Change*, Princeton University Press 2005.
- Lant Pritchett, "Divergence, Big Time", *Journal of Economic Perspectives* 11(3): 3-17, Summer 1997.
- Lant Pritchett, *Divergence, Big Time*, World Bank Policy Research Working Paper 1522, 1995.
- A.P. Thirlwall, "Review Article: The Least Developed Countries Report, 2006: Developing Productive Capacities", *Journal of Development Studies*, 43(4): 766–778, May 2007
- UNCTAD, *The Least Developed Countries Report 2006*, New York and Geneva 2006.
- Mark Weisbrot, Dean Baker, and David Rosnick, *The Scorecard on Development: 25 Years of Diminished Progress*, DESA Working Paper No. 31 ST/ESA/2006/DWP/31 September 2006.
- World Bank, *World Development Indicators*.
- United Nations Database at http://unstats.un.org/unsd/cdb/cdb_help/cdb_quick_start.asp
- Google Gapminder at <http://tools.google.com/gapminder/>
- Penn World Tables 6.2 at http://pwt.econ.upenn.edu/php_site/pwt62/pwt62_form.php

Topic 2: The “Deep Causes” Debate: Geographical versus Institutional Explanations for Development Performance 1500-2000.

Introductory Background Briefs

Acemoglu, D., “Root Causes: A historical approach to assessing the role of institutions in economic development”, *Finance and Development* 40(2): 27-30, June 2003.

Edison, H., “Testing the Links: How strong are the links between institutional quality and economic performance?”, *Finance and Development* 40(2): 35-37, June 2003.

Elson, A., “What Happened? Why East Asia Surged Ahead of Latin America and some Lessons for Policy”, *Finance and Development* 43(2): 37-41, June 2006.

Johnson, S., Ostry, J.D. and Subramanian, A., “Levers for Growth: Policy lessons from earlier bouts of growth in developing countries”, *Finance and Development* 43(1): 28-32, March 2006.

Rodrik, D. and Subramanian, A., “The Primacy of Institutions (and what this does and does not mean)”, *Finance and Development* 40(2): 31-34, June 2003.

Sachs, J.D., “Institutions Matter, But Not for Everything: The role of geography and resource endowments in development shouldn’t be underestimated”, *Finance and Development* 40(2): 38-41, June 2003.

Key references:

Acemoglu, D., Johnson, S. and Robinson, J.A., “Reversals of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution”, *Quarterly Journal of Economics* 117(4): 1231-1294, November 2002.

Acemoglu, D., Johnson, S. and Robinson, J.A. “Institutions as the Fundamental Cause of Long-Run Growth”, Chapter 6 in Aghion, P. and Durlauf, S.N. (Eds) *Handbook of Economic Growth Vol. IA*, North-Holland 2005, pp.385-472.

Graziella Bertocchi and Fabio Canova , “Did Colonization Matter For Growth?: An Empirical Exploration into The Historical Causes of Africa's Underdevelopment” *European Economic Review* 46(10): 1851-1871 December 2002.

Bloom, David E., Canning, D. and Sevilla, J., “Geography and Poverty Traps”, *Journal of Economic Growth* 8: 355-378, 2003.

Maarten Bosker and Harry Garretsen, *Geography Rules Too! Economic Development And The Geography Of Institutions* Cesifo Working Paper No. 1769 Category 5: Fiscal Policy, Macroeconomics And Growth July 2006.

Rui Castro, Gian Luca Clementi and Glenn Macdonald, “Investor Protection, Optimal Incentives, And Economic Growth”, *Quarterly Journal Of Economics* 119(3): 1131-1175, August 2004.

Jonathan H. Conning and James A. Robinson, “Property Rights and the Political Organization of Agriculture”, *Journal of Development Economics* 82: 416–447, 2007.

Easterly, W. and Levine, R., “Tropics, Germs and Crops: How Endowments Influence Economic Development.” *Journal of Monetary Economics* 50(1): 3-39, January 2003, with comment by Stanley Engerman, 41-47.

- Engerman, Stanley L. and Sokoloff, Kenneth L., “Factor Endowments, Institutions, and Differential Paths of Growth Among New World Economies: A View from Economic Historians of the United States”, in Haber, S. (ed) *How Latin America Fell Behind: Essays on the Economic Histories of Brazil and Mexico*, Stanford University Press 1997.
- Leopoldo Fergusson, “Institutions for Financial Development: What Are They and Where do They Come From?” *Journal of Economic Surveys* 20(1): 27-43, 2006.
- Glaeser, E.L., La Porta, R., Lopez-de-Silanes, F. and Schleifer, A., “Do Institutions Cause Growth?”, *Journal of Economic Growth* 9(3): 271-303, September 2004.
- Shilpi Kapur and Sukkoo Kim, *British Colonial Institutions and Economic Development in India* NBER Working Paper 12613 October 2006
- Debin Ma, “Why Japan, Not China, Was the First to Develop in East Asia: Lessons from Sericulture, 1850–1937”, *Economic Development and Cultural Change* 52(2): 369-394, January 2004.
- Nathan Nunn, “Historical Legacies: a Model Linking Africa’s Past to its Current Underdevelopment”, *Journal of Development Economics* 83(1): 157– 175, May 2007
- Olsson, O. and Hibbs, D.A. Jr., “Biogeography and Long-Run Economic Development”, *European Economic Review* 49(4): 909-938, May 2005.
- Petrova, V.P., “Civil Society in Post-Communist Eastern Europe and Eurasia: A Cross-National Analysis of Micro- and Macro-Factors”, *World Development* 35(7): 1277–1305, July 2007
- Rodrik, D., Subramanian, A., and Trebbi, F., “Institutions Rule: The Primacy of Institutions over Geography and Integration in Economic Development”, *Journal of Economic Growth* 9(2): 131-165, June 2004.

Further reading:

- Acemoglu, D., Johnson, S. and Robinson, J.A., “The Colonial Origins of Comparative Development: An Empirical Investigation”, *American Economic Review* 91(5): 1369-1401, December 2001.
- Acemoglu, D., Johnson, S., Robinson, J. and Thaicharoen, Y., “Institutional Causes, Macroeconomic Symptoms, Volatility, Crises and Growth”, *Journal of Monetary Economics* 50(1): 49-123, January 2003, with comment by A. Fogli, 125-131.
- Acemoglu, D. and Robinson, J.A., *Economic Origins of Dictatorship and Democracy*, Cambridge University Press 2006. [Not in bound set.]
- Kung, J.K-S and Lin, Y-M, “The Decline of Township-and-Village Enterprises in China’s Economic Transition” *World Development* 35(4): 569–584, April 2007.
- Lange, M.K., “British Colonial Legacies and Political Development”. *World Development* 32(6): 905-922, June 2004.
- Sachs, Jeffrey D., “Institutions Don’t Rule: Direct Effects Of Geography On Per Capita Income” *NBER Working Paper 9490*, February 2003.
- Sokoloff, K.L. and Engerman, S.L., “History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World”, *Journal of Economic Perspectives* 14(3): 217-232, Summer 2000.

Topic 3: The “Curse of Natural Resources”

Two Classic Papers

Gregory, R.W., “Some Implications of the Growth of the Mineral Sector”, *Australian Journal of Agricultural Economics* 20: 71-91, August 1976.

Hagen, E.E., “Economic Development with Unlimited Foreign Exchange and No Technical Progress”, in Bhagwati, J.N. and Eckaus, R. (eds) *Development and Planning*, London: Allen and Unwin, 1972.

The Paper that started the Recent Debate

Sachs, J.D. and Warner, A.M., “The Curse of Natural Resources” *European Economic Review* 45(4-6): 827-838, May 2001.

Other Key references:

Auty, R.M., “The Political Economy of Resource-Driven Growth”, *European Economic Review* 45(4-6): 839-846, May 2001.

Auty, R.M., *Natural Resources, Development Models and Sustainable Development*, Environment Economics Program, International Institute for Environment and Development Discussion Paper 03/01, June 2003.

Bulte, E.H., Damania, R., and Deacon, R.T., “Resource Intensity, Institutions, and Development”, *World Development* 33(7): 1039-1044, July 2005.

Coxhead, Ian, “A New Resource Curse? Impacts of China’s Boom on Comparative Advantage and Resource Dependence in Southeast Asia”, *World Development* 35(7): 1099–1119, July 2007.

Gylfason, T., “Natural Resources, Education and Economic Development”, *European Economic Review* 45(4-6): 847-859, May 2001.

Gylfason, T., “Lessons from the Dutch Disease: Causes, Treatment and Cures”, in *The Paradox of Plenty* (STATOIL), 2001.

Gylfason, T., *Natural Resources and Economic Growth: What is the Connection?* Mimeo, 2002.

Gylfason, T. and Zoega, G., “Natural Resources and Economic Growth: The Role of Investment”, *CEPR Discussion Papers* 2743, 2001.

- Ma, D., “Why Japan, Not China, Was the First to Develop in East Asia: Lessons from Sericulture, 1850-1937”, *Economic Development and Cultural Change* 52(2): 369-394, January 2004.
- Matsen, E. and Torvik, R., “Optimal Dutch Disease”, *Journal of Development Economics* 78: 494-515, 2005.
- Ola Olsson, “Conflict Diamonds”, *Journal of Development Economics* 82(2): 267–286, March 2007
- James A. Robinson, Ragnar Torvik, and Thierry Verdier, “Political Foundations of the Resource Curse”, *Journal of Development Economics* 79(2): 447– 468, April 2006
- Sachs, J.D. and Warner, A.M., “The Curse of Natural Resources”, NBER Working Paper 5398 December 1995 [a long version from which the 2001 paper was distilled].
- Jean-Philippe Stijns, “Natural Resource Abundance and Human Capital Accumulation”, *World Development* 34(6): 1060–1083, June 2006
- Torvik, R., “Natural Resources, Rent Seeking and Welfare”, *Journal of Development Economics* 67: 455-470, 2002.
- Warr, E., “The Gregory Thesis Visits the Tropics”, *Economic Record* 82(257): 177-194, June 2006.
- Williamson, J.G., *Globalization and Underdevelopment in the Pre-Modern Third World*, Luca D’Agliaano Lecture, Turin, March 2006.

Other References

- Gylfason, T., Herbertsson, T.T. and Zoega, G., “A Mixed Blessing: Natural Resources and Economic Growth”, *Macroeconomic Dynamics* 3: 204-225, 1999.
- Sala-i-Martin, X. and Subramanian, A., “Addressing the Natural Resources Curse: An Illustration from Nigeria”, *NBER Working Paper 9804*, June 2003 (also *IMF Working Paper 03/139*, 2003).
- Hans Singer, “The Distribution of Gains between Investing and Borrowing Countries”, *American Economic Review*, 40(2): 473-485, May 1950.

Precursors from the Dutch Disease Literature

- Corden, W.M., “The Exchange Rate, Monetary Policy and North Sea Oil: The Economic Theory of the Squeeze on Tradeables”, *Oxford Economic Papers* 33: 23-46, July 1981.
- Corden, W.M. and Neary, J.P., “Booming Sector and Deindustrialisation in a Small Open Economy”, *Economic Journal* 92(368)(: 825-848, December 1982.

Eastwood, R.K. and Venables, A.J., “Macroeconomic Implications of a Resource Discovery in an Open Economy”, *Economic Journal* 92 (366): 295-99, June 1982.

Neary, J.P. and Van Wijnbergen, S. (eds), *Natural Resources and the Macroeconomy*, MIT Press, 1986. [Not in bound set].

Van Wijnbergen, S., “Inflation, Unemployment and the Dutch Disease in Oil Exporting Countries: A Disequilibrium Analysis”, *Quarterly Journal of Economics* 99(2): 233-250, May 1984.

Topic 4: Poverty Measurement

Background

Amartya Sen, "Poor, Relatively Speaking", Chapter 14 in Sen, A., *Resources, Values and Development*, Blackwell, Oxford, 1984.

Martin Ravallion, "The Debate on Poverty, Globalization and Inequality: Why Measurement Matters", *International Affairs* 79(4): 739-753, 2003.

Measurement

Bob Baulch and Edoardo Masset "Do Monetary and Nonmonetary Indicators Tell the Same Story about Chronic Poverty? A Study of Vietnam in the 1990s", *World Development* 31(3): 441-453, March 2003.

Shaohua Chen and Martin Ravallion, "How have the world's poorest fared since the early 1980s?" *World Bank Research Observer* 19(2): 141-169, Autumn 2004.

Angus Deaton, *How to monitor poverty for the Millennium Development Goals*, RPDS Working Paper No. 221, Research Program in Development Studies, Princeton University, March, 2003.

Andy McKay, Bob Baulch, Mehtap Hisarciklilar and David Lawson, *How Many Chronically Poor People Are There in the World? Some Preliminary Estimates*, CPRC Working Paper No 45, University of Manchester, 2004.

Darryl McLeod, "How Fast Did Developing Country Poverty Fall During the 1990s? Capabilities-Based Tests of Rival Estimates", *Economics Letters* 90 (2006) 297-303.

Barbara Parker, and Valerie Kozel, "Understanding Poverty and Vulnerability in India's Uttar Pradesh and Bihar: A Q-squared Approach", *World Development* 35(2): 296-311, February 2007.

Frank Place, Michelle Adato and Paul Hebinck, "Understanding Rural Poverty and Investment in Agriculture: An Assessment of Integrated Quantitative and Qualitative Research in Western Kenya", *World Development* 35(2): 312-325, February 2007.

Lant Pritchett, "Who is *Not* Poor? Dreaming of a World Truly Free of Poverty", *World Bank Research Observer* Spring 2006. 21(1): 1-23, Spring 2006.

Martin Ravallion, "Measuring Aggregate Welfare in Developing Countries: How Well Do National Accounts and Surveys Agree?", *Review of Economics and Statistics* , 85(3): 645-652, August 2003

Xavier Sala-i-Martin, *The Disturbing "Rise" of Global Income Inequality*, NBER Working Paper 8904, April 2002.

Does Growth Reduce Poverty? The Dollar-Kraay claim

Dollar, D. and Kraay, A., “Growth is Good for the Poor”, *Journal of Economic Growth* 7: 195-215, 2002.

Malte Lubker, Graham Smith and John Weeks, “Growth and the Poor: a Comment on Dollar and Kraay”, *Journal of International Development* 14: 555–571, 2002.

Aart Kraay, *When Is Growth Pro-Poor? Cross-Country Evidence*, World Bank Policy Research Working Paper 3225, March 2004.

Topic 5: The Asset Approach to Poverty: Analysis and Policy

The Asset Approach

Michael R. Carter and Christopher B. Barrett “The Economics of Poverty Traps and Persistent Poverty: An Asset-Based Approach” *Journal of Development Studies*, 42(2): 178–199, February 2006.

Moser, Caroline O.N., *Reducing Global Poverty The Case for Asset Accumulation*, Brookings Institution Press 2007

Analysis

Adato, M., Carter, M. R., and May, J. “Exploring Poverty Traps and Social Exclusion in South Africa Using Qualitative and Quantitative Data”, *Journal of Development Studies*, 42(2): 226–247, February 2006.

Paul Mosley, *Severe Poverty and Growth: a Macro-micro Analysis*, CPRC Working Paper 51, Chronic Poverty Research Centre, October 2004.

Carter, M.R., Little, P.D., and Mogue, T.J., “Poverty Traps and Natural Disasters in Ethiopia and Honduras”, *World Development* 35(5): 835–856, May 2007

Stefan Dercon, “Economic Reform, Growth and the Poor: Evidence from Rural Ethiopia” *Journal of Development Economics* 81(1): 1 – 24, October 2006.

Anirudh Krishna, Daniel Lumonya, Milissa Markiewicz, Firminus Mugumya, Agatha Kafuko and Jonah Wegoye, “Escaping Poverty and Becoming Poor in 36 Villages of Central and Western Uganda” *Journal of Development Studies*, 42(2): 346–370, February 2006.

Kate Bird, David Hulme, Karen Moore and Andrew Shepherd, *Chronic Poverty and Remote Rural Areas*, CPRC Working Paper No 13 University of Manchester, 2002.

David Hulme and Andrew Shepherd, “Conceptualizing Chronic Poverty”, *World Development* 31(3): 403-423, March 2003

Policy

Nanak Kakwani and H.H. Son, *On Assessing Pro-Poorness of Government Programmes: International Comparisons*, UNDP International Poverty Centre Working Paper 6 May 2005.

Son, H.H. and Kakwani, N., *Economic Growth and Poverty Reduction: Initial Conditions Matter* UNDP International Poverty Centre Working Paper 2 August 2004.

Imran Matin and David Hulme, “Programs for the Poorest: Learning from the IGVGD Program in Bangladesh”, *World Development* 31(3): 647–665, March 2003

Topic 6: Effective Aid and Poverty Reduction

Background Briefs

Aiyar, S., Berg, A. and Hussain, M., “The Macroeconomic Challenge of More Aid”, *Finance and Development* 42(3):28-31, September 2005.

Berg A. and Qureshi, Z., “The MDGs: Building Momentum”, *Finance and Development* 42(3):21-23, September 2005.

Easterly, W. and Sachs, J., debate over Easterly’s review of Sachs, *Washington Post* 13 and 27 March 2005.

Heller. P., “Making Aid Work”, *Finance and Development* 42(3):9-13, September 2005.

Radelet, S., Clemens, M., and Bhavnani, R., “Aid and Growth: New Evidence Shows that Aid Flows Aimed at Growth Have Produced results”, *Finance and Development* 42(3):16-20, September 2005.

Siddiqui, B., “Aiding Development: Tracking the Flows”, *Finance and Development* 42(3):14-15, September 2005.

Boone, Burnside/Dollar and Collier/Dollar

Boone, P. “Politics and the Effectiveness of Foreign Aid”, *European Economic Review* 40(2): 289-329, February 1996.

Burnside, C. and D. Dollar, 'Aid, Policies and Growth', *American Economic Review*, Vol.90, No.4, pp.847-68, 2000.

Collier, P. and Dollar, D., “Aid Allocation and Poverty Reduction”, *European Economic Review* 46:1475-1500, 2002.

Paul Collier, “Is Aid Oil? An Analysis of Whether Africa Can Absorb More Aid”, *World Development* 34(9): 1482–1497, September 2006

David Dollar and Victoria Levin, “The Increasing Selectivity of Foreign Aid, 1984–2003”, *World Development* 34(12): 2034–2046, December 2006

Other references:

Bob Baulch, “Aid Distribution and the MDGs”, *World Development* 34(6): 933–950, June 2006

Butkiewicz, J. and Yannikkaya, H., “The Effects of IMF and World Bank Lending on Long-Run Economic Growth: An Empirical Analysis”, *World Development* 33(3): 371-391, March 2005.

Clemens, M.A., Kenny, C.J. and Moss, T.J., “The Trouble with the MDGs: Confronting Expectations of Aid and Development Success”, *World Development* 35(5): 735–751, May 2007

- Denis Cogneau and Jean-David Naudet, “Who Deserves Aid? Equality of Opportunity, International Aid, and Poverty Reduction” *World Development* 35(1): 104–120, January 2007
- Collier, P. and Dollar, D., “Development Effectiveness: What Have We Learned?”, *Economic Journal* 114(496): F244-F271, June 2004.
- Easterly, W., “The Big Push Deja Vu: A review of Jeffrey Sachs’ *The End of Poverty: Economic Possibilities for our Time*”, *Journal of Economic Literature* 44(1): 96-105, March 2006.
- Easterly, W. “Can Foreign Aid Buy Growth?”, *Journal of Economic Perspectives* 17: 23-48, Summer 2003.
- Easterly, W., *The White Man’s Burden: Why the West’s Efforts to Aid the Rest Have Done So Much Ill and So little Good*, Penguin, New York, 2006.
- Feeny, S., “Foreign Aid and Fiscal Governance in Melanesia”, *World Development* 35(3): 439–453, March 2007
- Gomanee, K., Morrissey, O., and Mosley, P., “Aid, Government Expenditure, and Aggregate Welfare”, *World Development* 33(3): 355-370, March 2005.
- Mosley, P., Hudson, J. and Horrell, S., “Aid, the Public Sector and the Market in Less Developed Countries”, *Economic Journal* 97: 616-641, September 1987.
- Tim Unwin, “No End to Poverty” *Journal of Development Studies*, 43(5): 929–953, July 2007

Topic 7: HIV/AIDS and Growth Failure in Africa

- Michael Aliber and Cheryl Walker, “The Impact of HIV/AIDS on Land Rights: Perspectives from Kenya”, *World Development* 34(4): 704–727, April 2006
- Brautigam, D.A., “Foreign Aid, Institutions and Governance in Sub-Saharan Africa”, *Economic Development and Cultural Change* 52(2): 255-286, January 2004.
- Deborah Fahy Bryceson and Jodie Fonseca, “Risking Death for Survival: Peasant Responses to Hunger and HIV/AIDS in Malawi” *World Development* 34(8): 1654–1666, August 2006.
- Chakraborty, S., “Endogenous Lifetime and Economic Growth”, *Journal of Economic Theory* 116(1): 119-137, 2004.
- Collier, P. and Gunning, J.W., “Explaining African Growth Performance”, *Journal of Economic Literature* 37: 64-111, March 1999.
- Corrigan, P., Glomm, G. and Mendez, F., “AIDS Crisis and Growth”, *Journal of Development Economics* 77(1): 107-124, 2005.
- Crafts, N., and Haacker, M., *Welfare Implications of HIV/AIDS*, IMF Working Paper 03/118, June 2003.
- Easterly, W. and R. Levine, 1997, 'Africa's Growth Tragedy: A Retrospective, 1960-1989', *Quarterly Journal of Economics*, Vol.112, No.4, pp.1203-50.
- Kalemli-Ozcan, S., *AIDS, Reversal of the Demographic Transition and Economic Development: Evidence from Africa*, NBER Working Paper 12818, April 2006.
- Scott McDonald and Jennifer Roberts, “AIDS and Economic Growth: A Human Capital Approach” *Journal of Development Economics* 80(1): 228– 250, June 2006
- Salinas, G. and Haacker, M., *HIV/AIDS: The Impact on Poverty and Inequality* IMF Working Paper WP/06/126, May 2006.
- Young, A., *The Gift of the Dying: The Tragedy of AIDS and the Welfare of Future African Generations* NBER Working Paper 10991, December 2004.
- Joshua S. Graff Zivin, Harsha Thirumurthy, Markus Goldstein, *AIDS Treatment and Intra-household Resource Allocations: Children's Nutrition and Schooling in Kenya*, NBER Working Paper 12689, November 2006

Topic 8: Corruption

- Bose, G., “Bureaucratic Delay and Bribe-Taking”, *Journal of Economic Behavior and Organization* 54: 313-320, 2004.
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