Welcome to International Development Studies 130, Economics of Developing Countries. This class will address 4 core questions. Why are the rich countries rich? Why are the poor countries poor? What can poor countries do to develop their economies? Do policies that stimulate economic growth only serve to widen economic inequalities within those countries?

We hope that students in this class will begin to become familiar with questions that have preoccupied development economics since this discipline first began. Why did the industrial revolution begin in Western Europe, specifically in Britain? Can developing countries repeat the British experience? What policies have economists suggested as most conducive to industrial growth in the developing world? Do the countries that follow the first industrializers suffer a serious disadvantage because of that fact?

Instructor and Course Assistant

The instructor in this class is Professor Michael Lofchie. Professor Lofchie’s office hours are Tuesdays, 9 – 11:00 in Bunche Hall 4347. For an appointment, the best way to contact Professor Lofchie is by e-mail, mike@ucla.edu.

The course assistant is Ms. Joseph Wright. His e-mail address is josephhw@g.ucla.edu. We will post his office hours as soon as these become available.

Course Requirements

IDS 130 will meet on Mondays and Wednesdays from 9:30 to 10:45 in Dodd Hall 170. There will be a mid-term examination and a final. We plan to hold the mid-term exam on Wednesday of the 4th week, January 30. This date is flexible. Our final exam will take place on the last day of class, Wednesday, March 13.

Grading

Grading in this class is on a 33 -66 basis; the mid-term examination will count 33% of your final grade; the final examination will count for 66% of your final grade. To do well in this class, should plan to attend lectures and discussion sections regularly, complete all of the assigned readings, and – where this might be helpful – take advantage of the opportunity for informal discussion with Professor Lofchie or Mr. Wright.
Required Readings and PowerPoint Slides

You do not need to purchase a textbook or reader for this class. All of the required readings for this class are available on the class web site on a week-to-week basis. The PowerPoint slides will be available on the “site info” portion of the web site. You will be responsible only for those PowerPoint slides that we actually cover in class.

Week 1, January 7. The Factory System and the Division of Labor.

To start things off, we will visit a web site called Gapminder World. I suggest you simply “google” this term. Visit the site, and watch what happens.

Required Reading.


This is the first 3 chapters of Smith’s famous book: Chapter 1, Of the Division of Labour; Chapter 2, Of the Principle which gives Occasion to the Division of Labour; and Chapter 3, That the Division of Labour is Limited by the Extent of the Market.

John Wesley, *Sermon 50: The Use of Money*.


William Blake, *Jerusalem*  
http://www.poetry-archive.com/b/jerusalem.html

Suggested Reading.


https://w2.vatican.va/content/francesco/en/apost_exhortations/documents/papa-francesco_esortazione-ap_20131124_evangelii-gaudium.html

Week 2, January 14. The Origins of British industrialization.

Required Reading.


1. Favorable Geography: Navigable Waterways, temperate climate (moderate rainfall, winter frost, & glaciation.

Required Reading.


2. Secure Property Rights.


Required Reading.


Remember: The mid-term exam will take place on Wednesday, January 30.

Weeks 5 and 6, February 4 and February 11. The Development Economics Paradigm:

Required Reading

W. W. Rostow, Theorists of Economic Growth from David Hume to the Present: With a Perspective on the Next Century (Oxford University Press, 1990), Ch. 17; “Development Economics.”


Stable URL: http://www.jstor.org/stable/724810

**Suggested Reading.**


**Weeks 7 and 8. February 18 and February 25. Paradigm Lost**

**Required Reading.**


Stable URL
http://www.jstor.org/stable/1808883


**Week 9, March 4. Paradigm Regained: Heterodox Development Economics.**

**Required Reading.**


**Suggested Reading.**

**Week 10. March 11. Summary and Conclusions**

There is no required or suggested reading for this week. Students should take the opportunity to catch up on their readings, take advantage of office hours, and prepare their answers for the study questions.

**Remember: The final exam will take place on Wednesday, March 13.**