

**Economics of Development**  
**PAI 757 / ECN 661**  
**Spring 2026**

John McPeak  
333 Eggers Hall  
Office Phone: (315) 443-6146  
My web page: <https://jomcpeak.expressions.syr.edu/>  
Class web page: <https://jomcpeak.expressions.syr.edu/pai-757-ecn-661/>  
e-mail: [jomcpeak@syr.edu](mailto:jomcpeak@syr.edu)  
Class : Tu Th 2:00-3:20 School of Management 302  
Office Hours: Tu Th 10:00-11:30.

**Course Description:**

This course will familiarize the student with a variety of alternative theories on what causes (or hinders) economic development. Different strategies and outcomes from a variety of settings will be presented and discussed. The goal of the course is to develop the student's understanding of international, national, sectoral, local, and household level issues related to economic development and the language used by economists to discuss these issues. Special attention will be given to the following questions: how do we explain economic growth?; how do we measure and understand poverty and poverty dynamics? what are the environmental implications of economic development?; and how are urban/ industrial needs balanced against rural / agricultural needs in development? The course is aimed at students who have taken a basic economic course, and effort will be made to stress how economic theory relates to development policy.

**Materials:**

- Economic Development. Michael P. Todaro and Stephen C. Smith. Addison Wesley. Any recent edition (latest edition is 2020's 13<sup>th</sup>)
- Articles linked to this syllabus
- Others will be available as pdf files.

**Grading and Assignments:**

- Two exams, 30 points each, total of 60 points.
- 10 homeworks, 2 points each, total of 20 points
- Presentation (poster or power point), 5 points.
- Term paper, 15 points.

**Exams.**

There will be two exams, one in class covering the first section of the course, the second during the final exam period covering the second half of the course. They will be closed-book exams. The final is not comprehensive. A calculator can be used in the exams. If you have a multi-function calculator, it is not acceptable to use this for any purpose other than basic calculations during the exam. Non-native English speakers are allowed to bring in a dictionary to aid in translation if they so desire.

**Homeworks:**

Students will select a country to follow throughout the semester. They will research this country for each of the topical themes in class. A one to two-page brief on the status and

major issues facing the country in terms of this topic will be required. Each brief is worth two points.

**Presentation:**

The last few classes of the semester will be devoted to students presenting their research. Students will have the choice of presenting a 10-minute presentation that is a summary of their findings or preparing a poster that summarizes their findings. More details on this later in the semester.

**Term paper.**

Each student will be responsible for a term paper of 15-20 page length (12 point, double spaced, standard academic references). The paper will be a statement of the status and prospects of the particular issue and at the appropriate level in the country the student selects. The paper should highlight: one, what is the current status and what are the major issues facing the sector on which you are focusing; two, how did the sector come to be in this situation from a historical perspective, and three, what are the priorities in this sector and for the future and how do you suggest decision makers go about addressing these priorities. The student should illustrate that these insights were developed by conducting extensive research on their chosen country and sector – this is a research paper. The paper is due the last day of class.

**Office Hours:**

Noted above are my office hours. I am open to scheduling times outside of these if you contact me by e-mail to make other arrangements if the scheduled times do not work for you.

**Academic Integrity:**

As a pre-eminent and inclusive student-focused research institution, Syracuse University considers academic integrity at the forefront of learning, serving as a core value and guiding pillar of education. Syracuse University's Academic Integrity Policy provides students with the necessary guidelines to complete academic work with integrity throughout their studies. Students are required to uphold both course-specific and university-wide academic integrity expectations such as crediting your sources, doing your own work, communicating honestly, and supporting academic integrity. The full [Syracuse University Academic Integrity Policy](#) can be viewed by visiting the [Syracuse University Policies website](#).

Upholding Academic Integrity includes the protection of faculty's intellectual property. Students should not upload, distribute, or share instructors' course materials, including presentations, assignments, exams, or other evaluative materials without permission. Using websites that charge fees or require uploading of course material (e.g., Chegg, Course Hero) to obtain exam solutions or assignments completed by others, which are then presented as your own violates academic integrity expectations in this course and may be classified as a Level 3 violation. All academic integrity expectations that apply to in-person assignments, quizzes, and exams also apply online.

Students found in violation of the policy are subject to grade sanctions determined by the course instructor and non-grade sanctions determined by the School or College where the course is offered. Students may not drop or withdraw from courses in which they face a suspected violation. Any established violation in this course may result in course failure regardless of violation level.

## Use of Artificial Intelligence

Based on the assignments in this course and our specified learning outcomes, the full use of artificial intelligence as a tool, with disclosure and citation, is permitted in this course. Students do not need to ask permission to use these tools before starting an assignment or exam, but they must explicitly and fully indicate which tools were used and describe how they were used. Submitted work must be written by the student and express ideas in the student's own words.

## Disability-Related Accommodations

Syracuse University values access and inclusion; we are committed to a climate of mutual respect and full participation. There may be aspects of the instruction or design of this course that result in barriers to your inclusion and full participation in this course. I invite any student to contact me to discuss strategies and/or accommodations (academic adjustments) that may be necessary to ensure equitable access, and to collaborate with the Center for Disability Resources (CDR) in this process.

If you would like to discuss disability-related accommodations or register with CDR, please visit [Center for Disability Resources](#). Please call (315) 443-4498 or email [CDRspecialist@syr.edu](mailto:CDRspecialist@syr.edu) for more detailed information.

CDR is responsible for coordinating disability-related academic accommodations and will work with the student to develop an access plan. Since academic accommodations are generally not provided retroactively, please contact CDR as soon as possible to initiate this process.

## Course Outline:

**First half of the course (January 13-February 24): Development, Growth, International Institutions, Trade, and Aid.**

### January 13, 15

*Development Economics – what is it and what do we mean when we say it is a developing country?*

- Sen, Amartya. (1983) “Development: which way now?” [The Economic Journal](#) **93** p. 745-762. A statement on the early phases of the field of economic development as a field.
- Chapter 1. “Economics, Institutions, and Development”
- Chapter 2. “Comparative Development”

### January 20, 22, 27, 29

*Development Theory*

- Chapter 3. “Classic Theories of Economic Development”
- Easterly, William (2002). Chapters 2 and 3 of *The Elusive Quest for Growth* I will send as a pdf file.
- Solow. (1957). “Technical Change and the Aggregate Production Function.” [The Review of Economics and Statistics](#). **39(3): 312-320**.
- Easterly, William and Ross Levine. (2001). “It’s Not Factor Accumulation: Stylized Facts and Growth Models.” [The World Bank Economic Review](#). **15(2): 177-219**.
- Barro, Robert. (1991). “Economic Growth in a Cross Section of Countries.” [The Quarterly Journal of Economics](#) **106:2 p. 407-443**.

- Chapter 4. “Contemporary Models of Development and Underdevelopment”
- On the role of theory: Krugman, Paul. (1999). “The Fall and Rise of Development Economics” [mimeo](#)

HW #1 Growth experience in your country due February 5.

**February 3, 5**

*International Issues 1*

- Chapter 12. “Trade Theory and Development Experience”
- Chapter 13. “The Trade Policy Debate”

HW #2 Trade and your country due February 12.

**February 10, 12, 17, 19**

*International Issues 2, Development Policy*

- Chapter 14. “Balance of Payments, Developing Country Debt, and the Macroeconomic Stabilization Controversy”
- Williamson, John. (2000). “What Should the World Bank Think About the Washington Consensus?” [The World Bank Research Observer. 15\(2\): 251-64.](#)
- Chapter 15. “Foreign Finance, Investment, and Aid”

**February 24:**

**In class EXAM covering first part of the course**

HW #3. Aid / investment / financial restructuring in your country due March 3.

**Second Half of the course (February 26- April 23): Topics in Development Economics**

**February 26, March 3, 5**

*Poverty and Inequality*

- Chapter 5. “Poverty, Inequality, and Development”
- Krishna, Anirudh. (2004). “Escaping Poverty and Becoming Poor: Who Gains, Who Loses, and Why?” [World Development. 32:1, 121-136.](#)
- Sala-i-Martin, Xavier. (2006) The World Distribution of Income: Falling Poverty and ... Convergence, Period. [Quarterly Journal of Economics. Vol. 121, No. 2: 351-397.](#)
- Pinkovskiv, Maxim and Xavier Sala-i-Martin. [Parametric Estimations of the World Distribution of Income](#), NBER Working Paper 15433, October 2009.

**Spring Break March 8-15**

HW #4. Poverty / inequality due March 17.

**March 17, 19**

*Population issues.*

- Chapter 6. “Population Growth and Economic Development”
- Sulayman Al-Qudsi (1998) “The demand for children in Arab countries: Evidence from panel and count data models” [Journal of Population Economics](#) 11:435-452

HW #5. Population issues due March 26

**March 24, 26**

*Urbanization, Migration, Rural sector*

- Chapter 7. “Urbanization and Rural-Urban migration”

HW #6. Urbanization / migration / informal sector due April 2

**March 31, April 2**

*Agriculture and Rural Development*

- Chapter 9. “Agricultural Transformation and Rural Development”
- Staatz, John and Carl Eicher. (1990) “Agricultural Development Ideas in Historical Perspective.” Chapter 1 in *Agricultural Development in the Third World* 2nd edition. Carl K. Eicher and John Staatz (eds.) The Johns Hopkins University Press: Baltimore. P. 3-38.

HW #7. Agriculture / rural development due April 9

**April 7, 9**

*Human Capital I and II: Education and Health*

- Chapter 9. “Human Capital”
- Psacharopoulos. (1994). “Returns to Investment in Education: A Global Update.” [World Development](#). 22(9): 1325-1343.

HW #8 education and HW #9 health due April 16

**April 14, 16**

*Environment and Development*

- Chapter 11. “The Environment and Development”
- Lee, David, Paul Ferraro and Christopher Barrett. (2001). “Introduction: Changing Perspectives on Agricultural Intensification, Economic Development and the Environment.” Chapter 1 in *Tradeoffs or Synergies?* David Lee and Christopher Barrett (eds.) CABI Publishing: NY p. 1-11.

HW #10. Environmental issues due April 23

**April 21, 23**

*In class presentations*

**Final Exam: Monday May 4, 9:00 to 12:00, SOM 302.**