CIEE Amman, Jordan

Course name: Development Economics in the Middle East  
Course number: ECON 3001 AMJO  
Programs offering course: Middle East Studies  
Language of instruction: English  
U.S. Semester Credits: 3 hours  
Contact Hours: 45 hours  
Term: Fall 2019

Course description

This course is about the economic structures, institutions and policy challenges in the countries of the Middle East and North Africa (MENA). The course starts with a broad economic history of the region in the 19th Century and goes on to address selected aspects of economic policy in the contemporary period in these countries. The contemporary natures of the problems facing the MENA countries are addressed throughout the course.

Learning Outcomes

Upon successful completion of this course, the student will be able to:

- Understand the features and structural characteristics of the MENA economies.
- Enhance their critical analysis of economic problems and policies in the region.
- Explore and discuss critically specific policy approaches to identified economic problems of the region.
- Explore key policy options in regional and international contexts.
- Articulate the development of development economics from Mercantilism to modern growth models.
- Understand the socio-economic features and structural characteristics of the MENA economies.
- Develop a broad understanding of the economic history of the region, and be able to assess the impact of integration into the international economy, in particular.
- Understand and differentiate between different types of economies within the MENA region (oil and non-oil economies, labour surplus and labour deficit economies, small and large, agrarian and non-agrarian economies, etc).
- Discuss and apply key concepts of economic policy analysis to contemporary problems and opportunities facing MENA countries.
- Focus on thematic policy issues relating to a wide range of topics within the MENA countries.
- Appreciate the position of these countries in the wider context of the international economy.

Course Prerequisites:

None
Methods of instruction:

- Lectures
- Questions using the net to find out the latest information about different MENA countries.
- Group discussion

Assessment and Final Grade:

- Participation 5%
- 3-5 pages report on the class presentation article 5%
- Midterm Exam 20%
- Research Paper assignment: 20%
- Presentation of the research paper 10%
- Final exam 40%

Course Requirements

Paper Assignment:
The assignment should be 10 to 12 pages (typed, double-spaced, 12-pt font- Times New Roman). It should be written in the third person and include the following:

1. Introduction:
   a. The purpose.
   b. Why it is important. Articulate the practical and theoretical dimensions of the problem as well as the expected contribution of the study – to business and to discipline.

2. Review of the literature— This will NOT include your opinion, but rather, the opinions of those already published. – Literature Review to support the study, which includes:
   - Introduction to the Literature Review;
   - Literature to support the problem;
   - Literature to support the global model or environment;
   - Literature to support the research model or environment;
   - Literature to support the hypotheses;
   - Literature to support the variable definitions and measurements.

What a Review of Literature should do:
- A Review of Literature is the most important part of your paper (or chapter in a dissertation/thesis).
- It identifies, describes, evaluates, and summarizes the current information in your field.
- It presents and analyzes the empirical and theoretical sources covering your variables.
- It demonstrates your mastery and understanding of your chosen field.
- Doing a thorough Review of Literature takes time. Each book, article, or web site must be read and reviewed for ideas that will help your project. Identify how each piece can help you, and where. A thorough Review of Literature is critical to all other aspects of your dissertation!

3. Methodology: how you go about answering the research question in your paper is your methodology. It is your strategy for discovering the answer systematically. Define terms,
review of the literature, describe the setting, time observed, survey of interviews—who, etc, and indicate the focus of your observation. Research Methodology, which includes: Introduction to the methodology, Research strategy, Research population, Sampling methodology, Instrumentation, Research sample, Method for establishing validity, Reliability test results, and Data analysis methodology

4. Bibliography (References): All references and citations are to be in current APA style – An APA’s Web site provides answers to frequently asked questions about style (http://www.apa.org)

   Citing a book with one author:

   Citing an article in a journal:

   Citing an abstract of a journal article:

   Citing an article in a magazine:

   Citing an article in a newspaper:

   Citing an article in an online journal:

   Citing a journal article from an electronic database:

   Citing an abstract from an electronic database:

5. Analyses

6. Findings

7. Conclusion.

8. Paper is due by the final day before the final exam.

Presentation of the Research Paper
The research paper will be presented in front of the class, further instructions will be provided.

Report on Class presentation
The referee report is a critical (but constructive) evaluation of an academic paper. The list of papers is available on the class presentations (not yours) or any other article from the additional sources. Please limit your writing of the referee report to five pages.
**Midterm Exam:**
Each student is expected to take all the exams at the designated time and place. Students who miss any exam without a CIEE-accepted excuse will receive the grade of zero for the missed exam.

**Final Exam:**
The final exam will be a take-home exam and is due the last day of the course.

**Attendance and Class Participation:**
Students are expected to attend all class sessions, participate in all class activities, complete exams as scheduled, and turn in all assignments on time. Failure to do so may result in the loss of points.

**Weekly Schedule**

**Week 1**
Introduction to Development Economics

**Week 2**
Income inequality, Poverty, and Discrimination
Reading:
- Chapter 20, Macroeconomics, 18/e

**Week 3**
Economic Growth
Reading:
- Chapter 25, Macroeconomics, 18/e

**Week 4**
- The Economics of Developing Countries.
- Facts and historical perspective
Reading:
- Chapter 39W, Macroeconomics, 18/e

**Week 5**
- The Middle East Economy
- Development, Growth and Policy Reform in the Middle East and North Africa.
Reading:
Week 6
   Midterm

Week 7
   Fall Break

Week 8
   - Main Features of Schumpeter’s Theory of Economic Development
     Reading:
     - Aghion, Philippe and Peter W. Howitt (2009), "The Economics of growth"
     - Sanket Suman Solow-Swan model (Neoclassical growth theory)

Week 9
   - Remittances
   - Challenges of Growth and Globalization in the Middle East and North Africa
     Reading:
     - Challenges of Growth and Globalization in the Middle East and North Africa by George T. Abed and Hamid R. Davoodi. 2003 International Monetary Fund at:

Week 10
   Economic Growth & Reform
   Reading:
   - Press release by World Bank: Economic Indicators Failed to Predict Arab Uprisings – October 2015 at:
   - The Economic Outlook for the Middle East and North Africa - October 2015 at:

Week 11
   - Workforce Development in Jordan and Tunis
   - Energy Revolution and the Gulf
     Reading:
     - Workforce development in Tunisia and Jordan by Carolyn Barnett 2015 at:

Week 12
- Water
- Oil and Reform
  Reading:
  - Clear Gold – Water as a Strategic Resource in the Middle East by Jon B. Alterman Michael Dziuban 2010 at
  - After the Age of Plenty: Signs of Austerity in the GCC. CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES. April 25, 2016 at

Week 13
- Economic Development
  Reading:

Week 14
  Research Presentations

Week 15
  Final Exam

Class Presentations:

Reading articles is a skill you need to develop. When reading, it is useful to think about the following questions:
1. What question is the article trying to answer (question)?
2. Why is the question interesting (motivation)?
3. How does the article answer the question (method)?
4. What are the main results (findings)?
5. What are potential problems with the interpretation of results put forward by the authors (limitations)?
6. What potential policy conclusions can you draw from the findings (policy)?

One useful reading strategy is to start with a careful reading of the introduction of the article, then
skim through the tables and figures and read the conclusion. After this you should delve into the article and try to understand its main message. This is a useful strategy because most of the articles will have a thorough introduction in which they discuss all six questions mentioned above. You should note that you are not expected to understand all the technical details of the articles but you should be able to understand and intuitively explain their results and potential limitations.

### Class Presentations

<table>
<thead>
<tr>
<th>Paper</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inequality</strong></td>
<td>Persson, T. and G. Tabellini (1994) &quot;Is Inequality Harmful for Growth?&quot; American Economic Review, 84(3), 600-621. [*]</td>
</tr>
</tbody>
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**FINAL**
| **Empirics of economic growth** | Aghion, P. and S. Durlauf: chapter 8. [*] |

**Readings:**

**Textbooks:**

**Other books and articles (Additional resources):**


I. Facts and historical perspective


D. Mookherjee and D. Ray (2001): chapters 1 and 2. [*]


II. Neoclassical and endogenous economic growth

Barro, R. and X. Sala-i-Martin (2004): chapters 1 and 2. [*]


III. Empirics of economic growth

Aghion, P. and S. Durlauf: chapter 8. [*]


IV. Poverty traps


V. Geography and endowments


VI. Institutions


VII. Inequality


VIII. Environment and development


Frankenberg, E.; D. McKee and D. Thomas (2005) "Health consequences of forest fires in Indonesia" Demography, 42(1):109-129. [*]

IX. Corruption


X. Growth strategies

Aghion, P. and S. Durlauf: chapter 14[*] and 15.


