

# Global Economic Poverty Issues (ECON 351)

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## **Catalog Description**

Economic principles will be utilized to define, examine, and analyze the scope and breadth of underlying poverty-related policy issues in both developing and developed countries.

*This course satisfies the Multi-Cultural component of the General Education Curriculum, the General Education Global Issues (GI) requirement, and the BGS Writing requirement*

## **Extended Course Description**

The globe is shrinking. Countries are becoming more and more intertwined and it is no longer possible to ignore the challenges faced by fellow citizens of the world. However as put by economists Abhijeet Banerjee and Esther Duflo...

This urge to reduce the poor to a set of clichés has been with us for as long as there has been poverty: The poor appear, in social theory as much as in literature, by turns lazy or enterprising, noble or thievish, angry or passive, helpless or self-sufficient. It is no surprise that the policy stances that correspond to these views of the poor also tend to be captured in simple formulas: "Free markets for the poor," "Make human rights substantial," "Deal with conflict first," "Give more money to the poorest," "Foreign aid kills development," and the like. These big ideas all have important elements of truth, but they rarely have much space for average poor women or men, with their hopes and doubts, limitations and aspirations, beliefs and confusion. If the poor appear at all, it is usually as the dramatis personae of some uplifting anecdote or tragic episode, to be admired or pitied, but not as a source of knowledge, not as people to be consulted about what they think or want or do.

Therefore this proposed course, Global Economic Poverty Issues (ECON 351) aims to tackle these clichés and use basic economic principles to examine the underlying truths in the "simple formulas" and looking specifically at the needs of each region and the unique challenges faced. Since the obstacles are unique this class will teach students to better analyze the proposed solutions from the perspective of the region's needs. Econ 351 will include extensive study on (1) measuring economic well-being and inequality and their ties to issues of human rights and social justice (2) the underlying causes of economic poverty including the historical, cultural, political, and geographical forces that shape a region's well-being (3) an analysis of the various proposed methods to escape poverty with respect towards the diverse opinions regarding foreign aid, and (4) the intricate relationships between one region's economic well-being and the effect on other areas of the world, including the United States. This course will enhance students understanding of traditionally overlooked parts of the world including a greater level of respect for the rich and diverse cultures that surround them and therefore gain an appreciation for the role they play as citizens of the world.

## **Course Objectives**

Students in this course will learn to define and evaluate international measures of economic poverty and gain a greater appreciation for the underlying causes of global poverty and intricate interconnections between different cultures and countries across the globe. The tools learned in this class will help our students better navigate and

understand the often unfamiliar world around them. This course provides writing opportunities with revision possibilities to better develop students' critical thinking skills. Specifically students in this course will ...

1. compare, contrast, and differentiate poverty among countries, regions, cultures, and societies to better understand their interdependencies and their roles in promoting stronger economic conditions across the world;
2. analyze the role of underlying political, geographical, and historical forces that shape the current poverty conditions in developing countries using economic principles;
3. compare and contrast economic conditions amongst developing countries and their effects on human rights, social justice and equality throughout the world;
4. examine the issues of diversity within relationships, organizations, and societies; and
5. analyze potential solutions to economic poverty.

**The "Global Issues" Goals and Objectives:**

*Course objective #1: Compare, contrast, and differentiate poverty among countries, regions, cultures, and societies to better understand their interdependencies and their roles in promoting stronger economic conditions across the world;*

*Course objective #2: Examine the impact of the role and the actions of the United States and other developed countries with regards to improving international economic conditions;*

*Course objective #3: Distinguish between various critically informed views of global poverty particularly with respect to each region's diverse assets and culture;*

*Course objective #4: Analyze the role of underlying political, geographical, and historical forces that shape the current poverty conditions in developing countries using economic principles;*

*Course objective #5: Compare and contrast economic conditions amongst developing countries and their effects on human rights, social justice and equality throughout the world;*

*Course objective #6: Compare and contrast potential solutions to overcome economic poverty and avoid poverty traps;*

*Course objective #7: Analyze the intricate relationships and interdependence amongst developing countries and their ties to the developed world;*

*Course objective #8: Examine and appreciate the diverse economic conditions, assets, and challenges faced within a given region; and*

*Course objective #9: Examine the issues of diversity within relationships, organizations, and societies.*

**Required Text book:**

Banerjee, Abhijit & Esther Duflo (2011) *Poor Economics: A radical rethinking of the way to fight global poverty*. New York, New York: Public Affairs Press.

**Required readings:**

Banerjee, Abhijit et al (2006) *Understanding Poverty* New York, New York: Oxford University Press.

Karlan, Dean & Jacob Appel (2011) *More than good intentions: Improving the ways the world's poor borrow, save, farm, learn, and stay healthy*. New York, New York: Penguin Group Inc.

Sachs, Jeffrey (2006). *The End of Poverty: Economic possibilities for our time*. New York, New York: Penguin Group Inc.

Smith, Stephen (2005) *Ending Global Poverty: A guide to what works*. New York, New York: Palgrave Macmillan

Anand, Sudhir, Segal, Paul, and Stiglitz, Joseph E., editors, (2010) *Debates in the measurement of global poverty*. Oxford University Press [The international community's commitment to halve global poverty by 2015 has been enshrined in the first Millennium Development Goal. How global poverty is measured is a critical element in assessing progress towards this goal, and different researchers have presented widely-varying estimates. The chapters in this volume address a range of problems in the measurement and estimation of global poverty, from a variety of viewpoints. Topics covered include the controversies surrounding the definition of a global poverty line; the use of purchasing power parity exchange rates to map the poverty line across countries; and the quality, and appropriate use, of data from national accounts and household surveys. Both official and independent estimates of global poverty have proved to be controversial, and this volume presents and analyses the lively debate that has ensued. "While there are many publications on alleviating global poverty, this compilation of papers focuses on the fundamental issue of what constitutes poverty and how it is measured. This is an important concern since one of the UN's Millennium Development Goals (MDGs) is halving world poverty by the year 2015. Whether or not this goal has been or will be reached depends fundamentally on the definition of poverty, which in turn influences the measurement of poverty itself.... This volume addresses an important, challenging issue and will be of value to students and researchers of development economics and world poverty."—CHOICE]

**Video clips:**

Economic reports including, but not limited to, "*The Copenhagen Consensus Reports*;" the online "*World Economic Forum*", "*The Global Gender Gap Report*," "*The Africa Competitiveness Report*," "*The Arab World Competitiveness Report*," and several individual "*Country Studies*;" online materials on *The Fortune at the Bottom of the Pyramid*.

## Topical Coverage:

TOPICS	
<b>Introduction</b>	
1	Introduction to poverty and developing countries
2	Will growth eradicate poverty? Or does a rising tide lift all ships?
3	The economic lives of the poor Guest lecture: Prof. Abhijit Banerjee
<b>Food</b>	
4	Potatoes: nutrition, productivity and population growth
5	The Bengal Famine of 1943: Amartya Sen and Satyajit Ray
6	Famines and other disasters: cause and reactions
7	Understanding nutrition decisions
<b>Education</b>	
8	Education and child labor
9	How to get children into school? Evaluating different policy options
10	Education: educated for what?
11	Remedying education: evidence from two randomized evaluations
<b>Health</b>	
12	The challenge of delivering healthcare to the poor: Udaipur
13	Disease and development: micro and macro approaches
14	Delivering healthcare: malaria and the bednet controversy
15	Investment and technology: should we subsidize fertilizer?
<b>Finance</b>	
16	Introduction to credit, savings and insurance
17	The microcredit promise?
18	Savings
19	Insurance
<b>Institutions</b>	
20	Property rights on the ground
21	Property rights and the wealth of nations
<b>International dimensions</b>	
22	The World Bank and the International Monetary Fund (IMF)
23	Globalization and trade
24	Globalization and financial crisis
25	Does aid work?

### **Learning Activities**

We will assess this course's objectives through a variety of writing activities, discussions, homework assignments, and examinations. All of these tasks will be designed to reinforce students' ability to think critically about global poverty and the subsequent proposed solutions. As part of the General Education curriculum goals and standards regarding writing, students will complete a variety of writing assignments designed to improve their ability to communicate their analysis. These writing assignments include short responses in online discussion boards, short answer questions on homework assignments, and a series of short essay questions on each topic in the course that are designed to prepare the student for a significantly larger essay that presents a detailed and well researched analysis of a country's or region's current and historical economic conditions, underlying cultural, historical, geographical, and political causes of poverty, the region's relationship to other countries, and a critical analysis of the recommended method of aid. Through all of the smaller activities, students will have numerous opportunities for feedback as well as revision to truly develop these vital skills and prepare them for their larger project. Additionally, as part of the course, students will heavily utilize writing manuals in their efforts such as the famous "*Hacker Manual for Writing*" or the "*Gregg Reference Manual for Writing*", both of which are generally accepted as excellent resources for improving student communication skills.

Hacker, Diana & Nancy Sommers (2011) *A Pocket Style Manual* Boston, Massachusetts: Bedford/St. Martin Publishing

Sabin, William (2010) *The Gregg Reference Manual: A Manual of Style, Grammar, Usage, and Formatting* New York, New York: McGraw Hill Publishing.