
BLOCK SEMINAR

CONTROVERSIES IN DEVELOPMENT ECONOMICS

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PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY. THEY SHOULD ANSWER ALL YOUR QUESTIONS.

Preliminary discussion: April 20, 2020, 9:00-10:30

Block course: June 19, 10-18 h, June 22, 10-18 h

All meetings will be held via Microsoft Teams. A computer with a webcam and microphone is required. On the first date the edge browser will suffice but you might as well already install the Microsoft Teams App, which will be required later to share your screen (paper outlines, presentations). A registration or login in Teams is not required.

Please contact Daniel Geissel directly for the selection of the seminar paper's topic indicating your preferences (rank three topics from the list below).

COURSE DESCRIPTION

The seminar addresses controversial issues in development economics. Such issues may be more topical (for example: Investments in agriculture and land: Land grab or development opportunity?) or more analytical (for example: The role of the state in economic development: Market-led development or interventionist models?). Based on the seminar papers, which will take a balanced stance toward a specific controversy, students will prepare a presentation that assumes a one-sided position during the seminar. Moderated discussions between two positions will be preceded and followed by a vote of the entire group to assess how convincing the respective presenter has made his or her argument. The seminar topics are subject to change every term.

Language of instruction: English, but seminar papers may be written in German.

Compulsory meeting I: You should be present at the preliminary discussion. Slots may already be limited at the meeting.

Compulsory meeting II: You should meet your supervisor (either Daniel Geissel or Jann Lay) at least once to discuss the table of contents of your paper. This meeting is compulsory. Appointments can be made via email.

TIME SCHEDULE

March 27, 2020	Application for seminar papers starts, topics are allocated on a “first-come-first-served” basis
April 20, 2020	Compulsory preliminary discussion and announcement of participants
June 8, 2020	Deadline for seminar papers. An electronic version should be sent in at 12:00 am latest.
June 19 and 22	Seminar

COURSE REQUIREMENTS

To acquire 6 credit points students will have to write a seminar paper (60%), prepare a presentation and participate in the discussions (which together accounts for the other 40%).

ELIGIBLE PARTICIPANTS

The seminar is open to MA students in economics or one of the three business MA programs. Ideally (but not necessarily), you have previously participated in development economics classes.

SEMINAR PAPERS

The seminar papers should be written in English or German, comprising no more than 10 pages (Times New Roman, 12pt, 1.5 spaced, margins: left 2.5 cm, right 3.5; top/bottom 2.5, 10 pages excluding title page, table of content, bibliography and exhibits, max. 15 pages total). In addition, a short abstract of about 200 words has to be composed. The papers should be analytical and critical, develop a coherent argument, draw own conclusions, and go beyond a pure summary of existing literature. Guidelines on well-written papers can be found on the webpage of Prof. Klasen.

Students should hand in an electronic (pdf) copy of their seminar papers. The electronic version will then be made available to all other students for reading.

PRESENTATIONS AND DISCUSSIONS

We will have two presentations on each topic. Before the presentation, the “audience” will vote on the controversial issues (for example, “Do you think that states should play a more active role in promoting economic development than they currently do?”). In the presentations, each presenter will then take one of the possible views on the issue and make an attempt to convince fellow students of that view. The students will be facing the audience and seated in front of their fellow students as in a panel discussion format. The speakers can use any visual device for their presentations (e.g. handouts, transparencies) and should be able to answer short questions during the presentation. Note that the one-sided view will only be required in the presentation. The seminar paper will be more balanced.

After the presentations, the audience can ask questions and let the presenters defend their positions, before there is another vote on the same issue. It is expected that all other students have briefly gone through the papers of the other participants before the seminar, so that a good discussion after the presentations can take place.

TOPICS

TOPIC 1: EU-ACP ECONOMIC PARTNERSHIP AGREEMENTS: (A) ONLY NEW MARKETS FOR EUROPEAN FIRMS OR (B) A GENUINE DEVELOPMENT OPPORTUNITY?

European Commission (2016). 10 benefits of Economic Partnership Agreements. Luxembourg: Publications Office of the European Union. <https://publications.europa.eu/en/publication-detail/-/publication/ece83404-abcb-11e6-aab7-01aa75ed71a1> [accessed 12/03/2018].

Bouët, A., Laborde, D., Traoré, F. (2017). The European Union–West Africa Economic Partnership Agreement: Small impact and new questions, *The Journal of International Trade & Economic Development* 27(1): 25-53.

TOPIC 2: FAIR TRADE: (A) FAIR DEAL OR (B) JUST CALMING OUR BAD CONSCIENCE

de Janvry, A., McIntosh, C., Sadoulet, E., (2015). Fair Trade and Free Entry: Can a Disequilibrium Market Serve as a Development Tool? *Review of Economics and Statistics*, 97(3): 567-573.

Leclair, M.S., (2002). Fighting the Tide: Alternative Trade Organizations in the Era of Global Free Trade. *World Development*, 30(6): 949-58.

TOPIC 3: CLIMATE CHANGE MITIGATION AND ECONOMIC DEVELOPMENT: (A) TRADE-OFF OR (B) WIN-WIN SITUATION?

Dercon, S. (2012). Is green growth good for the poor? World Bank Policy Research Working Paper 6231.

Jakob, M., Steckel, J.C., Klasen, S., Lay, J., Grunewald, N. Martínez-Zarzoso, I., Renner, S. Edenhofer, O. (2014). Feasible Mitigation Actions in Developing Countries. *Nature Climate Change* 4(11): 961-968.

TOPIC 4: DOES AID DO MORE HARM THAN GOOD? (A) YES OR (B) NO?

Temple, J.R.W. (2010). Aid and Conditionality. In: Rodrik, D., Rosenzweig, M. (eds.) *Handbook of Development Economics* 5: 4415-4523.

Radelet, S. (2017). Once more into the breach: Does foreign aid work? Future development. The World Bank/Brookings Institution. <https://www.brookings.edu/blog/future-development/2017/05/08/once-more-into-the-breach-does-foreign-aid-work/> [accessed 15/03/2018].

Easterly, W., (2006). "Planners vs. searchers in foreign aid." *Asian Development Review*, 23 (2):1-35.

TOPIC 5: RANDOMISTAS VERSUS POOR DEVELOPMENT ECONOMISTS: (A) RCTS AS THE GOLD STANDARD OF THE ANALYSIS OF ECONOMIC DEVELOPMENT OR (B) MISGUIDED CERTAINTY?

Ravallion, M., (2009). Should the randomistas rule? *The Economists' Voice* 6(2): 1553-3832.

Peters, J., Langbein, J., & Roberts, G. (2016). Policy evaluation, randomized controlled trials, and external validity—A systematic review. *Economics Letters* 147: 51-54.

Pritchett, L., & Sandefur, J. (2013). Context matters for size: why external validity claims and development practice do not mix. *Journal of Globalization and Development*, 4(2), 161-197.

TOPIC 6: MICROCREDITS: (A) A PANACEA FOR POVERTY ALLEVIATION OR (B) YET ANOTHER INEFFECTIVE DEVELOPMENT INSTRUMENT?

Khandker, S. and Samad, H., (2014). Dynamic effects of Microcredit in Bangladesh. Policy Research Working Paper 6821. The World Bank.

Banerjee, A., Duflo, E., Glennerster, R. and Kinnan, C., (2015) The Miracle of Microfinance? Evidence from a Randomized Evaluation. *American Economic Journal: Applied Economics*, 7(1): 22-532.

TOPIC 7: THE ROLE OF INDUSTRIAL POLICY IN ECONOMIC DEVELOPMENT: (A) COMPARATIVE-ADVANTAGE-CONFORMING OR (B) COMPARATIVE-ADVANTAGE-DEFYING STRATEGY?

Lin, J., Chang, H-J (2009). Should Industrial Policy in Developing Countries Conform to Comparative Advantage or Defy it? A Debate Between Justin Lin and Ha-Joon Chang. *Development Policy Review*, 27(5), pp. 483-502.

Hausmann, R., Rodrik, D. (2003). Economic Development as Self-discovery. *Journal of Development Economics*, 72(2), 603-633.

Hausmann, R., J. Hwang, D. Rodrik (2007). What you export matters. *Journal of Economic Growth*. 12 (1), pp. 1-25.

TOPIC 8: INVESTMENTS IN AGRICULTURE AND LAND: (A) LAND GRAB OR (B) DEVELOPMENT OPPORTUNITY?

Cotula, L., Vermeulen, S., Leonard, R., Keeley, J., (2009). Land Grab or Development Opportunity? Agricultural Investment and International Land Deals in Africa. IIED.

Lay, J., Nolte, K. (2018). Determinants of foreign land acquisitions in low- and middle-income countries. *Journal of Economic Geography* 18(1): 59-86. <https://www.giga-hamburg.de/de/publication/determinants-of-foreign-land-acquisitions-in-low-and-middle-income-countries> [accessed 15/03/2018].

TOPIC 9: DECENTRALIZATION REFORMS: (A) SUCCESS OR (B) FAILURE IN TERMS OF GREATER ACCOUNTABILITY AND INCLUSIVENESS?

The World Bank (1999). Decentralization: Rethinking Government. In: The World Bank (1999). *Entering the 21st Century: World Development Report 1999/2000*.

Grossman, G., Lewis, J. I. (2014). Administrative unit proliferation. *American Political Science Review* 108(1): 196-217).

TOPIC 10: OIL PALM: (A) THE EVIL TREE OR (B) GLOBAL SOLUTION FOR FOOD AND FUEL?

Lustgarten, Abrahm (2018): Palm Oil Was Supposed to Help Save the Planet. Instead It Unleashed a Catastrophe. In: *The New York Times*, 20.11.2018. Online verfügbar unter <https://www.nytimes.com/2018/11/20/magazine/palm-oil-borneo-climate-catastrophe.html>, zuletzt geprüft am 24.03.2020.

Vijesh Krishna; Michael Euler; Hermanto Siregar; Matin Qaim (2017): Differential livelihood impacts of oil palm expansion in Indonesia. In: *Agricultural Economics* 48 (5), S. 639–653. DOI: 10.1111/agec.12363.

TOPIC 11: URBANIZATION (A) ACCELERATING GROWTH OR (B) AGGRAVATING POVERTY?

Ravallion, M., Chen, S., & Sangraula, P. (2007). New Evidence on the Urbanization of Global Poverty. *Population and Development Review*, 33(4), 667–701. <https://doi.org/10.1111/j.1728-4457.2007.00193.x>

Christiaensen, L. D. W., Joachim Todo, Yasuyuki. (2013). Urbanization and Poverty Reduction—The Role of Rural Diversification and Secondary Towns. The World Bank. <https://doi.org/10.1596/1813-9450-6422>