

Economics 165
Winter 2020
TTh 2:00-3:20
Center 105

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Office: Economics 220
Hours: TTh 3:30-4:30 pm
or by appointment

ECONOMICS OF THE MIDDLE EAST

Syllabus

We will discuss socioeconomic development in the Arab world in comparison to other countries in the less and more developed worlds, with secondary attention to Iran and Turkey.

Lectures: You are responsible for all the material and announcements in the lectures. Lecture slides for each section of the course outline will be posted on Canvas after the section is completed. All lectures will be podcast.

Timeline and grading:

January 21: Quiz covering basic information about the Arab world 10% of grade
February 13: Midterm exam (covers first half of course) 30% of grade
March 5 (due date): Brief presentation of comparative data 20% of grade
March 19: Final exam (covers second half of course) 40% of grade

Midterm and final exams will be open notes. Any printed matter is acceptable, including lecture slides. Electronic devices other than calculators are forbidden. No makeup exams will be given.

One of the goals of this course is for you to become familiar with how to use publicly available data to check facts and satisfy your curiosity about the Middle East. To further this goal I ask you to prepare a brief set of slides (that would take you less than five minutes to present) that make an interesting comparison of Arab countries, Iran or Turkey with each other or with relevant other countries. (Do not include Israel/Palestine because it is covered well in other courses at UCSD.) The slides can be self-contained, or you can provide no more than one page of descriptive notes. The most general database in which you can look for data is World Development Indicators (<http://databank.worldbank.org/data/Databases.aspx>), but there are lots of other more specific ones such as those in sections IV and VIII of the course outline. You must submit a first draft to the TA, Wei-Lin Chen (ucsdecon165@gmail.com), for approval before submitting a final draft. Late submissions of the final draft will not be accepted.

COURSE OUTLINE

The text for this course is

Rauch, James E. 2019. *The Economics of the Middle East: A Comparative Approach* (New York: Oxford University Press).

Each section of the syllabus corresponds to a chapter in the text. The chapter is required reading for that section. There are a few additional readings. Those marked with an asterisk (*) are required; unmarked readings are recommended. If no URL is given, the material is available on e-reserves.

I. Introduction

*<http://hdr.undp.org/en/composite/HDI>

Democracy and the “Arab Spring” (topic not covered in the text)

Besley, Timothy and Burgess, Robin. 2002. “The Political Economy of Government Responsiveness: Evidence from India.” *Quarterly Journal of Economics* 117(4), esp. Tables IV and VI. <http://www.jstor.org/stable/4132482>

*Rauch, James E. and Kostyshak, Scott. 2014. “The Three Arab Worlds on the Eve of the ‘Arab Spring’.” *Handbook on Islam and Economic Life* (Cheltenham, UK: Edward Elgar): 630-632.

Goldstone, Jack. “Understanding the Revolutions of 2011.” *Foreign Affairs* 90 (May/June 2011): 8-16. <http://www.jstor.org/stable/23039402>

Awad, Margo and Dixon, Hugo. 2011. “The Art of Revolution: Egypt’s Non-Violent Warriors.” *The Daily Star* (April 14).
<http://www.dailystar.com.lb/News/Middle-East/2011/Apr-14/136414-the-art-of-revolution-egypts-nonviolent-warriors.ashx>

Noujaim, Jehane. 2013. “The Square.” 1:08 - 1:02:43 discussion of Muslim Br.; 30:20 -27:30 Pres. Election; 1:23 army and Mubarak’s son. <http://www.netflix.com>

*Chan, Sewell. 2015. “Nobel Prize is Awarded to National Dialogue Quartet in Tunisia.” <https://www.nytimes.com/2015/10/10/world/europe/national-dialogue-quartet-tunisia-nobel-peace-prize.html?ref=todayspaper>

2019: The “Arab Spring,” round 2 (discussion, no reading)

QUIZ

II. Historical Perspective

III. International Trade, Natural Resource Rents, and Foreign Direct Investment

IV. Human Resources

https://www.who.int/healthinfo/global_burden_disease/en/

http://link.springer.com/referenceworkentry/10.1007/978-3-319-11251-0_6
(obesity in MENA)

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3992784/> (diabetes in MENA)

*Jayachandran, Seema and Lleras-Muney, Adriana. 2009. "Life Expectancy and Human Capital Investments: Evidence from Maternal Mortality Declines." *Quarterly Journal of Economics* 124(1): 349-352, 357-360, 376-377.
<http://www.jstor.org/stable/40506231>

V. Gender Gaps

World Bank. 2013. *Opening Doors: Gender Equality and Development in the Middle East and North Africa*.

<http://documents.worldbank.org/curated/en/338381468279877854/Main-report>

Assaad, Ragui and Krafft, Caroline. 2014. "The Economics of Marriage in North Africa." <https://www.econstor.eu/dspace/bitstream/10419/97126/1/782360963.pdf>

Al Aswany, Alaa. 2013. "Egypt's Trouble With Women." <http://www.nytimes.com/2013/12/09/opinion/09iht-edalaswany09.html?src=recg>

MIDTERM EXAMINATION

VI. Income Distribution, Poverty, Migration, and Unemployment

Kapiszewski, Andrezej, "Arab Versus Asian Migrant Workers in the GCC Countries." UN Department of Economic and Social Affairs, 22 May 2006.

https://www.un.org/en/development/desa/population/events/pdf/expert/11/P02_Kapiszewski.pdf

Noland, Marcus and Pack, Howard. 2011. *The Arab Economies in a Changing World* (Washington, D.C.: Peterson Institute for International Economics): pp. 251-260.

World Bank. 2017. *Refugee Crisis in MENA: Meeting the Development Challenge*.
<http://documents.worldbank.org/curated/en/785071506105322669/pdf/119941-REPLACEMENT-PUBLIC-FINAL-MEM-FALL-2017-ONLINE.pdf>

Silva, Joana, et al. 2013. *Inclusion and Resilience: The Way Forward for Social Safety Nets in the Middle East and North Africa*, Chapter 3.
<http://documents.worldbank.org/curated/en/455431468275110287/pdf/805150PUB0Incl00Box379806B00PUBLIC0.pdf>

Frey, Bruno S. and Stutzer, Alois. 2002. “What Can Economists Learn From Happiness Research?” *Journal of Economic Literature* 40(2): 419-421.
<http://www.jstor.org/stable/2698383>

VII. Environmental Challenges

World Bank. 2014. *Turn Down the Heat: Confronting the New Climate Normal*
<https://openknowledge.worldbank.org/handle/10986/20595> : pp. 113-166.

VIII. Government Spending: Urban Infrastructure, Energy Subsidies, and the Military

<http://www.enterprisesurveys.org/data/exploretopics/infrastructure>

IX. Political Economy

World Bank. 2018. *Doing Business 2019*.
<https://www.doingbusiness.org/content/dam/doingBusiness/media/Profiles/Regional/DB2019/MENA.pdf>

*Branstetter, Lee; et al. 2014. “Do Entry Regulations Deter Entrepreneurship and Job Creation? Evidence from Recent Reforms in Portugal.” *Economic Journal* 124 (June): 805-832.

*Diwan, Ishac et al. 2018. “Pyramid Capitalism: Cronyism, Regulation, and Firm Productivity in Egypt.” <https://doi.org/10.1007/s11558-018-9327-2>

X. Conclusion: Some Modest Proposals for Policy

FINAL EXAMINATION