Overview

The symbolic start of the “Arab Spring” was the self immolation of 26 year old Tunisian Mohammed Bouazizi on December 17th, 2010. This act resonated so deeply as its apparent motivation captured many of the economic and political problems of the Middle East and North Africa (MENA). A very young population was frustrated by a lack of economic opportunities and decades of failed government intervention in the economy, notably marked by corruption and a widening gap between the governing elites and those they ostensibly governed.

The roots of the Arab Spring extend deep into the economic history of the region. To understand the momentous events of today, we must look to steps taken along the way. This course will examine the theories and practices of economic development in the MENA. Some of the issues we will study are the role of the state in the economy, the legacies of the colonial era, why bountiful natural resources often lead to poor growth, internal migration and brain drains, and the economic roots of terrorism just to name a few. The objective of the course is to give you a strong background in the historical, institutional, religious, and social issues that have shaped the current economic climate in the region. Understanding these trends is vital to assessing the viability and desirability of economic policy in the modern era of globalization.

Learning Outcomes

Success in this course is contingent on your ability to master the following learning outcomes. You should periodically review this list as the semester proceeds and check off those that you have mastered. I will also review these outcomes in class as we cover them.

- Explain how prevailing economic conditions created an atmosphere ripe for regime change
- Discuss the impact of globalization on economic development in the MENA
- Articulate the ways in which development paths in the MENA and the West have differed.
- Examine legacies of the Colonial Era and their effect on current economic and political conditions.
- Investigate the causes of income stagnation and rising unemployment across the region over the last two decades.
- Evaluate the demographic challenges and opportunities of the “youth bulge” present in many MENA countries.
- Assess the benefits and costs of state-led capitalism.
• Synthesize an explanation for the “Curse of Natural Resources.”
• Investigate how public revenues from natural resources have been used and propose alternative uses that would better promote economic development.
• Examine gender inequities in the region and how closing this gap presents a development opportunity.
• Articulate the conditions in which countries are likely to adopt growth-enhancing reforms and the condition in which these reforms are likely to work.
• Investigate the argument that Islamic inheritance laws led to sluggish growth.
• Evaluate the viability of the Waqf system for providing public goods.
• Assess the economic impacts of large expatriate populations on both sending and receiving nations.
• Define remittance payments and their significance for certain countries in the region.
• Discuss how low education returns, income inequality, and social immobility affect terrorism.
• Analyze which countries are likely to enter into a civil war and why.
• Explore the effects of conflict on economic development.
• Assess the role of NGO’s and micro-credit as alternatives to the World Bank and IMF as development agencies.
• Analyze the impact of the global financial crisis on the regional economy.
• Discuss the role that technology played/will continue to play in driving economic and political reforms in the region.

Readings

Class readings will be drawn from three broad sources: books, academic journal articles, and institutional (e.g. IMF, UN, World Bank) publications. The “textbook” for the course is Richards and Waterbury, A Political Economy of the Middle East, 2007. Journal articles and institutional publications can be accessed through the SDSU library website, but I will also post electronic copies to Blackboard.

Exams

There will be two exams, a midterm and a final. Each exam will have two sections: multiple choice to test your knowledge of basic facts and short answer/essay to test your analytical knowledge on the region. Exam I will tentatively cover the first three sections in the outline below. The second exam will take place during finals week, but is not comprehensive, covering only the last four sections.

Exam I    March 19th
Exam II   May 14th

Quizzes

There will be at least 10 (probably more) short quizzes given in each class. Quizzes will only cover material discussed in class and are designed to make sure that you keep up with the material. These should be a fairly easy way to improve your grade if you don’t fall behind. I will open the floor to questions before each quiz and I also encourage you to review each lecture with me during office hours.
Country Project

Each student will choose (or be assigned) a country in the MENA that they will be one of the class “experts” on. I have pre-selected 16 countries in the broadly defined MENA region from which we will form groups of 5 students each. The countries are Algeria, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Morocco, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, Turkey, and the UAE. ¹ For this project, you will first compile economic profiles of your country using data from the CIA Factbook and the World Bank’s Development Indicators (instructions to follow). Then you will be required to post a summary of a news article (with a link) about your country to the discussion board on Blackboard. Your summary should discuss the key points of the article and analyze the implications of these points for your country’s economy and development. Article summaries will be due by 5PM on Mondays and each student per country must summarize a unique article. Additionally, each student is required to post at least one comment on the article summarized by the other members of their country group (a total of four comments for each student). These comments may include an implication that the original poster missed, a different interpretation, an additional bit of information that supports the conclusions made by the original poster, etc. Comments are due by the beginning of class on Wednesday. Finally, we will have short in-class presentations of these article summaries beginning on February 5th. I anticipate between 6-7 short (5 minutes) presentations per class, with each student presenting a summary of their article to the class one time. Once the country groups have been finalized, I will send out a presentation schedule to everyone.

Your grade for this project will depend on four components: 1. The economic profiles you compile using CIA Factbook and World Bank Data (20%), 2. The article summaries you post each week (40%), 3. Your in class presentation (10%), and 4. The comments you leave for the other students in your country group (30%). I will be grading the first three components. The final component will be graded by the other students in your country group (more details to follow). Hopefully this will be a fun project and a good way to apply the class lectures to real world events. Please make sure to send me your top three country choices no later than Tuesday, January 28th. Countries will be assigned on a first come, first served basis.

Grading

1. Exams (2), 25% each = 50%
2. Quizzes = 25%
3. Country Project = 25%

Tentative Outline of Topics

Please note that we will not be reading every article listed below. I will indicate in class and on Blackboard exactly what you are required to read. Those articles that we don’t get to are still excellent sources for further information on a topic.

Introduction

Topics: Overview of the region, significance, actors and institutions, key challenges, defining economic indicators.

Richards and Waterbury, Ch. 1-2

¹Several MENA countries/regions are not included on this list due to issues with data availability.


**Historical Roots of Economic Development**

**Topics: The importance of institutions, legacies of the colonial era, the impact of culture and religion on forming economic institutions**

Richards and Waterbury, Ch. 14


Globalization and the Role of the State

Topics: How public and private investment differ, challenges of globalization, debt crises, foreign aid, the Washington Consensus, development across different regime types

Richards and Waterbury, Ch. 7-9


The Blessing or Curse of Natural Resources

Topics: Why countries rich in natural resources tend to underperform, Dutch disease, rentier states, foreign exchange regimes, water and food security.

Richards and Waterbury, Ch. 3


Demographic Challenges, Labor Markets, and Migration

**Topics:** Gender and social issues, the youth bulge, the demographic dividend, labor market challenges, guest/migrant workers, remittances, the brain drain.

Richards and Waterbury, Ch. 4


Human Capital

**Topics:** Education and health; policies, reforms and consequences.

Richards and Waterbury, Ch. 5


Conflict, Militarism, and Terrorism

**Topics:** The economic causes and consequences of conflict, why military budgets in the MENA are so large, the economic roots and impact of terrorism

Richards and Waterbury, Ch. 13


**Important Dates**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 22nd</td>
<td>First day of class</td>
</tr>
<tr>
<td>February 4th</td>
<td>Last day to add/drop classes or apply for graduation</td>
</tr>
<tr>
<td>March 19th</td>
<td>Exam 1</td>
</tr>
<tr>
<td>March 31st-April 4th</td>
<td>Spring Recess, campus closed</td>
</tr>
<tr>
<td>May 7th</td>
<td>Last day of class</td>
</tr>
<tr>
<td>May 14th</td>
<td>Exam 2</td>
</tr>
</tbody>
</table>

**Useful Links**

- The Guardian Online: [http://www.guardian.co.uk/](http://www.guardian.co.uk/)
- Jadaliyya.com: [http://www.jadaliyya.com](http://www.jadaliyya.com)
- Penn World Tables: [http://pwt.econ.upenn.edu/](http://pwt.econ.upenn.edu/)