

October 1-31, 2010

Context

The story of growth and poverty reduction is much debated in an ever-changing world. The challenge in the 1960s was how to lift low-income countries from a low-growth trap to a reasonably high-growth path. Fifty years later we have many fast-growing emerging economies but also over a hundred countries unable to move away from low-growth and high-poverty traps.

Between 1960 and 2010, 3 major shifts impacted how we think about growth and poverty. These big shifts were from state-directed 'commanding heights' to market-driven approach, from structural issues of deregulation, liberalization and privatization to sectoral sources of growth, particularly agriculture and financial services, and from macroeconomic to microeconomic (and now macro-micro) approaches to growth. Somewhere along these shifts, there was a recognition that poverty reduction is a goal in itself and does not have to depend on how fast or slow a country is growing. The new wave of globalization that has swept the world during the past two decades has aided growth and poverty reduction in the developing world but the ongoing global economic crisis threatens to undo all those gains and much more.

Objective and Target Audience

The overarching aim of this e*learning course is to give the participant a broad understanding of the impact of economic policies on growth and poverty reduction in developing countries.

The course is targeted at policy makers, practitioners, and students of development economics.

Course Description

The course will provide a detailed explanation of economic policies' role in growth and poverty reduction in developing countries. Specifically, after describing basic economic relationships--and after confirming that growth is the most critical factor in alleviating poverty--the course turns to individual policy areas. These include the various roles of government, which include maintaining an environment conducive to the effective operation of a market economy and conducting fiscal policy. Policies governing money supply, exchange rates and the financial sector are also covered. After describing the experience over the past several decades with development aid, which aims to place poor countries on a path of sustainable long-run growth, the course turns to a discussion of external debt and how it became unsustainable in many low-income countries, crippling their growth potential and keeping millions in poverty. The remainder of the course examines problems that can keep the poor from moving out of poverty.

Tentative Agenda

The course will consist of 13 modules that will be covered over four weeks.

Week 1:

Module 1 – Growth Models and Poverty

This module will work from theory to real-world findings to understand that sustained economic growth is the most critical factor in alleviating poverty.

Module 2 – Government and the Economy – Focus on Fiscal Policy

This part of the course will focus on specific areas of public policies and describe the roles that governments can play in an economy.

Module 3 – Financial Development

Module 3 will finish the week by describing the causal link between a well-functioning financial system and economic growth.

Week 2:

Module 4 – Development Assistance

The second week will begin with the question of whether development assistance is effective in spurring growth and reducing poverty.

Module 5 – External Debt

This module examines the debt-overhang theory and its implications for poverty reduction.

Module 6 – Trade Policy

In this module, we investigate how developing countries have opened their economies to trade in recent decades.

Module 7 – Physical and Human Capital

Week 2 concludes by examining the role of education in the lives of the poor and its implications for economic growth and poverty reduction.

Week 3:

Module 8 – Labor Markets

This week will begin with a discussion of labor markets and how they are one of the main conduits through which economic growth can reduce poverty.

Module 9 – Land and Agriculture

This module examines the constraints on access to and ownership of land in developing countries.

Module 10 – Technology, Entrepreneur and Productivity

The progress of urban growth across countries and the emerging key issues in urbanization will be discussed in this module.

Week 4:

Module 11 – Shocks, Volatility and Growth

Managing growth when buffeted by shocks is a continuous challenge which determines successful or poor economic performance. Volatility will be explored in this module.

Module 12 – Growth Booms

The common policies of thirteen successful countries which maintained a growth rate of over 7 percent per year for over twenty-five years are talked about in this section.

Module 13 – Wealth of Nations and Climate Change

This week ends focusing on the growing problems of deforestation, high carbon emissions and climate change.

Fees

A \$250 tuition fee will be assessed. Confirmed participants will receive information on how/where to wire the fee.

Course Requirements

The course will be conducted in English over the internet, so the ability to participate in the online discussions is a key pre-requisite and mandatory requirement for participants. To successfully complete the course and receive a certificate from WBI, each participant is required to:

- (1) Read all required readings/materials;
- (2) Complete and submit weekly exercises/quizzes;
- (3) Connect weekly and participate in the online discussion forum;
- (4) Complete the final project; and
- (5) Complete an end-of-course evaluation.

Application

To apply for this course, please go to:

http://info.worldbank.org/etools/wbi_learning/sec/app_form.cfm?sch_id=GCR10-00-096

Application deadline is September 17, 2010.

For More Information

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