ECON 4733 Economic Development in the Middle East

Instructor: Firat Demir
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Office Hours: M 10:00-12:00 and by appointment, Class time: TR 9:00-10:15 am. Cate Center 0174

1. Course Objective

This course is an introduction to the existing debates on comparative economic development in the Middle East and North Africa (MENA) region during the post-independence period. The main objective of the course is to provide the students with a solid background in economic, institutional and historical issues and challenges that have shaped the development trajectories of the MENA countries. Some of the questions that will be addressed include the following: a) What are the sources of current economic challenges in the region including historical, institutional, geographical, and cultural factors? b) How can we reconcile the existence of massive natural resources with the high levels of poverty and underdevelopment throughout the region? c) What is the role of economic globalization in determining the future development paths of countries in the region? d) What are the causes and effects of Arab uprisings?

2. Course Structure

The course is designed around lectures, assigned readings, group work and class discussions and will be conducted in a format closer to that of a seminar. The students are expected to come to each class after having read the assigned readings, and to participate in class discussions. The topics covered in the lectures will overlap the materials found in the readings. However, the lectures and discussions will, on occasion, cover some materials that are not found in the assigned readings. Students will be responsible on examinations for ALL ASSIGNED MATERIALS. All assigned readings, except those from the textbook, are available from *Canvas*.

Note that all lecture notes and slides are made available in *Canvas* to allow for more discussion time in class. The lecture notes and slides are NOT substitutes but complements to assigned readings. The seminar format is intended to allow students more time to discuss their own ideas and reflections. Therefore, you are encouraged and expected to question and debate with me and with each other on various topics we cover. This MUST be done in a productive, thoughtful, civil and respective manner. Personal attacks, offensive actions and polemics will not be tolerated.

As a part of your participation, you will also be expected to keep up on developments in the Middle East and to be generally well-informed about what's going on in the world.

3. Course Requirements

The final grade will be based on your performance from: a) one midterm (25%) and a final exam (25); b) a (3,000-5,000 word) research paper (20%); c) group work (15%), d) quizzes and class participation (15%).

4. Group Work

To analyze problem areas in the Middle East economic development, the students will be divided into groups of 3-4 members for an Oxford style debate. Each group will be charged with the task of a collaborative project involving a choice of hypotheses and your grade score will be strictly collective. Your grade will be determined based on peer evaluations and professor's observations. Because this is a collaborative exercise, all group members are responsible for the whole project and I will put emphasis on the demonstration of consistent effort by all group members. The assignment will have two parts, an in-class debate and a written report. The in-class presentation will be limited to two minutes for each team member, followed by 10 mnts of questions from the audience.

Together with the in-class debate, each group will submit a policy analysis report: a Word document of not more than 10 pages in length (double space, 12-size font), and a PowerPoint presentation, addressing the key questions discussed. The debate and its written report must include primary and secondary qualitative

and quantitative data to support your arguments.

We will have two groups for each topic, one supporting and one opposing. Possible debate topics include the following:

1. Instead of using industrial policy and/or protectionism, MENA countries need to integrate more fully to the world economy to achieve economic development.
2. Colonial past and foreign military and political interventions, rather than domestic policy failures, are the causes of most development problems in MENA.
3. Oil is responsible for the democracy deficit and economic underdevelopment in MENA.
4. Culture and institutions affect economic development, particularly so in MENA.
5. The US and the EU share responsibility to help resolve the refugee crisis in Syria and Iraq.
6. Foreign interventions to bring democracy in the Middle East is a good idea.
7. The Western model of democracy is unsuitable for the Middle East.
8. Climate change and environmental problems are the biggest threat to regional stability in MENA.
9. The Arab Uprisings are mostly caused by economic problems.
10. The Arab Uprisings have caused more bad than good.

The debates will take place in class on *April 14 & 16*. The written part of the assignment is due in class on April 14 and need to be submitted in print and also online through *Canvas*. More details on the debate format are provided in *Canvas*.

5. Research Paper

The research paper should be on a problem or issue in the historical or contemporary experience of a particular Middle Eastern country or alternatively, it could be comparative. It should be focused, analytic, reflect critical thinking of materials read and must be well-documented with complete references given (at least 10 sources). Internet material should be used with care and very sparingly (Wikipedia is not acceptable). The topic for the term paper must be approved by the instructor in advance. A 1-2 page proposal of your paper is due on **January 30** and the final paper is due on **April 23**. Both the proposal and the final copy of your paper need to be submitted in print *and* online through *Canvas*. More details are provided at Canvas.

6. Policy on Make-up Exam

There is no make-up for the midterm exam. If you miss the exam because of *a valid reason* the weight of the final exam will be increased accordingly. Otherwise you will obtain a score equal to zero.

7. Textbook and Additional Readings

Required Text

Cammett, M., Diwan, I., Richards, A., Waterbury, J. 2015. *A Political Economy of the Middle East*. (4th Ed.) Westview Press.

Suggested Readings

- Owen, R. and Pamuk, S. 1999. *A History of Middle East Economies in the Twentieth Century*. Harvard University Press.
- Owen, R. 2004. *State, Power and Politics in the Making of the Modern Middle East*. Routledge: New York (electronic copy is available at the OU library).
- Issawi, C. 1982. *An Economic History of the Middle East and North Africa*. London: Methuen (electronic copy is available at the OU library).
- El-Ghonemy, M. R., 1998. *Affluence and Poverty in the Middle East*. Routledge: New York (electronic copy is available at the OU library).

- Bonine, M., Amanat, A., and Gasper, M. 2011. *Is there a Middle East: The Evolution of a Geopolitical Concept*. Stanford University Press.
- Inalcik, H. and Quataert, D. 1997. *An Economic and Social History of the Ottoman Empire*. Cambridge: Cambridge University Press.
- Hanieh, A. 2011. *Capitalism and Class in the Gulf Arab States*. Palgrave.
- Islamoglu-Inan, H. (ed.) 2004. *The Ottoman Empire and the World Economy*. Cambridge University Press.
- Ross, M.L. 2012. *The Oil Curse: How Petroleum Wealth Shapes the Development of Nations*. Princeton: Princeton University Press.
- Davis, M. 2002. *Late Victorian Holocaust: El Niño Famines and the Making of the Third World*. Verso.

8. Academic Ethics

Students must follow the standards of Academic Integrity of the University of Oklahoma. Cheating on assignments and exams, or plagiarizing is penalized by the University of Oklahoma. A student found in such a situation will be brought to University of Oklahoma Integrity Council for penalties as defined under Academic Misconduct. All students should be familiar with the OU Student Guide to Academic Integrity, accessible at http://integrity.ou.edu/

9. Reasonable Accommodation Policy

Students requiring academic accommodation should contact the Disability Resource Center for assistance (http://www.ou.edu/drc/home.html). Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should contact me personally as soon as possible so we can discuss accommodations necessary to ensure full participation in class.

10. Religious Holidays

"It is the policy of the University to excuse the absences of students that result from religious observances."

11. Title IX Resources and Reporting Requirement

For any concerns regarding gender-based discrimination, sexual harassment, sexual assault, dating/domestic violence, or stalking, the University offers a variety of resources. To learn more or to report an incident, please contact the Sexual Misconduct Office at 405/325-2215 or smo@ou.edu. Also, please be advised that a professor/GA/TA is required to report instances of sexual harassment, sexual assault, or discrimination to the Sexual Misconduct Office.

12. Laptop and Phone Policy

The use of laptops and tablets is subject to permission from the instructor. Mobile phones must either be switched off or set to the silent mode during lectures, and texting is NOT allowed. Tape or video recording lectures without my prior approval is not allowed. If there is an emergency and you need to answer your phone you have to leave the classroom. This rule will be strictly enforced. The use of such devices in the classroom impedes not only your learning but also those who are seated near you.

13. Grading Scale

90-100:	A	70-79.9:	C	<60:	F
80-89.9:	B	60-69.9:	D		

I reserve the right to adjust this schedule of grade equivalents in the student's favor.

14. Tentative Course Outline and Reading Assignments (* refers to optional readings)

1. Introduction

a. The post WWII evolution of development thinking

- Lecture Notes Part 1
- Political Economy of the Middle East, Ch. 2 (pp. 36-37/Box 2.1).

b. Middle East defined

- Bonine, M., Amanat, A., and Gasper, M. 2011. Is there a Middle East, Chs. 1-3.

c. Overview and basic data

2. Historical Origins of the Modern Middle East

- Owen and Pamuk, Introduction to Part 1.
- Owen, R. 2006. "The end of empires: The emergence of the modern Middle Eastern states" in *State, Power and Politics in the Making of the Modern Middle East*. Ch.1. Routledge: New York.
- Political Economy of the Middle East, Ch. 3.

3. Industrialization, State-led Development and the Logic of Developmental State

- Lecture Notes Part 3
- Political Economy of Middle East, Chs. 2 (pp.46-49), 7 (233-258).
- Owen and Pamuk, Introduction to Part 2.
- *Chang: Kicking Away the Ladder, Ch.2, pp.13-68.
- *Bonine, M., Amanat, A., and Gasper, M. 2011. Is there a Middle East, Ch. 9

4. The End of Developmental State

- Political Economy of Middle East, Chs. 2, 7 (258-271).

5. Neoliberalism in the Middle East

- Harvey, David. 2005. Neoliberalism, Oxford, Ch. 1.
- Political Economy of Middle East, Ch. 8 (273-287, 316-317).
- Rodrik, D. 2006. "Goodbye Financial Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s." *Journal of Economic Literature,* 44: 973-987.
- Mitchell, T. 1999a. "No Factories, No Problems: The Logic of Neoliberalism in Egypt." *Review of African Political Economy*, 26(82): 455-468.
- Mitchell, T. 1999b. "Dreamland: The Neoliberalism of Your Desires." *Middle East Report*, 28-33.
- Beinin, J. 1999. "The Working Class and Peasantry in the Middle East: From Economic Nationalism to Neoliberalism." *Middle East Report*, 18-22.
- *Pfeiffer, K. 1999. "How Tunisia, Morocco, Jordan, and even Egypt became IMF Success Stories." *Middle East Report,* 23-27.
- *Bush, R. 2004. "Poverty and Neo-Liberal Bias in MENA." *Development and Change*, 35(4): 673-695.
- *Henry, C.M. and Springborg, R. 2005. *Globalization and the Politics of Development in the Middle East*. Cambridge University Press. Chs. 4-6.

Exam 1: March 5

6. Oil and the Price of Wealth

- Political Economy of Middle East, Ch. 2 (p.45), 9, *10.
- Owen, E.R. 2008. One Hundred Years of Middle Eastern Oil. *Middle East Brief*, Crown Center for Middle East Studies, Brandeis University.
- Ross, M. 2001. "Does Oil Hinder Democracy?" *World Politics*, 53: 325-61.
- Mitchell, T. 2009. "Carbon Democracy," *Economy & Society*, 38(3): 399-432.
- Davis, M. 2006. "Fear and Money in Dubai." *New Left Review*, 41: 46-68.
- Haber, S. and Menaldo, V. 2011 Do natural resources fuel authoritarianism? A reappraisal of the resource curse. *American Political Science Review*, 105(1): 1-26.
- *Watts, M. 2006. "Empire of Oil: Capitalist Dispossession and the Scramble for Africa." *Monthly Review*, 58(4): 1-17.
- *Chaudhry, K. 1989. "The Price of Wealth: Business and State in Labor Remittance and Oil Economies." *International Organization*, 43(1): 112-156.
- *Sachs, J. and Warner, A. 2001. "The Curse of Natural Resources." *European Economic Review*, 45: 827-838.

7. Development Fault Lines

a. Institutions

- Chang, Bad Samaritans, Ch. 9. pp. 167-188.
- Said, Edward (1978) "Introduction" and "Knowing the Oriental", in *Orientalism*, (NY: Vintage Books, 1978).
- Lewis, B. 1996. Islam and Liberal Democracy: A Historical Overview. *Journal of Democracy*, 7(2): 52-63.
- *Acemoglu, D., S. Johnson and J. Robinson (2005). Institutions as a fundamental cause of long run growth, In P. Aghion and S. Durlauf (Eds), Handbook of Economic Growth, Ch.6.
- *Dahi, O., and Demir, F. 2008. "The Middle East and North Africa." In A.K. Dutt and J. Ros (Eds.), *International Handbook of Development Economics* (pp.522–535). Edward Elgar.
- *Islamoglu-Inan, H. 2004. "Introduction: Oriental Despotism in World-System Perspective," in H. Islamoglu-Inan (Ed.), *The Ottoman Empire and the World Economy* (pp. 1–24). Cambridge University Press.
- *Kuran, T. 2004. "Why The Middle East is Economically Underdeveloped: Historical Mechanisms if Institutional Stagnation." *Journal of Economic Perspectives*, 18(3): 71–90.
- *Kuran, T. 2010. *The Long Divergence: How Islamic Law Held Back the Middle East*, Princeton, pp. 279-302.

b. Human capital, labor markets, gender and demographical challenges

- Political Economy of Middle East, Chs. 4-5.
- Ross, M.L. 2008. Oil, Islam, and Women. *American Political Science Review*, 102(1): 107-123.
- *Dervis, K. and Shafik, N. 1998. "The Middle East and North Africa: A tale of two futures." *Middle East Journal*, 52(4).
- *Arab Human Development Report, 2009.

c. Environmental issues, food and water security

- Political Economy of Middle East, Ch. 6.

- *Arab Human Development Report, 2009.

8. Current Challenges and the Future of Middle East: Uprisings and the Refugee Crisis

- Political Economy of Middle East, Chs. 1, 14.
- Moore, P.W. 2013. The Bread Revolutions of 2011: Teaching Political Economies of the Middle East. *PS: Political Science and Politics*, April.
- Wright, R. 2016. How the Curse of Sykes Picot Still Haunts the Middle East. *The New Yorker*, April 30. Available at: http://www.newyorker.com/news/news-desk/how-the-curse-of-sykes-picot-still-haunts-the-middle-east
- Editors, 2013. "Egypt in Year Three." *Middle East Report*, July 10.
- Springborg, R., and Henry, C.M. 2011. Army Guys. *American Interest* (May-Jun)
- Hinnebusch, R. 2012. Syria: From 'authoritarian upgrading' to revolution? *International Affairs,* January 20.
- Dahi, O. 2011. "Understanding the Political Economy of the Arab Revolts." *Middle East Report*, #259, 41:2.
- *Kahf, M. 2014. The Syrian Revolution, Then and Now. *Peace Review*, 26(4): 556-563
- *Sallam, H. 2011. "Striking Back at Egyptian Workers." *Middle East Report*, #259, 41: 2.
- *Parvaz, D. 2011. "Islamists ready for their close-up? After governments fall in secular Egypt and Tunisia, Islamist parties are poised to enter the political mainstream," *al-Jazeera* (March 10), at http://english.aljazeera.net/indepth/features/2011/02/201122311365384695 3.html
- *Marzouki, N. 2011. "From People to Citizens in Tunisia." *Middle East Report*, #259, 41: 2.
- *Chomiak, L., and Entelis, J. 2011. "The Making of North Africa's Intifadas." *Middle East Report*, #259, 41: 2.
- *Tadros, M. 2011. "Sectarianism and its Discontents in Post-Mubarak Egypt." *Middle East Report*, #259, 41: 2.
- *Demir, F. 2016. "Erdogan's War." *Foreign Policy*, March 18.
- *Demir, F. 2014. "Turkey's Enemy Within." *Foreign Policy*, January 23.
- *Yousef, T. 2004. "Development, Growth and Policy Reform in the Middle East and North Africa since 1950." *Journal of Economic Perspectives*, 18(3): 91-116.

Final Exam: May 8, 8:00 – 10:00 am.

15. Tentative Schedule (Chapter numbers refer to the assigned textbook)

Week	Date	Assigned Readings
1	1/14	**1. Introduction 1a:** Political Economy of the Middle East, Ch2 & Lecture notes 1
	1/16	Continued
2	1/21	**Introduction 1b&1c:** Bonine, M., Amanat, A., and Gasper, M. 2011. Chs. 1-3.
	1/23	**2. Historical Origins:** Owen and Pamuk, Introduction to Part 1.; Owen, R. 2006. "The end of empires. Ch.1.
3	1/28	Owen, R. 2006. "Ch.1.; Political Economy of the Middle East, Ch. 3.
	1/30	Continued
4	2/4	**3. State-led Development and the Logic of Developmental State:** Lecture notes 3; Political Economy of the Middle East, Chs. 2 (pp.46-49), 7 (233-258); Owen and Pamuk, Introduction to Part 2.
	2/6	Continued
5	2/11	Continued
	2/13	**4. The End of Developmental State:** Political Economy of Middle East, Chs. 2, 7 (258-271).
6	2/18	Continued
	2/20	Continued
7	2/25	**5. Neoliberalism in the Middle East:** Harvey, D. 2005. Neoliberalism, Ch. 1.; Political Economy of Middle East, Ch. 8 (273-287, 316-317).
	2/27	Rodrik, D. 2006. "Goodbye Financial Consensus, Hello Washington Confusion?" Mitchell, T. 1999a. "No Factories, No Problems"
8	3/3	Mitchell, T. 1999b. "Dreamland" Beinin, J. 1999. "The Working Class and Peasantry in the Middle East
	3/5	**Exam 1**
9	3/10	**6. Oil and the Price of Wealth:** Political Economy of Middle East, Ch. 2 (p.45), 9, *10. Owen, E.R. 2008. One Hundred Years of Middle Eastern Oil
	3/12	Ross, M. 2001. "Does Oil Hinder Democracy?"; Haber, S. and Menaldo, V. 2011 Do natural resources fuel authoritarianism?
10	3/17	*Spring Break*
	3/19	*Spring Break*
11	3/24	Mitchell, T. 2009. "Carbon Democracy"; Davis, M. 2006. "Fear and Money in Dubai."
	3/26	**7. Development fault lines - a: Institutions:** Chang, Bad Samaritans, Ch. 9. pp. 167-188
12	3/31	Said, E. (1978), Orientalism, pp. 1-28 and 31-49; Lewis, B. 1996. Islam and Liberal Democracy
	4/2	**b: Human Capital, Labor Markets, Gender and Demographical Challenges:** Political Economy of Middle East, Chs. 4-5.
13	4/7	Ross, M.L. 2008. Oil, Islam, and Women
	4/9	**c: Environmental issues and Water:** Political Economy of Middle East, Ch. 6
14	4/14	*Group projects*
	4/16	*Group projects*
15	4/21	**8. The Arab Uprisings:** Political Economy of Middle East, Chs. 1, 14
	4/23	Moore, P.W. 2013. The Bread Revolutions of 2011 & Wright, R. 2016. How the Curse of Sykes Picot Still Haunts the Middle East.
16	4/28	Editors, 2013. "Egypt in Year Three." & Springborg, R., and Henry, C.M. 2011. Army Guys
	4/30	Hinnebusch, R. 2012. Syria: From 'authoritarian upgrading' to revolution? & Dahi, O. 2011. "Understanding the Political Economy of the Arab Revolts.
	5/8	**Final Exam 8:00-10:00 am**