



## **Guest Lecture at CUCEA, Universidad de Guadalajara, México DEVELOPMENT AID**

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Seminar:	Monday, September 7 (17h-21h)	Sala de gobierno y toma de decisiones
	Tuesday, September 8 (17h-21h)	Sala de gobierno y toma de decisiones
	Wednesday, September 9 (14h-18h)	Auditorio del módulo "I"
Evaluation:	Exam upon last seminar meeting	

## **Course description**

This seminar is intended to provide masters students in economics a thorough overview of one of the most debated issues in development economics: development aid.

It starts with a discussion of the Millennium Development Goals and the theories behind development aid. In this introductory part, the quantitative importance of development aid is assessed as well as the relevance of bilateral and multilateral aid. We then study how aid is allocated among a different pool of recipient countries and the differences underlying bilateral aid and the role of non-governmental organizations.

The course continues with the different points of view of William Easterly and Jeffrey Sachs, two of the leading economists in development aid research. The former mainly argues that development aid has done so little good while the latter favors a scaling up of foreign aid in order to help poor countries in their way out of poverty (“Big Push”). Later on, based on the most up to date empirical research in the field, the effectiveness of development aid is analyzed.

The course ends with a detailed discussion of the role played by the two main international financial organizations, the International Monetary Fund and the World Bank. The focus will be on the use of these organizations as political instruments, the role of conditionality in loan agreements and the economic and political effects of IMF and World Bank programs.

### **Topics:**

1. Introduction to development aid
2. Aid allocation
3. Easterly vs. Sachs: Alternative Routes for Development?
4. Aid effectiveness
5. Economics and politics of the IMF and the World Bank