

# Foundations of Economics for Sustainable Development

## Spring 2023

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**Office hours:** M 2-4 pm and R 1-2 pm  
**Sections:** AFS 6307 (170D) – INR 6708 (1111)  
**Times/location:** R Period 2-4, FAC 0127

### Course description and goals

This course examines key questions regarding the economic foundations of sustainable development, inclusive of its social, institutional and environmental dimensions. Through readings and class activities, students will be equipped with both key conceptual tools and knowledge of specific case studies to be able to discuss the main sustainability issues or dilemma, including: which are the trade-offs between economic, social and environmental sustainability? What types of economic growth are feasible, if at all? What are the alternatives to economic growth? What examples exist of circular economies? How can agriculture and livestock sectors become more sustainable? Which community responses are most effective? Is there a role for foreign investment and foreign aid in a more sustainable world? Which institutional architecture will best support a sustainable future?

While examples and readings draw from many different parts of the world (including the Global North), particular focus will be devoted to examining sustainable development challenges and options in Sub-Saharan Africa and Latin America. The analysis will move between the micro-level (e.g., behavior and choices by individuals/households), the meso-level (analysis of sub-sectors) and the macro-level (with countries/regions as units of analysis). Rather than examining theories in detail, the course will encourage reflection on how concepts and models apply to practical contexts.

The course is organized around four thematic learning units. Each covers core topics and skills while allowing students to adapt the course material to their own interests. Targeted at MDP students, for whom it fulfills the core social science requirement, the course is open to interested Master and PhD students from other units on campus, including those with no or limited background in economics.

### Class format

The course consists of lectures, group discussions and hands-on activities and will use participatory and experiential modalities to enhance student learning and contribution. Every effort will be made to foster a safe and collaborative learning environment. For these efforts to be successful, it is essential that each student takes responsibility for reading the materials according to the calendar, participating in all activities, and contributing eagerly and actively to both individual and collective learning and progress.

## Student learning outcomes

By the end of this course successful students will have gained:

1. Ability to apply relevant economic and social science concepts to the analysis and understanding of key sustainability questions, including: which trade-offs exist between economic, social and environmental sustainability? What types of economic growth are feasible, if at all, and what are the alternatives? What are the existing models and examples of sustainable economic sectors?
2. Knowledge of the different aspects of sustainability, including economic, environmental, social and institutional and how these relate to societal resilience and policy choices;
3. Ability to use and interpret key economic development indicators, and a basic understanding of quantitative data analysis;
4. Ability to distinguish and analyze the complex factors affecting individual/household decision-making;
5. Familiarity with the context of policy-making and political economy issues.

## Reading

- A Banerjee and E Duflo, (2011) *Poor Economics*, Public Affairs, New York (required)
- Szirmai, A. (2015) *Socio-Economic Development*, Cambridge University Press (suggested) or other development economics textbook (if in doubt, ask me).

All other required reading will be available on the course Canvas site.

## Grading and Assignments

The learning components and related assignments are briefly described below. Detailed instructions along with specific requirements and grading criteria will be provided on the Canvas course website. The cumulative number of points for this course is 1000.

- **Attendance and participation (100 points):** You are expected to attend classes regularly (unless you have an excusable reason as per UF Policies) and to participate in a constructive manner to class activities. This means you are to complete readings and assignments by the deadlines, actively contribute to classes, and be respectful of others.
- **Weekly postings/activities (8 @25 points each, for a total of 200 points):** There will be 2 weekly activities per units (discussion postings and short oral presentations), in which you are to demonstrate your knowledge and reflections on the readings.
- **Unit-based assignments (each worth 150 or 200 points for a total of 700 points):** For each of the four learning units, there will be one assignment (either short paper, data exercise, or reflection pieces) meant to help you to gain practice in the analysis of the concepts studied and apply them to your own field of study or research.

The grading scale is as follows:

	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E
Tot	94-	90-	87-	83-	80-	77-	73-	70-	67-	63-	60-	<60
%	100	93	89	86	82	79	76	72	69	66	62	

## CLASS SCHEDULE

The instructor reserves the right to make changes to this schedule during the semester.

### Unit 1: Key concepts

Jan 12: Intro to sustainability, and its economic, social, environmental and institutional dimensions. A look at COP27.

Jan 19: *Economic sustainability*: Trade-offs, values and prices, tax vs. Subsidies: Which tools exist to encourage sustainable choices? What is economic development, and what are the differences between rich and poor countries?

Jan 26: *Social sustainability*: Well-being and Social Inclusion; Poverty and Inequality through an intersectional lens: which groups along racial/ethnic/gender lines are most disadvantaged (Global North and South compared)? Why do inequalities rise and how to reduce them? What processes of individual/collective empowerment can help?

Feb 2: *Environmental (and Institutional) sustainability*: Planet boundaries, renewable and non-renewable resources; How do crises affect well-being? How do countries/communities cope with climate change and other shocks? What is resilience: at the level of individuals/households and at community/societal level? Adaptation vs. Mitigation.

### Unit 2. MICRO: Individual/household choices and their sustainability

Feb 9: Introduction to behavioral economics: What is limited rationality? How do people make choices? What is the role of social norms in decision-making? Application to one of the following: parent's fertility decisions; household education choices; Conditional Cash Transfers.

Feb 16: Application of behavioral economics to saving, credit and investment decisions: When and how do (poor) people save and invest? How can credit and insurance institutions better serve (poor) people? Why and how do people become entrepreneurs? What are the constraining or enabling factors to successful investment and entrepreneurship?

Feb 23: Collective action problems: the prisoner's dilemma and the tragedy of the commons; how to foster cooperation to overcome collective action problems. Application to a case of natural resource management at community level.

### Unit 3: MESO: An analysis of different sectors and their sustainability

Mar 2: Agriculture/livestock – what is the role of agriculture/livestock for development and food security? Should people access food through own-production or through the market? What is the role of markets? How can agricultural sectors become more sustainable?

Mar 9: Enabling Policies for Agriculture/Livestock: Which policy and institutional environment best support farmers' well-being and food security? Where are the greatest gaps: application of science/knowledge or lack of political will/capacity? Which examples exist of improved enabling environment? What is the future of circular economies?

**Spring Break: March 11-18**

Mar 23: What is Foreign Direct Investment (FDI)? What are the effects of FDI on different sub-sectors? Who benefits and who loses in the recipient countries? Can FDIs ensure sustainability and how? Local vs/ global choices.

#### **Unit 4: MACRO: Economic Growth, Green Growth and De-Growth**

Mar 30: The experience of developing countries in the 20<sup>th</sup> century – What are the benefits of economic growth? What are the implications of structural change? Is industrialization essential for developing the economy? What is the role of policy?

April 6: Critiques to the economic growth model: Green economy, decarbonization and de-growth as alternative paradigms: what are their main differences? What do proponents of De-growth say and what are the applications in real contexts (e.g. Buen Vivir)?

April 13: The international economic order and the development architecture (The World Bank, IMF and the UN agencies). Does foreign aid contribute or hinder economic development? What are the perspectives from aid critics and grass-root organizations in aid receiving countries?

**April 20: Conclusions:** Final Discussion on the role of individuals/households, communities, markets, states and policies in promoting resilience and sustainability. Envisioning the future: what would a better future look like and how would you contribute to its realization?

#### **University Policies and Resources**

Grading in this class is consistent with UF policies available. These can be found [here](#). Requirements for class attendance, make-up exams and assignments follow University policies, which can be found by clicking [here](#). More details for this course can be found on the Canvas course site.

The official source of rules and regulations for UF students is the Undergraduate Catalog (<https://catalog.ufl.edu/UGRD/>) or Graduate Catalog (<http://gradcatalog.ufl.edu/>). The Student Handbook can be found at: <https://dso.ufl.edu/resources/student-handbook/>. Please familiarize with **Student Responsibilities**, including academic honesty and student conduct code at: <https://catalog.ufl.edu/UGRD/student-responsibilities/>.

In particular, note that UF students are bound by **The Honor Pledge**, which states, “We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honor and integrity by abiding by the Honor Code. On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: “On my honor, I have neither given nor received unauthorized aid in doing this assignment.” The Honor Code (<https://sccr.dso.ufl.edu/process/student-honor-code/>) specifies a number of behaviors that are in violation of this code and the possible sanctions. If you have any questions or concerns, please consult with the instructor.

E-learning Supported Policies can be found at: <https://elearning.ufl.edu/supported-services/>.

**Disability Resource Center**

Disability Resource Center (352-392-8565, [www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/)) helps to provide an accessible environment for all by providing support services and facilitating accommodations, which can vary from course to course. Once registered with DRC, students will receive an accommodation letter, which must be presented to the instructor when requesting accommodation. Students should follow this procedure as early as possible in the semester.

### **Campus Helping Resources – Health and Wellness**

*U Matter, We Care:* If you or someone you know is in distress, please contact [umatter@ufl.edu](mailto:umatter@ufl.edu), 352-392-1575, or visit [U Matter, We Care website](#) to refer or report a concern and a team member will reach out to the student in distress.

*Counseling and Wellness Center:* [Visit the Counseling and Wellness Center website](#) or call 352-392-1575 for information on crisis services as well as non-crisis services.

*Student Health Care Center:* Call 352-392-1161 for 24/7 information to help you find the care you need, or [visit the Student Health Care Center website](#).

*University Police Department:* [Visit UF Police Department website](#) or call 352-392-1111 (or 9-1-1 for emergencies).

*UF Health Shands Emergency Room / Trauma Center:* For immediate medical care call 352-733-0111 or go to the emergency room at 1515 SW Archer Road, Gainesville, FL 32608; [Visit the UF Health Emergency Room and Trauma Center website](#).

### **Campus Helping Resources – Academic**

*E-learning technical support:* Contact the [UF Computing Help Desk](#) at 352-392-4357 or via e-mail at [helpdesk@ufl.edu](mailto:helpdesk@ufl.edu).

*Career Connections Center:* Reitz Union Suite 1300, 352-392-1601. Career assistance and counseling services.

*Library Support:* Various ways to receive assistance with respect to using the libraries or finding resources.

*Teaching Center:* Broward Hall, 352-392-2010 or to make an appointment 352-392-6420. General study skills and tutoring.

*Writing Studio:* 2215 Turlington Hall, 352-846-1138. Help brainstorming, formatting, and writing papers.

*Student Complaints On-Campus:* [Visit the Student Honor Code and Student Conduct Code webpage for more information](#).

### **Other Campus Resources for Students**

Dean of Students Office (<https://dso.ufl.edu>; 352-392-1261) provides a variety of services to students and families, including Field and Fork (UF's food pantry; [https://dso.ufl.edu/areas\\_services/hitchcock-field-fork-pantry/](https://dso.ufl.edu/areas_services/hitchcock-field-fork-pantry/)) and New Student and Family Programs ([https://dso.ufl.edu/areas\\_services/new-student-family-programs/](https://dso.ufl.edu/areas_services/new-student-family-programs/)).

Multicultural and Diversity Affairs (<https://multicultural.ufl.edu/>; 352-294-7850) celebrates and empowers diverse communities and advocates for an inclusive campus.

## **Statement Regarding Evaluations**

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Guidance on how to give feedback in a professional and respectful manner is available from this website (<https://gatorevals.aa.ufl.edu/students/>). Students will be notified when the evaluation period opens, and can complete evaluations through the email they receive from GatorEvals, in their Canvas course menu under GatorEvals, or via <https://ufl.bluera.com/ufl/>. Summaries of course evaluation results are available to students at the public results website (<https://gatorevals.aa.ufl.edu/public-results/>).

## **In-class Recording**

Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled. The only allowable purposes are (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor.

A “class lecture” is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or guest lecturer during a class session.

Publication without permission of the instructor is prohibited. To “publish” means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student