



# INDIVIDUAL ASSIGNMENT 1

'DELVING INTO DEVELOPMENT'

*«The highest activity a human being can attain is learning  
for understanding, because to understand is to be free»*  
– Baruch Spinoza (1632-1677)

## AIM

- To acquaint ourselves with how economic theory plays out in the design of modern economic policies
- To construct a toolbox of different ways to measure development poverty and welfare

## QUESTION 1: Back to the Future of Economic Thought

(600-800 words; references required)

How do the thoughts of dead economists still influence our contemporary economies?

The objective of this question is to relate today's global economy to the ideas of the past economists, which we discovered in the first course book *Economix*, the reading groups, and lecture series (especially the lecture on the history of economic thought). In answering this question, give **two examples** of cases in which ideas/concepts developed by these dead economists (or “defunct economists”, as Keynes called them) are used as a foundation for present-day economic policies.

For example, how does Smith's “invisible hand” relate to the deregulation of financial markets? How do Keynes' and Hayek's ideas on state intervention apply to austerity politics in the context of the Euro-zone crisis? How does Mill's “stationary state” relate to today's carbon markets?

Whilst focusing on your cases, you can also consider whether or not you agree with Keynes' notion. I.e. can these economists be deemed as defunct or do they still make a relevant contribution to modern-day economics?

## QUESTION 2: Defining Development

(1000-1200 words; references required)

### What is development and how do we measure it?

Your task is to find 1-3 indicators that represent development, poverty and welfare. In your selection, you must represent all three aspects, i.e. you can choose one indicator that represents all three, one indicator for each, or any other another combination that addresses them all. We encourage you to also consider quite specific indicators, for example gender equality, life expectancy or income levels. Explain how your chosen indicator/s is/are connected to development, poverty and/or welfare and critically show its strengths and weaknesses when it comes to accurately measuring and depicting it in a balanced and comparable way. As a great variety of

indicators can be found for each notion, we recommend you to conduct intensive research before you choose one. Let's see how many different indicators can be uncovered by the class!

## INSTRUCTIONS

- Size: 12. Spacing: 1.5. Font: Times New Roman. Margins: 25mm
- All three questions must be answered (1800 words in total - +/- 200 words)
- Write your name on top of every page in the header
- Name the file in the following way : `firstname.lastname.development` (ex : `john.galt.development.doc`)
- Upload the file as either WORD or PDF format on the *Assignment Hand In* section titled *Individual Assignment 1: Delving into Development* on [Studentportalen](#)
- **Deadline: Monday, October 8<sup>th</sup>, 16:59**

## REFERENCES

- Use **at least** 2 different references for both question 1 and question 2 (minimum two references **per question**), from varied sources in the course literature (Course Reader, course books). You can also refer to lectures and other literature in addition to these references.
- In this assignment, you will be including your own ideas and opinions, and referencing ideas, opinions and research published by other people. Be sure to make very clear to the reader (by using the referencing system below) when it is that you refer to other people's opinions or research.
- You must use the [Harvard Referencing System](#) and include page numbers, e.g.: (Smith, 1776, p. 245).

## ASSESSMENT CRITERIA

You can find the grading criteria under the 'Course Essentials' tab in Studentportalen. This is a pass/fail assignment.