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Government 271  
Wesleyan University  
Spring 2017

Office Hours:  
Tues. & Weds., 2:00-3:30 PM  
PAC 219

Class Meetings:  
Tues. & Thurs., 10:20-11:40 AM  
PAC 422

### **Political Economy of Developing Countries**

Human development has advanced much faster in some developing countries than in others. If we knew why, we would have knowledge that could be put to good use. To prepare to address the issue, we need to clarify what human development means and how it might best be measured. That is the task of the first section of the course.

The second section of the course compares development contexts, policies, and outcomes in East Asia and Latin America, focusing especially on South Korea, Taiwan, Argentina, Brazil, and Mexico. Human development has advanced significantly in each region over the past 50 years, but the East Asian societies have for the most part achieved faster economic growth and lower income inequality than the Latin American societies. We try to identify policies that contributed to this outcome (that's the policy impact part), and inquire into why similar policies were not implemented in Latin America (that's the political economy part). We also explore policies and circumstances that helped Chile and Costa Rica match South Korea and Taiwan at raising life expectancy and reducing infant mortality, despite suffering from slower economic growth and higher income inequality.

The third section of the course explores the dynamics of poverty and examines how poverty might best be fought. We analyze the ways in which hunger, disease, population growth, lack of education, and biases against women and minority groups reinforce one another, and assess the advantages and disadvantages of markets, states, and multiple forms of public action in fighting endemic hunger and preventing famine.

The fourth section of the course examines aspects of human development in Chile, Tanzania, and Bangladesh. In Chile the dictatorship of Augusto Pinochet suppressed democracy and committed severe human rights violations, but engineered one of the fastest drops in infant mortality in human history. In Tanzania the one-party government of Julius Nyerere restructured an entire society in an effort to improve the lot of the poor, but ultimately improved the well-being of Tanzanians at no more than a glacial pace. We'll explore these paradoxical outcomes in search of general insights. In Bangladesh the Grameen Bank, which makes tiny loans to destitute rural women at market rates of interest, initiated a global microfinance movement that has reached more than 200 million clients. We'll assess the achievements and shortcomings of the Grameen Bank, examine the reasons behind its successes and failures, and explore how social scientists evaluate the efficacy of development programs.

## Course Requirements

Two examinations, a research design, a final paper, and class participation.

### Summary of Due Dates and Final Grade Weightings

First Examination	March 9 (Thu.)	25%
Research Design	April 7 (Fri.)	15%
Second Examination	May 9 (Thu.)	25%
Research Paper	May 16 (Thu.)	25%
Class Participation		10%

### Honor Code

Any instance of cheating or plagiarism will suffice for a grade of "F" for the entire course.

### Electronics

Cellular phones, laptop computers, tablets, digital assistants, or other potentially disruptive or distracting electronic devices are not to be used in the classroom except as an authorized accommodation (p. 6).

### Examinations

The first exam ("closed-book, closed-note") is Thursday, March 9, in the regular classroom at the regular class meeting time. It will cover the material to date. The second examination -- again closed-book, closed-note -- is Thursday, May 9 in the regular classroom at the regular class meeting time. It will cover only the material in the second half of the course.

### Research Project

The research project includes a research design (due April 7) and a term paper (due May 16). The research design should be uploaded to the course's Moodle site by 5:00 PM Friday, April 7. The term paper should be uploaded to the course's Moodle site by 5:00 PM Thursday, May 16.

### Research Design

The research design will prepare you to write a term paper in which you develop your ideas more fully. The research design involves drawing up a table, previewing your argument, and compiling and annotating a bibliography. Each component is described below.

1. Table. Choose a developing country and evaluate how well it did, in comparison to at least two nearby or similar countries, at improving human development during a thoughtfully chosen span of time. Identify three quantifiable indicators that you believe to be particularly revealing about human development in your country during your chosen time period, and draw up a table that compares your country on these indicators to at least two similar countries during the same time period. Depict the *progress made* by each country during the period as well as the *level of*

*attainment* that each country had achieved by the end of the period. Your table should look something like the one below for Bangladesh. This comparison starts in 1990, when a transition from military rule began in Bangladesh, and ends in 2014 or 2015, as close to the present as data permit. The table shows that Bangladesh outpaced both India and Sri Lanka at reducing infant mortality, despite much slower per capita economic growth. This is a good puzzle on which to focus a research paper providing an overall assessment of Bangladesh's development progress.

### Development Progress in Bangladesh in Comparative Perspective, 1990-2015

	GDP90	GDP14	GDPGrth	IMR90	IMR15	IMRdecl	MF90	MF15	MFchg
Bangladesh	1356	2885	3.2%	99.7	30.7	69%	103.7	104.3	0.6
India	1299	5224	6.0%	88.3	37.9	57%	107.3	111.1	3.8
Pakistan	2497	4646	2.6%	106.1	65.8	38%	105.4	107.8	2.3
Sri Lanka	2985	10342	5.3%	18.1	8.4	54%	104.1	103.1	-1.0

#### Indicator descriptions, change calculations, and sources:

GDPcap90, GDPcap14: GDP per capita in constant 2011 US dollars at purchasing power parity in 1990 and 2014. Source: Penn World Table v. 9.0,  $RGDPe \div POP$ .  $RGDPe$  is expenditure-side real GDP at chained PPPs, the GDP measure recommended "to compare relative living standards across countries and over time." POP is the country's total population as given in Penn World Table v. 9.0. Feenstra, Robert C., Robert Inklaar, and Marcel P. Timmer, Penn World Table 9.0, June 2016. Accessed January 22, 2017, at <http://www.rug.nl/ggdc/productivity/pwt/>  
 GDPGrth: growth of GDP per capita at purchasing power parity in 2011 US\$ from 1990 to 2014, calculated in Microsoft Excel using the compound growth function  $=RATE(24,-,GDP90,GDP14)$ .

IMR90, IMR15: infant deaths per 1000 live births in 1990 and 2015. World Bank, World Development Indicators online. Accessed January 22, 2017, at <http://databank.worldbank.org/data/> IMRdecl: total percent decline of the infant mortality rate from 1990 to 2015, calculated by the formula  $(IMR1990 - IMR2014) \div IMR1990$ .

MF90, MF15: Male to female ratio in the population aged 0 to 4 in 1990 and 2015. Calculated from United Nations, Department of Economic and Social Affairs, Population Division (2015). *World Population Prospects: The 2015 Revision*, custom data acquired via website. Accessed January 22, 2017 at <https://esa.un.org/unpd/wpp/DataQuery/>  
 MFchg: total percentage point change in the male to female ratio in the population aged 0 to 4 from 1990 to 2015.

## 2. Argument preview

### 2a. Outcome

Persuade your reader that your country's human development performance during your chosen time period is worth explaining. Then, using the quantitative data in your table as well as qualitative information in books, chapters, and articles, compare your country to other countries on (1) *progress made* during the period, and (2) *level achieved* at the end of the period. Explain why you chose your time period, comparison countries, and indicators. One or two paragraphs on the outcomes you wish to explain will suffice for the research design.

### 2b. Policies

Identify government policy successes or failures that help to explain your country's human development performance during your time period. Examples might include the pursuit, or

neglect, of land reform, primary health care campaigns, education policies, manufactured export promotion, or cautious macroeconomic management. One or two paragraphs on the policies that affected your country's development performance will suffice for the research design.

### 2c. Contexts

Identify historical, political, social-structural, international, or leadership factors that help to explain your country's human development performance, possibly by shaping and constraining the policies you just cited. Examples of such factors might include natural resource endowment, class structure, colonial legacy, or involvement in the cold war. One or two paragraphs on the forces and conditions that affected your country's development policies, or perhaps affected your country's development in ways not mediated by policies, will suffice for the research design.

### 3. Bibliography

3a. List of references. Include a bibliography consisting of six or more high-quality books, book chapters, and/or articles you have already read or skimmed. Each of the six sources must appear in Google Scholar. Correct bibliography form is required. Any standard format (APA, Modern Language Association, Turabian) is fine (see <http://libguides.wesleyan.edu/citing>).

3b. Annotation. For each of the three most promising sources in your bibliography, please write a paragraph (three paragraphs total) indicating how you plan to use its information and/or arguments in your paper. Each paragraph must contain at least one citation, with a page number, to a passage that is particularly relevant to evaluating the human development performance of your country during the time period you selected.

## **Research Paper**

The research paper is a 10-12 page expansion of the research design.

## **Finding Sources**

For books and chapters in books, search the [online catalog](#). For articles and manuscripts try the "[Online Indexes and Databases](#)" on the library web page as well as [Google Scholar](#). Wesleyan will have access to many of the materials you find in these databases, but some may be available only through the [CTW consortium](#) or [interlibrary loan](#) (articles usually take only a couple of days; books may take a couple of weeks). You can also find sources by following up footnotes and bibliographical references (recent books and articles are best). For statistical data, go to "[Cross-National Data on the Web](#)." You can schedule an individualized research session with a reference librarian at <http://www.wesleyan.edu/library/howdoi/makeanappointment.html>

[Course description continues on p. 5]

## Class Participation

Class participation means coming to all the classes, on time, and turning in the daily file card (see below). Serious and timely engagement with the readings, which are generally few, short, and well-written, is important to comprehension of the material. Class participation, with the file cards weighted quite heavily, normally counts for 10 percent of the final grade.

## File-Card Requirement

1. At the beginning of each class (except on exam days) please hand me, in person, a 3 x 5 white-colored file card with your name and the date on one side. On the other side of the file card, please include from the day's readings (a) one quotation, noting the author and page number, that you think raises a particularly interesting issue; and (b) one comment on your quotation.
2. No file cards will be accepted after 10:25 AM *for any reason whatsoever*. Do not put a file card in the file card pile after 10:25 AM.
3. You may not turn in a file card if you do not attend class, *no matter what the reason*.
4. No one may turn in a file card for anyone else, *under any circumstances*.
5. Your quotation and comment should both fit on one side of a single file card. Your writing must be easily legible.
6. File cards will not be returned to you, but each will be recorded as satisfactory, good, or excellent according to how carefully and thoughtfully it seems to have been done. At the end of the semester each student will get a class participation grade that will be based heavily, although not entirely, on the file card marks.

## Obtaining Course Readings

All readings are on the course Moodle site except for two required books, each of which can be bought at Broad Street Books. Unfortunately, the Kingstone book will not be in Broad Street Books until after the beginning of classes. Three copies are on 2-hour reserve in Olin.

Peter Kingstone, The Political Economy of Latin America. New York: Routledge, 2011.  
Paperback ISBN 0415998271

Amartya Sen, Development as Freedom. New York: Anchor, 2000.  
Paperback ISBN 0195655265

### **Requesting Accommodation for Disabilities**

Wesleyan University is committed to ensuring that all qualified students with disabilities are afforded an equal opportunity to participate in and benefit from its programs and services.

To receive accommodation, a student must have a documented disability as defined by Section 504 of the Rehabilitation Act of 1973 and the ADA Amendments Act of 2008, and must provide documentation of the disability.

Accommodation may require early planning, and retroactive requests for accommodation are not usually granted. Accordingly, if you believe that you need accommodation for a disability, please contact Dean Patey in Disability Resources as soon as possible.

Disability resources is located in North College, Room 021. Please phone (860) 685-5581 for an appointment to discuss your needs and to review the process for requesting accommodation.

### Summary of Course Schedule

Th Jan 26	Overview of the Course
Tu Jan 31	Functionings, Capabilities, and Human Development
Th Feb 2	The Real Wealth of Nations
Tu Feb 7	Development in Latin America and East Asia: An Overview
Th Feb 9	Import Substitution in Latin America, 1930-1985
Tu Feb 14	Free-Market Reform in Latin America, 1985-2000
Th Feb 16	State-Centric Reform in Latin America, 2000-2017
Tu Feb 21	Macroeconomic and Industrial Policies in East Asia
Th Feb 23	Human Resource Policies in East Asia
Tu Feb 28	Colonialism, Communism, and Social Classes in East Asia and Latin America
Th Mar 2	Natural Resources and Development in East Asia and Latin America
Tu Mar 7	Culture and Development in East Asia and Latin America
Th Mar 9	<b>First examination</b>
Tu Mar 28	Democracy and Development
Th Mar 30	Endemic Hunger and Famine
Tu Apr 4	Security vs. Opulence
Th Apr 6	Gender and Survival I [ <b>Research design due Friday Apr 7 at 5 PM</b> ]
Tu Apr 11	Gender and Survival II
Th Apr 13	Chile: Development under Pinochet, 1973-1990
Tu Apr 18	Chile: Development and Democracy, 1990-2017
Th Apr 20	Tanzania in Historical Perspective
Tu Apr 25	Tanzania: Nyerere and Ujamaa
Th Apr 27	The Grameen Bank in Bangladesh: Origin and Operation
Tu May 2	How Would You Know if a Development Program Worked?
Th May 4	What Microfinance Can and Can't Do
Tu May 9	<b>Second examination</b>
Tu May 16	<b>Term paper due: please upload to Moodle by 5 PM</b>

## TOPICS AND READINGS

Th Jan 26      Overview of the Course

### I. What is Development?

Tu Jan 31      Functionings, Capabilities, and Human Development

Alkire, Sabina, and Séverine Deneulin. "The Human Development and Capability Approach." Chapter 2 in Séverine Deneulin with Lila Shahani, eds., An Introduction to the Human Development and Capability Approach: Freedom and Agency. London: Earthscan, 2009, 22-48.

Ivan Illich, "Outwitting Developed Nations." Chapter 2 in Ivan Illich, Toward a History of Needs. New York: Bantam, 1977, 63-79.

Th Feb 2      The Real Wealth of Nations

UNDP [United Nations Development Programme], Human Development Report 2010: The Real Wealth of Nations. New York: Palgrave Macmillan, 2010. Chs. 2 and 3, pp. 25-64.

### II. Development Divergence in East Asia and Latin America

Tu Feb 7      Development in East Asia and Latin America: An Overview

Rhys Jenkins, "The Political Economy of Industrialization: A Comparison of East Asian and Latin American Newly Industrializing Countries." Development and Change 22 No. 2 (April 1991), 197-231.

Th Feb 9      Import Substitution in Latin America, 1930-1985

Kingstone, Chapters 1 and 2 (1-44).

Tu Feb 14      Free-Market Reform in Latin America, 1985-2000

Kingstone, Chapter 3 (45-90).

Th Feb 16      State-Centric Reform in Latin America, 2000-2017

Kingstone, Chapters 4 and 5 (91-153).

Tu Feb 21      Macroeconomic and Industrial Policies in East Asia

Adams, F. Gerard, and IngerMarie Davis. "The Role of Policy in Economic Development." Asian-Pacific Economic Literature 8.1 (May 1994), 8-26.



- Th Feb 23      Human Resource Policies in East Asia
- José E. Campos and Hilton Root, "Wealth-Sharing Mechanisms." Chapter 3 of Campos and Root, The Key to the Asian Miracle. Washington, DC: Brookings Institution Press, 1996, 50-75.
- Tu Feb 28      Colonialism, Communism, and Social Classes in East Asia and Latin America
- Bruce Cumings, "The Origins and Development of the Northeast Asian Political Economy." Chapter 2 in Frederick C. Deyo, ed., The Political Economy of the New Asian Industrialism. Ithaca: Cornell University Press, 1987, 44-83.
- Th Mar 2      Natural Resources and Development in East Asia and Latin America
- Michael L. Ross, "Extractive Sectors and the Poor." An Oxfam America Report. October 2001. New York, NY: Oxfam America.
- Christine Ebrahim-zadeh, "Dutch Disease: Too Much Wealth Managed Unwisely." Finance and Development 40 No. 1 (March 2003), 50-51.
- C. N. Brunnschweiler and E. H. Bulte, "Linking Natural Resources to Slow Growth and More Conflict." Science 320 (2 May 2008), 616-617.
- Tu Mar 7      Culture and Development in East Asia and Latin America
- Lawrence E. Harrison, "Taiwan and Korea." Chapter 3 in Harrison, Who Prospers? New York: Basic Books, 1992, 81-116.
- Michael Novak. "Why Latin America is Poor." Atlantic Monthly (March 1982), 66-75.
- Th Mar 9      **First examination**
- III. Development as Freedom**
- Tu Mar 28      Democracy and Development
- Sen, Development as Freedom, 36-37, 74-76, Ch. 6 (146-159), Ch. 10 (227-248).
- Th Mar 30      Endemic Hunger and Famine
- Jean Drèze and Amartya Sen, Hunger and Public Action. Oxford, UK: Clarendon Press, 1989, Chapter 9 (165-178). Distributed in class.
- Sen, Development as Freedom, Ch. 7 (160-188).

- Tu Apr 4      Security vs. Opulence  
Jean Drèze and Amartya Sen, Hunger and Public Action. Oxford, UK: Clarendon Press, 1989, Chapter 10 (179-203) and Chapter 12 (226-253).  
Sen, Development as Freedom, 19-24, 41-53, Ch. 4 (87-110).
- Th Apr 6      Gender and Survival I  
Sen, Development as Freedom, 104-107, Ch. 8 (189-203).
- Fr Apr 7      Research design due: Please upload to Moodle by 5 PM**
- Tu Apr 11      Gender and Survival II  
Croll, Elizabeth. "Amartya Sen's 100 Million Missing Women." Oxford Development Studies 29 No. 3 (October 2001), 225-244
- Th Apr 13      Chile: Development under Pinochet, 1973-1990  
Pamela Constable and Arturo Valenzuela, "The Poor." Chapter 9 in Constable and Valenzuela, A Nation of Enemies: Chile Under Pinochet. New York: Norton, 1991, 222-246.  
Alejandro Foxley and Dagmar Raczynski, "Vulnerable Groups in Recessionary Situations: The Case of Children and the Young in Chile." World Development 12 No. 3 (March 1984), 223-246.  
Review Drèze and Sen, 229-239.
- Tu Apr 18      Chile: Development and Democracy, 1990-2017  
Alan Angell, "Democratic Governance in Chile." Chapter 8 in Scott Mainwaring and Timothy R. Scully, eds., Democratic Governance in Latin America. Stanford: Stanford University Press, 2010, 269-306.
- Th Apr 20      Tanzania in Historical Perspective  
Michael F. Lofchie, "Introduction: A Tanzanian Overview." Chapter 1 in Lofchie, The Political Economy of Tanzania: Decline and Recovery. Philadelphia: University of Pennsylvania Press, 2014, 1-26.  
John Iliffe. "The Creation of Tribes." Chapter 10 in Iliffe, A Modern History of Tanganyika. Cambridge, UK: Cambridge University Press, 1979, 318-341.

- Tu Apr 25      Tanzania: Nyerere and Ujamaa
- Julius Nyerere, "Ujamaa: The Basis of African Socialism," "Socialism and Rural Development." In Knud Svendsen and Merete Teisen, Self-Reliant Tanzania. Dar es Salaam: Tanzania Publishing House, 1969, 158-166, 246-266.
- James C. Scott, "Compulsory Villagization in Tanzania." Chapter 7 in Scott, Seeing Like a State. New Haven: Yale University Press, 1998, 223-261
- Th Apr 27      The Grameen Bank in Bangladesh: Origin and Operation
- Asif Dowla and Dipal Barua, "Classical Grameen and Its Impacts." Chapter 2 in Dowla and Barua, The Poor Always Pay Back: The Grameen II Story. Bloomfield, CT: Kumarian Press, 2006, 15-69.
- Tu May 2      How Do You Know if a Development Program Worked?
- Jonathan Bauchet and Jonathan Morduch, "An Introduction to Impact Evaluations with Randomized Designs." Financial Access Initiative Research Framing Note, March 2010, 1-21.
- Esther Duflo and Michael Kremer, "Use of Randomization in the Evaluation of Development Effectiveness." Chapter 10 in George Keith Pitman, Osvaldo N. Feinstein, and Gregory K. Ingram, eds., Evaluating Development Effectiveness. New Brunswick, NJ: Transaction Books, 2005, 205-232.
- Th May 4      What Microfinance Can and Can't Do
- David Roodman, Due Diligence: An Impertinent Inquiry into Microfinance. Washington, DC: Center for Global Development, 2012, 1-14, 268-292.
- Tu May 9      **Second examination**
- Tu May 16      **Term paper due: please upload to Moodle by 5 PM**