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Government 271
Wesleyan University
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Office Hours:
Tues. & Weds., 2:00-3:30 PM
PAC 219

Class Meetings:
Tues. & Thurs., 10:20-11:40 AM
PAC 421

Political Economy of Developing Countries

Human development has advanced more, faster, and more steadily in some developing countries than in others. If we knew why, we would have knowledge that could be put to good use. To find out, we need to clarify what human development means and how it should 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, notably South Korea, Taiwan, Argentina, and Brazil. Human development over the past 60 years has advanced in both regions, but the East Asian societies have achieved faster economic growth and lower income inequality. We identify policies that contributed to this outcome (that's the policy impact part), and inquire into why similar policies were not implemented everywhere (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 explores how poverty has been 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. 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 explore how social scientists evaluate the efficacy of development programs, assess the achievements and shortcomings of the Grameen Bank, and examine the reasons behind the Grameen Bank's successes and failures.

Course Requirements

The course requirements are class participation, two examinations, a research project consisting of a spreadsheet, a research design, and a research paper.

Summary of Due Dates and Final Grade Weightings

Spreadsheet	February 16 (Fri.)	5%
First Examination	March 8 (Thu.)	25%
Research design	April 6 (Fri.)	10%
Second Examination	May 8 (Tue.)	25%
Research Paper	May 15 (Tue.)	25%
Class Participation		10%

Electronics

Cellular phones, laptop computers, tablets, digital assistants, or other electronic devices are not to be used in the classroom except as an authorized accommodation (p. 3).

Examinations

The first exam ("closed-book, closed-note") is Thursday, March 8, 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 Tuesday, May 8 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 spreadsheet (due February 16), a 3-5 pp. research design (due April 6), and a 10-12 pp. term paper (due May 15). The spreadsheet should be uploaded to the course's Moodle site by 5:00 PM Friday, February 16. The research design should be uploaded to the course's Moodle site by 5:00 PM Friday, April 6. The research paper should be uploaded to the course's Moodle site by 5:00 PM Tuesday, May 15. For details see pp. 5-8 of this syllabus.

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 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 are accepted after 10:25 AM for any reason.
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.
6. Your writing must be easily legible.

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, but not entirely, on the file card marks.

Obtaining Course Readings

All readings are on the course Moodle site except for the Sen book, which is available in paperback at the Wesleyan Bookstore. Two copies are also on 2-hour reserve in Olin.

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 requires planning, and retroactive requests are rarely granted. If you might need accommodation for a disability, please contact Dean Patey in Disability Resources, North College 021, (860) 685-5581.

Summary of Course Schedule

Th Jan 25	Overview of the Course
Tu Jan 30	Functionings, Capabilities, and Human Development
Th Feb 1	The Real Wealth of Nations
Tu Feb 6	Development in Latin America and East Asia: An Overview
Th Feb 8	Import Substitution in Latin America, 1930-1985
Tu Feb 13	Free-Market Reform in Latin America, 1985-2000
Th Feb 15	State-Centric Reform in Latin America, 2000-2018 [Spreadsheet due Fri Feb 16]
Tu Feb 20	Macroeconomic and Industrial Policies in East Asia
Th Feb 22	Human Resource Policies in East Asia
Tu Feb 27	Colonialism, Communism, and Social Classes in East Asia and Latin America
Th Mar 1	Natural Resources and Development in East Asia and Latin America
Tu Mar 6	Culture and Development in East Asia and Latin America
Th Mar 8	First examination
Tu Mar 27	Democracy and Development
Th Mar 29	Endemic Hunger and Famine
Tu Apr 3	Security vs. Opulence
Th Apr 5	Gender and Survival I [Research design due Fri Apr 6]
Tu Apr 10	Gender and Survival II
Th Apr 12	Chile: Development under Pinochet, 1973-1990
Tu Apr 17	Chile: Development and Democracy, 1990-2018
Th Apr 19	Tanzania in Historical Perspective
Tu Apr 24	Tanzania: Nyerere and Ujamaa
Th Apr 26	The Grameen Bank in Bangladesh: Origin and Operation
Tu May 1	How Would You Know if a Development Program Worked?
Th May 3	What Microfinance Can and Can't Do
Tu May 8	Second examination
Tu May 15	Term paper due: please upload to Moodle by 5 PM

Research Project

The research project consists of a spreadsheet, a research design, and a research paper.

The **spreadsheet** involves choosing a development indicator, a developing country, and a time period; collecting quantitative data on your indicator in your country over your time period; and posing a research question based on a preliminary analysis of the data. The spreadsheet should be uploaded to the course Moodle by 5 PM Friday, **February 16, 2018**

The **research design** is a 3-5 page essay giving a preliminary assessment of policies and circumstances that help to explain why the country you chose performed in the way that it did on your indicator during your time period. The research design should be uploaded to the course Moodle by 5 PM Friday, **April 6, 2018**. Include the (possibly revised) spreadsheet as an appendix to your research design.

The **research paper** is a 10-12 page essay that develops the analysis in the research design. It should be uploaded to the course Moodle by 5 PM Friday, **May 15, 2018**. Again, include the (possibly revised) spreadsheet as an appendix to your research paper.

1. Spreadsheet (due February 16)

1.1. Choose a developing country, a time period of 20-60 years, and one of these indicators:

- *GDP per capita* at purchasing power parity in inflation-adjusted dollars
Source: [Maddison Historical Statistics](#)
- *Infant mortality* (deaths in the first 365 days of life per 1000 live births)
Source: World Bank, [World Development Indicators online](#)
- *Male-to-female ratio in the 0-4 age group*
Source: United Nations Population Division, [World Population Prospects](#)

Each of these sites may be reached through

<http://jm McGuire.faculty.wesleyan.edu/welcome/cross-national-data/>

Optimally, your time period will coincide with a substantively coherent interval, such as a particular political regime (e.g., Chile since the end of military rule, 1990-2016), a change in international status (e.g., Botswana since independence in 1966), or the aftermath of a major policy reorientation (e.g., Vietnam since market reforms, 1986-2016). Data availability may determine the start or end of your period; that is fine. Save time before the due date, however, to be sure that your country has enough data on your indicator during your time period to carry out the tasks listed below. If it doesn't, choose a different country, indicator, and/or time period.

Looking ahead, your assignment in your research design and research paper will be to explain *one* of the following outcomes (your choice):

- (1) **Level:** how well your country did at achieving a particular *level* of your indicator at the end of your time period; *or*
- (2) **Progress:** how well your country did at *improving* your indicator between the beginning and end of your time period (this is often the most interesting outcome); *or*
- (3) **Tempo:** why in your country your indicator made a sharp and sustained *upturn* or *downturn* over certain years within your time period.

1.2. Without knowing how your country did in comparison to some external referent, it would be impossible to say how well your country did at achieving a particular level of your indicator at the end of your time period, or how well your country did at improving your indicator between the beginning and end of your time period, or how well your country did at registering improvement at a steady rather than erratic tempo within your time period. In this exercise, the external referent will be the world region in which your country is located.

Using a spreadsheet program such as Microsoft Excel, create a table. Down the side should be rows for years. Across the top should be columns for year, for your country, and for the region in which your country is located. In each of the three columns, fill in each cell with the annual value of GDP per capita, OR the annual value of the infant mortality rate, OR the quinquennial (every fifth year) value of the male-to-female ratio in the 0-4 age group. If data turn out to be sparse or unavailable for your region, choose a different country, indicator, and/or time period until you have a focus country and a focus region that each have adequate data.

1.3. Calculate the overall (entire time period) and annual (year-to-year) change in your indicator for your focus country, as well as for your comparison region. (If your indicator is the male-to-female ratio in the 0-4 age group, calculate the overall and quinquennial, or every fifth year, change). For *GDP per capita* change, calculate annual and overall change with a compound growth function (e.g., RATE in Microsoft Excel). For *infant mortality change*, calculate change with a reduction of shortfall function (percent decline toward a stipulated minimum of 0). For change in the *male-to-female ratio in the 0-4 age group*, calculate change by addition or subtraction (e.g., 1.06 to 1.16 = +0.10; 1.09 to 1.05 = -0.04). Sound complicated? It isn't. You're free to adapt the formulas from the example spreadsheets on the Moodle (see item 1.5).

1.4. Create time-series charts (graphs) depicting respectively (a) the over-time evolution of the *level* of your indicator in your focus country and your region, and (b) the annual *change* of your indicator in your focus country and your region. If your indicator is the male-to-female ratio in the 0-4 age group, the table and chart will have data for every fifth year rather than for every year. To create a time-series chart from your data table in Excel, (1) Select the table cells containing the years and data, as well as the country or region headings in the table row above the data; (2) Choose "Insert" from the menu at the very top of your screen (black letters on lighter background); (3) Under "Insert," click on "Chart"; (4) Choose "X Y (Scatter)," which will bring up a new dialog box; (5) Go to "change chart type" on the right, choose "X Y (Scatter)" again, and select "Scatter with straight lines."

1.5. Example spreadsheets for each of the three indicators (GDP per capita, infant mortality, male-to-female ratio in the 0-4 age group) are on the course Moodle, next to the box where you upload your spreadsheet on February 16. Feel free to adapt the formulas in these spreadsheets. The spreadsheets have instructions for extracting the data you need from the databases.

2. Research design (due April 6).

Having picked a focus country, an indicator, and a time period, write a 3-5 page essay providing a preliminary answer to **one** of the following three questions:

Q1) What policies and circumstances help explain why, in your country, your indicator achieved the **level** that it did at the **end of your time period**?

Q2) What policies and circumstances help explain why, in your country, your indicator registered the **total amount of change** that it did **between the first and last years of your time period**?

Q3) What policies and circumstances help explain the **tempo of change between the first and last year of your time period**? In other words: why, in your country during your time period, did your indicator change more in some years than in others?

(Your 10-12 page term paper will simply be a fuller answer to the same question based on more thorough research using additional sources.)

- For sample questions involving particular countries, indicators, and time periods, see the "resulting analytical questions" following the "descriptive conclusions" at the bottom of each of the three example spreadsheets on the course Moodle.

2.1. State briefly the question (Q1, Q2, or Q3) that your research paper will attempt to answer.

2.2. State briefly how the indicator you chose is related to the overall goal of expanding human capabilities, referencing *Development as Freedom* by Amartya Sen (e.g., Sen 1999: 107).

2.3. State briefly why your focus country and time period are interesting. Does your time period correspond to a particularly interesting change in government, regime, or policy in your country? To extraordinary success or failure at improving your development indicator?

2.4. Drawing on books, journal articles, edited volumes, and other academic sources, outline specific government **policies** that help to explain either the **level** your country achieved on your indicator in the last year of your time period, or the **overall progress** your country made on your indicator between the first and last years of your time period, or the **tempo of progress** in your country on your indicator between the first and last years of your time period.

- For GDP per capita, policies worth examining might include land reform, investment in basic education, the encouragement of labor-intensive forms of production, the promotion of manufactured exports, or cautious macroeconomic management.

- For infant mortality, policies worth examining might involve education, health service provision, family planning, and provision of safe water and improved sanitation. Infant mortality is also affected by changes in GDP per capita, income inequality, and fertility.
- For the male-to-female ratio in the 0-4 age group, policies worth examining might include education for girls, lifting of restrictions on women's autonomy, old-age insurance to reduce parents' anticipated future dependence on sons' income, restrictions on fetal sex identification, or campaigns against boy preference.

2.5. Drawing on these and other academic sources, outline historical, political, social-structural, international, or leadership **circumstances** that help to explain either the **level** your country achieved on your indicator in the last year of your time period, or the **overall progress** your country made on your indicator between the first and last years of your time period, or the **tempo of progress** in your country on your indicator between the first and last years of your time period. Candidates for such circumstances include climate, natural resource endowment, class structure, colonial legacy, cultural values, political regime form, quality of governance, and geopolitical situation. These circumstances often affect economic growth, mortality decline, and the population's gender composition by shaping and constraining public policies, but they can also affect these outcomes without directly affecting policies.

2.6. Your research design should cite at least five academic sources. Using a standard bibliography format (<http://libguides.wesleyan.edu/citing>), list these works cited at the end of your research design.

3. Research paper (due May 15).

Your research paper is simply an expanded, revised, and polished version of your research design.

Finding Sources

For books and chapters in books, search the [online catalog](#). For articles and manuscripts it's hard to beat [Google Scholar](#), but you can try the "[A-Z Library Databases](#)" on the library web page. 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>

TOPICS AND READINGS

Th Jan 25 Overview of the Course

I. What is Development?

Tu Jan 30 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 1 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 6 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 8 Import Substitution in Latin America, 1930-1985

Peter Kingstone, The Political Economy of Latin America. New York: Routledge, in press, Chapters 1 and 2.

Tu Feb 13 Free-Market Reform in Latin America, 1985-2000

Peter Kingstone, The Political Economy of Latin America. New York: Routledge, in press. Chapters 3 and 4.

Th Feb 15 State-Centric Reform in Latin America, 2000-2018

Peter Kingstone, The Political Economy of Latin America. New York: Routledge, in press. Chapters 5 and 6.

Fr Feb 16 Spreadsheet due: Please upload to Moodle by 5 PM

- Tu Feb 20 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 22 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 27 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 1 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 6 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 8 **First examination**

III. Development as Freedom

- Tu Mar 27 Democracy and Development
 Sen, Development as Freedom, 36-37, 74-76, Ch. 6 (146-159), Ch. 10 (227-248).

- Th Mar 29 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 3 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 5 Gender and Survival I
- Sen, Development as Freedom, 104-107, Ch. 8 (189-203).
- Fr Apr 6 Research design due: Please upload to Moodle by 5 PM**
- Tu Apr 10 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 12 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 17 Chile: Development and Democracy, 1990-2018
- Judith Teichman, "Chile: Moving toward Greater Inclusion, from Political Polarization to Consensus." Chapter 5 in Teichman, The Politics of Inclusive Development. New York: Palgrave Macmillan, 2016, 105-132.

- Th Apr 19 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 24 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 26 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 1 How Would 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 3 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 8 **Second examination**
- Tu May 15 **Term paper due: please upload to Moodle by 5 PM**