

James McGuire
PAC 219, (860) 685-2487
[http://jmcguire.faculty.wesleyan.edu/
jmcguire@wesleyan.edu](http://jmcguire.faculty.wesleyan.edu/jmcguire@wesleyan.edu)

Government 271
Wesleyan University
Spring 2021

Office Hours (online):
By appointment

Class Meetings (online):
Tues. & Thurs., 1:00 - 2:20 PM

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 why, 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 in South Korea, Taiwan, Argentina, and Brazil. Human development has advanced in each region over the past 60 years, 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. The cases of infant mortality decline in Chile under Pinochet (1973-1990) and of the rise and fall of villagization in Tanzania under Nyerere (1962-1985) will expose the complex and often paradoxical ways in which political leadership and political regime form affect development policies and social and economic outcomes. In Chile the dictatorship of Augusto Pinochet suppressed democracy and committed severe human rights violations, but engineered one of the steepest infant mortality declines on record. In Tanzania the one-party (but not abjectly authoritarian) government of Julius Nyerere enacted a massive resettlement program 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. Our last case study highlights the role of market forces in economic development. 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 grade will be based on reading quizzes, Moodle posts, and class participation. Daily reading quizzes are weighted 40 percent, weekly Moodle posts 40 percent, and class participation 20 percent. There aren't any exams or papers; just 25 daily reading quizzes and 13 weekly Moodle posts, which should be about 300 words each. The quizzes add up about to the equivalent of two blue-book exams; the Moodle posts add up to about a 15-page paper. The work is broken down into much smaller segments, however, and will generate more timely feedback.

Quizzes

The quizzes are posted on the Moodle segment for each class session. They involve multiple-choice questions on each reading (one to three readings are assigned for each class session). The multiple-choice questions have four possible answers, only one of which is correct. Most of the quizzes have two questions, but some will have three. The quizzes are designed (1) to highlight important issues in the readings, (2) to acquaint you with the method of multiple working hypotheses, and (3) to communicate information. The quiz questions can be challenging, but are never deliberately tricky or funny. If you keep up and do the reading attentively, they are do-able. You are allowed, indeed encouraged, to see your quiz questions *before* you do the reading. The quizzes on each class session open up a few minutes after the previous class session ends, and must be completed by noon before the next class session.

You will hardly ever have much luck Googling for the answer to a quiz question, because most of the questions are not about factual matters, but about an author's interpretation of a process or event. Also, you are honor-bound not to ask your classmates or anyone else for help on the quizzes. "Deception concerning adherence to the conditions set by the instructor for a formal academic exercise" is [Provision 5 of the Wesleyan Honor Code](#). The quiz is a formal academic exercise, and the conditions I set for it are that you may neither request assistance from anyone on your quiz questions, nor may you give assistance to anyone else on their quiz questions. That said, asking a classmate for assistance isn't going to do you much good, because the questions you will get on each reading are selected randomly from a larger pool of questions. There are many multiple-choice questions in the pool for each class session, and the random process will select only 2 or 3 of them for your quiz. Accordingly, it is statistically unlikely that whomever you might ask for assistance will have gotten the same questions you received.

Class Sessions

The class sessions will be live over Zoom. I'll usually start each session by giving a live online lecture while screen-sharing a Powerpoint presentation. Either just before or soon after the class session, I will post the Powerpoint presentation on the Moodle. After the lecture, most sessions will transition to discussion. If you want to ask a question or make a comment during the lecture part of the class, or to intervene in a discussion, please use the "raise hand" function on Zoom. One thing we can do in the discussion is to discuss, and try to answer collectively, the whole set of multiple-choice quiz questions. We'll try collectively in the first class session to establish a norm about whether students will expected to attend class with their video cameras on.

Moodle Posts

The lecture and the discussion in the class session, as well as the readings, should inform the Moodle post you will be asked to write each week by Saturday night at 9 PM, which is a little more than two days after the end of the Thursday class session, and a little more than two days before the Tuesday class session. The Moodle posts will involve your writing a single essay of about 300 words in response to a broader question about the week's topics. I'll usually post five or so questions on the Forum covering two class sessions (Tuesday and Thursday of the pertinent week). You should answer only one of the Moodle forum questions. You will find a link to the weekly Moodle forum on the Moodle segment pertaining to each Thursday's class session. A normal double-spaced paper has about 250 words per page, so your Moodle post is equivalent to a one-page-plus paper. You may discuss your Moodle forum answers with classmates if you wish, but you have to write them yourselves. Asking someone else to write some or all of your post, or offering to write some or all of someone else's Moodle post, is a violation of the honor code. Posts must be in standard English with no [internet slang](#) (no LOL, FWIW, etc.).

Before you submit your post you will not be able to see what other students have written in response to the question you chose. As soon as you submit your post you will be able to see the other responses (unless you are the first to post, in which case, just check back a little later to see what others have written). I will often, but not always, give you feedback on your posts, either briefly in the Moodle forum itself (check my comments associated with the grading rubric) or at greater length, about once a month, in a MS Word document I will send you by email. Your grade for each Moodle post will be based on (1) the substantive quality of the post; (2) your engagement with the lectures and class discussions; (3) your inclusion of well-formatted citations, with page numbers, to one or more of the assigned readings; and (4) the care you appear to have taken in writing the post (they should be polished, like you are submitting a one-page writing assignment on paper). The Moodle forum will close at 9 PM Saturday night.

Class Participation

Class participation will be worth 20 percent of the final grade. Your class participation grade will be based on (1) your attendance and participation in class sessions, (2) your timeliness in completing quizzes and Moodle posts, and (3) the evidence you provide in your quizzes and Moodle posts of having completed and thought carefully about the reading assignment. As mentioned above, we'll try collectively in the first class session to establish a norm about whether students will be expected to attend class with their video cameras on. Your class participation grade will reflect in part your conformity to this collectively-established norm.

Grading Mode

You may take this course utilizing either the standard A-F grading mode or CR/U (Credit/Unsatisfactory). You start out taking the course either A-F or CR/U, but you may change your grading mode until Tuesday, March 2, 2021, at 5 PM (this deadline is much earlier than last semester's). The deadline to withdraw from the course is Tuesday, May 5, 2021, at 5 PM. This semester is taking place in unusual circumstances, but to get credit for this course, you have to do satisfactory work and participate in the class sessions, even if you take the course CR/U.

Honor Code

Any instance of cheating, like requesting or giving assistance on a quiz, plagiarizing, or not writing your own Moodle post, will suffice for a grade of "F" or "U" for the entire course.

Obtaining Course Readings

All readings are available on the course Moodle site. No books are required for this course, although the Sen book is available at the bookstore.

Accessibility Services

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 Accessibility Services (accessibility@wesleyan.edu), located in North College, Room 021, or call 860/685-5581 for an appointment to discuss your needs and to review the process for requesting accommodation.

Summary of Course Schedule

Tu Feb 9	Overview of the Course
Th Feb 11	Functionings, Capabilities, Agency, and Human Development
Tu Feb 16	The Human Development Index
Th Feb 18	Income Inequality, Income Poverty, and Infant Survival
Tu Feb 23	Development in Latin America and East Asia: An Overview
Th Feb 25	Import Substitution in Latin America, 1930-1985
Tu Mar 2	Free-Market Reform in Latin America, 1985-2000
Th Mar 4	State-Centric Reform in Latin America, 2000-2021
Tu Mar 9	Macroeconomic and Industrial Policies in South Korea and Taiwan
Th Mar 11	Land Reform and Education in South Korea and Taiwan
Tu Mar 16	Colonialism, Communism, and Anti-Communism in South Korea and Taiwan
Th Mar 18	Social Classes and State Autonomy in East Asia and Latin America
Th Mar 25	Natural Resources and Development in East Asia and Latin America
Tu Mar 30	Culture and Development in East Asia and Latin America
Th Apr 1	Democracy and Development
Tu Apr 6	Endemic Hunger and Famine
Th Apr 8	Security vs. Opulence
Tu Apr 13	Gender and Survival I
Th Apr 15	Gender and Survival II
Tu Apr 20	Chile: Politics, Policy, and Mortality Decline in the 20th Century
Th Apr 22	Chile: Development and Mortality Decline, 1973-1990
Tu Apr 27	Tanzania in Historical Perspective
Th Apr 29	Tanzania: Nyerere and Ujamaa
Tu May 4	The Grameen Bank in Bangladesh: Origin and Operation
Th May 6	How Would You Know if a Development Program Worked?
Tu May 11	What Microfinance Can and Can't Do

TOPICS AND READINGS

Tu Feb 9 Overview of the Course

No assigned reading

I. What is Development?

Th Feb 11 Functionings, Capabilities, Agency, and Human Development

Sabina Alkire 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.

Tu Feb 16 The Human Development Index

UNDP [United Nations Development Programme], *Human Development Report 2010: The Real Wealth of Nations*. New York: Palgrave Macmillan, 2010. Chapter 2, pp. 25-43.

Th Feb 18 Income Inequality, Income Poverty, and Infant Survival

UNDP [United Nations Development Programme], *Human Development Report 2010: The Real Wealth of Nations*. New York: Palgrave Macmillan, 2010. Chapter 3, pp. 45-64.

II. Development Divergence in East Asia and Latin America

Tu Feb 23 Development in East Asia and Latin America: An Overview

James W. McGuire, "The Politics of Development in Latin America and East Asia." Chapter 27 in Carol Lancaster and Nicholas van de Walle, eds., *The Oxford Handbook of the Politics of Development*. New York: Oxford University Press, 2018, pp. 567-595 (we use the online version June 2016).

Th Feb 25 Import Substitution in Latin America, 1930-1985

Peter Kingstone, *The Political Economy of Latin America: Reflections on Neoliberalism and Development After the Commodity Boom*. 2nd ed. New York: Routledge, 2018, Chapters 1 and 2, 1-54.

- Tu Mar 2 Free-Market Reform in Latin America, 1985-2000
- Peter Kingstone, *The Political Economy of Latin America: Reflections on Neoliberalism and Development After the Commodity Boom*. 2nd ed. New York: Routledge, 2018, Chapter 3, 55-101.
- Th Mar 4 State-Centric Reform in Latin America, 2000-2021
- Peter Kingstone, *The Political Economy of Latin America: Reflections on Neoliberalism and Development After the Commodity Boom*. 2nd ed. New York: Routledge, 2018, Chapter 4, 102-137.
- Tu Mar 9 Macroeconomic and Industrial Policies in East Asia and Latin America
- F. Gerard Adams and IngerMarie Davis, "The Role of Policy in Economic Development." *Asian-Pacific Economic Literature* 8.1 (May 1994), 8-26.
- Th Mar 11 Land Reform and Education in East Asia and Latin America
- 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 Mar 16 Colonialism, Communism, and Anti-Communism in South Korea and Taiwan
- 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 18 Social Classes and State Autonomy in East Asia and Latin America
- 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 Mar 25 Natural Resources and Development in East Asia and Latin America
- Ramez Abubakr Badeeb, Hooi Hooi Lean, and Jeremy Clark. "The Evolution of the Natural Resource Curse Thesis: A Critical Literature Survey." *Resources Policy* 51 (March 2017), 123-134.
- 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 30 Culture and and Development in East Asia and Latin America

Michael Novak. "Why Latin America is Poor." *Caribbean Review* 11 No. 3 (Summer 1982), 18-21, 48-50.

Lawrence E. Harrison, "Taiwan and Korea." Chapter 3 in Harrison, *Who Prospers?* New York: Basic Books, 1992, 81-116.

III. Development as Freedom

Th Apr 1 Democracy and Development

Sen, *Development as Freedom*, 36-37, 74-76, Ch. 6 (146-159), Ch. 10 (227-248).

Tu Apr 6 Endemic Hunger and Famine

Jean Drèze and Amartya Sen, *Hunger and Public Action*. Oxford, UK: Clarendon Press, 1989, Chapter 9 (165-178).

Sen, *Development as Freedom*, Ch. 7 (160-188).

Th Apr 8 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).

Tu Apr 13 Gender and Survival I

Sen, *Development as Freedom*, 104-107, Ch. 8 (189-203).

Th Apr 15 Gender and Survival II

Elizabeth Croll, "Amartya Sen's 100 Million Missing Women." *Oxford Development Studies* 29 No. 3 (October 2001), 225-244.

Monica Das Gupta, "Return of the Missing Daughters." *Scientific American* 317 No. 3 (September 2017), 82-85.

- Tu Apr 20 Chile: Politics, Policy, and Mortality Decline in the 20th Century
 James W. McGuire, "Chile: The Pinochet Paradox." Chapter 2 in McGuire, *Wealth, Health, and Democracy in East Asia and Latin America*. New York: Cambridge University Press, 2010, 94-119.
- Th Apr 22 Chile: Development and Mortality Decline, 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.
- Tu Apr 27 Tanzania in Historical Perspective
 John Iliffe. "Tanganyika in 1800." Chapter 2 in Iliffe, *A Modern History of Tanganyika*. Cambridge, UK: Cambridge University Press, 1979, 6-25.
 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.
- Th Apr 29 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, 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.
- Tu May 4 The Grameen Bank in Bangladesh: Origin and Operation
 Watch "Banking on the Poor," Journeyman TV (1997). 15:44
<https://www.youtube.com/watch?v=MrUQKuvsmvw>
 Watch "India's Microfinance Meltdown," BBC Newsnight (2012). 11:28
<https://www.youtube.com/watch?v=JzF6thf5GqA>
 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.

Th May 6 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.

Tu May 11 What Microfinance Can and Can't Do

David Roodman, *Due Diligence: An Impertinent Inquiry into Microfinance*. Washington, DC: Center for Global Development, 2012, Chapter 1 (1-14) and Chapter 9 (268-292).