James McGuire
PAC 409, (860) 685-2487
<a href="http://jmcguire.faculty.wesleyan.edu/">http://jmcguire.faculty.wesleyan.edu/</a>
jmcguire'at'wesleyan.edu

GOVT/LAST/CEAS 271 Wesleyan University Spring 2024

Office Hours: Tues. 2:00-3:30 PM or by appointment Class Meetings: Tues. & Thurs., 10:20-11:40 AM PAC 004

## **Political Economy of Developing Countries**

Human development has advanced more, faster, and more steadily in some countries than in others. If we knew why, we would have knowledge that could be put to good use. To find out why some countries have developed more successfully than others, we start out by clarifying how human development should be conceptualized and 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. Human development has improved in both regions, but the East Asian societies have achieved faster economic growth and lower income inequality than Latin American societies. We identify policies that contributed to faster economic growth and lower income inequality in East Asia, and explore why similar policies were not implemented in Latin America. We also identify policies and circumstances that help to explain why some societies in Latin America matched the top performers in East Asia at raising life expectancy and reducing infant mortality, despite experiencing slower economic growth and higher income inequality.

The third section of the course uses the capabilities perspective associated with the work of Amartya Sen and Martha Nussbaum to assess how hunger, disease, population growth, lack of education, and biases against women and minority groups reinforce one another, and to identify the advantages and disadvantages of markets, states, and public action in fighting endemic hunger and preventing famine.

The fourth section of the course uses case studies of Chile, Tanzania, and Bangladesh to illuminate some paradoxes of human development. In Chile the Pinochet dictatorship (1973-1990) suppressed democracy and violated human rights, but enacted maternal and infant nutrition and health care policies that contributed to one of the steepest infant mortality declines ever observed. In Tanzania the government of Julius Nyerere (1962-1985), after outlawing opposition parties, enacted a huge resettlement program to try to improve the well-being of the poor, but failed to achieve this goal. We explore the reasons why this well-intentioned initiative made life worse rather than better for the resettled people. We close by evaluating a market-based initiative aimed explicitly at improving human development. In Bangladesh the Grameen Bank, which makes tiny loans to poor women at market rates of interest, precipitated a global microfinance movement that has reached more than 200 million clients. We'll explore how social scientists evaluate the efficacy of microfinance programs, assess the achievements and shortcomings of these initiatives, and examine some of the reasons behind microfinance's successes and failures.

# **Course Requirements**

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

# Summary of Due Dates and Final Grade Weightings

| Class participation |                    | 10% |
|---------------------|--------------------|-----|
| Spreadsheet         | February 16 (Fri.) | 5%  |
| First Examination   | March 7 (Thu.)     | 30% |
| Second Examination  | May 7 (Tue.)       | 30% |
| Research Paper      | May 14 (Tue.)      | 25% |

#### **Honor Code**

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

#### **Examinations**

Each exam is closed-book, closed-note. The first exam will be given during the class period on Thursday, March 7. It will cover the material to date. The second exam will be given during the class period on Tuesday, May 7. It will cover the material from March 26 to May 2.

## Research Project: Spreadsheet and Research Paper

The research project evaluates how well a particular developing country did on a particular dimension of development over a particular time period.

You choose a developing country, a development indicator, and a time period. You collect quantitative data on the indicator in your country during your time period, create tables and graphs with the data, pose research questions based on your observations, and find academic sources to explore your topic. You summarize this work initially in a spreadsheet submitted on February 16, 2024, then develop it into a research paper due May 14, 2024.

The spreadsheet allows you to observe, descriptively, what is distinctive -- unusually good, unusually poor, or (less engagingly) close to average -- about your country's performance on an indicator over a time period, in terms of level achieved, overall progress made, or tempo of progress during the time period. You compare your country's performance on the indicator during the time period to that of an external referent, such as the world region in which the country is located (South Asia, Latin America, etc.), or some other appropriate reference group of countries.

G271F24SpreadsheetAssignment.pdf, posted on the February 16 section of the course Moodle, is a memo detailing the full spreadsheet assignment. Posted just below that memo on the Moodle are sample spreadsheets for economic output per capita (Botswana 1990-2021), infant mortality (Peru 1990-2021), and the male-to-female ratio in the 0-4 age group (China 1950-2021).

In the research paper (10-12 pages), you build on the quantitative analyses you produced for your spreadsheet to propose an explanation for why your country, compared to other similar countries, performed well, or poorly, on a particular indicator during a particular span of years. You should identify historical legacies, social structures, political regime forms (democratic vs. authoritarian, etc.), and government policies that help explain why the country you chose during the time period you chose performed well or poorly on the indicator you chose.

# **Use of Artificial Intelligence for the Research Project**

On the spreadsheet and term paper, you may use AI for insight but not in the writing. When you upload these assignments to the course Moodle, my understanding is that you will be able to see a "similarity report" that identifies instances of word-for-word plagiarism, but that only I will be able to see evidence that AI was used in writing the assignments. If I do see such evidence, I will contact you. All students must include a statement indicating whether AI was used at any point in all assignments. If you didn't use AI, just write "I didn't use AI at any point in this assignment." If you did use AI for insight (not writing -- you're in college to learn how to write), describe how you used it. The first student to have read this far should send me an email for a free course pack (students who have taken a previous course with me are not eligible).

## **Finding Sources**

For books and chapters in books, search the <u>online catalog</u>. For articles and manuscripts try the <u>databases</u> on the library web page as well as in <u>Google Scholar</u>. AI-generated research bibliographies are currently not very good, although they may improve in the future. Wesleyan will have access to many of the materials you find in these databases, but some may be available only through <u>interlibrary loan</u> (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 an individualized research session with a reference librarian, just fill out this form: <a href="https://www.wesleyan.edu/libr/research/prs-form.html">https://www.wesleyan.edu/libr/research/prs-form.html</a>

Additional sources of cross-national statistical data are linked at <a href="http://jmcguire.faculty.wesleyan.edu/welcome/cross-national-data/">http://jmcguire.faculty.wesleyan.edu/welcome/cross-national-data/</a>

#### **Obtaining Course Readings**

All readings are on the course Moodle site. The Sen book is available in paperback at the Wesleyan Bookstore. The assigned sections of the Sen book are also posted on the course Moodle.

Amartya Sen, <u>Development as Freedom</u>. New York: Anchor Books, 2000. Reprint edition. Paperback ISBN 9780385720274

I've arranged with Cardinal Print to have a **Course Pack** put together for this course. There will be two volumes, the first including the readings up to spring break and the second including the readings after spring break. It will take at least a week to prepare the first volume, so download the first week's readings from Moodle. When the course pack is ready, you may either view a digital file for free or order a printed copy for a charge. Last semester, up to 100 double-sided pages cost \$15.00 and up to 150 cost \$22.00. No returns, refunds, or exchanges are permitted. To

view a digital copy or purchase a printed copy, log into WesPortal and select Course Packs, which is listed under Courses. If you wish to purchase a printed copy, click Order Print. Your printed course packs will be delivered through Wes Station's package delivery system and billed to your student account. You will typically receive your course pack within three business days of placing your order. Course pack billing occurs toward the end of the semester. You will receive an email prior to billing so that you may review the charges.

# **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 accommodations, a student must have a disability as defined by the ADA. Since accommodations may require early planning and generally are not provided retroactively, please contact Accessibility Services as soon as possible.

If you have a disability, or think that you might have a disability, please contact <u>Accessibility Services</u> in order to arrange an appointment to discuss your needs and the process for requesting accommodations. Accessibility Services is located in North College, rooms 021 or can be reached by email (<u>accessibility@wesleyan.edu</u>) or phone (860-685-2332).

# **Religious/Spiritual Observance Resources:**

If you anticipate that your religious/spiritual observance may conflict with academic obligations such as attending class, taking examinations, or submitting assignments, you can work directly with your professor to make reasonable arrangements. Should you require additional support or guidance, please feel free to reach out to Rabbi David Teva, Director of the Office of Religious and Spiritual Life at <a href="mailto:dleipziger@wesleyan.edu">dleipziger@wesleyan.edu</a> or any of the chaplains in the Office of Religious and Spiritual Life at <a href="https://www.wesleyan.edu/orsl/index.html">https://www.wesleyan.edu/orsl/index.html</a>.

For a list of a religious holidays celebrated by members of the Wesleyan community, go to Wesleyan's Multifaith calendar which can be found at: <a href="https://www.wesleyan.edu/orsl/multifaith-calendar.html">https://www.wesleyan.edu/orsl/multifaith-calendar.html</a>.

#### **Title IX Resources**

If trauma inhibits your ability to fully participate in class, please contact Debbie Colucci, Title IX Coordinator, at <a href="decouple-d

# **Summary of Course Schedule**

| Th Jan 25 | Overview of the Course   |
|-----------|--|
| Tu Jan 30 | Functionings, Capabilities, Agency, and Human Development          |
| Th Feb 1  | Measuring Human Development  |
| Tu Feb 6  | Development in East Asia and Latin America: 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, 2000-2024                   |
| Fr Feb 16 | Spreadsheet Due: please upload to Moodle by 5 PM                   |
| Tu Feb 20 | Macroeconomic and Industrial Policies in South Korea and Taiwan    |
| Th Feb 22 | Land Reform and Education in East Asia and Latin America           |
| Tu Feb 27 | Colonialism and Anticommunism in East Asia and Latin America       |
| Th Feb 29 | Social Classes and State Autonomy in East Asia and Latin America   |
| Tu Mar 5  | Natural Resources and Development in East Asia and Latin America   |
| Th Mar 7  | First examination  |
| Tu Mar 26 | Democracy and Development  |
| Th Mar 28 | Endemic Hunger and Famine  |
| Tu Apr 2  | Security vs. Opulence  |
| Th Apr 4  | Gender and Survival I  |
| Tu Apr 9  | Gender and Survival II   |
| Th Apr 11 | Chile: Politics, Policy, and Mortality Decline in the 20th Century |
| Tu Apr 16 | Chile: Development and Mortality Decline, 1973-1990                |
| Th Apr 18 | Tanzania in Historical Perspective                                 |
| Tu Apr 23 | Tanzania: Nyerere and Ujamaa                                       |
| Th Apr 25 | The Grameen Bank in Bangladesh: Origin and Operation               |
| Tu Apr 30 | How Would You Know if a Development Program Worked?                |
| Th May 2  | What Microfinance Can and Can't Do                                 |
| Tu May 7  | Second examination   |
| Tu May 14 | Term paper due: please upload to Moodle by 5 PM                    |

#### **TOPICS AND READINGS**

## Th Jan 25 Overview of the Course

No assigned reading

#### I. What is Development?

#### Tu Jan 30 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.

# Th Feb 1 <u>Measuring Human Development</u>

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: 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. Online version June 2016, 1-40.

# Th Feb 8 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 Feb 13 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 Feb 15 State-Centric Reform in Latin America, 2000-2024

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.

## Fr Feb 16 Spreadsheet Due: please upload to Moodle by 5 PM

## Tu Feb 20 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 Feb 22 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 Feb 27 Colonialism and Anti-Communism 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 Feb 29 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.

## Tu Mar 5 Natural Redources 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.

#### Th Mar 7 First examination, 10:20 to 11:40 AM

## III. Development as Freedom

#### Tu Mar 26 <u>Democracy and Development</u>

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

#### Th Mar 28 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).

#### Tu Apr 2 <u>Security vs. Opulence</u>

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 4 Gender and Survival I

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

## Tu Apr 9 <u>Gender and Survival II</u>

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.

## Th Apr 11 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.

#### Tu Apr 16 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.

## Th Apr 18 <u>Tanzania in Historical Perspective</u>

- 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.

## Tu Apr 23 <u>Tanzania: Nyerere and Ujamaa</u>

- 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.

# Th Apr 25 <u>The Grameen Bank in Bangladesh: Origin and Operation</u>

- 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.

#### Tu Apr 30 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 2 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).

## Tu May 7 Second examination, 10:20 to 11:40 AM

#### Tu May 14 Term paper due: please upload to Moodle by 5 PM