#### Political Science 3220: The Politics of the Developing World (or, The Politics of Development and Underdevelopment) Fall 2015

-Subject to Amendment--Updates will be posted on Carmen as appropriate-

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Course Website: carmen.osu.edu

### Description

The premise of this course is that economic development is as much a political question as it is an economic one. The goal will be to understand the different approaches that poorer countries have taken to the question of development, why they have made differing choices, and their political and economic consequences. Along the way we will consider questions that touch on contemporary political debates: What are the merits or dangers of international economic integration (free trade)? What is the proper role of the state in the process of economic development? What is the relationship (positive or negative) among free markets, democratic politics, political corruption, and human/labor rights? What can be learned from recent "successful" cases of development, and are these lessons useful in a world that is increasingly globalized? What political dynamics can cause – or cure – financial crises? The course is structured around three broadly defined and fundamentally different (or at east so I will argue) periods—the long post-war boom from 1945 to the debt crisis of the 1980s, and the more challenging period of globalization and free-market hegemony in the 1990s and early 2000s, and ending in the current period of financial crisis and austerity.

This is a course in comparative political economy, <u>not in economics</u>, and it does not require any economics knowledge as a prerequisite. The only prerequisite is an open, critical mind.

#### **Course Requirements**

This course has four requirements that will enter into the calculation of your grade: a quiz, two midterms and a final essay set. All exams, like knowledge, are cumulative, but weighted toward material not already covered. Note that the exams will principally be in essay format, and will require you to take and defend positions on issues related to the course. There may also be some short answer questions on the midterms. You are not graded on the particular position you take, but rather on the quality of your defense of that perspective. That is to say that the effective linkage of evidence to argument is the standard of evaluation.

Grades will be calculated according to the following weights:

Midterm I	30%
Midterm II	30%
Final Essay	40%

There is a TA for this course who will be responsible for the grading of the course material. All grade appeals will be handled by the professor. There are no recitation sections, though the TA will be available for an office hour after each exam to answer questions about the grading. The teaching assistant is Mini Saraswati, and she can be reached at saraswati.2@buckeyemail.osu.edu.

Midterms I and II will be in-class. For the midterms, one week prior to the exam, a comprehensive study guide will be provided. This study guide will include all the possible questions for the exam, and two of these questions will comprise the actual midterm exam. Students are encouraged to form study-groups to prepare for the midterm exam. The final exam is a take-home exam that will be comprised of two essay questions. Students will receive the exam on the last day of class and it will be due (via upload to the Carmen drop box) by the end of the regularly scheduled final exam period for this class.

#### Website and Email

The URL for the course website is listed above. Important information and some handouts will be made available there. Powerpoint files will also be available there, with something of a lag from the time of presentation. Most notably, study guides and in-class handouts will usually be accessible there after they have been distributed in class (how soon may vary). If you missed a handout, you should be able to obtain it from the website.

In addition, course information and updates will regularly be sent out via email. It is important (and required) that you check your OSU email and the course website regularly.

#### Readings

Here there is good news. The good news is that there are no books for this course (saving you some serious money!). The other good news is that all the other readings for this course will posted on the Carmen website – that is, there will be no expensive coursepack to purchase. All readings posted online will be in .pdf form. The bad news is that there is a lot of reading, and not all of it is particularly easy (see below).

A Warning: The readings for this class are sometimes VERY DIFFICULT. The idea is to present you material taken directly from the books and journals that political scientists read, rather than in some predigested textbook form. You will not necessarily always understand 100 percent of what is in the articles (or if you do, then you're doing very well indeed!), and that is intentional. Do not be discouraged or afraid. The idea is to stretch your abilities as far as possible and the only way to do that is to set the bar high. Rest assured that you will only be tested on material that is extensively discussed and interpreted in class; there will be no effort to include trick questions about obscure and difficult bits of the reading. Grading is not punitive, nor is it curved.

#### **Missed Exams/Emergencies**

From time to time emergencies occur that prevent you from taking exams at the regularly scheduled time and place (e.g., severe injury, death in the immediate family). Accommodations are of course possible, but in general only with advance notice and only if the reason represents a circumstance that could neither be anticipated nor is under the control of the student. Potential problems should be brought to the attention of the professor and the TA as soon as you know about them (and in advance of the exam in question). Obviously, prior notification is not required, for example, in the case of emergency medical conditions that occur immediately prior to the exam, though documentation may be required after the fact. Do not hesitate to email or call your professor (see first page for number) if you have a special circumstance that makes it impossible for you to take an exam at the normal time or place. This paragraph does not apply to students who are eligible for alternative procedures by the Office of Disability Services. These will happily be accommodated in the usual fashion.

### No Recording or Transmission of Course Material

No form of recording – electronic, audio, video, digital, or other – is permitted in class except for the taking of class notes (exceptions only with explicit written permission of the instructor). Your class notes, to the extent to which they are transcriptions of the class, are for your own individual use, though they may be shared with other students in the class. Transcriptions of the class lectures, as they are intellectual property, however, may not be sold, posted on the web, and/or transmitted to individuals who are not registered for the course, in any fashion.

## Start of Official University-Required Syllabus Language

## **Academic Honesty**

All of the work you do in this course is expected to be your own. Absolutely no cheating or plagiarism (using someone else's words or ideas without proper citation) will be tolerated. Any cases of cheating or plagiarism will be reported to the committee on academic misconduct and handled according to university policy. If you have any question about the University's Code of Student Conduct, please see the web site: <u>http://studentaffairs.osu.edu/pdfs/csc\_7-13-06.pdf</u>.

## **Students with Disabilities**

Students with disabilities that have been certified by the Office for Disability Services will be appropriately accommodated, and should inform the instructor as soon as possible of their needs. The Office for Disability Services is located in 150 Pomerene Hall, 1760 Neil Avenue; telephone 292-3307, TDD 292-0901; http://www.ods.ohio-state.edu/.

Compulsory University Description of Goals and Expected Learning Outcomes for Social Science General Education Classes:

## Category: Social Science: Human, Natural, and Economic Resources

### **Goals:**

Students understand the systematic study of human behavior and cognition; the structure of human societies, cultures, and institutions; and the processes by which individuals, groups, and societies interact, communicate, and use human, natural, and economic resources.

## **Expected Learning Outcomes:**

- 1. Students understand the theories and methods of social scientific inquiry as they apply to the study of the use and distribution of human, natural, and economic resources and decisions and policies concerning such resources.
- 2. Students understand the political, economic, and social trade-offs reflected in individual decisions and societal policymaking and enforcement and their similarities and differences across contexts.
- 3. Students comprehend and assess the physical, social, economic, and political sustainability of individual and societal decisions with respect to resource use.

## Category: Global Studies

## **Goals:**

Students understand the pluralistic nature of institutions, society, and culture in the United States and across the world in order to become educated, productive, and principled citizens.

## **Expected Learning Outcomes:**

- 1. Students understand some of the political, economic, cultural, physical, social, and philosophical aspects of one or more of the world's nations, peoples and cultures outside the U.S.
- 2. Students recognize the role of national and international diversity in shaping their own attitudes and values as global citizens.

## End of Official University-Mandated Syllabus Material

## **Schedule of Readings**

## **Theoretical Framing**

#### I. August 25, 2012: Introduction

### II. August 27: Scholarly Views of the "Challenge" of Economic Development

Spero, Joan E. and Jeffrey Hart. "The North-South System and Possibility of Change." *The Politics of International Economic Relations* (NY: St. Martin's Press, 1997, 5th ed). Ch. 5.

Walt. W. Rostow. *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge, UK: Cambridge University Press, 1962), pp. 1-17.

# **III.** September 1-3: Foundational Theory: Comparative Advantage as a Strategy of Development and Challenges to It.

- Raúl Prebisch. "Commercial Policy in the Underdeveloped Countries." *American Economic Review* 49 (May, 1959), pp. 251-273.
- Stephen Haggard, *Pathways from the Periphery* (Ithaca, NY: Cornell University Press, 1990), pp. 9-50.

#### **IV. September 8-10: The Structural Foundations of Late Development**

- Alfred W. Crosby, *The Columbian Exchange: Biological and Cultural Consequences of 1492* (Westport, CT: Greenwood Press, 1972), "Conquistador and Pestilencia," pp. 35-63.
- Matthew Lange, James Mahoney, and Matthias vom Hau. "Colonialism and Development: A Comparative Analysis of Spanish and British Colonies" *American Journal of Sociology* Vol. 111:5 (March, 2006), pp. 1412-1462.
- Daron Acemoglu, Simon Johnson, and James Robinson, "The Colonial Origins of Comparative Development: An Empirical Investigation" *American Economic Review* Vol. 91:5 (December, 2001), pp. 1369-1401.
- Alexander Gerschenkron, "Economic Backwardness in Historical Perspective" in Alexander Gerschenkron, ed., *Economic Backwardness in Historical Perspective* (Cambridge, MA: Harvard University Press, 1962), pp. 1-30.

## The Long Post-War Boom

#### V. September 15-17: The Good News – Postwar Developmental Miracles in East Asia

- Atul Kholi. 1999. "Where Do High-Growth Political Economies Come From? The Japanese Lineage of Korea's 'Developmental State' " in Meredith Woo Cumings, *The Developmental State* (Ithaca, NY: Cornell University Press).
- Chalmers Johnson. "Political Institutions and Economic Performance: The Government-Business Relationship in Japan, South Korea, and Taiwan" in Fredric Deyo, ed. *The Political Economy of the New Asian Industrialism* (Ithaca, NY: Cornell University Press, 1987), pp. 136-164.
- Bruce Cumings. "The Origin and Development of the Northeast Asian Political Economy" in Fredric Deyo, ed. *The Political Economy of the New Asian Industrialism* (Ithaca, NY: Cornell University Press, 1987), pp. 44-83.

## VI. September 22-24: Middling News: Industrialization without a Miracle in Latin America and India

Skidmore, Thomas and Peter Smith. 2001. *Modern Latin America*. (Oxford: Oxford University Press): Import Substitution and its stagnation, pp. 51-62.

- Paulo Rabello de Castro and Marcio Ronci. 1991. "Sixty Years of Populism in Brazil" in Rudiger Dornbusch and Sebastian Edwards, eds., *The Macroeconomics of Populism* (Chicago: University of Chicago Press).
- Ben Ross Schneider. 1999. "The Desarrollista State in Brazil and Mexico" in Meredith Woo Cumings, *The Developmental State* (Ithaca, NY: Cornell University Press).
- Michael Wallerstein. "The Collapse of Democracy in Brazil: Its Economic Determinants" *Latin American Research Review* XV:3 (1980), pp.3-40.
- Atul Kohli, *State Directed Development* (Princeton, NJ: Princeton University Press, 2004), CH7, "India's Fragmented-Multiclass State and Protected Industrialization," pp. 257-290.

## VII. September 29 – October 1: The Not-So-Successful Cases: Underdevelopment in Ireland and Kenya

- Denis O'Hearn. 1989. "The Irish Case of Dependency: An Exception to the Exceptions?" American Sociological Review. No. 54. pp. 578-96.
- Robert Bates. 1981. *Markets and States in Tropical Africa: The Political Basis of Agricultural Policies*. Berkeley: University of California Press, pp. 1-44.
- Robert Bates, 1989. *Beyond the Miracle of the Market: The Political Economy of Agrarian Development in Kenya* (New York: Cambridge University Press), pp. 45-115.

#### VII. October 6: Midterm I Review Session

#### IX. October 8: MIDTERM I

### The Free Market Makes Its Return

#### X. October 13: The Collapse of the Post-War Golden Age and the Debt Crisis

Esmail Hosseinzadeh. "Global Debt: Causes and Cures" *Review of Radical Political Economy* Vol. 20, No. 2&3 (1988), pp. 223-233.

Sebastian Edwards. *Crisis and Reform in Latin America: From Despair to Hope* (Oxford: Oxford University Press, 1995), pp. 17-40.

(Note: No class October 15, Fall Break)

#### XI. October 20: The Return of Free-Market Policies

John Williamson, "In Search of a Manual for Technopols" in John Williamson, ed., *The Political Economy of Policy Reform* (Washington, DC: Institute for International Economics, 1994), pp. 11-47.

#### XII. October 22: Critiques and Consequences

- Joseph Stiglitz and Lyn Squire, "International Development: Is It Possible?" in Jeffry Frieden and David Lake, eds., *International Political Economy* (New York: St. Martin's, 2000), pp. 383-391
- Robin Broad, John Cavanagh, and Walden Bello. 2000. "Development: The Market Is Not Enough" in Frieden and Lake, eds., *International Political Economy*.
- David Felix. 2002. "Blaming the Victim in Argentina" and "Is Argentina the *Coup de Grace* of the IMF's Flawed Policy Mission?" *Foreign Policy in Focus*. August 16, 2002 and November 2001.
- Manuel Pastor and Carol Wise. "Peruvian Economic Policy in the 1980s: From Orthodoxy to Heterodoxy and Back" *Latin American Research Review* Vol. 27, No. 2, pp. 83-117.

#### XIII. October 27 - 29: Aspects of Free Markets: Trade and Money

#### Free Trade Debates

- Rodrik, Dani. 1992. "The Limits of Trade Policy Reform in Developing Countries" *Journal of Economic Perspectives* Vol. 6:1 (Winter).
- Edwards, Sebastián. 1993. "Openness, Trade Liberalization, and Growth in Developing Countries" Journal of Economic Literature 31:3 (September).
- Robert Wade. 1993. "Managing Trade: South Korea and Taiwan as Challenges for Economics and Political Science" *Comparative Politics* Vol. 25:2 (January)

#### Capital Markets: Financial Crisis or International Development?

- Robert Wade. 2000. Wheels within Wheels: Rethinking the Asian Crisis and the Asian Model" *Annual Review of Political Science* Vol. 3.
- Bhagwati Jagdish. 1998. "The Capital Myth: The Difference between Trade in Widgets and Dollars" *Foreign Affairs* Vol. 77:3.

#### XIV. November 3 Midterm II Review

#### XV. November 5: MIDTERM II

The Era of Financial Crisis and the "New (not so good) Normal?"

# XVI. November 10 – 12. The New World of Financial Interdependence: Financial Crisis and the Great Austerity Debate

#### Origins of Crisis

Robert Boyer. 2012. "The four fallacies of contemporary austerity policies: the lost Keynesian legacy" *Cambridge Journal of Economics*. Vol. 36, pp. 238-312.

#### The Austerity Debate

- Carmen M. Reinhart and Kenneth S. Rogoff. 2010. "Growth in a Time of Debt" *American Economic Review* Papers and Proceedings. Vol. 100:2 (May).
- Thomas Herndon, Michael Ash and Robert Pollin. 2013. Does high public debt consistently stifle economic growth? A critique of Reinhart and Rogoff' *Cambridge Journal of Economics*. Advanced access: doi:10.1093/cje/bet075
- Mark Blyth. 2013. "The Austerity Delusion: Why a Bad Idea Won Over the West" *Foreign Affairs*. (May/June).

#### Ireland/Iceland

- José A. Tapia Granado, Javier M. Rodriguez 2015. "Health, economic crisis, and austerity: A comparison of Greece, Finland and Iceland" *Health Policy*. Vol 119, pp. 941-53.
- Robert H. Wade and Silla Sigurgeirsdottir. 2012. "Iceland's rise, fall, stabilisation and beyond" *Cambridge Journal of Economics*. Vol. 36 (pp. 127-34).
- Stephen Kinsella. 2012. "Is Ireland really the role model for austerity?" *Cambridge Journal of Economics*. Vol. 36 (pp. 223-35).

## XVII. November 17 – December 1: Experiences of Liberalization, Labor, Inequality, and Basic Human Rights in the New Global Economy

#### Experiences

- Joseph Stiglitz. 2002. *Globalization and Its Discontents* Chapter 4: The East Asia Crisis: How IMF Policies Brought the World to the Verge of a Global Meltdown" (New York: Norton).
- Pastor, Manuel and Carol Wise. 1999. "Stabilization and Its Discontents: Argentina's Economic Restructuring in the 1990s" *World Development* Vol. 27:3.

#### Labor

- Bhagwati, Jagdish. 1995. "Trade Liberalisation and 'Fair Trade' Demands: Addressing the Environmental and Labour Standards Issues" *The World Economy* Vol. 18:6.
- Richard Freeman. 2000. "Are Your Wages Set in Beijing?" in Jeffry Frieden and David Lake, eds., *International Political Economy* (New York: St. Martin's, 2000), pp. 343-352.
- Michael Piore. 1997. "The Economics of the Sweatshop" in Andrew Ross, ed., *No Sweat* (London: Verso).
- Kitty Krupat. 1997. "From War Zone to Free Trade Zone" in Andrew Ross, ed., *No Sweat* (London: Verso).

#### Human Rights

Amartya Sen. 2000. *Development as Freedom*. Chapters 6-7, "Democracy" and "Famine" pp. 146-188.

#### XVIII. December 3: Catch-up

## XIX. December 8. Conclusions: The Challenges of Development Theory Receive Take-Home Final Examination. Final Exam due in Carmen Drop Box, by the end of regularly scheduled final exam period.

FINAL EXAM DUE: Monday, December 14<sup>th</sup>, 2015 at 1:45pm. At exactly that time the carmen dropbox will close.

If for any reason the Carmen drop box fails for you, send the final exam as an email attachment to both the professor and teaching assistant (so that we know that you submitted it on time). Email addresses are on the first page of this syllabus.

The complete final exam schedule is attached below for your convenience. Always check to confirm dates/times.



THE OHIO STATE UNIVERSITY

## AUTUMN 2015 FINAL EXAMINATION SCHEDULE

#### **Columbus Campus**

December 11-17, 2015

#### CLASSES WITH MONDAY AS THE FIRST MEETING DAY OF THE FIRST WHOLE WEEK AND DURATION OF AT LEAST 50 MINUTES

WITH START TIMES WITHIN THIS RANGE:	WILL HAVE THEIR FINALS ON:		
8:00am to 8:49am	Monday Dec 14	8:00am-9:45am	
8:50am to 9:39am	Monday Dec 14	10:00am-11:45am	
9:40am to 10:29am	Tuesday Dec 15	10:00am-11:45am	
10:30am to 11:19am	Wednesday Dec 16	10:00am-11:45am	
11:20am to 12:09pm	Thursday Dec 17	10:00am-11:45am	
12:10pm to 12:59pm	Thursday Dec 17	2:00pm-3:45pm	
1:00pm to 1:49pm	Tuesday Dec 15	12:00pm-1:45pm	
1:50pm to 2:39pm	Wednesday Dec 16	2:00pm-3:45pm	
2:40pm to 3:29pm	Friday Dec 11	12:00pm-1:45pm	
3:30pm to 4:19pm	Thursday Dec 17	4:00pm-5:45pm	
4:20pm to 5:09pm	Monday Dec 14	6:00pm-7:45pm	
5:10pm to 5:59pm	Friday Dec 11	6:00pm-7:45pm	
6:00pm and After	Friday Dec 11	8:00pm-9:45pm	

#### CLASSES WITH TUESDAY AS THE FIRST MEETING DAY OF THE FIRST WHOLE WEEK AND DURATION OF AT LEAST 50 MINUTES

WITH START TIMES WITHIN THIS RANGE:	WILL HAVE THEIR FINALS ON:	
8:00am to 8:49am	Tuesday Dec 15	8:00am-9:45am
8:50am to 9:39am	Friday Dec 11	8:00am-9:45am
9:40am to 10:29am	Friday Dec 11	10:00am-11:45am
10:30am to 11:19am	Monday Dec 14	12:00pm-1:45pm
11:20am to 12:09pm	Monday Dec 14	2:00pm-3:45pm
12:10pm to 12:59pm	Tuesday Dec 15	2:00pm-3:45pm
1:00pm to 1:49pm	Friday Dec 11	2:00pm-3:45pm
1:50pm to 2:39pm	Friday Dec 11	4:00pm-5:45pm
2:40pm to 3:29pm	Tuesday Dec 15	4:00pm-5:45pm
3:30pm to 4:19pm	Wednesday Dec 16	4:00pm-5:45pm
4:20pm to 5:09pm	Tuesday Dec 15	6:00pm-7:45pm
5:10pm to 5:59pm	Wednesday Dec 16	8:00pm-9:45pm
6:00pm and After	Monday Dec 14	8:00pm-9:45pm