

Political Science 541: The Politics of the Developing World

Prof. Marcus Kurtz
2049D Derby Hall
292-0952
kurtz.61@osu.edu
Office Hours: MW 2:30-3:30, and by appointment.

Winter 2009
Teaching Assistant: Didi Lund

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 two broadly defined and fundamentally different (or at least 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 thereafter.

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

Course Requirements

This course has three requirements that will enter into the calculation of your grade: two short midterms and final exam. All exams are cumulative, but weighted toward material not already covered. Note that the exams will generally be in essay format, and will require you to take and defend positions on issues related to the course. There will likely 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:

Short Midterm I	30%
Short Midterm II	30%
Final Exam	40%

There is a TA for this course who will be responsible for the grading of the essay and the exams. 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.

Website and Email

The URL for the course website is listed above. Important information and some handouts will be made available there. 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. You will need Adobe Acrobat (it's free) to access most files.

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 is only one (inexpensive) book 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, so be sure that the computer you use has the Adobe Acrobat reader (available for free at adobe.com). Some of the readings are long – you will probably want to download and print them through a high-speed connection; you'll wait a long time with a dialup link (if anyone still uses those...).

Required book:

Amartya Sen. 2000. *Development as Freedom* (New York: Anchor Books).

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 pre-digested 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 as high as possible. Rest assured that you will 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.

Academic Honesty

Do not cheat and do not plagiarize. Academic dishonesty has become quite easy to catch, and you should avoid it at all costs. Infractions will be punished as provided for under university policy. If you are unsure as to what constitutes a violation, please do not hesitate to inquire. Details of the university academic honesty policy, and the complete code of student conduct, are available on the OSU website: http://studentaffairs.osu.edu/resource_csc.asp.

Special Needs

Every effort will be made to accommodate students who have special needs. These will be handled according to university policy. Please bring these to the attention of your TA and your Professor in the first week or two of class so that proper arrangements can be made.

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 possible, but 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 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, or other – is permitted in class except for the taking of class notes (without explicit 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. As they are intellectual property, however, they may not be sold, posted on the web, or given to individuals who are not registered for the course.

Schedule of Readings

I. January 5, 2009: Introduction

II. January 7: The Challenge of Postwar Development—“Development” and “Underdevelopment”

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.

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.

III. January 12 and 14: Development Miracles in Korea and Taiwan

Atul Kohli. 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.

IV. January 21 and 26: Authoritarianism and Industrialization in Latin America: Mexico and Brazil

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.

V. January 28: SHORT MIDTERM I

VI. February 2: Development “Failure” in Democratic Ireland and India, and Authoritarian East Africa

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 Wade. 1985. “The Market for Public Office: Why the Indian State is not Better at Development” *World Development* Vol. 13:4 (April).

VII. February 4: The collapse of the postwar model, and the return of the ‘free market’

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.

VIII. February 9 and 11: The Diagnosis, Critique, and New Issues—What should we do now?

Advocates of a Free Market Response:

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.

Critics of the Free Market Approach

Joseph Stiglitz and Lyn Squire, “International Development: Is It Possible?” in Jeffrey 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*.

[OPTIONAL] Gore, Charles. 2000. “The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries” *World Development* Vol. 28:5

Empirical Evidence on the effects of stabilization

Pastor, Manuel and Carol Wise. 1999. “Stabilization and Its Discontents: Argentina’s Economic Restructuring in the 1990s” *World Development* Vol. 27:3.

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.

IX. February 16: Free Trade

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)

X. February 18: Short Midterm II

XI. February 23: Free Movement of Money

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.
- 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).

XII. February 25: Free Markets and Labor in the Developing World

- 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 Jeffrey 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).

XII. March 2: What about other human needs?

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

XIII. March 4: Is the state going away or coming back in a different form?

Ireland

- Ó Riain, Seán. 2000. "The Flexible Developmental State: Globalization, Information Technology, and the "Celtic Tiger" *Politics & Society* Vol. 28:2 (June).

O'Hearn, Denis. 2000. "Globalization, "New Tigers," and the End of the Developmental State? The Case of the Celtic Tiger" *Politics & Society* Vol. 28:1 (March).

Latin America

Andrew Schrank and Marcus Kurtz. 2005. "Credit Where Credit is Due: Open Economy Industrial Policy and Export Diversification in Latin America and the Caribbean" *Politics & Society* Vol. 33:4 (December)

Marcus Kurtz and Sarah Brooks. 2008. "Embedding Neoliberal Reform in Latin America" *World Politics* Vol. 60:2 (January).

XIV. March 9: What Else Are We Missing?

Sen, Amartya. 2000. *Development as Freedom* (New York: Anchor Books), Chs. 3–5. "Freedom and the Foundation of Justice," "Poverty as Capability Deprivation," and "Markets, State, and Social Opportunity," pp. 54-145.

XV. March 11: In-Class Review Session for Final Exam