

James McGuire  
PAC 219, 685-2487  
<http://jmcguire.faculty.wesleyan.edu/>  
jmcguire@wesleyan.edu

Government 271  
Wesleyan University  
Spring 2012

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

Class Meetings:  
Tues. & Thurs., 10:30-11:50 AM  
PAC 421

### **Political Economy of Developing Countries**

Human development has advanced much faster in some developing countries than in others. If we knew why, we would have knowledge that could be put to good use. To prepare to address the issue, we need to clarify what human development means and how it might best 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, focusing especially on South Korea, Taiwan, Argentina, Brazil, and Mexico. Human development has advanced significantly in each region over the past 50 years, but the East Asian societies have for the most part achieved faster economic growth and lower income inequality than the Latin American societies. We try to identify policies that contributed to this outcome (that's the policy impact part), and inquire into why similar policies were not implemented in Latin America (that's the political economy part). We also explore policies and circumstances that helped some Latin American countries, notably Chile, Costa Rica, and Cuba, match South Korea and Taiwan at raising life expectancy and reducing infant mortality, despite much slower economic growth and much higher income inequality (except in pre-1990 Cuba).

The third section of the course explores the dynamics of poverty and examines how poverty might best be fought. We analyze the ways in which hunger, disease, population growth, lack of education, and biases against women and minority groups reinforce each other, 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 managed to improve well-being only slightly. We explore these paradoxical outcomes in search of general insights into development. In Bangladesh the Grameen Bank, which makes tiny loans to destitute rural women at market rates of interest, has helped millions of people to climb out of extreme poverty. We assess the achievements and shortcomings of the Grameen Bank and try to explain its successes and failures. We also evaluate whether similar micro-lending programs could work on a large scale in the United States.

## **Course Requirements**

The course grade will be based on two examinations, a research design, a final paper, and class participation.

### Summary of Due Dates and Final Grade Weightings

First Examination	March 8 (Thur.)	25%
Research Design	April 6 (Fri.)	15%
Second Examination	May 8 (Tues.)	25%
Research Paper	May 15 (Tues.)	25%
Class Participation		10%

All students must take the examinations, and upload the research design and term paper, at the date and time indicated on this syllabus. Please do not request a personal exemption from this policy except in the event of a grave medical or family emergency.

### **Ground Rules**

- (1) A single instance of cheating or plagiarism will provide sufficient grounds for a grade of "F" in the entire course, not just on the assignment on which the cheating or plagiarism took place.
- (2) Please do not bring cellular phones, laptop computers, digital assistants, or other potentially disruptive or distracting electronic devices into the classroom.

### **Examinations**

The first examination -- closed-book, closed-note -- will be given during the class period on Thursday, March 8. It will cover the material to date. The second examination -- again closed-book, closed-note -- will be given during the class period Tuesday, May 8. It will cover only the material in the second half of the course.

### **Research Project**

The research project includes a research design (due April 6) and a term paper (due May 15). The research design should be uploaded to the course's Moodle site by 5:00 PM Friday, April 6. The term paper should be uploaded to the course's Moodle site by 5:00 PM Tuesday, May 15.

Please choose a developing country which, in your view, has done well (or poorly) at improving human development. Drawing on the course readings and outside sources, your research project should:

1. Persuade the reader that the country has in fact done well (or poorly) at improving human development.

2. Point out any notably negative aspects of the development model pursued by a "successful" country, or any notably positive aspects of the development model pursued by an "unsuccessful" country.

3. Explain why the country has achieved its development successes, and why the country has experienced its development failures. The explanation should give some attention to the policies implemented by the country's government, and to historical, structural, and international factors that have shaped those policies, or created special challenges for policy-makers. This explanatory part of the paper should integrate insights from the course readings where applicable.

4. Identify aspects of the country's development model that could and should be adapted, or avoided, by other countries.

### Research Design

The research design should be a well-informed and carefully-written summary of the arguments to be made in the research paper. It should be double-spaced (except references and footnotes; in-text citations are fine too) and should contain the components listed below:

1. A title that conveys the main question to be addressed or main argument to be made (e.g. "Oman: A Case of Unaimed Opulence?"; "Jamaica: Development Without Growth"; etc.)

2. Four paragraphs of text, each explaining what will be argued under points 1, 2, 3, and 4 of the "research project" instructions above.

3. A bibliography consisting of six or more high-quality books, book chapters, and/or articles you have already read or skimmed. Except for online academic journals, internet sources don't count. Correct form is required. Any standard format -- APA, Modern Language Association, Turabian -- is fine (for these and other formats see <http://libguides.wesleyan.edu/citing>).

4. A one-paragraph statement, for each of the three most promising sources in your bibliography, of how you will use its information and/or arguments in writing your paper. Each paragraph must contain at least one citation, with page number, to an idea or piece of information you can show is particularly relevant to your concerns.

### Research Paper

The research paper is a 10-12 page expansion of the research design.

### Finding sources

For books and chapters in books, search the CTW online catalog. For a broader range of sources, try out the "Indexes and Databases" on the library web page as well as "Google Scholar."

Wesleyan will have access to many of the materials you find in these databases, but some materials may be available only via interlibrary loan and others might require a trip to the library stacks. Requests from interlibrary loan usually take a matter of days for articles but up to two weeks or more for books. You can also find sources by following up footnotes or scheduling a personal research session with a reference librarian (go to <http://www.wesleyan.edu/library/> and click on "Personal Research Session" in the red help bucket).

For statistical data, go to my website and click "Cross-National Data on the Web"

### **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 and well-written, is important to comprehension of the material. Class participation, with the file cards weighted quite heavily, normally counts for 10 percent of the final grade.

### **File-Card Requirement**

1. At the beginning of each class (except on days when the research design is due or exams are given) 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 will be accepted after 10:35 AM *for any reason whatsoever*. Do not put a file card in the file card pile after 10:35 AM.
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. Your writing must be easily legible.
6. 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, although not entirely, on the file card marks.

### **Obtaining Course Readings**

All readings are on the course Moodle site except for two required books, each of which can be bought at Broad Street Books.

Peter Kingstone, The Political Economy of Latin America. New York: Routledge, 2011.  
Paperback ISBN 0415998271

Amartya Sen, Development as Freedom. New York: Alfred A. Knopf, 1999.  
Paperback ISBN 0195655265

### Summary of Course Schedule

Th Jan 26	Overview of the Course
Tu Jan 31	Capabilities and Human Development
Th Feb 2	The Real Wealth of Nations
Tu Feb 7	Development in Latin America and East Asia: An Overview
Th Feb 9	Import Substitution in Latin America, 1930-1985
Tu Feb 14	Free-Market Reform in Latin America, 1985-2000
Th Feb 16	Return of the State in Latin America, 2000-2012
Mo Feb 20	Guest lecture, 4:15 - 6:00, PAC 002: "Brazil's Puzzling Success"
Tu Feb 21	Macroeconomic and Industrial Policies in East Asia
Th Feb 23	Human Resource Policies in East Asia
Tu Feb 28	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	<b>First Examination</b>
Tu Mar 27	No class (replacement session held Monday, February 20, 4:15 to 6:00)
Th Mar 29	Gender and Survival
Tu Apr 3	Democracy and Development
Th Apr 5	Endemic Hunger and Famine
Tu Apr 10	Growth-Mediated Security, Support-Led Security, and Unaimed Opulence
Th Apr 12	Chile: Democracy and Human Development to 1973
Tu Apr 17	Chile: Human Development under Pinochet, 1973-1990
Th Apr 19	Chile: Human Development in the New Democracy, 1990-2010
Tu Apr 24	The Moral Economy of the Peasant
Th Apr 26	Tanzania: Nyerere and Ujamaa
Tu May 1	The Grameen Bank in Bangladesh: Origin and Operation
Th May 3	The Grameen Bank: Impact and Emulation in the United States
Tu May 8	<b>Second Examination</b>
Tu May 15	<b>Term Paper Due</b>

## TOPICS AND READINGS

Th Jan 26      Overview of the Course

### I. What is Development?

Tu Jan 31      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 2      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 7      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 9      Import Substitution in Latin America, 1930-1985

Kingstone, Chapters 1 and 2 (1-44).

Tu Feb 14      Free-Market Reform in Latin America, 1985-2000

Kingstone, Chapter 3 (45-90).

Th Feb 16      Return of the State in Latin America, 2000-2012

Kingstone, Chapters 4 and 5 (91-153).

Mo Feb 20      Peter Kingstone, UConn (4:15 - 6:00, PAC 002) [replaces March 27 class]

*"Democracy, Development, and the Puzzling Success of Brazil"*

- Tu Feb 21      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 23      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 28      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      Class rescheduled -- replaced by the guest lecture February 20.
- Th Mar 29      Gender and Survival  
 Sen, Development as Freedom, 104-107, Ch. 8 (189-203)  
 Croll, Elizabeth. "Amartya Sen's 100 Million Missing Women." Oxford Development Studies 29 No. 3 (October 2001), 225-244.

Tu Apr 3 Democracy and Development  
 Sen, Development as Freedom, 36-37, 74-76, Ch. 6 (146-159), Ch. 10 (227-248).

Th Apr 5 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).

**Fr Apr 6 Research design due: Upload to Moodle by 5 PM**

Tu Apr 10 Growth-Mediated Security, Support-Led Security, and Unaimed 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).

#### **IV: Case Studies in Human Development: Chile, Tanzania, and Bangladesh**

Th Apr 12 Chile: Democracy and Human Development to 1973  
 Eduardo Silva, "Chile." Chapter 15 in Harry E. Vanden and Gary Prevost, eds., Politics of Latin America: The Power Game. New York: Oxford University Press, 2002, 437-481.  
 José-Pablo Arellano, "Social Policies in Chile: An Historical Review." Journal of Latin American Studies 17 Part 2 (May 1985), 397-418.

Tu Apr 17 Chile: Human 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.

Th Apr 19 Chile: Human Development in the New Democracy, 1990-2010  
 Alan Angell, "Democratic Governance in Chile." Chapter 8 in Scott Mainwaring and Timothy R. Scully, eds., Democratic Governance in Latin America. Stanford: Stanford University Press, 2010, 269-306.

- Tu Apr 24      The Moral Economy of the Peasant
- James C. Scott, "The Economics and Sociology of the Subsistence Ethic."  
Chapter 1 in Scott, The Moral Economy of the Peasant. New Haven: Yale  
University Press, 1976, 13-34.
- Gøran Hyden, "The Resilience of the Peasant Mode of Production: The Case of  
Tanzania." In Robert Bates and Michael Lofchie, eds., Agricultural  
Development in Africa. New York: Praeger, 1980, 218-243.
- Th Apr 26      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.
- Tu May 1      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.
- Th May 3      The Grameen Bank: Emulation in the United States
- Mark Schreiner and Gary Woller, "Microenterprise Development Programs in  
the United States and in the Developing World." World Development 31  
No. 9 (September 2003), 1567-1580.
- Tu May 8      **Second Examination**
- Tu May 15      **Term Paper Due: Upload to Moodle by 5 PM**