

Spring 2016

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Meeting time: T 9:00-12:00, 3.316/350  
Office hours: T 12-2pm or by appt

## **PA 388K - The Politics and Policy of International Development Spring 2016**

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### Description

Why are some nations rich and some nations poor? This class will seek to answer those questions through applied concepts from political economy and international relations. It will draw on diverse literatures from political science, economics, and practitioners to assess both the domestic and international sources of country success.

Among the questions we will address in the first half of the course are: (1) What is the trajectory of development? (2) What are the major paradigms of international development (3) Is geography destiny? (4) What role do randomized control trials play in identifying what works? (5) How important are macro approaches based on governance and institutions?

In the second half of the course, we will explore discrete factors that affect countries' development performance, particularly access to resources to finance development efforts including inequality, trade, finance, foreign aid, and remittances.

### **READINGS**

All readings will be available on Canvas unless otherwise noted. Please note the page numbers listed on the syllabus, as only selected pages of some articles or book sections are assigned.

I also encourage you to read current events related to the coursework. I have a Twitter feed. I'll also flag articles and email you periodically. We'll begin each class with a student led segment called Grounding in which we'll connect news article to the topic of the day.

<https://twitter.com/busbyj2>

### **COURSE REQUIREMENTS**

- Class Participation (15%)
- Debate (5%)
- Data Assignments (20%)
- Mid-term Exam (30%)
- Final Paper (30%)

**Classroom Participation (15%):** Classroom participation will be weighted as 15% of the final course grade. Students are expected to be active participants in each classroom session, having completed all assigned Readings before each class period.

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Attendance will be included in assessing classroom participation.

For the grounding discussion, you will also be tasked to be ready to lead off discussion on one session. That will be your day to shine and count towards 5 of your 15 participation points. When you lead class discussion, you will bring a one page double-spaced paper linking a news article to that day's readings, identifying key discussion points for the first half hour of class.

**Debate (5%):** We will have a debate on **March 1** where we will divide the class in to two groups to debate whether micro approaches to development, through randomized control trials, are the best approach to development versus macro efforts to build state institutions.

**Data Assignments (20%):** I will have you do several assignments over the course of the term involving basic data analysis of patterns using Excel. Do not spend a lot of time on these assignments (an hour or two max). This is more to familiarize you with the data. Accompanying text should be about a paragraph per graphic. Email them to me. Be judicious about which tables and graphs you include. These should look good and be informative. You need to do all of these, but I will drop lowest two. Consider using Plot.ly or Excel.

**Mid-term exam (30%):** This exam will require you to apply the arguments we have read about to some concrete contemporary circumstances. It will not be enough to memorize the authors.

**Final Paper (30%):** Each of you will write a diagnostic case study that assesses the development trajectory of a country of your choosing. The aim of this project is to have you apply the concepts of the class to a specific example. More detailed instructions about the essay will be handed out, but it will count for 30% of your grade and be roughly 10-12 pages in length (12-pt font, double-spaced) excluding the bibliography.

All of your work should be original. Please no plagiarism; don't pass off some author's work as your own. If you do and I find out, bad news! I will enforce the strongest punishments in the LBJ School's plagiarism policy that I can. Please refer to the official policy for further details.

*\* Late assignments will be penalized by 1/3 of a letter grade for every day late. Thus, an A- would become a B+, a B+ a B, etc.*

A grade 95-

A- grade 90-94

B grade 85-87

B+ grade 88-89

B- grade 80-84

C+ grade 78-79

C grade 75-77

1	Tuesday, Jan. 19 <sup>th</sup>	<p><b>OVERVIEW:</b> What is development? What is international development?</p> <p>Michael Hobbes. 2014. "Stop Trying to Save the World." <i>The New Republic</i>.  <a href="http://www.newrepublic.com/article/120178/problem-international-development-and-plan-fix-it">http://www.newrepublic.com/article/120178/problem-international-development-and-plan-fix-it</a></p> <p>Nina Munk. 2013. <i>The Idealist: Jeffrey Sachs and the Quest to End Poverty</i>. New York: Doubleday. ALL.</p>
2	Tuesday, Jan. 26 <sup>th</sup>	<p><b>TRAJECTORIES:</b> Are states converging in terms of income and living standards?</p> <p><b>MADDISON DATASET ASSIGNMENT:</b> Look at the patterns of growth of a country you are interested in. Track that over time in table or graphic form. Compare it to other countries that are similar, of interest to you, or in the same geographic zone and see how they fare over time. Graph or track that as well.  <a href="http://www.ggd.net/maddison/maddison-project/home.htm">http://www.ggd.net/maddison/maddison-project/home.htm</a>  <a href="http://www.ggd.net/maddison/Historical_Statistics/horizontal-file_02-2010.xls">http://www.ggd.net/maddison/Historical_Statistics/horizontal-file_02-2010.xls</a>  <a href="http://www.ggd.net/maddison/Historical_Statistics/vertical-file_02-2010.xls">http://www.ggd.net/maddison/Historical_Statistics/vertical-file_02-2010.xls</a></p> <p>For more contemporary data on recent growth rates, look at the World Economic Outlook Database  <a href="http://www.imf.org/external/datamapper/index.php">http://www.imf.org/external/datamapper/index.php</a></p> <p>Moses Amramovitz (1986). "Catching Up, Forging Ahead, and Falling Behind." <i>Journal of Economic History</i>, 385-406.</p> <p>Martin Ravallion (2010). "A Comparative Perspective on Poverty Reduction in Brazil, China, and India." <i>World Bank Res Obs</i>, 1-27.</p> <p>Steve Radelet (2015), <i>The Great Surge</i>, 3-96 (Chapters 1-4).</p> <p>In Class Video:  <a href="http://www.ted.com/talks/hans_rosling_shows_the_best_stats_you_ve_ever_seen.html">http://www.ted.com/talks/hans_rosling_shows_the_best_stats_you_ve_ever_seen.html</a></p>
3	Tuesday, Feb. 2 <sup>nd</sup>	<p><b>PARADIGMS:</b> What are the different conceptual paradigms that have guided the field of international development? What</p>

		<p>are the main debates?</p> <p><b>MDGs Dataset:</b> Look at the country you are interested in. How has it been doing with respect to the MDGs (look at some not all of them). How does it compare to other countries at a similar level, in the same region, or those to which it could aspire?  <a href="http://data.worldbank.org/about/millennium-development-goals">http://data.worldbank.org/about/millennium-development-goals</a></p> <p>Terra Lawson-Remer (2013). "Rethinking the Meaning of Development" Council on Foreign Relations.  <a href="http://blogs.cfr.org/development-channel/2013/08/12/rethinking-the-meaning-of-development/">http://blogs.cfr.org/development-channel/2013/08/12/rethinking-the-meaning-of-development/</a></p> <p>John Rapley (2007) <i>Understanding Development: Theory and Practice in the Third World</i> (3rd edition). Boulder: Lynne Rienner. 1-34.</p> <p>Charles Kenny (2012), <i>Getting Better</i>, 25-39.</p> <p>John Williamson (2004). "The Washington Consensus as a Policy Prescription for Development." Lecture in the series <i>Practitioners of Development</i>, delivered at the World Bank on 1-18.</p> <p>Charles Gore (2000). "The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries." <i>World Development</i>. 789-804.</p> <p>Steve Radelet (2015), <i>The Great Surge</i>, 97-150 (Chapters 5-6).</p>
4	Tuesday, Feb. 9th	<p><b>GEOGRAPHY AND DEVELOPMENT:</b> Are some countries cursed by location?</p> <p>Jared Diamond. (1997). <i>Guns, Germs, and Steel</i>, Norton. 13-32. 83-103, 193-264</p> <p>John Luke Gallup and Jeffrey D. Sachs (2000). "Agriculture, Climate, and Technology: Why are the Tropics Falling Behind?" <i>American Journal of Agricultural Economics</i>. 731-737.</p> <p>Jeffrey Sachs (2005) <i>The End of Poverty</i>, 51-73.</p> <p>Daron Acemoglu and James A. Robinson, (2012) <i>Why Nations Fail: The Origins of Power, Prosperity, and Poverty</i>. 45-69.</p>

<p>5</p>	<p>Tuesday, Feb. 16<sup>th</sup></p>	<p><b>MICRO PERSPECTIVES ON DEVELOPMENT?</b> Is local better? Does micro scale? Do randomized experiments teach us anything about development?</p> <p>Ian Parker (2010). “The Poverty Lab” <i>New Yorker</i>. 2-12.</p> <p>Timothy Besley, (2012) “Poor Choices: Poverty From the Ground Level” <i>Foreign Affairs</i> 91:1 (2012), 1-6.</p> <p>Abhiji Banerjee and Esther Duflo. (2011). <i>Poor Economics: A Radical Rethinking of How to Fight Global Poverty</i>. 1-70 (Chapters 1-3).</p> <p>Justin Sandefur. (2013). “Finding What Works in Development: What Is the What?” Center For Global Development. <a href="http://www.cgdev.org/blog/finding-what-works-development-what-what">http://www.cgdev.org/blog/finding-what-works-development-what-what</a></p> <p>Lant Pritchett (2014). “An Homage to the Randomistas on the Occasion of the J-PAL 10th Anniversary: Development as a Faith-Based Activity.” Center for Global Development. <a href="http://www.cgdev.org/blog/homage-randomistas-occasion-j-pal-10th-anniversary-development-faith-based-activity">http://www.cgdev.org/blog/homage-randomistas-occasion-j-pal-10th-anniversary-development-faith-based-activity</a></p> <p>Lant Pritchett (2013). “RCTs in Development, Lessons from the Hype Cycle.” Center for Global Development. <a href="http://www.cgdev.org/blog/rcts-development-lessons-hype-cycle">http://www.cgdev.org/blog/rcts-development-lessons-hype-cycle</a></p> <p>SKIM</p> <p>Esther Duflo, Rachel Glennerster and Michael Kremer. “Using Randomization in Development Economics Research: A Toolkit.” Centre for Economic Policy Research, 2007. <a href="http://economics.mit.edu/files/806">http://economics.mit.edu/files/806</a></p> <p>In Class Video: <a href="http://chrisblattman.com/2010/05/04/esther-duflos-ted-talk/">http://chrisblattman.com/2010/05/04/esther-duflos-ted-talk/</a></p>
<p>6</p>	<p>Tuesday, Feb. 23<sup>rd</sup></p>	<p><b>MACRO PERSPECTIVES ON DEVELOPMENT</b></p> <p>Dani Rodrik (2004). “Getting Institutions Right.” Harvard University Paper, 1-12.</p> <p>Daron Acemoglu and James A. Robinson, (2012) <i>Why Nations Fail: The Origins of Power, Prosperity, and Poverty</i>. 71-123 (Chapters 3-4) and 335-403 (Chapters 12-13).</p>

		<p>Paul Collier (2007). <i>The Bottom Billion</i>, Chapters 2 and 5, 17-37 and 64-75.</p> <p>Robert H. Bates (2010), <i>Prosperity &amp; Violence: The Political Economy of Development (2nd edition)</i>. New York: W.W. Norton &amp; Company, 2010. 1-66.</p> <p>In Class Video:  <a href="https://www.youtube.com/watch?v=jsZDIBU36n0">https://www.youtube.com/watch?v=jsZDIBU36n0</a></p>
7	Tuesday, Mar. 1st	<p><b>DEBATE.</b> <i>Case Study on Worm Wars.</i> RCTS versus State-building.</p> <p>One group will take the position that RCTs are the most valuable way to figure out what works in development and defend micro approaches to development using the findings about deworming medication and development as the point of departure.</p> <p>One group will take the position that RCTs are insufficient, problematic bases by which to pursue development and that macro approaches are more appropriate.</p> <p>Ben Goldacre, 2015. "Scientists Are Hoarding Data And It's Ruining Medical Research." BuzzFeed.  <a href="http://www.buzzfeed.com/bengoldacre/deworming-trials">http://www.buzzfeed.com/bengoldacre/deworming-trials</a></p> <p>Michael Clemens, 2015 "Mapping the Worm Wars: What the Public Should Take Away from the Scientific Debate about Mass Deworming." Center for Global Development  <a href="http://t.co/P3w83JpH3M">http://t.co/P3w83JpH3M</a></p> <p>Felix Salmon, 2015 "Why You Can't Trust Journalism." Fusion. <a href="http://t.co/QIBalnWMWz">http://t.co/QIBalnWMWz</a></p> <p>Chris Blattman, 2015, "Dear journalists and policymakers: What you need to know about the Worm Wars."  <a href="http://chrisblattman.com/2015/07/23/dear-journalists-and-policymakers-what-you-need-to-know-about-the-worm-wars/">http://chrisblattman.com/2015/07/23/dear-journalists-and-policymakers-what-you-need-to-know-about-the-worm-wars/</a></p> <p>Jessica Cohen and William Easterly, (2010) "Thinking Big versus Thinking Small," 1-21.</p> <p>Abhijit Banerjee and Esther Duflo. (2011). <i>Poor Economics: A Radical Rethinking of How to Fight Global Poverty</i>, 235-268.</p>

		<p>(Chapter 10)</p> <p>SKIM</p> <p>Edward Miguel and Michael Kremer. 2004. “Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities.” <i>Econometrica</i>, 159–217.</p> <p>Davey, Calum et. al. 2015. “Re-analysis of health and educational impacts of a school-based deworming programme in western Kenya: a statistical replication of a cluster quasi-randomized stepped-wedge trial.” <i>International Journal of Epidemiology</i>, 1-12.</p>
8	Tuesday, Mar. 8th	<b>MID-TERM</b>
	Tuesday, Mar. 15th	<b>SPRING BREAK</b>
9	Tuesday, Mar. 22st	<p><b>INEQUALITY:</b> Can you have pro-poor growth? Does inequality hurt economic growth?</p> <p><b>INEQUALITY DATASET ASSIGNMENT:</b> <i>Look at the patterns of inequality of your country choosing some of the available indicators. Track that over time in table or graphic form. Compare it to other countries that are similar, of interest to you, or in the same geographic zone and see how they fare over time. Compare to economic growth and income and see how it compares in terms of global rank.</i></p> <p><a href="http://hdr.undp.org/en/composite/IHDI">http://hdr.undp.org/en/composite/IHDI</a></p> <p><a href="http://databank.worldbank.org/data/views/variableselection/selectvariables.aspx?source=Poverty-and-Inequality-Database">http://databank.worldbank.org/data/views/variableselection/selectvariables.aspx?source=Poverty-and-Inequality-Database</a></p> <p>Nancy Birdsall (2007) “Income Distribution: Effects on Growth and Development” Center for Global Development. 1-19.</p> <p>Jonathan D. Ostry, Andrew Berg, and Charalambos G. Tsangarides (2014). “Redistribution, Inequality, and Growth” IMF. 4-26.</p> <p>Alex Cobham. (2013) “Palma vs Gini: Measuring post-2015 Inequality.” Center for Global Development  <a href="http://www.cgdev.org/blog/palma-vs-gini-measuring-post-2015-inequality">http://www.cgdev.org/blog/palma-vs-gini-measuring-post-2015-inequality</a></p>

		<p>Alex Cobham and Andy Sumner, (2013). “Is It All About the Tails? The Palma Measure of Income Inequality.” Center for Global Development. 1-31.</p> <p>Christopher Blattman and Paul Niehaus, 2014. “Show Them the Money: Why Giving Cash Helps Alleviate Poverty” <i>Foreign Affairs</i>. 1-7.</p> <p>Michael Faye, Paul Niehaus, and Christopher Blattman. 2015, “Worth Every Cent: To Help the Poor, Give Them Cash” <i>Foreign Affairs</i>. 1-3.</p>
10	Tuesday, Mar. 29 <sup>th</sup>	<p><b>TRADE:</b> How important is a market orientation?</p> <p><b>TRADE DATASET:</b> Look at the country you are interested in. What are its major exports? Who are its major trading partners? How reliant is the country on foreign trade?</p> <p><a href="http://stat.wto.org/Home/WSDBHome.aspx?Language=E">http://stat.wto.org/Home/WSDBHome.aspx?Language=E</a></p> <p>Jeffrey Frankel and David Romer (1999). “Does Trade Cause Growth?” <i>American Economic Review</i>, Vol. 89, 379-399.</p> <p>David Dollar and Aart Kraay (2001). “Trade, Growth, and Poverty” World Bank paper, 1-42.</p> <p>Joseph Stiglitz (1996). “Some Lessons from the East Asian Miracle,” <i>World Bank Research Observer</i> 11(2), 151-177.</p>
11	Tuesday, April 5 <sup>th</sup>	<p><b>FINANCE:</b> How important is access to capital? Why do some regions get access to FDI more than others?</p> <p><b>FDI DATASET:</b> Look at the country you are interested in. How much FDI has it been getting. How does it compare to other countries at a similar level, in the same region, or those to which it could aspire?</p> <p><a href="http://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD">http://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD</a></p> <p>Jeffrey Sachs (2005). “The Importance of Investment Promotion in Poor Countries.” <i>The Economist Intelligence Unit</i>, 78-81.</p> <p>Theodore H. Moran, Edward M. Graham, and Magnus Blomström. (2005). “Does Foreign Direct Investment Promote Development? In Brief.” 1-2.</p>

		<p>Maria Carkovic and Ross Levine (2005). "Does Foreign Direct Investment Accelerate Economic Growth?" in Moran et al. <i>Does Foreign Direct Investment Promote Development?</i> Peterson Institute, 196-220.</p> <p>Theodore Moran. (2011). <i>Foreign Direct Investment and Development</i>. 1-8.</p> <p>Todd Moss, Vijaya Ramachandran and Scott Standley (2007). "Why Doesn't Africa Get More Equity Investment? Frontier Stock Markets, Firm Size and Asset Allocations of Global Emerging Market Funds" Center for Global Development. 1-24.</p>
12	Tuesday, April 12th	<p><b>FOREIGN AID:</b> Is foreign aid good for growth? When does foreign aid work/improve development?</p> <p><b>FOREIGN AID DATA ASSIGNMENT:</b> Take the country you're interested in and look at the patterns over the years of who gives it money, for what, and how that has changed over time.  <a href="http://aiddata.org/dashboard">http://aiddata.org/dashboard</a></p> <p>William Easterly (2005). "A Modest Proposal."  <a href="http://www.washingtonpost.com/wp-dyn/articles/A25562-2005Mar10.html">http://www.washingtonpost.com/wp-dyn/articles/A25562-2005Mar10.html</a></p> <p>Jeffrey Sachs (2005). "Up from Poverty."  <a href="http://www.washingtonpost.com/wp-dyn/articles/A64541-2005Mar24.html">http://www.washingtonpost.com/wp-dyn/articles/A64541-2005Mar24.html</a></p> <p>William Savedoff (2015). "Is Foreign Aid (a) Shrinking (b) Stagnating or (c) Growing?" Center for Global Development  <a href="http://www.cgdev.org/blog/foreign-aid-shrinking-b-stagnating-or-c-growing">http://www.cgdev.org/blog/foreign-aid-shrinking-b-stagnating-or-c-growing</a></p> <p>Owen Barder. (2011). "Can Aid Work? Written Testimony Submitted to the House of Lords" Center for Global Development. 1-7.</p> <p>Ben Ramalingam. 2013. <i>Aid on the Edge of Chaos</i>. New York: Oxford University Press. 1-16. 17-41.</p> <p>Jonathan Glennie and Andy Sumner (2014). "The \$138.5 Billion Question: When Does Foreign Aid Work (and When</p>

		<p>Doesn't It?)” Center for Global Development, 3-43.</p> <p>Steve Radelet, <i>The Great Surge</i>, 209-230 (Chapter 9)</p>
13	Tuesday, April 19 <sup>st</sup>	<p><b>MIGRATION AND MICROFINANCE:</b> Should we focus on development of places or people? What role do remittances and microfinance play in development?</p> <p><b>REMITTANCES DATA ASSIGNMENT:</b> Take the country you're interested in and look at the patterns for how much the country receives in the way of remittances, how that compares to other sources of finance like trade and foreign aid, how that compares to comparison countries, and how important it is as a share of GDP.</p> <p><a href="http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDEC/PERSPECTS/0,,contentMDK:22759429~pagePK:64165401~piPK:64165026~theSitePK:476883,00.html">http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDEC/PERSPECTS/0,,contentMDK:22759429~pagePK:64165401~piPK:64165026~theSitePK:476883,00.html</a></p> <p><a href="http://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT">http://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT</a></p> <p>Lant Pritchett. (2006). Let their People Come. Center for Global Development. 13-42.</p> <p>Michael Clemens and Justin Sandefur. (2014). “Let the People Go: The Problem with Strict Migration Limits.” <i>Foreign Affairs</i>. 1-8.</p> <p>Michael A. Clemens and David MacKenzie. (2014) “Why Don't Remittances Appear to Affect Growth?” Center for Global Development. 1-24.</p> <p>David Roodman. (2014). “Armageddon or Adolescence? Making Sense of Microfinance’s Recent Travails.” Center for Global Development. 1-24.</p>
14	Tuesday, April 26 <sup>th</sup>	<p><b>Institutions: Getting to Denmark:</b> How does one build institutions for successful development?</p> <p>Frank Fukuyama (2013) “What is Governance” Center for Global Development, 1-18.</p> <p>Frank Fukuyama (2012). <i>The Origins of Political Order: From Prehuman Times to the French Revolution</i>. 437-483.</p> <p>Frank Fukuyama (2014). <i>Political Order and Political Decay: From the Industrial Revolution to the Globalization of Democracy</i>. 23-51.</p>

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		James Scott, (1999) <i>Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed</i> (1999), 1–8, 342–357.
15	Tuesday, May 3rd	<b>DRAFT PAPER DUE</b>  <b>The FUTURE</b>  Steve Radelet, <i>The Great Surge</i> , 231-310 (Chapters 10-13)
	May 10 <sup>th</sup>	<b>FINAL PAPER DUE</b>