Course Description

This course is designed to introduce graduate students to the core concepts, processes, theories, and issues economic and political development. The focus will be on divergent theoretical approaches to political economy of development and their empirical applications while studying different regions’ experiences of development. Our objective is to gain an understanding of the problems of economic and political development.

The following critical questions will guide us throughout the course: Is the general theoretical framework that is used to study issues in developed countries relevant for developing countries? In other words, are political economy models developed for understanding development just intellectual curiosities? Is it futile to attempt to separate the economic issues of development from the political issues of regime type such as democracy and dictatorships and political development? Why do some states fail and others succeed? Why do some nations remain poor while others prosper and expand? Why is it so difficult to choose institutions that facilitate long-term economic performance? How do we “get the institutions right”? What do authoritarian governments maximize? How do we get the right institutions that provide order, prevent violence, and make credible commitments possible? What role do institutions play in facilitating order and stability and thus political and economic development? What are the challenges and opportunities presented by changes in the rules and regulations of major international institutions, such as the International Monetary Fund, the World Bank, and World Trade Organization?

The course is divided into four parts. Part I provides an overview of definitional, conceptual, theoretical issues and an introduction to structural change in history. Following a chronological order from Modernization Theory to Neo-Institutional Approaches, Part II introduces theoretical approaches to the problem of development. Part III extends the debate to the role of past and present institutions on development. We will discuss the role of domestic institutions, more specifically the nature of the state and markets; the legacy of the colonial past with the remnants of cronism and patronage, patronial tendencies, and lack of transparency; the impact of regime types and interests on development; the impact of natural resource endowments and primary resource dependence on both political and economic development; and lastly institutional failure and the problems of getting the right institutions, i.e., the institutions that promote economic and political development. The role of international institutions in conjunction with the impact of globalization on development is discussed in Part IV.

Key topics include but are not limited to the following: late development, path dependence, the role of domestic and international institutions, development strategies, the rule of law, property rights, governance, transactions costs, the problem of social cost, the problem of institutional choice and its role on economic and political development, the role of democratic and authoritarian institutions in economic performance.

Course Requirements

This course will follow a seminar format. Requirements for this course are: 1) to attend all class meetings; 2) to participate actively in the class discussions; 3) to do all of the assigned reading for each
week before the class and post at least two discussion questions by 12 PM on the day of the class; 4) to give three 10 to 15-minute oral presentations accompanied by a class handout (on the selection of assigned readings and should be submitted by noon on the day of class); 5) to write an original 15-page research paper focusing either on the theoretical and conceptual issues covered in the course or on the application of these theories and concepts to one or more case studies that fit students’ own research interests; 6) to submit and present a research paper proposal describing your topic for my approval no later than July 17, 2011; 7) and to give a 10-minute oral presentation of your research paper on August 7 and 9, 2011. The final research paper is due on August 7, 2011, 4:00 PM.

Grading Criteria
Research Paper and Presentation (60%)
Oral presentations with handouts (10% each)
Class Participation (10%)

Readings
There are several books and many articles required for this course.
Most of the articles are available online at JSTOR, ProQuest, Lexis-Nexis, other electronic databases.


Topics and Readings

1. Introduction

Class 1 (July 3): Introduction and sign-ups for presentations

Recommended Readings:

Class 2 (July 5): What is Political Economy? What is Development?

Assigned Readings:


II. Theoretical Approaches to Development

Class 3 (July 10): Modernization Theory and its Challengers—Dependency Theory, World System Theory, and Modes of production

Assigned Readings:


Recommended Readings:


Class 4 (July 12): Economic History, Growth, and Development

Assigned Readings:


Recommended Readings:


III. The Role of Institutions and Development

Class 5 (July 17): Institutional Legacies

Research paper proposals are due

Assigned Readings:


Recommended Readings:


Class 6 (July 19): Democratic versus Authoritarian Institutions, Interests, and Development

Assigned Readings:


Recommended Readings:


**Class 7 (July 24): Natural Resource Endowments and Development**

**Assigned Readings:**


**Recommended Readings:**


**Class 8 (July 26): Institutional Failures and Getting the right Institutions**

**Assigned Readings:**


**Recommended Readings:**


IV. The Role of International Institutions and Development

Class 9 (July 31): Trade and Development

Assigned Readings:


Recommended Readings:


Class 10 (August 2): International Finance and Development

Assigned Readings:


Li, Quan and Adam Resnick. 2003. Reversal of Fortunes: Democratic Institutions and Foreign Direct Investment Inflows to Developing Countries. *International Organization* 57 (1): 175–211.


Recommended Readings:


Classes 11 and 12 (August 7 and 9): Research Paper Presentations