**Political Science 451**  
**Comparative Political Economy of Developing Countries**  
Northwestern University  
Department of Political Science  
Winter 2019  
Thur. 11:00 AM - 1:50 PM, Scott Hall 201 (Ripton Room)

Updated 2/1/19

Instructor: Jordan Gans-Morse  
Office Hours: Tues. 11:00 AM - 1:00 PM and by appointment  
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**COURSE SUMMARY**

This graduate seminar explores key factors that shape the development trajectory of nations, drawing on work from political science, economics, and sociology. We will examine various aspects of development, with a particular focus on economic growth. A primary area of inquiry is how political institutions influence development outcomes. Topics covered include the relationship between democracy and development, the role of the state, consequences of natural resources and corruption, and the impact of foreign aid. Throughout the course, there is also a focus on methodological debates concerning the pros and cons of quantitative vs. qualitative analysis, macro vs. micro-level data, and observational vs. experimental research.

The course is designed for graduate students preparing for the comprehensive examination in comparative politics or designing a dissertation prospectus for study of the developing world, but students from other sub-disciplines are welcomed and encouraged to enroll.

**COURSE REQUIREMENTS**

*Participation*

Students are expected to complete all readings prior to each session, attend every seminar, submit weekly discussion questions via Canvas, and actively contribute to the weekly discussions. Seminar participation will count for 30% of students’ overall grade.

*Assignments*

(1) Short essays: During some weeks, students will be asked to prepare a brief essay on a particular reading. Additional information about the content of these essays will be provided later in the quarter. The essays should be no more than two single-spaced pages and should be distributed by email to all seminar participants no later than noon on the day before the seminar meets. The aim of these essays is to introduce the rest of the group to as broad of range of

* Syllabus prepared in collaboration with Simeon Nichter of UCSD
material as possible while keeping the mandatory reading at a reasonable level. Students should be prepared to discuss and answer questions regarding their essay during seminar. The short essay assignments will count for 20% of the overall grade.

With respect to the seminar’s primary assignment, students will have two options:

(2a) Writing assignment option: The writing assignment may consist of a critical literature review, a research proposal, a conference paper, or a data analysis. My primary aim is that the assignment facilitates students’ preparation for the field exam(s), dissertation prospectus, and/or publication of a journal article. With this in mind, I am willing to tailor the assignment to individual students’ goals. *Please come discuss your project with me no later than the fifth week of the quarter, and preferably sooner.* The writing assignment will count for 50% of the overall grade.

(2b) Exam/journal review option: In place of the writing assignment, students may elect to write two mock journal reviews on readings of their choice from the syllabus and take a written exam. The exam will be designed to simulate field exam questions. The reviews will count for 15% and the exam for 35% of the overall grade. *Reviews must be submitted prior to the meeting in which we discuss the particular reading, and the two reviews cannot be done for the same week of readings.*

Deadlines: The exam will be held on **Thursday, March 14th** at **11:00 AM** and the paper will be due via Canvas on **Tuesday, March 19th** at **noon.**

**LEARNING OBJECTIVES**

By the end of the course, the aim is that students will:

- Possess comprehensive knowledge of debates concerning political economy of development.
- Be prepared to develop research on the sources or effects of development.
- Be familiar with the latest methodological approaches to the study of development.

**COURSE MATERIALS**

The course draws on a wide range of sources, and there are no books that we will read in their entirety. Many of the readings are journal articles that are available in electronic form through the Northwestern library. For excerpts from books, I will make copies available via the course website on Canvas.

That said, I encourage you to purchase the following books, either because they are classics or because we will be reading several chapters from them:


If you are unfamiliar with some of the econometric techniques in the readings, the following PDFs of which can be found online for free, might be good resources:


For additional background on development debates, see the following general audience books:

• Paul Collier, *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It* (Oxford University Press, 2007)
Week 1: Defining Development  
*Thursday, January 10*

Key questions:

- How should development be defined?
- How should development be measured?
- How is growth related to inequality, poverty, and other development indicators?
- What are the key development trends in recent years?

Readings:

  - Pages: 27-31, 44-48, 125-130
- *Optional:* Paul Collier, *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It* (Oxford University Press, 2007)
  - Chapter 1
  - Chapter 1
  - Chapters 1-2
- Michael Porter and Scott Stern, *Social Progress Index 2014: Executive Summary* and *Social Progress Index 2018: Executive Summary*

Recommended:

For those who are not familiar with or would like a review of various types of inequality and their measurements, see:

  - Chapters 1-3
Further Background Reading:

**Alternative Indicators to GDP**


**Overviews of Development Trends**

Week 2: Traditional Economic Approaches to Development

Thursday, January 17

Key questions:

- What are the sources of economic growth?
- How have theories of growth evolved over time?
- How should growth be studied?

Readings:

  - Chapters 2-4
  - Introduction

Short Essay #1: “Endogenous” Growth Theory

  - Chapter 4

Recommended:

For those who are encountering the Solow model for the first time, I encourage you to watch Tyler Cowen and Alex Tabarrok’s short online overview here:

- [http://mruniversity.com/solow-model-1-%E2%80%93-introduction](http://mruniversity.com/solow-model-1-%E2%80%93-introduction)

Further Background Readings:

On Methodological Approaches

  - Chp 1: The Fall and Rise of Development Economics
On Economic Theories of Growth


Empirical Work on Growth


Geography, Trade, and Economic Growth

Week 3: The Rise of Institutional Economics

Thursday, January 24

Key questions:

- What are institutions?
- How do institutions affect development?
- How can institutions be studied?

Readings:

  o Chapter 1
- James Mahoney, *Colonialism and Postcolonial Development: Spanish America in Comparative Perspective* (Cambridge University Press, 2010)
  o Chapter 1 and Conclusion

Short Essay #2: Institutions vs. Human Capital


Short Essay #3: Debate Over “Colonial Origins” Instrument


Recommended:

For those not familiar with instrumental variables or who need a review, see:

Further Background Readings:

**Debate Over Effects of Institutions**


**General Work on Institutions and Development**

- Avner Greif, *Institutions and the Path to the Modern Economy* (Cambridge University Press, 2006)
Week 4: Democracy, Dictatorship, and Development  

*Thursday, January 31*

Key questions:

- Does development cause democracy?
- Does democracy cause development?

Readings:

  - Chapter 2
  - Chapters 1 and 7
  - pp. 517-524
  - pp. 15-27

**Short Essay #4:** Bureaucratic Authoritarianism


**Short Essay #5:** A new perspective on the effects of development on democracy


**Short Essay #6:** A new perspective on the effects of democracy on development (note: choose this only if you have a reasonably advanced background in econometrics)

Further Background Readings:

**Development’s Effect on Regime**


**Regime Effect on Development**


*Regime Type and Public Policy*


*Inequality and Regime Change*

Week 5: Rule of Law, Property Rights, and Development
Thursday, February 7

Key Questions:

- What is the role of law and property rights in development?
- What specific institutional arrangements are conducive to economic growth?
- How do we account for growth in countries with poor institutions?

Readings:

- David Trubek, “Law and Development: 40 Years after Scholars in Self Estrangement,” University of Wisconsin Legal Studies Research Paper No. 1255 (May 2014)
  - Sections 1-3.1 (pp. 285-298), 4.1-4.3 (pp. 303-309), 7-7.2 (pp. 315-321), and 9 (pp. 326-327)

Short Essay #7: Debate over “Constitutions and Commitment”


Short Essay #8: Another natural experiment example


Further Background Readings:

On the rule of law in developing countries

Gillian Hadfield and Barry Weingast, “Microfoundations of the Rule of Law,” *Annual Review of Political Science* 17: 21-42


**On property rights and credible commitment:**


**On the East Asia “puzzle” of growth with poor institutions:**

On the “legal origins” debate:


On Origins of Property Rights

Week 6: States and Development
Thursday, February 14

Key Questions:

• Can the state promote development? Under what circumstances?
• What is the “Developmental State”? How useful is the concept?
• What is governance? What is its role in development?

Readings:

• Alexander Gerschenkron, Economic Backwardness in Historical Perspective (Harvard University Press, 1962)
  o Chapter 1
• Stephan Haggard, Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries (Cornell University Press, 1990)
  o Introduction and Chapters 1 and 2
• Alice Amsden, Asia’s Next Giant: South Korea and Late Industrialization (Oxford University Press, 1989)
  o Chapters 1 and 6
• Peter Evans, Embedded Autonomy: States and Industrial Transformation (Princeton University Press, 1995)
  o Chapters 1-3

Short Essay #9: Industrial Policy


Further Background Readings:

Some Classics

• Samuel Huntington, Political Order in Changing Societies (Yale University Press, 1968)
• Chalmers Johnson, MITI and the Japanese Miracle (Stanford University Press, 1982)
• Atul Kohli, State-Directed Development: Political Power and Industrialization in the Global Periphery (Cambridge University Press, 2004)
More on the Developmental State

- Meredith Woo-Cumings, ed., *The Developmental State* (Cornell University Press, 1999)

On Rent-Seeking


On Measures of Governance


On Industrial Policy

**Week 7: Corruption and Development**

*Thursday, February 21*

**Key questions:**

- What is corruption? What forms does it take? How are distinct types of corruption related?
- How does corruption affect economic development?
- How does economic development affect corruption?
- How can illicit behavior, such as corruption, be studied?

**Readings:**

- Samuel Huntington, *Political Order in Changing Societies* (Yale University Press, 1968)
  - Read pp. 59-72
  - Chapter 1

**Short Essay #10:** Industrial organization of corruption


**Short Essay #11:** Using field and natural experiments to study corruption

Short Essay #12: Using laboratory experiments to study corruption


Short Essay #13: Innovative approaches to measuring corruption


Further Background Reading:

Some Classics

- Susan Rose-Ackerman, Corruption and Government: Causes, Consequences, and Reform (Cambridge University Press, 1999)
- Robert Klitgaard, Controlling corruption (University of California Press, 1988)

Additional Overviews of Corruption

• Michael Johnston, Syndromes of Corruption: Wealth, Power and Democracy (Cambridge University Press, 2005) (see Chapter 1)

Additional Empirical Work on Corruption

Week 8: Natural resources

Thursday, February 28

Key Questions:

- What are the effects of natural resources on economic development?
- What are the effects of natural resources on regime type?
- What types of institutional arrangements mediate these relationships?

Readings:

  - Chapters 1-3 and 6
  - Chapter 1

Further Background Readings:

• Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petro-States* (University of California Press, 1997)
• Kiren Chaudhry, *The Price of Wealth: Economies and Institutions in the Middle East* (Cornell University Press, 1997)
• Daniel Treisman, “Is Russia Cursed by Oil?” *Journal for International Affairs* (2010)
• M. Steven Fish, *Democracy Derailed in Russia: The Failure of Open Politics* (Cambridge University Press, 2005) (Chapter 5)
Week 9: Foreign Aid/Wrapping Up

Thursday, March 7

Key Questions on Foreign Aid:

- How do domestic political factors affect aid?
- How does aid affect domestic politics?
- How can the effects of aid best be studied?

Key Questions for Wrapping Up:

- Are social scientists are closer to understanding why some countries are rich and others are poor than we were 50 years ago?
- The most active areas of research on development today concern, in some way or another, “institutions.” Is this a fruitful research agenda?
- Has your understanding of the meaning of “development” changed between the first seminar session and this final seminar session?

Readings:


Further Background Readings:

*Foreign Aid and Development*

• Roger Riddell, *Does Foreign Aid Really Work?* (Oxford University Press, 2007)
• Paul Collier, *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It* (Oxford University Press, 2007) (Chapter 7)

**Foreign Aid and Democracy**

• Helen Milner, Daniel Nielson and Michael Findley, “Which Devil in Development? A Large-N Survey and Randomized Field Experiment Comparing Bilateral Aid, Multilateral Assistance, and Government Action in Uganda,” working paper

**More on Mixed Methods**