Syllabus
prepared
in
collaboration
with
Simeon
Nichter
of
UCSD

Political Science 451
Comparative Political Economy of Developing Countries

Northwestern University
Department of Political Science
Winter 2013
Wed. 9:00-11:50, University Hall 412

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Instructor: Jordan Gans-Morse
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COURSE SUMMARY

Why are some countries rich and others poor? Why are some countries egalitarian and others highly unequal? This course explores sources of economic growth, inequality, poverty, and other aspects of development, with a particular focus on political institutions. It first examines various approaches to the study of development, drawing on work from political science, economics, and sociology. It then investigates key areas of debate within the study of development, including the role of the state, the effects of natural resources, and the impact of globalization. Finally, the course shifts from analyzing sources of development to analyzing political consequences of development, such as the impact of economic growth on regime type. 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 designs.

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 and to attend every seminar. Seminar participation will count for 40% of students’ overall grade. In addition to unstructured contributions to the conversation, participation will consist of two other responsibilities:

(1) Weekly “defenses” of a reading: Each week, students will choose a particular reading that they wish to “defend.” All research has flaws, and it is constructive to identify and discuss these shortcomings. But discussions in graduate seminars sometimes become one-sidedly

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critical. In order to maintain a healthy appreciation for the challenges entailed in original research, the defender’s role will be to counter critiques of the particular reading and offer support for the scholar’s methodological approach or substantive claims.

(2) Short presentations: During some weeks, students will be asked to prepare a brief presentation on a particular reading or debate. These presentations can be highly informal. The aim is to introduce the rest of the group to as broad of range of material as possible while keeping the mandatory reading at a reasonable level. Further information about these presentations will be provided at a later date.

Assignments

With respect to assignments, students will have two options:

(1) 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 60% of the overall grade.

(2) 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 20% and the exam for 40% 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 and the paper will be due on Wednesday, March 20th.

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 Blackboard.

That said, I encourage you to purchase the following books if you do not own them already:


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:

- Paul Collier, *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It* (Oxford University Press, 2007)
- Abhijit Banerjee, Roland Benabou, and Dilip Mookherjee, eds., *Understanding Poverty* (Oxford University Press, 2006)
COURSE OVERVIEW

Week 1: Defining Development

Wednesday, January 9

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

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


What are Markets?

Week 2: Traditional Economic Approaches to Development

Wednesday, January 16

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

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)

For those interested in endogenous growth theory, see:

  - Chapter 4

Further Background Readings:

*On Methodological Approaches*

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


Empirical Work on Growth

Week 3: The Rise of Institutional Economics

Wednesday, January 23

Key questions:

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

Readings:

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

Recommended:

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


Further Background Readings:

Debate Over “Colonial Origins” Paper


Debate Over Effects of Institutions


**Debate over Credible Commitment Mechanism**


**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

Wednesday, January 30

Key questions:

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

Readings:

  - Chapter 2
- Dietrich Rueschemeyer, Evelyne Huber Stephens, and John Stephens, Capitalist Development & Democracy (University of Chicago Press, 1992)
  - Chapters 1 and 7
  - pp. 517-524
  - pp. 15-27

Further Background Readings:

Development’s Effect on Regime

- Adam Przeworski, Michael Alvarez, Jose Antonio Cheibub, and Fernando Limongi, Democracy and Development: Political Institutions and Material Well-Being in the World,


**Regime Effect on Development**

Regime Type and Public Policy

Week 5: Rule of Law, Property Rights, and Development

Wednesday, February 6

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:


Further Background Readings:

On property rights and credible commitment:


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

• David Clarke, “Economic Development and the Rights Hypothesis: The China Problem,“
American Journal of Comparative Law 51 (2003): 89-112


Additional micro-level empirical works:


On the “legal origins” debate:


General Readings on the Rule of Law in Developing Countries


*On Origins of Property Rights*

• Gary Libecap, *Contracting for Property Rights* (Cambridge University Press, 1994)
Week 6: States and Development
Wednesday, February 13

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:

  - Chapter 1
  - Introduction and Chapters 1 and 2
  - Chapters 1-3

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)

### More on the Development State

- Meredith Woo-Cumings, ed., *The Developmental State* (Cornell University Press, 1999)
• Alice Amsden, *Asia's Next Giant: South Korea and Late Industrialization* (Oxford University Press, 1989)

**On Rent-Seeking**


**On Governance**

Week 7: Corruption, Clientelism, and Development

Wednesday, February 20

Key questions:

- What is corruption? What forms does it take? How are distinct types of corruption related?
- What is clientelism, and how is it different than related concepts such as corruption, electoral fraud, or patrimonialism?
- How do corruption and clientelism affect economic development and democracy?
- How do political and economic development affect the extent or type of corruption and clientelism?
- How can illicit behavior, such as corruption and clientelism, be studied?

Readings:

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

*Methodological Approaches to the Study of Clientelism and Corruption*  
(read two of the following)

- Marianne Bertrand, Simeon Djankov, Remma Hanna, and Sendhil Mullainathan,

Further Background Reading:

*On Corruption*

- Susan Rose-Ackerman, *Corruption and Government: Causes, Consequences, and Reform* (Cambridge University Press, 1999)
- Maxim Mironov and Ekaterina Zhuravskaya, “Corruption in Procurement and Shadow Campaign Financing: Evidence from Russia,” unpublished manuscript
- Daniel Gingerich, “Understanding Off-the-Book Politics: Conducting Inference on the
Determinants of Sensitive Behavior with Randomized Response Surveys,” *Political Analysis* 18, 3 (2010): 349-380


**On Clientelism**

- Simona Piattoni, “Clientelism in Historical and Comparative Perspective,” in *Clientelism, Interests, and Democratic Representation: The European Experience in Historical and Comparative Perspective*, Simona Piattoni, ed. (Cambridge University Press, 2001)
Week 8: Natural resources
Wednesday, February 27

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:

  o Chapters 1-3 and 6
• Thad Dunning, Crude Democracy: Natural Resource Wealth and Political Regimes (Cambridge University Press, 2008)
  o Chapter 1

Further Background Readings:

• Michael Ross and Jørgen Juel Andersen, “The Big Oil Change: A Closer Look at the Haber-Menaldo Analysis,” Comparative Political Studies (forthcoming)
• Michael Ross, “Does Oil Hinder Democracy?” World Politics 53 (2001)
• Pauline Jones Luong and Erika Weinthal, Oil is Not a Curse: Ownership Structure and Institutions in the Soviet Successor States (Cambridge University Press, 2010)
• 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)
• M. Steven Fish, Democracy Derailed in Russia: The Failure of Open Politics (Cambridge University Press, 2005) (Chapter 5)
Week 9: International Dimensions of Development

Wednesday, March 6

Key Questions:

• What are globalization’s effects on poverty, inequality, and growth?
• Does foreign aid contribute to development?
• How do international factors interact with the domestic factors we have examined in this course to affect development?

Readings:

• Dani Rodrik, “The Global Governance of Trade,” UNDP Background Paper (October 2001)
  o Read pp. 14-25

Further Background Readings:

Globalization and Development

• David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton, Global Transformations: Politics, Economics, and Culture (Stanford University Press, 1999)
• Paul Collier, The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It (Oxford University Press, 2007) (Chapter 6)

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)

Globalization, 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