

**The international politics of development  
(draft syllabus)**

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This course gives an overview of recent approaches to the international and global politics of development. What do organizations and actors such as donor countries' aid agencies, INGOs or the World Bank do? Do they really want development, fighting poverty or reducing inequality, or do they serve other purposes? How weak are developing countries really? And when or why do countries implement policy reforms that supposedly 'develop' their societies and economies. The course will begin by looking at major concepts and theories of development. It will also discuss the historical evolution of the concepts and practices of development. It will then talk about the relationship between globalization and development (flows of capital, people, goods and services). Next comes a discussion of 'hard power' in development politics: the role of international financial organizations, bilateral aid etc. Finally it will move over to 'soft power' politics: international policy diffusion, emulation and forms of policy learning when it comes to fighting poverty and inequality, or 'developing' entire economies.

General Learning Outcomes: Students should get a comprehensive overview over the main theoretical debates in the field. They will learn not only to apply these theories, but also to engage with them critically. They will learn to identify the main developmental strategies of poor countries for growth and poverty reduction. They should also be able to discuss the key strengths and weaknesses of these strategies.

**Specific Learning Outcomes**

- Understand the politics underlying international development, inequality and strategies of poverty reduction
- Discuss and critically compare the three major theoretical approaches:
  - How does development happen (economic theories)?
  - Who wants it, who doesn't (political-economy approaches)?
  - Are we asking the right questions (critical approaches)?
- Get an overview and the capacity to critically assess major strategies:
  - Official development assistance & debt relief,
  - Macroeconomic policies, (de-)regulation & liberalization
  - The role of political institutions and political processes
  - Social and anti-poverty policies
- Be able to read and evaluate the scholarly literature
  - Understand and criticize articles of all main meta-theoretical predispositions
  - Build a survey of literature for the thesis project that does not select on basis of methodological or meta-theoretical criteria, but entirely on basis of suitability for the topic.

**Communication and course materials**

Most core readings are available on the course website on e-learning or accessible via hyperlink. On

occasional basis I encourage students to pick up copies of books in the library to familiarize themselves not only with the indicated chapter, but with the entire volume.

### **Seminars organization**

Teaching skills are an important part of a PhD student's experience. Organizing seminars and activating students is a key element in this experience. For this reason the seminars are student-lead. Students take turns in 'running the session' (chairing), which includes allocating additional reading to other course participants in advance, and organizing and managing class discussions, with the support of the course instructor.

### **Readings:**

There are usually two required readings each week for everyone. The first reading mainly gives a broad overview of the topic. The chair of each session needs to make sure that each participant picks one additional reading and introduces it to the class. The second reading talks about a more specific topic/ research question. Students can freely choose under two conditions: a) sometimes I highlight a very important reading with '\*' which should be picked by at least one of the students, b) I also want to see students choosing occasionally articles beyond their 'comfort zone', i.e. for the quant students to choose critical/ postmodern stuff, and for the post-X students to pick quantitative/ rationalist studies!

This is a PhD class which assumes some basic familiarity with social, political and economic concepts and theories. For students who have problems with the scholarly readings I recommend consulting textbooks:

Gilpin, R. (2001) *Global Political Economy*. Princeton/ Oxford: Princeton University Press.

Meier, G. E., & Rauch, J. E. (2000) *Leading issues in economic development* (7 ed.). New York/ Oxford: Oxford University Press.

Oatley, T. (2012) *International Political Economy*, Pearson.

Ravenhill, J. (Ed.). (2014) *Global Political Economy*. Oxford: Oxford University Press.

Szirmai, A. (2005) *The Dynamics of Socio-Economic Development*. Cambridge: Cambridge University Press.

Todaro, M. P., & Smith, S. C. (2003) *Economic development*. Boston: Addison Wesley.

### **Other:**

There will also be smaller assignments on an occasional basis.

### **Term Papers:**

Term papers can take several forms.

The main form of term papers is a discussion of the state of the art of the literature in a specific area of this course. This includes a proper identification of the body of literature in this field, usually based on an explicit research question that binds together these contributions, a thoroughly discussion of important streams, approaches, controversies in this field, as well as a critically way to deal with the studies (appraisal where appraisal is due, criticism, where it seems appropriate).

For students with a key interest in quantitative studies, a term paper can be a replication study of one important article in the field. For those interested, I will give further information on demand. The study needs to be in the field of comparative & international political economy of development, the data needs to be easily accessible and the student need to have the necessary statistical and software skills to perform such a replication study.

## Assessment

Class participation, small assignments and 'running' sessions (40 %)

Term paper, draft version (40%), Deadline Week 10

Term paper, final version (20 %), Deadline April ?

### Week 1/1 Introduction: What is Development?

Required

Pritchett, Lant. 1997. "Divergence, Big Time." *Journal of Economic Perspectives*, 11:3, pp. 3-17. (do poor countries catch up?)

Todaro, Michael P. and Stephen C. Smith. 2003. *Economic development*. Boston: Addison Wesley, chapters 1 & 2. (basics)

Binyavanga Wainaina (2005). [How to Write About Africa](#). *Granta* 92

- Wainaina talks about why he wrote *How to Write About Africa* in these YouTube videos: [Part 1](#), [Part 2](#), and [Part 3](#)

Further

[Stiglitz/ Sen/ Fitoussi Report](#) ([http://www.stiglitz-sen-fitoussi.fr/documents/rapport\\_anglais.pdf](http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf)) (on alternative measures)

Clark, Gregory. 2007. *A Farewell to the Alms: A Brief Economic History of the World*. Princeton: Princeton University Press, chapter 3 (on measuring progress)

Myrdal, G. (1974). What is Development? *Journal of Economic Issues*, 8(4), 729-736. (a definition)

Meier, Gerald E. and James E. Rauch. 2000. *Leading issues in economic development*. New York/ Oxford: Oxford University Press (chapters on poverty and inequality).

Milanovic, Branko. 2005. *Worlds Apart: Measuring International and Global Inequality*. Princeton, N.J.: Princeton University Press. (on inequality)

Ziai, A. (2013) 'The discourse of 'development' and why it should be abandoned'. *Development in Practice* 23(1): 123-126. (<http://www.tandfonline.com/doi/pdf/10.1080/09614524.2013.752792>)

Some Data: <http://data.worldbank.org/data-catalog>, <http://hdr.undp.org/en/statistics/>, [www.gapminder.org](http://www.gapminder.org); <http://ourworldindata.org/>

Key Questions: What are development, growth, inequality and poverty? Why not happiness, welfare or wellbeing? Why study it? Should we study it? How to study it? How to measure development, growth, inequality and poverty? What cross-country and cross-time variation do we see? What are the relationships between the concepts?

### Week 1/2: Economic Theories of Development

Required

Todaro, Michael P. and Stephen C. Smith. 2003. *Economic development*. Boston: Addison Wesley, chapters 3 & 4.

#### Further

Chang, H.-J. (2003) *Kicking away the ladder: development strategy in historical perspective*. New York: Anthem Press, chapter 1 (why the West did not do in the past, what it preaches today)

Easterly, William. 2002. *The Elusive Quest for Growth. Economists' Adventures and Misadventures in the Tropics*. Cambridge, Mass.: MIT Press. (no easy way to development)

Meier, G. E., & Rauch, J. E. (2000). *Leading issues in economic development* (7 ed.). New York/ Oxford: Oxford University Press, chapter on trade. (some of the classics)

Gilpin, R. (2001) *Global Political Economy*. Princeton/ Oxford: Princeton University Press, chapter 3-5.

Romer, Paul. 1994. "The Origins of Endogenous Growth." *The Journal of Economic Perspectives*, 8:1, pp. 3-22. (on modern growth theory)

Todaro, Michael P. and Stephen C. Smith. 2003. *Economic development*. Boston: Addison Wesley, chapter 5. (textbook on economic theories)

Temple, Jonathan. 1999. "The New Growth Evidence." *Journal of Economic Literature*, 37:1, pp. 112-56. (survey of economic literature)

#### Other

Thilo's Paper on take offs (to be added)

Key Questions: What are the implications of old and new theories of growth? Does economics have a theory of poverty and inequality? Do the theories work empirically?

### **Week 2/1: The History of Thought in Development**

#### Required

Landes, David. 1990. "Why are We So Rich and They So Poor?" *American Economic Review*, 80:2, pp. 1-13. (historical co-evolution of economic theories and facts)

#### Further

\* Chang, Ha-Joon. 2003. *Kicking away the ladder: development strategy in historical perspective*. New York: Anthem Press, chapter 1 and ?

\* Leys, Colin. 1996. *The Rise and Fall of Development Theory*. Oxford: Oxford University Press. (Marxist approach to development, see also his 1977 article on the elearning platform), chapters 1 and 4 or 9

\* Reinert, E. S. (2007). *How Rich Countries Got Rich and Why Poor Countries Stay Poor*. New York, PublicAffairs, chapters 2 and 3.

Riddell, R. (2007). *Does foreign aid really work?* Oxford, Oxford University Press, chapter 2.

Gerschenkron. 1962. *Economic Backwardness in Historical Perspective*. Cambridge: Harvard UP, chapter 1 and?.

Other: A pop science version: Ian Morris, *Why the West Rules for Now*

Key questions: how did historical thinking about development evolve? What does this imply for policy (is theory important for practice, let alone good)? How does heterodox development theory look like?

### **Week 2/2: Long-Term Perspective: Geography, Culture, Institutions**

#### Required

Bates, Robert H., John H. Coatsworth, and Jeffrey G. Williamson. 2007. "[Lost Decades: Post-independence Performance in Latin America and Africa](#)." *The Journal of Economic History*, 67/4, 917-943.

Diamond, Jared. 2004. "The Wealth of Nations." *Nature*, 429, pp. 616-17. (development in the very long run)

#### Further

\* Acemoglu, Daron, Simon Johnson, and James A. Robinson. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation." *American Economic Review*, 91:5, pp. 1369-401. (one of the most famous recent studies, see also criticisms:

<http://www.anderson.ucla.edu/faculty/jason.snyder/albouy.pdf>)

Acemoglu, Daron, Simon Johnson, and James A. Robinson. 2002. "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution." *The Quarterly Journal of Economics*, 117:4, pp. 1231-94. (the catastrophic effects of colonialism)

Berkowitz, Daniel, Katharina Pistor, and Jean-Francois Richard. 2003. "The Transplant Effect." *The American Journal of Comparative Law*, 51:1, pp. 163-203. (transferring institutions is difficult)

Easterly, William and Ross Levine. 2003. "Tropics, germs, and crops: how endowments influence economic development." *Journal of Monetary Economics*, 50, pp. 3-39. (why the tropics have poor economic performance)

Diamond, Jared. 2002. "Evolution, consequences and future of plant and animal domestication." *Nature*, 418, pp. 700-07. (the long run effects of nature)

Greif, Avner. 1994. "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies." *J Polit Econ*, 102:5, pp. 912-50. (how cultural beliefs arise)

\* Greif, A., & Tabellini, G. (2010). Cultural and Institutional Bifurcation: China and Europe Compared. *American Economic Review: Papers & Proceedings* 2010, 100(2), 1-10. (does culture explain the difference?)

Hibbs, Douglas A. and Ola Olsson. 2005. "Geography, Biogeography and Why Some Countries are Rich and Others Poor." *European Economic Review*, 49, pp. 909-38. (a test for the long-run effects of nature)

Landes, David. 2006. "Why Europe and the West? Why Not China?" *Journal of Economic Perspectives*, 20:2, pp. 3-22. (was China hostile to innovation?)

\* North, D. C. (1989). "Institutions and Economic Growth: An Historic Account." *World Develop* **17**(9): 1319-1332.

\* Pomeranz, Kenneth. 2000. *The Great Divergence: China, Europe, and the Making of the Modern World Economy*. Princeton: PUP.

Pritchett, L., Woolcock, M., & Andrews, M. (2010). Capability Traps? The Mechanisms of Persistent Implementation Failure. CGD Working Paper, No. 234. (why institutional change takes ages)

Weber, Max. 1905 [1958]. *Die protestantische Ethik und der Geist des Kapitalismus. The Protestant Ethic and the Spirit of Capitalism*. (locus classicus for the role of culture in development)

Sachs, Jeffrey D. 2005. *The End of Poverty*. London: Penguin. (chapters on natural endowments)

\* Sachs, Jeffrey 2003 (<http://www.nber.org/papers/w9490>) (role of nature in development)

\* Sokoloff, Kenneth and Stanley L. Engermann. 2000. "History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World." *Journal of Economic Perspectives*, 14:3, pp. 217-32. (how important is land and history for development?)

#### Other

cf. also why Sweden fails the MDGs (Hans Rosling [video](#) and then again see him here)

Speech excerpts from Nyerere and Nkrumah. Sections 6.3 and 6.4 in *The Africans: A Reader*, ed. A. A. Mazrui et al. New York: Praeger Publishers. pp. 178-88.

Key Questions: What are the causal long-term determinants of growth and inequality? How does growth and inequality depend on nature, geography and culture? Are these determinants still valid today?

### **Week 3/1: The Political Economy of Development: Why not everyone in a poor country might want to have development**

Required

WorldBank. 2008. "The Political Economy of Policy Reform: Issues and Implications for Policy Dialogue and Development Operations." World Bank: Washington. (read introductory parts and then pick your case study on stakeholders and reforms)

Further:

\* Bates, Robert H. 1991. *Markets and States in Tropical Africa*. Berkeley, chapter 1 and? Los Angeles/ London: University of California Press. (how governments exploit markets)

Collier, P. (2010). *Wars, Guns and Votes*. London: Vintage Books. (especially chapter on the options of an autocrat)

Hirschman, A. O. (1968). "The Political Economy of Import-Substituting Industrialization in Latin America." *The Quarterly Journal of Economics* 82(1): 1-32.

\* Khan, Mushtaq H. 2002. "Corruption and Governance in Early Capitalism: World Bank Strategies and their Limitations," in *Reinventing the World Bank*. J. Pincus and J. Winters eds. Ithaca: Cornell University Press. (why the focus on anti-corruption/ good governance is sometimes misplaced)

Przeworski, A., & Limongi, F. (1993). Political Regimes and Economic Growth. *Journal of Economic Perspectives*, 7(3), 51-69. (do autocracies grow faster?)

Rajan, R. G., & Zingales, L. (2006). The Persistence of Underdevelopment: Institutions, Human Capital, or Constitutencies? NBER Working Paper Series, No. 12093.

Olson, Mancur. 1993. "Dictatorship, Democracy and Development." *American Political Science Review*, 87:3, pp. 567-76. (do dictators want growth?)

Ross, M. L. (1999). The Political Economy of the Resource Curse. *World Politics*, 51(2), 297-322. (why resource-rich countries are often poor)

Walle, Nicolas van de 2001. *African Economies and the Politics of Permanent Crisis, 1979-1999*. Cambridge: Cambridge University Press.

\* Wantchekon, L. (2003). Clientelism and Voting Behaviour. Evidence from a Field Experiment in Benin. *World Politics*, 55, 399-422. (how important is clientelism?)

Other:

Easterly's talk on the myth of benevolent autocrats

([http://www.econtalk.org/archives/2011/05/easterly\\_on\\_ben.html](http://www.econtalk.org/archives/2011/05/easterly_on_ben.html))

Key Questions: Who wants development? And why? Do elites in poor countries want it? When are there problems to be expected? Who are key stakeholders?

### **Week 3/2: Critical Theories of Development: The Focus on Development is the Problem!**

Required

Cooper, Frederick. 1997. "Modernizing Bureaucrats, Backward Africans, and the Development Context," in *International Development and Social Science*. Frederick Cooper and Randall Packard eds. Berkeley/ Los Angeles/ London: University of California Press, pp. 64-92. (the pernicious consequences of economic theories)

Further:

Crush, Jonathan. 1995. "Introduction: Imagining Development," in *Power of Development*. Jonathan Crush ed. London/ New York: Routledge, pp. 1-24. (the power of words)

\* Escobar, Pablo. 2002. "Imagining a Post-Development Era? Critical Thought, Development and Social Movements." *Social Text*, 31/32, pp. 20-56. (the power of words)

\* Ferguson, J. (1997). Anthropology and Its Evil Twin: "Development" in the Constitution of a Discipline. In F. Cooper & R. Packard (Eds.), *International Development and Social Science* (pp. 150-175). Berkeley/ Los Angeles/ London: University of California Press. (how anthropology framed the poor)

See also the Finmore article in the same edited volume. (Redefining Development at the World Bank) Ravi Kanbur (2008). "The Co-Evolution of the Washington Consensus and the Economic Development Discourse". (<http://ideas.repec.org/p/ags/cudawp/48920.html>) (50 years of talking about the poor)

Sachs, Wolfgang. 1993. "Global Ecology and the Shadow of 'Development'," in *Global Ecology: A new Arena of Political Conflict*. Wolfgang Sachs ed. London: Zed Books Ltd. (capitalism kills nature)

\* Scott, James C. 1998. *Seeing Like State: How Certain Schemes to Improve the Human Condition Have Failed*. New Haven: Yale University Press, chapters 1 and 6 or 7 (how state building and modernization kills people).

Other

<http://www.youtube.com/watch?v=c-jSQD5FVxE> (How not to write about Africa, again)

Key Questions: Is development a good idea? The side effects of development? Is development a concept of control, rationalization? Does framing stigmatize its object?

### **Week 4/1: International Trade, (Neoliberal) Reform and Development**

Required

Rogoff in Oxford Handbook

(<http://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780199548477.001.0001/oxfordhb-9780199548477>)

Further

Baker, A. (2003). "Why is Trade Reform so Popular in Latin America? A Consumption-Based Theory of Trade Policy Preferences." *World Politics* **55**: 423-455.

Clemens, Michael and Jeffrey G. Williamson. 2004. "Why did the Tariff-Growth Correlation Change after 1950." *Journal of Economic Growth*, 9, pp. 5-46.

Frankel, J. A. and D. Romer (1999). "Does Trade Cause Growth?" *The American Economic Review* **89**(3): 379-399.

Todaro and Smith 2003: chapter 12

Rodrik, D. (2006). "Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s: Learning from a Decade of Reform." *Journal of Economic Literature* **44**(4): 973-987.

Schamis, H. (1999). "Distributional Coalitions and the Politics of Economic Reform in Latin America." *World Politics* 51(2): 236-268.

Gore, C. (2000). "The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries." *World Development* 28(5): 789-804.

Villareal, R. (1990). *The Latin American Strategy of Import Substitution: Failure or Paradigm for the Region? Manufacturing Miracles. Paths of Industrialization in Latin America and East Asia.* G. Gereffi and D. L. Wyman. Princeton (N.J.), PUP: 292-320.

Meggison, W. L. and J. M. Netter (2001). "From State To Market: A Survey Of Empirical Studies On Privatization." *Journal of Economic Literature*.

Milner, H., & Kubota, K. (2005) 'Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries.' *International Organization* 59: 107-143.

Vickers, J. and G. Yarrow (1991). "Economic Perspectives on Privatization." *The Journal of Economic Perspectives* 5(2): 111-132.

WorldBank (1993). *The Asian Miracle.* Washington, World Bank.

Mansfield, E. and H. Milner, Eds. (1997). *The Political Economy of Regionalism.* New York/ Chichester, Columbia University Press.

Does opening or closing work? Does deregulation work? What role does the state play in that? What are the consequences? Who wins and loses and why does this affect development and growth?

#### **Week 4/2: International Finance and Development**

Haber, Stephen and Perrotti, Enrico. 2008. *The Political Economy of Finance*,  
<http://fic.wharton.upenn.edu/fic/sicily/19%20haberperotti.pdf> ?

Further:

Demetriades, Panicos O. and Hussein, Khaled A. 1996. Does financial development cause economic growth? Time-series evidence from 16 countries, *Journal of Development Economics* 51/ 2, 387-411. (a reply to King and Levine)

Frieden, J. A. (1991). "Invested Interests: the politics of national economic policies in a world of global finance." *International Organisation* 45(4): 425-451.

<http://www.sciencedirect.com/science/article/pii/S030438789600421X>

Germain, R. D. (1997). *The International Organization of Credit. States and Global Finance in the World-Economy.* Cambridge, Cambridge UP.

Gilpin, R. (2001) *Global Political Economy.* Princeton/ Oxford: Princeton University Press, chapter 10.

Helleiner, E. (1994). *States and the Reemergence of Global Finance.* Ithaca London, Cornell UP.

Kindleberger, C. P. (1996) *Panics, Maniacs and Crises* (3rd ed.). Oxford: Oxford UP.

King, R. G., & Levine, R. (1993) 'Finance and Growth: Schumpeter Might be Right'. *The Quarterly Journal of Economics* 108(3): 717-737. (financial development stimulates growth)

Kurtz, M. (2004) 'The dilemmas of democracy in the open economy - Lessons from Latin America'. *World Politics* 56(2): 262-.

Roubini, Nouriel and Xavier Sala-i-Martin. 1992. Financial repression and economic growth, *Journal of Development Economics* 39/1, 5-30.

Key questions: How are finance and development related? Who promotes free flow of capital? When does capital capture the state, and when does the state capture capital?

## **Week 5/1: International Migration**

### Required:

Hutton, T. and J. Williamson. 2005. "A Dual Policy Paradox: Why Have Trade and Immigration Policies Always Differed in Labor-Scarce Economies?" NBER Working Paper 11866. Available at <http://www.economics.harvard.edu/faculty/jwilliam/papers/w11866.pdf> .

### Suggested:

Clemens, M. (2011). Economics and Emigration: Trillion-Dollar Bills on the Sidewalk? *Journal of Economic Perspectives*, 25(3), 83-106.

Docquier, F., & Rapaport, H. (2015) 'Globalization, Brain Drain, and Development'. *Journal of Economic Literature* 50(3): 681-730.

Freeman, R. 2006. "People Flows in Globalization." *Journal of Economic Perspectives* 20(2): 145-170.

Hanson, G., K. Scheve, and M. Slaughter. 2007. "Public Finance and Individual Preferences over Globalization Strategies." *Economics and Politics* 19(1): 1-33.

Hainmueller, J., & Hopkins, D. J. (2014) 'Public Attitudes Toward Immigration'. *Annual Review of Political Science* 17: 225-249.

Hutton, T. and J. Williamson. 2002. "What Fundamentals Drive World Migration?" NBER Working Paper 9159.

\* Kapur, D. and J. McHale. 2012. The Economic Consequences of Emigration in Sending Countries. *Oxford Handbook of the Politics of International Migration*. Chapter 6. Oxford University Press.

\* Mayda, A. M. (2006) 'Who Is Against Immigration? A Cross-Country Investigation of Individual Attitudes toward Immigrants'. *The Review of Economics and Statistics* 88(3): 510-530.

Key questions: What patterns of international migration do we see? What does international migration do to growth and poverty? Why do migration policies look the way they do?

## **Week 5/2:**

Remittances? Other finance topic? Other topic?

## **Week 6/1: Does Aid Work?**

### Required:

Sumner, A., & Glennie, J. (2015) 'Growth, Poverty and Development Assistance: When Does Foreign Aid Work?' *Global Policy* 6(3): 201-211. <http://onlinelibrary.wiley.com/doi/10.1111/1758-5899.12251/epdf>  
Or Riddell, Roger. 2007. *Does foreign aid really work?* Oxford: Oxford University Press.

### Further:

\* Burnside and David Dollar. 2004. "Aid, Policies, and Growth: Revisiting the Evidence." *World Bank Policy Research Working Paper* 3251. (see also Roodman and Easterly (<http://www.nber.org/papers/w9846>) on this)

Easterly, William. 2002. *The Elusive Quest for Growth. Economists' Adventures and Misadventures in the Tropics*. Cambridge, Mass.: MIT Press.

Easterly, William. 2003. "Can Aid Buy Growth." *Journal of Economic Perspectives*, 17:3, pp. 23-48.

Easterly, William. 2007. *The White Man's Burden*. Oxford: Oxford University Press.

Sachs, Jeffrey D. 2005. *The End of Poverty*. London: Penguin.

\* William Easterly (2009) "[Can the West Save Africa?](#)" *Journal of Economic Literature* 47(2).

**More recent articles using more sophisticated techniques**

cf. also aid effectiveness [OECD](#) (declaration), [OECD](#) (why it should work) and [OECD](#) (an example)

Key Questions: Does aid work? If so, how? If not, why? How do we improve aid effectiveness?

### **Week 6/2: The Political Economy of Development: Why Donors might not deliver**

Required

Easterly, William. 2002. "The cartel of good intentions: the problem of bureaucracy in foreign aid." *Journal of Economic Policy Reform*, 5:4, pp. 223-50.

Further

\* Alesina, Alberto and David Dollar. 2000. "Who Gives Foreign Aid To Whom And Why?" *Journal of Economic Growth*, 5:1, pp. 33-63.

Bodenstein/ Kemmerling: Is there a Paradox of Redistribution in Foreign Aid? Fc. in *World Development*

\* Bueno de Mesquita, Bruce and Alastair Smith. 2009. "A Political Economy of Aid." *International Organization*, 63:Spring, pp. 309-40.

Easterly, W., & Pfütze, T. (2008). Where Does the Money Go? Best and Worst Practices in Foreign Aid. *Journal of Economic Perspectives*, 22(2).

\* Gibson, Clark C., Krister Andersson, Elinor Ostrom, and Sujai Shivakumar. 2005. *The Samaritan's Dilemma. The Political Economy of Development Aid*. Oxford: Oxford University Press.

Neumayer, Eric. 2003. "The Determinants of Aid Allocation by Regional Multilateral Development Banks and United Nations Agencies." *International Studies Quarterly*, 47:1, pp. 101-22.

Riddell, Roger. 2007. *Does foreign aid really work?* Oxford: Oxford University Press.

Tingley, Dustin. 2010. "Donors and domestic politics: Political influences on foreign aid effort." *Quarterly Journal of Economics*, 50, pp. 40-49.

Other

See also a comparison of donors on (<http://www.givewell.org/>)

(<http://www.cgdev.org/section/initiatives/active/cdi/>)

### **Week 7/1: The Role of IMF and Debt**

Required

Easterly, W. (1999) 'When is fiscal adjustment an illusion?' *Economic Policy* 28(April): 57-86.

Further

Barkbu et al. 2012

\* Caraway, T. L., et al. (2012) 'International Negotiations and Domestic Politics: The Case of IMF Labor Market Conditionality'. *International Organization* 66(1): 27-61.

\* Dreher et al. 2015 Politics and IMF conditionality <http://jcr.sagepub.com/content/59/1/120.abstract>

Dreher, A., et al. (2009) 'Development aid and international politics: Does membership on the UN Security Council influence World Bank decisions?' *Journal of Development Economics* 88(1): 1-18. Gilpin 2001 chapter 9

Helleiner chapter 2014 in Ravenhill

Hsieh, A. (2009) 'Does World Bank Involvement Cause Political Unrest?' *Journal of Politics & International Affairs*: 139-147.

Easterly, W. (2007) *The White Man's Burden*. Oxford: Oxford University Press, chapter 6.

Sachs, J. D. (2005) *The End of Poverty*. London: Penguin, chapters 13 and 14.

Stone, Randal. 2004. 'The Political Economy of IMF Lending in Africa' *American Political Science Review* 98/4, 577-591.

Todaro, M. P., & Smith, S. C. (2003) *Economic development*. Boston: Addison Wesley, chapter 13.

Vreeland, J., & Przeworski, A. (2000) 'The Effect of IMF Programs on Economic Growth'. *Journal of Development Economics* 62(2): 385-421.

Winters, M. (2010) 'Choosing to Target: What Types of Countries Get Different Types of World Bank Projects'. *World Politics* 62(3): 422-458.

Key Questions: And forgive us our debts? Why did some countries accumulate debt in the first place? What are the political effects?

### **Week 7/2: WTO and Trade Regime**

Required

Gilpin chapter 8

Oatley 2012 chapter 2

Lundsgaarde, E., et al. (2007) 'Trade versus aid: donor generosity in an era of globalization'. *Policy Sciences* 40(2): 157-179.

Ruggie, J. G. (1982). "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order." *International Organization* 36(2): 379-415.

more

### **Week 8/1: International Diffusion of Policies**

Required

Swank, D. (2006) 'Tax Policy in an Era of Internationalization: Explaining the Spread of Neoliberalism'. *International Organization* 60(04): 847-882.

Further

Brooks, S. (2005) 'Interdependent and Domestic Foundations of Policy Change: The Diffusion of Pension Privatization Around the World'. *International Studies Quarterly* 49: 273-294.

- \* Dolowitz, D., & Marsh, D. (1996) 'Who Learns What from Whom: a Review of the Policy Transfer Literature'. *Political Studies* 44: 343-357.
- Elkins, Z., & Simmons, B. A. (2004) 'On Waves, Cluster, and Diffusion: A Conceptual Framework'. *The Annals of The American Academy* 598(1): 1-19.
- Meseguer, C. (2005) 'Policy Learning, Policy Diffusion, and the Making of a New Order'. *The Annals of the American Academy* 598: 67-82.
- \* Meseguer, C. (2006) 'Learning and economic policy choices'. *European Journal of Political Economy* 22: 156-178.
- Orenstein, M. (2013) 'Pension Privatization: Evolution of a Paradigm'. *Governance: An International Journal of Policy, Administration, and Institutions* 26(2): 259-281.
- Simmons, B. A., & Elkins, Z. (2004) 'The globalization of liberalization: Policy diffusion in the international political economy'. *American Political Science Review* 98(1): 171-189.
- World-Bank. (1994) *Averting the Old Age Crisis*. Washington: World Bank Group.
- \* Weyland, K. (2005) 'Theories of Policy Diffusion: Lessons from Latin American Pension Reform'. *World Politics* 57(2): 262-295.

### Week 8/2

#### More on diffusion or another topic?

### Week 9/1 Social Policies (CCTs, Basic Income)

#### Required

- Brooks, S. 2015. 'Social Protection for the Poorest: The Adoption of Antipoverty Cash Transfer Programs in the Global South', *Politics & Society* 43/4, 551-582.  
<http://pas.sagepub.com/content/43/4/551.full.pdf+html>

#### Further

- \* Blattman et al. study on unconditional cash transfers in Uganda  
[http://www.diw.de/documents/dokumentenarchiv/17/diw\\_01.c.423735.de/blattman\\_fiala\\_martinez\\_may2013.pdf](http://www.diw.de/documents/dokumentenarchiv/17/diw_01.c.423735.de/blattman_fiala_martinez_may2013.pdf)
- \* Besley, Timothy and Ravi Kanbur. 1990. "The Principles of Targeting." *World Bank Working Papers - Poverty*, March 1990:WPS 385. (how to target)
- \* Coady, David, Margaret Grosh, and John Hoddinott. 2003. "TARGETING OUTCOMES REDUX." *IFPRI FCND DISCUSSION PAPER*, No. 144.
- Handa, Sudhanshu and Benjamin Davis. 2006. "The Experience of Conditional Cash Transfers in Latin America and the Caribbean." *Development Policy Review*, 24:5.
- Rawlings, Laura B. and Gloria M. Rubio. 2005. "Evaluating the Impact of Conditional Cash Transfer Programs." *The World Bank Research Observer*, 20:1.
- Skoufias, Emmanuel and Etal. 2001. "Conditional Cash Transfers and Their Impact on Child Work and Schooling: Evidence from the PROGRESA Program in Mexico." *Economia*, 2:1, pp. 45-96.
- Sugiyama, N. (2011) 'The Diffusion of Conditional Cash Transfer programs in the Americas'. *Global Social Policy* 11(2-3): 250-278.

Sabates-Wheeler et al 2015 on targeting and social policy

Other: See also blogs of Chris Blattman and Lant Pritchett

cf. also Special Issue of Development Policy Review 2006 on CCT-Programs and Special issue of Global Social Policy August 2009

Key Questions: How to direct aid to the poor? Is it? What does work on the ground? Are CCTs effective? Or should we rather return to universalist social policies? Why does politics prefer targeting?

### **Week 9/2 Welfare State: The Politics of Redistribution in the Open Economy.**

Required:

Rudra, N. 2002. "Globalization and the Decline of the Welfare State in Less Developed Countries." International Organization 56(2): 411-445.

Nooruddin, I., & Rudra, N. (2014) '[Are Developing Countries Really Defying the Embedded Liberalism Compact?](#)' World Politics 66(4): 603-640.

Further

Bardhan, S. Bowles and M. Wallerstein, eds. Globalization and Egalitarian Redistribution Princeton: Princeton University Press.

\* Burgoon, B. 2001. "Globalization and Welfare Compensation: Disentangling the Ties that Bind." International Organization 55(1): 509-551.

\* Gough, I., & Wood, G. (2004). Insecurity and Welfare Regimes in Asia, Africa and Latin America. Cambridge: Cambridge University Press.

\* Haggard, S., & Kaufmann, R. R. (2008). Development, Democracy, and Welfare States. Princeton: Princeton University Press.

Lindert, P. (2003). Why the Welfare State Looks Like a Free Lunch. NBER Working Paper Series, 9869.

Mkandawire, T. (2005). Targeting and Universalism in Poverty Reduction. UN Research Institute Social Policy and Development Programme Paper, No. 23. (universalism vs. targeting)

\* Rudra, N. 2007. Welfare States in Developing Countries. Unique or Universal? Journal of Politics 69(2): 378-396.

Rodrik, D. 1997. "Sense and Nonsense in the Globalization Debate." Foreign Policy 107: 19-37 (in Frieden and Lake).

\* Ruggie, J. G. (1982) 'International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order'. Int Org 36(2): 379-415.

Soroka, S., K. Banting, and T. Johnston. 2006. "Immigration and Redistribution in a Global Era." In: P.

Key questions: What kinds of welfare state do poor countries have? Do they influence inequality and poverty? What do they do to growth? And what role of welfare policy is there in an open economy?

**Week 10/1 :**

**Week 10/2 :**

**Week 12/1 Discussion of Papers**

## Week 12/2 Discussion of Papers

### Potential Other Topics

#### Remittances

Ahmed 2012 in APSR, Tyburski 2012 in ISQ, Pfitze

Adams, R. H. a. P., John (2005) "Do International Migration and Remittances Reduce Poverty in Developing Countries?" World Development Volume

\* Aparicio, F. J. and C. Meseguer (2008). "Collective Remittances and the State: The 3x1 Program in Mexican Municipalities." CIDE working paper.

Escriba-Folch, A., et al. (2015) 'Remittances and Democratization'. International Studies Quarterly.

Page, J. and S. Plaza (2006). "Migration Remittances and Development: A Review of Global Evidence." Journal of African Economics AERC Supplement 2: 245-336.

WorldBank (2005). Global Economic Prospects 2006: Economic Implications of Remittances and Migration, World Bank Publications.

Wucker, M. (2004). "Remittances: The Perpetual Migration Machine." World Policy Journal 21: 37-46.

#### Humanitarian Aid

Required

Fearon, J. D. (2006). The Rise of Emergency Aid. Book Chapters. (trends)

Further

Buchanan-Smith, M., & Maxwell, S. (1994). Linking Relief and Development: An Introduction and Overview. IDS Bulletin, 25(4), 2-16. (overview over major issues)

Collier, P. (2010). Wars, Guns and Votes. London: Vintage Books. (wars and aid)

Fink, G., & Radaelli, S. (2011). Determinants of International Emergency Aid—Humanitarian Need Only? World Development, 39(5), 741-757. (who gets what and when)

Polman, Linda (2010). The Crisis Caravan: What's Wrong with Humanitarian Aid? (how emergency aid became a business) see also her other book War Games: The Story of Aid and War in Modern Times and similarly David Rieff: A Bed for the Night: Humanitarianism in Crisis.

Stromberg, D. (2007). Natural Disasters, Economic Development, and Humanitarian Aid. The Journal of Economic Perspectives, 21(3), 199-222. (trends)

#### Microfinance: From Boom to Bust

Required:

Morduch, Jonathan. 2000. "The Microfinance Schism." *World Develop*, 28:4, pp. 617-29.

Further

Abhijit Banerjee and Esther Duflo (2006). "[The Economic Lives of the Poor](#)," Journal of Economic Perspectives, 21(1), 141-167.

Goldberg, Nathaneal. 2005. "Measuring the Impact of Microfinance: Taking Stock of What We Know." Grameen Foundation.

Collins et al. 2009 "Portfolios of the Poor. How the World's Poor Live on \$2 a Day". Princeton University Press: Princeton (NJ)/ Oxford.

Littlefield, Elisabeth, Jonathan Morduch, and Said Hashemi. 2003. "Is Microfinance an Effective Strategy to Reach the Millenium Development Goals." *CGAP Focus Note*, No. 24:January.

Morduch, Jonathan. 1999. "The Microfinance Promise." *Journal of Economic Literature*, 37:December, pp. 1569-614.

Roodman, David. fc. "The Microfinance Open Blog Book." Or his book *Due Diligence* [http://blogs.cgdev.org/open\\_book/2009/02/summary-and-outline.php](http://blogs.cgdev.org/open_book/2009/02/summary-and-outline.php), in particular chapter 6

Vogel, Robert C. and Dale W. Adams. 1997. "Old and New Paradigms in Development Finance." *Savings and Development*, pp. 361-81.

Other

See also [www.themix.org](http://www.themix.org) for data; case study on micro finance meltdown in Andhra Pradesh

### State Capacity

Braeutigam et al. 2008 in *CUP: Taxation and State Building in Developing Countries*

Michael Barnett and Thomas G. Weiss (2008). "Humanitarianism: A Brief History of the Present," in *Humanitarianism in Question: Politics, Power and Ethics*. Barnett and Weiss, eds. Cornell University Press.

Catherine Boone, 1994. "States and Ruling Classes in Postcolonial Africa: the enduring contradictions of power," in Joel Migdal, Atul Kohli and Vivienne Shue ed., *State Power and Social Forces: Domination and Transformation in the Third world* (Cambridge).

Centeno, M. A. (1997) 'Blood and Debt: War and Taxation in Nineteenth-Century Latin America'. *American Sociological Review* 102(6): 1565-1605.

Alexander Field. 1981. "The Problem with Neoclassical Institutional Economics: A Critique with Special Reference to the North/Thomas model of pre-1500 Europe." *Explorations in Economic History* 18: 174-98.

Greif, Avnar, Paul Milgrom, and Barry Weingast. 1994. "Coordination, Commitment and Enforcement: the Case of the Merchant Guild." *Journal of Political Economy* 102, 4: 745-75.

Mustaq Khan, State failures in Weak States: A Critique of new institutionalism Explanations," In John Harriss, Janet Hunter, and Colin Lewis. Eds., *The New Institutional Economics and Third World Development* (Routledge, 1995).

Moss, Todd, Gunilla Pettersson, and Nicolas Van de Walle (2006). "[An aid-institutions paradox? A review essay on aid dependency and state building in sub-Saharan Africa.](#)" *Center for Global Development working paper* 74.

Kurtz, M. (2013) *Latin American State Building in Comparative Perspective: Social Foundations of Institutional Order*. Cambridge: Cambridge University Press.

North, D. and Barry Weingast. 1989. "Constitutions and Credible Commitments: The Evolution of the Institutions in 17th Century England." *Journal of Economic History* 49: 803-32.

Pritchett, L., et al. (2010) 'Capability Traps? The Mechanisms of Persistent Implementation Failure'. CGD Working Paper No. 234.

Soiffer, Hillel

Tilly, Charles. "Coercion, Capital, and European States [1990]." *Contemporary Sociological Theory* (2012): 251-265.

Also Rothstein on Quality of Government

Podcast with Binyavanga Wainaina: "[The Ethics of Aid: One Kenyan's Perspective](#)" (or see [transcript](#))

### **Developmental Strategies: ISI versus Export-Led Growth**

Required:

Bates in Oxford Handbook

<http://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780199548477.001.0001/oxfordhb-9780199548477>

Gary Herrigel, *Industrial Constructions; The Sources of German Industrial Power* (Cambridge University Press, 1996), Chs. 1-2.

Evans, Peter. 1979. *Dependent Development: The Alliance of Multinational, State, and Local Capital in Brazil*. Princeton: Princeton UP. Pgs. 3-54.

Haggard, Stephan. *Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries*. Cornell UP 1990, esp. chpts. 1, 2, and conclusion.

Sen, Amartya, Nicholas Stern and Joseph Stiglitz. 1990. "Development Strategies: The Roles of the State and the Private Sector." *Proceedings of the World Bank Annual Conference on Development Economics* 421-35.

Robert Wade, *Governing the Market*, (Princeton University Press, 1992), Introduction, Chapters 1-3.

Chalmers Johnson, 1999. "The Developmental State: the Odyssey of a Concept," In Meredith Woo-Cumings, ed., *The Developmental State* (Ithaca: Cornell University Press, 1999).

Peter Evans, *Embedded Autonomy: The State and Industrial Transformation* (Princeton University Press, 1999), Chapters, 2, 3, 4.

### **Politics of Evaluation and Development**

Required

Clemens, Michael and Gabriel Demombynes. 2010. "When Does Rigorous Impact Evaluation Make a Difference? The Case of the Millennium Villages." CGD Working Paper 225. (the problem of not evaluating projects)

Further

Baker, Judy. 2000. *Evaluating the Impact of Development Projects on Poverty: A Handbook for Practitioners*. Washington: World Bank. (how to)

Banerjee, Abhijit and Esther Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*: PublicAffairs.

Bosch, Karel van den and Bea Cantillon. 2006. "Policy Impact," in Oxford Handbook of Public Policy. Michael Moran, Martin Rein and Robert E. Goodin eds. Oxford: Oxford University Press, pp. 296-316. (the practice of evaluation)

Bovens, Mark, Paul 'T Hart, and Sanneke Kuipers. 2006. "The Politics of Policy Evaluation," in Oxford Handbook of Public Policy. Michael Moran, Martin Rein and Robert E. Goodin eds. Oxford: Oxford University Press, pp. 317-35.

Chambers, Robert. 1994. "The Origins and Practice of Participatory Rural Appraisal." *World Development*, 22:7, pp. 953-69.

Ludwig, Jens, Jeffrey R. Kling, and Sendhil Mullainathan. 2011. "Mechanism Experiments and Policy Evaluations." *Journal of Economic Perspectives*, 25:3, pp. 17-38.

Sanderson 2002 Evaluation, Policy Learning, and Evidence-Based Policy Making in Public Administration  
Also Chris Blattman on Evaluation 2.0 ([chrisblattman.com](http://chrisblattman.com)) (new vogues in evaluation)

## Appendix: How to Assess the Quality of a Research Paper (work in progress)

Reading loads are not too high (in general, 1 overview and one specialized article), but some of the articles are hard to understand. You need to read the articles carefully and critically. It is not enough to merely summarize the main argument (although this can be a major challenge in itself). While it is near to impossible to give common standards of assessment for all main streams of approaches (from positivist to postpositivist), I try to give you a checklist which covers common and distinct criteria for evaluating the readings. Note that there are no natural thresholds for these standards. For example, what counts as parsimonious in one area/ approach/ topic might still be over-simplifying in another. And yet, extreme wordy filibustering is never good scientific practice.

For all articles

- How does this article relate to the existing literature? Does it produce straw-men ('the neoliberal model', 'the postmarxist perspective'...)? Does it systematically omit literature? Is there a bias to the most recent/ most western/ most US American etc. sources?
- What is the research question? Is it well specified (implicitly or explicitly)?
- What type of approach is chosen? Positivist/ postpositivist, explaining/ understanding, causal/ interpretative? Does the logic of the paper follow the meta-theoretical perspective? Does it oversell the weaknesses of alternative positions? Does it over- or undersell the problem of incommensurability?
- What kind of mode of inquiry does the paper use? Theory-building, empirical investigation, testing, pattern seeking, interpretation? How does the paper handle empirics and data? Does it cherry pick sources/ data? Does the article make its own argument contra-intuitive and hard to show, or does it make its 'life' easy by using the most convenient methods/ approaches/ sources/ data?
- How transparent is the use of data, sources? Are violations of transparency/ replicability/ reliability justified on basis of the nature of the data and sources ?
- Is the wording/ writing simple enough to follow, the writing style lean?

For 'rationalist' articles

- Theory: is it internally consistent and logical, novel? Are the significant omissions that might affect the plausibility? How specific or general is the theory? How is it related to other approaches
- Does the study hide behind mathiness in theory or methods? Is it parsimonious? Is it over-simplifying?
- How does the study deal with contingent, reflexive, historical facts?
- Hypotheses: Do they follow from the theory? Are there plausible causal mechanisms? Are the hypotheses general, specific, closed, ...
- Research Design: Is the design adequate for theory/ data (experimental, quasi-experimental, case study etc.) external and internal validity? Measurement and operationalization of key concepts? Hawthorne or other effects that might yield bias?
- Testing: Is there endogeneity, selection bias, omitted variable bias? Are the results robust? Is the data structure taken care of (e.g. multi-level, nested, panel, time-series...)? Coefficient fishing?

- Case studies: How are cases selected? Could there be bias? Is there redundancy or lack of variation?
- Mixed methods: are there synergies or contradictions? Why combination picked that way? Does triangulation, nesting, etc. work?
- Conclusions: Do the implications follow from the findings? If any, do policy recommendation, normative conclusions relate to findings? Over- or underselling the findings?

For interpretative/ discursive/ postmodern articles

- Concept formation: Does the article hide behind unnecessarily difficult and opaque terminology? Could what have been said, have been said in simpler terms? Is there evidence for obfuscation? Are there unnecessary neologisms?
- Shielding against criticism: Is the argument too hermetic to be suitable for criticisms? What type of counter-argument could be made to reject the claims exposed in the article? Is there a black swan that would show inherent deficiencies? If the article does not want to be falsifiable, what other standard does it allow to be measured against?
- Interpretative bias: As human acts, all types of interpretation are theoretically equally desirable. However, in social science some stories/ narratives/ interpretations are collectively more interesting than others. How does the author justify his/ her personal reading/ interpreting/ poaching of the data/ material/ theories? Why did the author select this kind of material and not other?
- Does the article exaggerate the role of historical, contingent or interpretative facts? Does it neglect the importance of alternative explanations/ interpretations/ stories?