Political Economy of Development and Underdevelopment

Wellesley College
Political Science 204
Fall 2005

____________

Instructor: Christopher Candland
Office: 245 Pendleton East
Class room: 339 Pendleton East
Class hours: Tue & Fri 9:50–11:00

Description

How has poverty been conceived of and measured? How have conceptions and measures of development evolved since the inception of the field of development studies? Why does mass poverty persist in a world of affluence? Is it possible to eliminate poverty? What role did colonialism and nationalism play – and what roles do they continue to play – in shaping economic institutions and outcomes? What role do political regime type and economic development strategies have in promoting or hindering development? What economic development strategies have been most widely adopted and why? What has been the effect of these policies? Why do women and girls do less desirable work worldwide and how are some training and organizing for better work? Should trade agreements include clauses related to labor standards?

Political Economy of Development and Underdevelopment examines conceptions and measures of poverty, development, and underdevelopment, discusses the foundations and evolution of political economy and development studies, and considers contemporary development issues: structural adjustment, international labor standards and trade, and the feminization of informal sector work.

Course goals

The broad goal of the course is to understand core concepts and major theories of political economy and to thereby gain literacy in political economy. On completion of the course, students should be able to read non-quantitative political economy literature, to use political economy concepts and methods in analyzing historical and contemporary issues in political economy, and to recognize the capabilities and limitations of specific kinds of political economy analysis.

Requirements

Students must read assignments, consider the study questions, and participate in discussions. Students might be called upon in class to answer questions.
Assignments include:

discussion leadership (2 classes) & informed participation (throughout) 10 points
two short papers (1,200 words) 20 points (each)
final exam (1 hour – identifications and short essays) 25 points
final paper (2,000 words) 25 points

Each student must choose two classes for which to be a discussion leader – one from before the fall break; one from after. Discussion leaders might be called upon to facilitate conversation.

The final examination is comprehensive and held in-class. It asks you to identify key terms – provided over the course and in a comprehensive handout – and to write short answers to your choice of questions. It is meant to ensure that all students completing 204 have basic literacy in political economy, not to test your limits.

The final paper due at the end of the exam period. The final paper topic may address any political economy issue but must be approved by me. (See details on next page.)

Extensions and Deadlines

Deadlines are noted in the reading schedule and separately below. Grades on late work fall by one third of a letter grade (e.g., a B+ becomes a B) each day after a missed deadline, unless a doctor or your class dean verifies that you are ill or have encountered an emergency. There are no extensions for other reasons.

Reading

All reading is on electronic reserves, except the reading from Isbister’s Promises Not Kept and Chua’s World on Fire. Isbister’s Promises Not Kept is used as background reading (see below). It is available on Knapp Reserves at HN980 I83 2004. Chua’s World on Fire is on Knapp Reserves at HF1359 .C524 2003.

None of the books in the bookstore for this course is a required purchase. If you have already purchased any of the books, you may return them. Alternatively, you might like to have your own copies (in full) of important works in the field.

Available at the Bookstore and Knapp Reserves are:

Paper Assignments

Please include the word count – including footnotes and excluding bibliography - at the end of your paper.

Please double-space paper and submit on paper, not electronically. Please place papers in my mailbox in the Political Science Department office in PNE 249, not under my office door.

Please refer to the hand-out on strategies for papers, stylistic considerations, and citation formats.

First paper

Due: Wednesday, October 5 by 4:00pm

Explain the major cause (or causes) of poverty or of underdevelopment (choose one and define). Why does poverty and underdevelopment persist, and often increase, in a world of affluence?

Second paper

Due: Thursday, November 17 by 4:00pm

In a country of your choice explain (do not describe) how economic and political institutions under colonialism affected the regime type of the newly independence government or post-independence economic policies or both.

Final paper proposal

Due: Friday, December 9 by 4:00pm

Your final paper is on a topic of your choosing. The topic, however, must be approved. A one-page proposal of your final paper will enable me to help you to focus and design your paper. Proposals are not graded, but you will benefit if you submit a proposal by December 9 so that we can begin designing your final paper.

Final paper

Due: Thursday, December 22 by 4:00pm

Please refer to my hand-out on strategies for the final paper.

Other Deadlines

Last day for
adding or dropping a course  
Friday, September 16
declaring a course credit/non  
Friday, September 23
dropping a course without a WDR  
Friday, September 30

Beginning of Ramadan (Muslim Month of Fasting) and  
Rosh Hashanah (Jewish New Year)  
Tuesday, October 4
Readings Schedule and Study Questions

At the end of each class, I will make a brief presentation about the readings for the next class.

The study questions are designed to help you to know what to read for and to prepare for discussion.

Readings designated as “background” are surveys of the area under discussion. It is not necessary for class discussion to read background material. Reading designated “for further reading” is essential for any further study of the area under study but is not required reading nor discussed in class.

Tuesday, September 6
Course Introduction, Goals, and Requirements

I. Poverty and Development

Friday, September 9
How is Poverty Measured?

ANITA

World Bank, “Growth, Inequality, and Poverty” and “Poverty” (Table 4) (World Bank 2000: 45-49 and table 4) access by clicking link here http://web.worldbank.org/ (or go to World Development Report 2000/01)

Study Questions:

How does the World Bank define poverty?
What, according to the Bank, is the relationship between growth and poverty and between growth and inequality?

Tuesday, September 13

What is Poverty?

Wallace, “The Races of Man” (excerpt) (Wallace 1869: 548-552)

Study Questions:

What, according to Wallace, can the civilized learn from the savage?
Why does Farmer focus on suffering rather than poverty?
What are the features (or, in Farmer’s terms, the “axis”) of structural violence?
**Friday, September 16**

**Will Poverty Be Eliminated?**


Study Questions:

What are the UN Millennium Development Goals?  
When will they be met?  
When, in your opinion, will world poverty be eliminated?

---

**Friday, September 20**

**What is Development? How is it Achieved?**

**Modernization Approaches**

Lerner, "The Grocer and the Chief: A Parable" (Lerner 1958: 19-42)  
Rostow, "Introduction" and "The Five Stages-of-Growth" (Rostow 1960: 1-16)  
background: Isbister, "Explanations of Underdevelopment" (excerpt) (Isbister 2003: 30-41)

Study Questions:

What are the assumptions adopted by modernization theory as it examines development?  
What, according to Lerner, is the role of mass media in development?  
What makes an economy or a country developed or underdeveloped?

---

**Friday, September 23**

**What is Development? How is it Achieved?**

**Marxist Approaches**

background: Isbister, "Explanations of Underdevelopment" (excerpt) (Isbister 2003: 49-56)

Study Questions:

What transformed idyllic village life, according to Engels?  
Is underdevelopment a normal human condition or human constructed?
Tuesday, September 27

**Human Development and Capacity Approaches**

Sen, "A Decade of Human Development" (Sen 2000: 17-23)
Nussbaum, "The Capabilities Approach" (Nussbaum 2002: 123-135)

Study Questions:

What is HDI and how is it measured?
What are some of the other human development indicators and what do they add to the study of development and poverty reduction?
What is the capacity approach to development? How does it differ from the income approach to development? Which human development indicators would be most useful to the capacity approach?

Friday, September 30

**Gender and Development**

Sen, “Gender Inequality and Women’s Agency” (Sen 2002: 229-274)

Study Questions:

How development processes better understood with attention to gender?
In your view, what is the relationship between economic growth and discrimination on the basis of gender? Does growth ameliorate gender discrimination or exacerbate gender discrimination? Why does economic growth have these effects?

**Note:** Your first paper is due on Wednesday, October 5 by 4pm. Please see paper assignments details (above on page 3) and paper writing guidelines (from me).

II. Does the Market Make Us Civil?

Tuesday, October 4

**Engaging in Commerce and Promoting Civil Society**

Smith, “Of the Principle which Gives Occasion to the Division of Labour” and “That the Division of Labour is Limited by the Extent of the Market” (Smith 1776: 25-36)

Study Question:

How does Smith construct the argument – using both moral and efficiency arguments – that a commercial society is a civilized society?
Friday, October 7  
No Class

Tuesday, October 11  
Fall Break – No Classes

Friday, October 14  
Exporting Markets and Undermining Democracy

Chua, “Rubies and Rice Paddies,” or “Llama Fetuses, Latifundia, and La Blue Chip Numero Uno” and “Globalization and Ethnic Hatred” (Chua 2003: 23-48 or 49-76 and 1-17) [not on e-reserves]

Study Questions:

What position did Indians have in the economy and society of Burma?
What position do Chinese continue to have across Southeast Asia?
What is the relationship between European ethnicity and economic opportunity in Bolivia and Brazil?
Why are distinct class and income relations seemingly shaped by ethnicity?

III. Colonial Institutions and Legacies

Tuesday, October 18  
Three Stages of European Imperialism

Casas, "The Devastation of the Indies" (excerpt) (Casas 1992 (1552): 27-35)
Abdel-Fadil, "Colonialism" (Eatwell, Milgate, Newman 1989: 61-67)
background: Isbister, "Imperialism"(Isbister 2003: 66-101)

Study Questions:

How does imperialism differ from colonialism?
Was European imperialism beginning in the 15th century distinct from previous forms of imperialism?
Why did European imperialism last for five centuries and cover the world?
What were the distinct stages of European imperial history? How did European imperialism change in its five-century course?

Friday, October 21  
Technologies of Imperial Development

Williams, "British Commerce and the Triangular Trade" (Williams 1994: 51-84)
Frank, "Atlantic Region" (Frank 1998: map and table)

Study Questions:

What methods did European colonizers use to get colonial subjects to work?
How did those methods help to transform economies?
Tuesday, October 25

**Nationalism and Independence**

Marx, "The British Rule in India" and "The Future Results of British Rule in India" (Marx and Engels 1972 (Marx 1853): 35-41, 81-87)
Nehru, “The Plunder of Bengal helps the Industrial Revolution in England” and “The Destruction of India’s Industry” (Nehru 1946: 295-302)
background: Isbister, "Nationalism and Independence" (Isbister 2003: 102-147)

Study Questions:

How, according to Marx, did colonialism perform both a destructive and a constructive role in India?
In what way might it be argued that nationalism is derived from and reflects imperialism? How might it be argued that European colonialism provide the occasion for non-Europeans to form nations?
Was African, Asian, and Latin American nationalism emancipative, as its proponents argued, or did it serve to betray the promise of independence, as some of our readings argue?

Friday, October 28

**Political Development in an Era of Cold War Decolonization**

Huntington, "Political Order and Political Decay" (excerpt) (Huntington 1968: 1-11)
Ake, "Social Science as Imperialism" (Ake 1979: 99-103 and 130-131)
further reading: Kesselman, "Order or Movement?" (Kesselman 1973: 139-151)

Study Questions:

How might it be argued that political order is the basis for all other goods and that development, therefore, is the institutionalization of political order through government? What are the assumptions of such a view?
How might it be argued that political development is the ideology battering ram for commercialized society?

Tuesday, November 1

**Tanner Conference – No Classes**

IV. Development Models

Friday, November 4

**Industrialization with “Unlimited Supplies of Labor”**

Arndt, "Development as Growth (1945-1965)" (Arndt 1987: 49-72)
Lewis, "Economic Growth with Unlimited Supply of Labour" (Lewis 1954: 145-150, 153-160, and 189-191)
Study Question:

Why would economic inequality be considered beneficial for economic growth?

Tuesday, November 8

Engineering Growth

Arndt, "Development as Growth (1945-1965)" (Arndt 1987: 72-87)

Study Questions:

How can specialization and trade generate greater benefits for all, including those economies that are not best at producing anything? What are the limitations of the economic model behind growth through specialization and trade (comparative advantage)?

Friday, November 11

Dependency

Evans, "Imperialism, Dependency, and Development" (excerpt) (Evans 1979: 25-54)
background: Isbister, "Explanations of Underdevelopment" (excerpt) (Isbister 2003: 41-49)

Study Question:

What does the dependency theorists mean in arguing that the Third World is not undeveloped but underdeveloped? Is it possible, in your opinion, for all economies and all countries to become developed?

Tuesday, November 15

The Developmental State

Johnson, "Political Institutions and Economic Performance" (Deyo 1987: 136-164)

Study Questions:

What are the major features –structurally and descriptively - of the developmental state? What kind of an economy do they build? What have developmental states achieved? Where are they most vulnerable?

Note: Your second short paper is due on Thursday, November 17 by 4 pm. Please see paper assignments details (above on page 3) and paper writing guidelines (from me).
V. Contemporary Development Issues

Friday, November 18

**Structural Adjustment**

de Rivero, "International Darwinism" (de Rivero 2001: 75-105)

Study Question:

Why might a proponent of the developmental state regard structural adjustment as a setback to development?

Tuesday, November 22

**Structural Adjustment**

Stiglitz, "Freedom to Choose?" (Stiglitz 2002: 53-88)

Study Questions:

What is the Washington Consensus?
What are its limitations in the real world?

Friday, November 25

**Thanksgiving – No Classes**

Tuesday, November 29

**The Asian Financial Crisis**

Brauchli, “Caught Up in Enthusiasm” (1998: 1-10)
Bello, "The Asian Economic Implosion: Causes, Dynamics, Prospects" (Bello 1999: 133-143)
Johnson, “Let’s Revisit Asia’s ‘Crony Capitalism’,” (Johnson 1999: 7)
Stiglitz, "The East Asian Crisis" (Stiglitz 2002: 89-132)
background: MacEwan “What Causes Exchange Rate Fluctuations?” (MacEwan 2001: 62-64)

Study Questions:

What caused the 1997-99 Asian Financial Crisis?
How did the IMF respond?
Was the Crisis caused by market forces or by the absence of market forces?

Note: A one-page description of your final paper with a list of sources that you intend to consult is due by Friday, December 9 at 4pm. Please see paper assignments details (above on page 3).
Friday, December 2

Labor Standards and Trade

Candland, “Do Corporate Codes of Conduct Improve Labor Standards?: Evidence from Thai Apparel and Footwear Workers” (Candland 2005)
background: O'Rourke, “Sweatshops 101” (O'Rourke 2001: 99-106)

Study Question:

Why are the alleged beneficiaries of labor clauses in trade agreements – third world workers – often united against them?

Tuesday, December 6

Gender and Informal Sector Work

Benería, “The Informal Sector and the Vicious Circle of Poverty” (Benería 2003: 108-120)
Rose, “SEWA: Women in Movement” (Rose 1992: 15-35)

Study Questions:

Under what circumstances does commerce reduce discrimination and violence against women? Under what circumstances does commerce increase discrimination and violence against women?

Friday, December 9

Review

Tuesday, December 13

Final Exam

Note: Your final paper is due no later than Tuesday, December 22 by 4 pm. Please see paper assignments sheet (above) and paper writing guidelines (from me).