

INTERNATIONAL RELATIONS 322 Poverty and Development

First Draft

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This course will examine development processes in the Third World and the effect of international economic transactions on them. Because of the current state of development in poor countries, we will focus especially on the causes of and solutions to widespread poverty. Student activities will center around team research of a specific country.

"Whenever I watch TV and see those poor starving kids all over the world, I can't help but cry. I mean I'd love to be skinny like that, but not with all those flies and death and stuff." --Mariah Carey

IR 322 is focused on the national level, emphasizing the policy issues that arise from nations living within the systemic context discussed in IR 222 and applying development theory to a particular case. Students are expected to take both courses in the same semester, creating an intensive immersion in both the general theory of international political economy and its specific application in solving concrete development problems.

The centerpiece of IR 322 will be a semester-long team research project in which each group will study the development problems of a single country, applying general theory and empirical findings to the particular case. Each team will monitor the development performance of a particular nation and regularly report to the class on it. During the first part of the course, the emphasis of that monitoring will be *descriptive*: *what* developmental processes and trends are underway in the nation? In the second part of the course, the emphasis will shift to *explanatory* questions: *why* is development proceeding as it is? Increasingly, our focus will be directed as well toward *prescriptive* issues: *how* can specific problems be solved?

The culminating product of that project will be a development plan designed to achieve real progress in solving the poverty and development problems of the chosen country. The oral and written presentation of that development plan will be conducted within a role playing context in which the team will seek to convince an important actor – a head of state, World Bank official, foreign aid staffer, or multinational corporation executive, for example – that the development plan should be adopted and resources expended in pursuit of it. An important goal of the course is to provide students with experience in working within a team environment and writing/presenting for a particular audience, both skills that are essential in LAL (life after Lehigh).

READINGS

- John Rapley, *Understanding Development: Theory and Practice in the Third World*, 2nd edition, Boulder, Colorado: Lynne Rienner Publishers, 2002.
- Additional readings will be available via the Blackboard 6 network software, which can be reached at <http://bb.lehigh.edu>.
- Students should monitor contemporary events with a high-quality news source, particularly with respect to their chosen country.

STUDENT RESPONSIBILITIES

There will be no exams. The bulk of the course grade will be made up of seminar participation and a team project. The grading procedures will be very flexible (i.e. vaguely defined) to take advantage of the instructor's ability to closely evaluate all aspects of student performance in such a small class with such frequent open-ended assignments. **Attendance and participation in class discussions are required**; reading the assigned material *prior to* the class at which it will be discussed is also required.

Contributing to the effort of your group, including attending all meetings and facilitating completion of assignments, is also required. You will have the opportunity to grade your team members. Any student not thought to be contributing to the group effort will be either removed from the group or dropped from the course.

Many class meetings will have brief written assignments designed to facilitate discussion and insure that the reading has been completed. These will take the form of either Blackboard assignments (marked "BB" in syllabus), which require posting a brief message in the Discussion Board segment of Blackboard, or email assignments directly to the instructor. *Both are due by 10 am the day of the class meeting for which they have assigned.*

The form of the "project" component of the course is described in the hand-out available on Blackboard under Course Assignments. It will be centered around group research in which students explore development problems in specific countries and formulate plans to cope with them. This involves a team-written background report at the end of March and a final team report at the end of the semester. Both will involve an oral presentation. Intermediate assignments will guide the teams toward those reports.

Blackboard assignment. Respond to the discussion board question by 10 am ..

SCHEDULE

Readings and assignments should be completed *before* the session for which they are assigned. Students will need to monitor closely our progress through the syllabus. It would not be unusual if we were to fall behind. The BB assignments are listed in a shadowed text box. Class sessions will consist of an ongoing dialogue between the readings and the research results reported by teams.

Part One: How developed (poor) is your country? Definitions and Perspectives.

January 16 Tu Introduction to development in the context of North-South relations. Introduction to the course and the project. Introduction of seminar participants. Team work.

BB handout: Consult the assignment “Introduction to group projects” on Blackboard (under “Assignments”). Also read “Teamwork” on Blackboard.

BB assignment: Post your preferences for the country you wish to study on the Discussion Board on Blackboard (under “Country interests”).

Explore possibilities with others. Continue to monitor this Discussion Board to see what others are saying about country choices.

Country interests. Explore the country interests of seminar participants so that like-minded students can discuss the formation of teams.

January 18 Th “Money doctors” or “Economic hit men”. What tools have they used? What theories have they propounded? *What interests have they served?* What has been their impact on 3rd world development processes? ***What kind of money doctor do you want to be?*** Reflect on the IR 222 assignment.

money_doctors

Reading: Drake, “The Political Economy of Foreign Advisers and Lenders in Latin America”; **IR 222: Why should we care about the Third World?**

Perkins interview, “Confessions of an Economic Hit Man”; Midgley, “Social Development: The Intellectual Heritage”; Paul Krugman, “Cycles of Conventional Wisdom on Economic Development.”

Email assignment (NOT BB): Consult the assignment “Introduction to group projects” and review the postings of others concerning country interests. Email me your preference for the project: countries, members, scenarios. What countr(y/ies) would you like to study? Who would you like to work with?

January 23 Tu The meaning of development, especially in the liberal and Sussex schools. The values component of development. The measurement of development. What’s wrong with GDP. The costs of development and underdevelopment. Team/country assignments.

Meaning.of.
Development

Reading: Goulet, “Development”...or Liberation?”; Anand and Sen, “Human Development and Economic Sustainability”(read through p. 2036, skim the remainder); Anand and Ravallion, “Human Development in Poor Countries: On the Role of Private Incomes and Public Services”; **Seers**, “The Meaning of Development”; Coleman, “Measuring Real Progress”; Economist, “Price of Light”. **Warning: Read footnotes and endnotes!**

Recommended: Rapley, pp. 1-3 (Introduction).

Assignment: Come prepared to *dissect* the position of Seers, especially what he means by “development”. Ommmmmmmmmmmm. Repeat after me: “All *measures* of development are built upon alternative conceptions of the *meaning* of development.” Ommmmmmmmmmmm. To describe a nation’s level of development in a way that would satisfy Seers (hint: Moon, too!), what statistical data would you have to gather?

Team assignment: Explore your country. See geography assignment for the next session. It should be well underway by now. Find a source of contemporary news coverage.

January 25 Th The measurement of development (continued). Patterns of development. Basic Human Needs. Dimensions of development. Using statistics. Presenting statistical information. How to argue with statistics.

Meaning of Development Soc & Pol Impl. of Development

Reading: Moon, "Basic Human Needs"

Recommended: Edward, "The Ethical Poverty Line: A moral quantification of absolute poverty," *Third World Quarterly* 27, 2 (2006): 377-393.

Team email assignment: Describe your members, country, and the scenario that seems most appealing to you.

Team assignment (post if you wish): Conduct a crash course on the basic geography of your country. Share the highlights with your team members so that you all have a basic understanding and each of you has more detailed

Basic geography (optional, recommended). Summarize highlights in rough draft briefing form.

knowledge on some facet of that geography. Physical geography: what does the country look like in terms of land forms, transportation access, climate, agricultural conditions, natural resources. Economic geography: what does the country produce and why? What other options are available? Political geography: the structure of government, level of democracy, human rights, political culture, major political figures, political history. Human geography: religion, language, culture, ethnic groups, classes, inter-group issues.

January 30 Tu How developed is your country? Critique of the first team submissions. We will spend the entire session poring over every minute failure in your BB assignment. Come with sharpened claws to critique others and a thick skin to learn from their opinions of your work.

Team BB assignment: After meeting to discuss the best way of measuring the level of development of a nation and/or progress in improving it, post a description of your nation in terms of those measures. Be

prepared to present this data to the seminar. Look at the contributions of other teams, learn from them how it can be done better. Make sure you emphasize the meaning of development that you think best captures your goals, which will constitute Part 1 of the Background Paper.

Note: Remember why you want to assess how your country is doing.

First, because money doctors must

adopt their own version of the Hippocratic Oath — first, do no harm! Or, if you prefer, "If it ain't broke, don't fix it." Second, you must *begin* to think about your priorities among various development problems for your final proposal. Third, the pattern of relative development successes and failures may suggest the causal dynamics that dominate your country's path of development.

Warning: **Before** this assignment, read the hand-out on "The use of statistics".

Hint: If you do a thorough job of this, the first team assignment will be much easier. This is

How developed is our country? "Pre-draft" of Team Paper #1. Steps: 1. Please meet to initiate a semester-long discussion concerning the definition(s) of development you will eventually adopt as an appropriate "guiding star" for your nation and goal for your proposal. *At this stage, be sure that this discussion reflects the full range of meanings of "development" we have encountered thus far.*

2. For each element of this composite definition of the level of development of a nation (and/or progress in improving it), consider how it might best be measured.

3. Explore what data is available from reputable sources that matches these measurement strategies.

4. On the basis of steps 1-3, write a paper that describes the recent record of development performance of your country. How developed is your country (with respect to the dimensions of development you believe significant)? At what rate, if at all, has your country been developing recently? In order to illustrate, document and dramatize why you have come to the conclusions you have, use charts, graphs, and statistics to compare your country with similar nations or appropriately chosen model nations, as well as your own country's past performance and potential.

the preliminary version of that first paper, due next week. Glance ahead at that assignment and review the handout "Introduction to group projects" Check for a model paper on BB.

February 1 Th Social, Political, and Environmental Implications of Economic Development Choices. Critique of team paper.

Soc & Pol Impl. of Development

Reading: **Burns**, "The Modernization of Underdevelopment: El Salvador, 1858-1931".

BB assignment: What is the key sentence on page 132? Why? *Hint:* Many students have told me that they didn't really understand IR 125 until they had taken IR 322. Here's where it starts: do you see the five laws of political economy illustrated here? Bonus point for correct answer; 3 bonus points for *first* correct answer.

Burns: key sentence on p. 132. What is the key sentence? Why? What principle does it illustrate?

Optional BB assignment: All measures of development are built upon alternative conceptions of it. For example, the HDI and GDI are measures that emphasize basic needs attainment and gender equality rather than the aggregate production emphasized by GDP per capita, etc. How would you measure the "sustainable development" of your country? Creative or indirect measurement of difficult concepts is often necessary. How would you recognize a country with relatively large or relatively small inequality on dimensions like class, gender, sector, region, etc. How would you measure it?

Measures of inequality. How would you measure a country's level of inequality across dimensions like class, gender, sector, region, etc.? Sustainable development?

February 6 Tu Patterns of Poverty. Cleavages of class, gender, sector. Why do poor people stay poor?

Soc & Pol Impl. of Development

Reading: **Lipton**, "Why Poor People Stay Poor: Urban Bias in World Development".

Optional assignment: The editor of *The Encyclopedia of International Political Economy* commissions you to write 500 words for the entry "urban bias".

Team Assignment: Write Paper#1 that describes how your country is doing, informed by the understanding of *why* you would want to assess how it is doing. Your final proposal must begin by deciding (1) if any change must occur in your country, and, if so, (2) what kind. You can't know that until you project what the future will look like and — as I explain in the handout on determining development potential — one way of doing that is to look at the present and recent past. Review handouts that describe the logic of building the background briefing piece by piece. See the project description for the requirements of the background report, because if you do this right, you will have completed the first item under "Problems and Opportunities" for the background report. Use charts, graphs, and statistics.

Team paper #1: How is my country doing?

Hint: This would be an excellent time to begin thinking about items 2-5 under "Goals and Opportunities". For example, what are the most positive elements of your country's development status? (potential on which to build?) What are the greatest weaknesses (problems to be resolved)?

February 8 Th Catch up. Previewing the sequence of assignments culminating in the final paper.

Part Two: Why is Your Country So Poor? Applying Theories of Development and Underdevelopment

February 13 Tu The roots of assessments of national developmental potentials in alternative theories of development. Universal vs. contingent policy advice. Matching particular national characteristics with the assumptions of universal development theories to evaluate national development strategies. Discussion of background papers.

Reading: Rapley, chapter 3; Page, “The East Asian Miracle: Building a Basis for Growth”; Hamilton, “Can the Rest of Asia Emulate the NICS?”; Rodrik, Dani, “Trading in illusions,” *Foreign Policy* March/April 2001: 54-62.

Team paper #2 (optional): How is my country doing? (Revision of paper #1)

Assignment: Read the handout on Assessing Development Potential. It is probable that a second draft of the first paper (Paper #2) will be due on this date and we will critique the best/worst examples.

February 15 Th Solow growth models and growth accounting. Mobilizing, employing, expanding, improving factors of production. Enhancing savings and investment rates. Building human capital. Detecting “1-, 2-, and 3-gaps”. Sources of external finance. The dangers of external reliance.

Requisite.grow

IR 222: Orthodox development theory

Reading: Krugman, “The Myth of Asia's Miracle”; skim Bloom & Williamson, “Demographic Transitions and Economic Miracles in Emerging Asia”

Solow-style growth. Inspired by Solow-style models, how many ways can you think of to generate growth? Hint: First responders get to list the easy ones! How would you choose among them for an individual country?

BB assignment: Inspired by Solow and Krugman, how many ways can you think of to generate growth? How would you choose among them for an individual country?

February 20 Tu Introduction to the balance of payments and balance of payments accounting. Recognizing a 2-gap. What is happening to the value of your nation's currency? Why? What is the trade balance? What pattern of capital flows can you detect from the balance of payments? Does it accord with descriptive narratives? What is the debt level?

Development finance

February 22 Th In depth analysis of the balance of payments to detect a 2-gap. What are your options for closing the 2-gap? Analyzing the import basket and composition of exports. Analyzing the pattern of capital flows. Development financing. Trade balances. Capital flows. Debt. Ben Franklin: “Think what you do when you run into debt; you give to another power over your liberty.”

IR 222: Planning paradigm

February 27 Tu The role of the state in development. Infrastructure, human capital, structural change. Recognizing and closing the 3-gap. Budget deficits.

BB assignment: What are the requisites of development from the standpoint of the planning school? How can they be measured?

Requisites of development (planning school). What are the requisites of development from the standpoint of the planning school? How can they be measured?

Reading: Hadden and London, "Educating Girls in the Third World"; Rodrik on institutions from 222.

March 1 Th Research strategies for background papers.

Assignment: Read the handout on Assessing Development Potential again. Meet to begin preparing for the next team assignment. **Notice the rapid pace of written assignments due in the next three weeks!** Plan your approach. What information do you need?

March 3-11 Sat-Sun Spring Break - no class

March 13 Tu Discussion of gap analysis papers.

Team email assignment: Paper #3.

Review the development potential of your nation from the standpoint of 1, 2, and 3-gaps. Do you require external finance, for example to close an investment deficit, trade deficit, budget deficit? What sources of external finance are available to your nation?

Paper #3 Gap analysis .Review the development potential of your nation from the standpoint of 1-,2-, and 3-gaps. Do you require external finance? What sources of external finance are available to your nation? (Recommended pre-draft submission 2/24)? Draft due 3/13

March 15 Th Avoiding external dependence.

BB assignment: What are the requisites of development from the standpoint of the radical school? How can they be measured?

IR 222: Radical school

Requisites of development (radical school).What are the requisites of development from the standpoint of the radical school? How can they be measured?

March 20 Tu Critique of papers

Team Assignment: Write Paper #4 that describes the development potential of your country. Use charts and statistics. See the project description for the requirements of the background report. If you do this right, you will have completed the third and fourth items under "Goals and Opportunities."

Paper #4 Development Potential . Describe the development potential of your nation in a way that hints at development priorities and possible solutions.

March 22 Th Prepare for background report

March 27 Tu Background reports due: the development experience and prospects of nations. Presentation of background reports

Background Reports.

March 29 Th What makes a good presentation? Moving from problem diagnosis to problem resolution.

Email Assignment: Grade the presentations.

April 3Tu Catch up or religious holiday

Part Three: Development strategies: How can your country develop (solve its poverty problems)? The Final Proposal: Drawing Conclusions, Adopting a Plan, and Convincing an Audience.

April 5 Th Development Strategies Investment incentive packages. Meeting the conditions of multinational corporations. The policy requisites of joining a commodity chain.

Development strategy

Does Moon believe that nations should emphasize exports in seeking development? What kinds of exports? Why or why not?

Reading: Milner, “Trade Strategies and Economic Development: Theory and Evidence”; Moon, “Exports, Outward-Oriented Development, and Economic Growth”
Review: Rapley, chapters 1-5.
BB assignment: Does Moon believe that nations should emphasize exports in seeking development? Do you agree?

April 10 Tu Constraints on the Choice of Development Strategy

Reading: Gereffi and Wyman, “Determinants of Development Strategies in Latin America and East Asia”; Handelman, “Agrarian Reform and the Politics of Rural Change”; Handlemann & Baer, “The Economic and Political Costs of Austerity”; Rapley, chapters 6&7.

Constraints. What actors or forces could prevent the adoption or success of a given development policy?

Recommended: Karl & Schmitter, “Soldiers and Politics”
Team BB assignment: Identify what actors or forces could prevent the adoption or success of a given development policy? What does this imply about the strategy you will recommend?

April 12 Th The design of a typical stand-by agreement. Stabilization. Austerity programs. Meeting the conditions of the IMF and World Bank.

April 17- 24 Tu-Th-Tu Catch up. Proposal review. Team meetings. Team research.

April 26 Th Final Project Due Date

TBA Presentations of Final Reports