

INTERNATIONAL RELATIONS 322 Poverty and Development

Second draft

Professor Bruce Moon
208 Maginnes [758-3387]
Office Hours: Tu/Th 1:30-2:30 pm

Lehigh University
Spring Semester 2011
bruce.moon@lehigh.edu

This course will examine development processes in poor countries, focusing on the causes of and solutions to widespread poverty. Student activities will center around team research of a specific country, with the final product being a realistic development plan for poverty alleviation. In past classes, some teams have implemented their projects either as part of the course or in follow-up work.

"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 throughout the semester, 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. Depending on student interest, the oral and written presentation of that development plan will be directed toward an actual funding agency or 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, NGO director, or multinational corporation executive, for example – that the development plan should be adopted and resources expended in pursuit of it. Students will be encouraged to consider planning projects of international social entrepreneurship which might be implemented at a later date.

Important goals of the course are 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). If possible, students will also gain experience in “doing development” on the ground.

READINGS

- John Rapley, *Understanding Development: Theory and Practice in the Third World*, 3rd edition, Boulder, Colorado: Lynne Rienner Publishers, 2007.
- Additional readings will be available via [CourseSite](#) .
- 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 CourseSite assignments (marked "CS" in syllabus), which require posting a brief message in the Discussion Board segment of CourseSite, or email assignments directly to the instructor. *Both are due by 8 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 CourseSite 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.

CourseSite assignment. Respond to the discussion board question by 8 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, Perspectives, and Descriptions.

January 18 Tu **Social entrepreneurship.** One outcome of your project might be “do-it-yourself foreign aid”. Current examples of Lehigh-based international social entrepreneurship: Soccer Without Borders, Engineers Without Borders, Caring for Cambodia, Composting Toilets International, A Ghana initiative.

money_doctors

- Readings:*
- David Bornstein, “[Restless people](#),” “The role of the social entrepreneur,” and “Morality must march with capacity (about James Grant),” [chapters 1, 8, and 19](#) in *How to Change the World: Social Entrepreneurs and the Power of New Ideas* (Penguin India, 2005). Remainder of book is recommended.
 - [Interview](#) with Muhammad Yunus, CNN/Asia.

BB handout: Consult the assignment “[Introduction to group projects](#)” on CourseSite (under “Assignments”). Also read “[Teamwork](#)” on CourseSite (under Course Documents).

BB assignment: Post your preferences for the country you wish to study on the Discussion Board on CourseSite (under “Country interests”). Explore possibilities with others. Continue to monitor this Discussion Board to see what others are saying about country choices.

January 20 Th “**Money doctors, Economic hit men, Social entrepreneurs**”. Introduction to development in the context of North-South relations. Introduction to the course and the project. Introduction of seminar participants. Team work. Our mission is to prescribe policies for our countries which will alleviate poverty and improve development prospects.

Advisors from the North have long played a controversial role in the development of the South. Like us, they have professed to be helping the poor, but have they? Perkins says “no”: they are only “economic hitmen” who create and exploit dependency. Bornstein says “yes”: they can be “social entrepreneurs” who solve social problems rather than earn profits, like Jim Grant, Nobel laureate Muhammad Yunus, or former Lehigh IR majors [Ben Gucciardi](#) and [Lisa Boyd](#) and those associated with [Engineers Without Borders](#) and the [Cambodia project](#) illustrate that students can become [social entrepreneurs even as undergraduates](#).

Drake has a more complex answer: “money doctors” offer advice and money, which produce variable outcomes. In-class discussion will focus on his questions. What tools have they used? What theories have they propounded? (Rapley, Midgley and Krugman provide alternative preliminary guides: Note the tension between Midgley’s thesis and Krugman’s footnote 2. Guess which one is an economist.) *What interests have they served?* What has been their impact on 3rd world development processes? All of this is preliminary to the central question of this course: ***What kind of money doctor do you want to be?*** What do you want to achieve? Reflect on the IR 222 assignment for help in answering those questions.

Review the linkage to the IR 222 assignment: Why should we care about the Third World?

- Reading:*
- Paul W. Drake, “[The Political Economy of Foreign Advisers and Lenders in Latin America](#)”, chapter 1, *Money doctors, foreign debts, and economic reforms in Latin America from the 1890s to the present* (SR Books, Wilmington, Delaware, 1994)

- Interview by Amy Goodman for *Democracy Now* of author John Perkins , “[Confessions of an Economic Hit Man](#)”
- Rapley, Chapter 1.
- James Midgley, “[Social Development: The Intellectual Heritage](#)” *Journal of International Development* 15 (2003): 831-844.

Email assignment (NOT CS) ASAP: 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? If we are all prompt with this assignment, we can assign teams today and begin our research. If not, we’ll start the semester behind.

BB Assignment: As soon as country teams are confirmed, begin the “Geography” assignment for January 27. See Jan. 27 session below for details. **Achtung! If this assignment seems more like work than fun, you are in the wrong course – and probably the wrong major!**

Basic geography (start now, post by 1/27). Summarize highlights in rough draft briefing form. Keep notes with URLs and full citations for later reference.

- 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

January 25

Meaning of Development

Tu **The meaning of development**, especially in the liberal and Sussex schools. The values component of development (like the values component of trade dilemmas). Understanding the meaning of development – knowing what you are trying to accomplish – is central to everything else in this course. We will return to it daily. Read with special care the Seers piece, a true classic that has profoundly influenced thousands of political economists. When *I* picked it up the first time, I was an economic liberal. An hour later I wasn’t.

Begin Team Paper 1, due February 1: What is development? How will we measure it? 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.

Introduction to **the measurement of development**, which is frequently confused with its meaning. What’s wrong with GDP? Seers and Nobel laureate Sen both offer a humanist’s critique. Coleman suggests that it’s the wrong target for more practical reasons. *The Economist* notes that it’s a lot harder to measure than we usually assume. Anand and Revallion introduce a major critique of neo-liberalism, that GDP itself matters less than how it is allocated. Team/country assignments.

- Reading:*
- Denis Goulet, “[‘Development’ ...or Liberation?](#)” *International Development Review* 13, 3 (September 1971)
 - Dudley Seers, “[The Meaning of Development](#),” *International Development Review* 11, 4 (December 1969): 2-6. **Warning: Always read footnotes and endnotes!**
 - Coleman, “[Measuring Real Progress](#)”, Redefining Progress [web site](#).
 - Jon Gertner, “[The Rise and Fall of the G.D.P.](#),” *NY Times Magazine*, May 10, 2010.
 - *The Economist*, “[Price of Light](#)”, 22 October 1994.
 - E. Wayne Nafziger, “[From Seers to Sen: The meaning of economic development](#),” UN University/World Institute for Development Economics Research Jubilee Conference, 17-18 June

2005.

- Amartya Sen, [*Development as Freedom*](#), Oxford University Press, 2001, Introduction and chapters 1 & 2.
- Sudhir Anand and Martin Ravallion, "[Human Development in Poor Countries: On the Role of Private Incomes and Public Services](#)" *Journal of Economic Perspectives* 7, 1 (Winter 1993): 133-150.

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

- Sudhir Anand and Amartya Sen, "[Human Development and Economic Sustainability](#)" *World Development* 28, 12 (2000): 2029-2049. (read through p. 2036, skim the remainder)
- Sabina Alkire and Maria Emma Santos, "[Acute Multidimensional Poverty: A New Index for Developing Countries](#)," Oxford Poverty & Human Development Initiative Working Paper No. 38, July 2010.
- Mark Schreiner, "[Progress Out of Poverty Index: A Simple Poverty Scorecard for Honduras](#)," Grameen Foundation, 5 May 2010.
- Mark Schreiner, "[Progress Out of Poverty Index: A Simple Poverty Scorecard for Cambodia](#)," Grameen Foundation, 1 December 2009.
- Mark Schreiner, "[Progress Out of Poverty Index: A Simple Poverty Scorecard for Ghana](#)," Grameen Foundation, 16 March 2010.
- [Report](#) by the Commission on the Measurement of Economic Performance and Social Progress, 14 September 2009.

Assignment: Come prepared (i.e. prepared) to *dissect* the position of Seers, especially what he means by "development". Does Sen agree? 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? Not a trivial question – see the assignment for February 2. Come prepared.

Team email assignment: Describe your members, country, and likely scenario. Provide contact information. [Explore your team's strengths and weaknesses, but you need not report them to me. Who can write? Who can PowerPoint? PhotoShop? Who can produce an Excel graph? Who speaks the language? Who has an economics background? Who's a slacker? How's the meeting schedule?]

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

January 27

Meaning of Development

Patterns of Poverty.ppt

Th The measurement of development (continued). Patterns of development. Basic Human Needs. Dimensions of development. **Patterns of Poverty**. Cleavages of class, gender, sector. Where is poverty concentrated? Regional, sectoral, geographic patterns. Using statistics. Presenting statistical information. How to argue with statistics.

- Reading:*
- Bruce E. Moon, "[Basic Human Needs](#)", chapter 1, *The Political Economy of Basic Human Needs* (Cornell University Press, 1991)
 - Amartya Sen, "[A Decade of Human Development](#)," *Journal of Human Development* 1, 1 (2000): 17-23.
 - Anirudh Krishna, "[Escaping poverty and becoming poor: Who gains, who loses, and why?](#)"

World Development 32, 1 (2004): 121-136.

- Robert Chambers, "[Poverty and livelihoods: Whose reality counts?](http://www.archidev.org/IMG/pdf/p173.pdf)" *Environment and Urbanization* 7, 1 (April 1995) <http://www.archidev.org/IMG/pdf/p173.pdf>

- Recommended:*
- Peter Edward, "[The Ethical Poverty Line: A moral quantification of absolute poverty,](#)" *Third World Quarterly* 27, 2 (2006): 377-393.
 - Anirudh Krishna, "[For reducing poverty faster: Target reasons before people,](#)" *World Development* 35,11 (2007): 1947-1960.
 - Anirudh Krishna, "[Pathways out of and into poverty in 36 villages of Andhra Pradesh, India,](#)" *World Development* 34, 2 (2006): 271-288.

Team assignment: 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 knowledge on some facet of that geography. For the moment, the purpose of the assignment is to get you acquainted with your country, but take good notes because you will need to write about this in more detail soon in the context of geographical theories of development. 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.

Basic geography. Summarize highlights in rough draft briefing form.

February 1

Soc&PolImpl.of
Development

Tu Why do poor people stay poor? Clues from the urban-rural divide. "**Urban bias**" as an element of development that reflects economic, political, social, culture, environmental, and technical causes. Lipton's book is one of the great works in the history of development studies; it undermines the growth vs. equity conception of trade-offs that sustain ideological divisions in the study of development.

Team Paper I: What is development? How will we measure it (in Paper 2 and thereafter)? 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. Begin working on gathering the data, which will be required for Paper 2, but don't

Reading: • Michael Lipton, [Why Poor People Stay Poor: Urban Bias in World Development](#) Harvard University Press, 1997, introduction & chapter 1.

Recommended: • Stuart Corbridge and Gareth A. Jones, "[The Continuing Debate About Urban Bias: The Thesis, Its Critics, Its Influence, and Implications for Poverty Reduction](#)" *Progress in Development Studies* 10, 1 (January 2010): 1-18.

Team CS 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.

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

February 3 Th Review/evaluation of Paper 1. Issues to consider in preparation for Paper 2. Preview the sequence of assignments culminating in the final paper. Data sources. Some common problems. How to write for a professional audience.

Readings:

- The hand-out on "The use of statistics".
- Read the other teams' Paper 1.

February 8 Tu **Social, Political, and Environmental Implications of Economic Development Choices.** Development is a multi-dimensional process with intertwined economic, political, social, cultural, and technological components. It operates over a very long time period, better measured in decades (over even centuries) than years. Current choices have far-reaching implications that require broad vision. In El Salvador, coffee was introduced as the main crop and nothing would ever be the same. Be careful what you wish for! How is the dynamic suggested by Burns different from that which underlies the orthodox economic conception of stages of growth?

Soc&Pol Impl. of
Development

Reading: • E. Bradford Burns, "[The Modernization of Underdevelopment: El Salvador, 1858-1931](#)," *Journal of Developing Areas* 18 (April 1984): 293-316, reprinted.

Burns: Team Paper 2 returned by TRAC Fellow. Why? What principle does it illustrate?

CS 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.

Optional CS 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?

February 10 Th Review and Catch Up. We will use this session to catch up on whatever topics remain from either IR 222 or IR 322.

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

With paper 2 we have now completed the basic *descriptive* task: We know the major patterns of poverty and development in our countries. We know to what degree and in which respects our countries are developed. It is now time to begin the *explanatory* task – understanding *why* those patterns exist and what potential exists for changing them.

Team Assignment: Submit to TRAC Fellow

Paper#2 (First draft, NOT rough draft) that describes how developed your country is, informed by your

Team Paper 2. How developed is our country? How has it been doing recently. Using Paper 1 as the preamble, write a paper that describes how developed your country is (with respect to the dimensions of development you believe significant) What are the most significant achievements and shortfalls? 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.

To TRAC: Tu, Feb. 15 Conference: ~Feb. 17 To Moon: Th, March 3

understanding of what development means and what your priorities are among its many elements.

Note: Remember why you want to assess different dimensions of development. First, the pattern of relative successes and failures may suggest the causal dynamics that dominate your country's path of development. Second, 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.” Third, you must *begin* to think about your priorities among various development problems for your final proposal.

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 one way of doing that is to look at the present and recent past. Another is the theoretical approach we'll be taking for the next three weeks or so. 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.

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 15 Tu The roots of explanations for poverty and assessments of **national developmental potentials** in Requisites.of.
Development alternative theories of development. Each development theory – and there are many – identify key factors that are posited to determine the speed and direction of development. According to each, there are *requisites* of development – conditions that must be present or processes that must be at work in order for successful development or poverty alleviation to occur. Their presence or absence can be used to characterize a nation's development potential. Universal vs. contingent policy advice. Matching particular national characteristics with the assumptions of general development theories in order to evaluate national development strategies. We begin our survey of the requisites of development suggested by various theories by judging the potential and problems of your country through the lens of **geographic theories** and other long-term considerations suggested by “Why the West?” discussions. Consider alternative approaches, ranging from Page's attempt to extract universal lessons from a group of model nations, to Hamilton's attempt to predict the growth potential of one group of nations on the basis of important requisites identified in another group (take note of his warning on “policy volunteerism”) to Sachs' explicit checklist of factors he extracts from his experience. Review of the assignment for the background paper, Team Paper #3.

Reading: • Rapley, chapter 3

- John Page, “[The East Asian Miracle: Building a Basis for Growth](#),” excerpt from [The East Asian Miracle: Economic Growth and Public Policy](#), World Bank Policy Research Report (Oxford University Press, 1992).
- Clive Hamilton, “[Can the Rest of Asia Emulate the NICS?](#),” *Third World Quarterly* 87, 4 (1987): 1225-1256.
- Jeffrey Sachs, “[Why some countries fail to thrive](#)” and “[Clinical economics](#),” chapters 3&4, *The End of Poverty: Economic Possibilities for our Time* (New York, Penguin, 2005)
- Dani Rodrik, “[Trading in illusions](#),” *Foreign Policy* March/April 2001: 54-62.

Recommended: • Commission on Growth and Development, [The Growth Report: Strategies for Sustained Growth and Inclusive Development](#), pp. 17-69.

February 17

Requisite.grow

Requisites.fro
mfactors

Th Seeing the growth potential and problems of your country through the lens of **neo-classical (Solow) growth models** and growth accounting: growth as a function of land, labor, capital, and x-efficiency (total factor productivity). Mobilizing, employing, expanding, and improving factors of production. The requisites of development from the standpoint of orthodox theories.

Land, water, and agriculture. [Due 2/22] Are land and water supplies adequate in quantity and quality for productive agriculture?

Labor / Human capital. [Due 2/22] Are your labor supplies adequate in quantity and quality? Illustrate.

After this morning's emphasis on the capital and efficiency terms, we will focus this afternoon on **land** and climate constraints, and on building **labor** and human capital through education and improved health. Some of this will return us to the broader-gauge theories we have previously discussed, allowing us to integrate narrower economic theories with broader political economy ones.

- Reading:*
- Paul Krugman, "The Myth of Asia's Miracle" *Foreign Affairs* 73, 6 (Nov/Dec. 1994): 62-78.
 - David Bloom & Jeffrey Williamson, "Demographic Transitions and Economic Miracles in Emerging Asia," *World Bank Economic Review* 12, 3: 419-455 (skim)
 - Kenneth Hadden and Bruce London, "Educating Girls in the Third World" *International Journal of Comparative Sociology* 37, 1-2 (1996): 31-46.
 - Peter Lorenzen, John McMillan, and Romain Wacziarg, "Death and Development" Econometric Society World Conference 2005 (lightly skim)

Assignment: Read the handout on Assessing Development Potential again. Meet to begin preparing for the next team assignment. What information do you need?

February 22

Requisites.fro
mfactors

Tu **The One Gap.** The centrality of capital accumulation in neo-classical growth theory (Solow models). Demonstrating the role of investment in predicting empirical growth rates. Using the concept of the One Gap and Harrod-Domar equations to choose a target growth rate. Detecting a 1-gap. Alternative measures of savings rates and their meaning. Alternative sources of savings, including external finance, to close the "1 gap". Because closing the immediate One gap from external sources usually opens the long-term Two gap, we will re-visit the dangers of external reliance. Krugman puts it best: "There are no miracles."

One gap. [Due 2/24] Are your savings and investment rates adequate for your growth goals? Why or why not? Do you require external finance?

February 24

Development
financeDevelopment
finance.pptx

Th **Development finance and the two gap.** Introduction to the balance of payments and balance of payments accounting. Trade balances. What is your country's trade balance? Trade compression and economic crisis. Are there discernable trends in the terms of trade? Analyzing the import basket and composition of exports. Which exports could be expanded? Which imports could be limited?

IR 222: Trade deficits

Two gap. [Due 3/15] Is your currency stable, capital flows adequate, foreign debt manageable, and deficits sustainable? Can you tolerate external finance?

Capital flows. Sources of external finance and the Two gap. What is happening to the value of your nation's currency? Why? What pattern of capital flows can you detect from the balance of payments? Does it accord with descriptive narratives? What is the debt level? To whom is it owed? Is foreign direct investment present? Can/should it be expanded? Where are the opportunities?

The requisites of development from the standpoint of radical schools. Debt. What are your options for closing the 2-gap? Ben Franklin: "Think what you do when you run into debt; you give to another power over your liberty." Avoiding external dependence. Foreign aid and worker remittances.

Reading: • UNCTAD, "Trade and Development Report, 2006", chapter 3, "Changes and trends in the external environment for development", especially pp. 89-104.

Recommended: • Lex Rieffel, *Restructuring Sovereign Debt*, chapters 2-4. Skim or read if you are interested in debt issues.

March 1-3 Tu/Th No class. Ghana break

IR 222: Exam 1

March 7- March 11 Mon - Fri Spring Break - no class

Spring Break

March 15 Tu Recognizing and closing the **Three gap**. Budget deficits. State spending for development. The requisites of development from the standpoint of the planning school. State functions.

Requisites of development (planning school). Due 3/17. What are the requisites of development from the standpoint of the planning school? How can they be measured? Do you have a 3 gap?

IR 222: Planning paradigm

March 17 Th Class and social structures. Governance issues. What are the requisites of development from the standpoint of the radical school? How can they be measured?

Theories of development

Team Paper 3 Development Potential . Why is your country as developed/ impoverished as it is? Describe the development problems and potential of your nation in a way that hints at development priorities and possible solutions. This should include a thorough analyses of the 1-, 2-, and 3-gaps, and other development theories we have covered. It may also employ the schemes of Sachs, Page, Hamilton or similar ones of your own creation.

To TRAC: Sat, March 19 Conference: ~March 21 To Moon: Th, March 24

March 22 Tu Catch Up.

Constraints. 3/22 What actors or forces could prevent the adoption or success of a given development policy?

Part Three: Development strategies: How can your

country develop (solve its poverty problems)? Solutions may lie in broad gauge government policies, small scale projects of NGOs, or anything in between. Nearly all the class sessions in this part of the course can be adapted to focus on potential solutions being considered by the various teams and some sessions near the end have been left open to choose those topics which arise in the team research.

March 24 Th Discussion of Paper 3.

March 29 Tu Discussion of ideas for proposals. Social entrepreneurship and its promise for solving social problems. Varieties of organizations concerned about creating social value (with and without profit). Good ideas from all over. Heifer Project. FAO. Alice Visionary Foundation. Soccer Without Borders. Ashoka. Sach's Millennium Development Project, especially the Millennium Villages. Sharing examples from countries and NGOs. Typical RFP from AID. The Jeffrey Sachs – William Easterly controversy over development optimism/pessimism.

Entrepreneurship

Mobilizing savings

Readings: • J. Gregory Dees, "The meaning of 'social entrepreneurship?'"

- Kim Alter, "Social Enterprise Typology" [<http://www.virtueventures.com/typology>].
- Re-read the chapters from Daniel Bornstein, 19 in *How to Change the World: Social Entrepreneurs and the Power of New Ideas* originally assigned for 15 January.
- Sachs, *The End of Poverty: Economic Possibilities for Our Time* (Penguin, 2005)

- William Easterly, review of *End of Poverty*, <http://www.washingtonpost.com/wp-dyn/articles/A25562-2005Mar10.html>
- William Easterly, from *White Man's Burden*.
- Amartya Sen, "[The Man Without a Plan](#)," *Foreign Affairs* March/April 2006 (Review of Easterly's *White Man's Burden*)
- The UN Millennium Project <http://www.unmillenniumproject.org/>

Recommended: See the "social entrepreneurship collection" on CourseSite, which may give you some ideas about the kind of things that can be done by the brave and energetic. Many of the people discussed there are actually Lehigh alums.

March 31 Th Catch up.

April 5 Tu What makes a good presentation? Moving from problem diagnosis to problem resolution. The Final Proposal: Drawing Conclusions, Adopting a Plan, and Convincing an Audience. Emergency team meetings. Guidance on presentation styles.

Team Assignment: **Background Reports due: the development experience and prospects of nations.** See assignment for details

Background Reports (Paper 4)

To TRAC: Th, March 31 Conference: ~April 2-3
To Moon: W, April 6 Presentation: Th, April 7

April 7 Th **Presentation of background reports.**

Email assignment: Grade the presentations. This must include your own team and all of its members, including yourself.

April 12 Tu Tu What can we do about agriculture? What *should* we do about it? For many poor countries, conventional wisdom is that poverty alleviation involves dealing with agriculture and/or the rural economy dominated by it. Others deny that agricultural productivity, especially in Africa, is an appropriate target of policy. We will delve as deeply as we can into the diagnosis of agricultural problems in our countries. Agricultural productivity. Inputs. Government programs. Possible initiatives.

Agriculture,
Food&rural
development

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

Reading:• Andrew Dorward et. al., "A Policy Agenda for Pro-Poor Agricultural Growth"
• Frank Ellis, "[Strategic dimensions of rural poverty reduction in Sub-Saharan Africa](#)," in Barbara Harriss-White and Judith Heyer, eds. *The Comparative Political Economy of Development: Africa and South Asia*, Routledge Series in Development Economics, December 2009. This version is 2007 conference draft.

- Additional reading TBA for agriculture in the selected countries.

Recommended: • John Hoddinott, [Methods for Rural Development Projects: Food Security in Practice](#), International Food Policy Research Institute, Washington, DC, August 2002.

April 14 Th Development strategies involving foreign direct investment from multinational corporations. Investment incentive packages. Meeting the conditions of multinational corporations. The policy requisites of joining a commodity chain.

Development
strategy

Reading: • Milner, "Trade Strategies and Economic Development: Theory and Evidence"

- Moon, "Exports, Outward-Oriented Development, and Economic Growth"
- UNCTAD, World Investment Report 1998, Chapter 4, "Host country determinants of foreign direct investment" (skim)

Review: Rapley, chapters 1-5.

BB assignment: Does Moon believe that nations should emphasize exports in seeking development? Do you agree?

April 19 TBA

April 21 Th Conceptual introduction to development field methods. Links among development goals, guidelines and activities. Introduction to the project/program cycle. Identifying good practices.

Review: • Notes from Development Team presentations to EWB, Spring 2009. (PowerPoints on CourseSite)

Reading: • Richard Caldwell, *CARE Project Design Handbook*, 2002, Chapter 1 (skim pp.17-27; read remainder reflectively, recalling similar ideas we have encountered in other contexts). <http://www.ewb-international.org/pdf/CARE%20Project%20Design%20Handbook.pdf>
• Department for International Development (DFID), 2002. *Tools for Development: A Handbook for Those Engaged in Development Activity*, Chapter 1 <http://www.dfid.gov.uk/pubs/files/toolsfordevelopment.pdf>

Recommended • Konecky and Palm, eds. 2008. *Millennium Villages Handbook: A Practitioner's Guide to the Millennium Villages Approach*. Earth Institute at Columbia University, New York.
• World Bank. 2003. *Social Analysis Sourcebook* <http://www.worldbank.org/socialanalysisourcebook/SocialAnalysisSourcebookFINAL2003Dec.pdf>

April 26 Tu Development diagnostics: stakeholder analysis, institutional mapping, needs assessments. Logical frameworks (logframes). Understanding the operating environment Information gathering and field ethics. Surveys. Interviews. Focus groups. Participatory approaches

Reading: • DFID, chapter 2,3,4, 5, 7
• Caldwell, chapter 2.
• Swedish International Development Agency (SIDA), 2004, *The Logical Framework Approach*.

April 28 Th TBA

Sundry sessions that may be fit in:

Special EWB Session, Poverty in Honduras and What Engineers and NGOs Need to Know About It.

Special EWB Session, Lessons of Successful NGOs

Special EWB Session, Social Capital

Special EWB Session, Field Methods and the Application of Lessons to the Honduras Trip.

Final Reports (Paper 5)

To TRAC: Th, April 28 Conference: ~April 30

To Moon: ~May 2 Presentation: TBA, Finals, May 3-11