

## INTA 8803. POLITICAL ECONOMY OF DEVELOPMENT

FALL 2023

Instructor: Dr. Alberto Fuentes ([alberto.fuentes@inta.gatech.edu](mailto:alberto.fuentes@inta.gatech.edu))

MW 12:30-1:45p

Habersham G-17

### Description

This course introduces students to the field of political economy of development. The course begins with a discussion of the main understandings of development. Some of these hew closer to an emphasis on material progress, while others favor a broader lifestyle focus. Then, the course takes a sectoral approach to the main correlates of development, examining arguments addressing geography, natural resources and primary production; manufacturing and industrialization; and the shift toward services and the knowledge economy. The last part of the course addresses sundry debates related to political and economic questions of development. Students will examine these topics through a combination of academic documents and analyses, and illustrations from real-world cases.

### Course Goals and Learning Outcomes

Upon successful completion of the course, you should be able to:

- describe the key economic, social and political factors that shape the socio-economic wellbeing of citizens
- use your knowledge of international affairs to address issues of immediate international concern (Problem-Solving in International Affairs):
- become more aware of the diversity of cultural and ethical systems in the world (Cultural and Ethical awareness)
- express arguments clearly; and work in small groups in a way that demonstrates respect for your colleagues and efficient collaboration towards joint goals. (Professional Development.)

### Course Requirements and Grading

Assignment	Due Dates	Share of Overall Grade
Labs x 3	September 6 September 27 October 23	15%
Essays x 3	September 13 October 4 December 4	60%
In-class presentation	TBD	25%

### Description of Graded Components

- **Labs.** Each of the three parts of the course will include one Lab. Labs will take an entire class and will allow students to explore the material through the production of a deliverable. Each Lab will account for 5% of the final grade.

- **Essays.** At the end of each of the course's three parts, students will write an 8-page essay. The prompt will be provided one week before the due date. Each essay will account for 20% of the final course grade.
- **In-class Presentation.** The presentation will cover the content of one of the assigned readings. More details will be provided in class. The presentation will account for 25% of the final course grade.

### Grading Scale

Your final grade will be assigned as a letter grade according to the following scale:

A	90-100%
B	80-89%
C	70-79%
D	65-69%
F	0-64%

### Policy for Late Assignments

Late assignments are strongly discouraged, except in the event of an illness or emergency (documentation will be requested). Any major scheduling conflicts – including those that arise due to participation in “approved Institute activities” – should be discussed with the professor at least two weeks before the assignment due date. The penalty for assignments turned in less than 24 hours late is a 20% grade reduction. No assignments turned in over 24 hours late will be accepted.

### Course Materials

- **Course Readings.** Copies of all assigned book chapters and articles will be made available electronically on Canvas.
- **Course Website.** I will be using the Course's Canvas Page quite extensively throughout the semester. On the Canvas page, you should be able to access important information about the course including but not limited to the most updated version of the syllabus, course announcements, and required material. I will also use the Canvas page to record grades. \

### Feedback and contact with the faculty

- **Virtual Office Hours.** I am available to meet with you during virtual office hours to answer any questions you may have or to discuss any aspect of the course. If you would like to meet, please send me an email and I will make the necessary arrangements.

### Academic Integrity

Academic dishonesty in the form of cheating or plagiarism will not be tolerated. According to the Georgia Tech Student Affairs Policy, “Plagiarism” is the act of appropriating the literary composition of another, or parts of passages of their writings, and passing them off as your own products. It involves the deliberate use of any outside source without proper acknowledgment. For information on Georgia Tech's Academic Honor Code, please visit:

<http://www.catalog.gatech.edu/policies/honor-code/>

<http://www.catalog.gatech.edu/rules/18/>

Any student suspected of cheating or plagiarizing on a quiz, exam, or assignment will be reported to the Office of Student Integrity.

**Accommodations for Individuals with Disabilities.**

If you are a student with learning needs that require special accommodation, contact the Office of Disability Services (often referred to as ADAPTS) to discuss your special needs and obtain an accommodations letter. If you would like to discuss your learning needs, please email me as soon as possible to set up a time to do so.

**Student-Faculty Expectations**

At Georgia Tech we believe that faculty and the student body must continually strive for an atmosphere of mutual respect, acknowledgement, and responsibility. I encourage you to remain committed to the ideals of Georgia Tech.

## PART 1. THE CONCEPT OF DEVELOPMENT

### 1. *INTRO (August 21)*

### 2. *Economic growth (August 21)*

- Easterly, W. *Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*, MIT Press, 2001. (Read Chapter 1)
- Coyle, D. "GDP's days are numbered," December 20, 2021.
- Arndt, H. W. "Economic Development: A Semantic History." *Economic Development and Cultural Change* 29, no. 3 (1981): 457-466.
- Mazlish, B. "The Idea of Progress." *Daedalus* 92, vol. 3 (1963): 447-461

### 3. *MI Trap (August 28)*

- Gill, Indermit S., and Homi Kharas. "The middle-income trap turns ten." *World Bank Policy Research Working Paper* 7403 (2015).
- Doner, R. and Ben Schneier. "The middle-income trap: more politics than economics." *World Politics* 68, 4 (2016): 608-644.
- Pritchett, L. and Larry Summers. "Growth slowdowns: middle-income trap vs. regression to the means." (11 December 2014)

### 4. *Beyond growth – poverty, inequality and human development (August 30)*

- Sen, Amartya. *Development as Freedom*. OUP Oxford, 2001 (read Chapters 1 and 2).
- Banerjee, Abhijit V., and Esther Duflo. "The Economic Lives of the Poor." *The Journal of Economic Perspectives* 21, no. 1 (January 1, 2007): 141–67.
- Sen, A. "Development: Which way now?" *The Economic Journal*, 93, December 1983.

### 5. *Sustainability and the SDGs (LAB 1) (September 6)*

- "Central American drought creates climate change refugees." ([https://www.youtube.com/watch?v=MZ0fzwt0f\\_c](https://www.youtube.com/watch?v=MZ0fzwt0f_c))
- "Georgia Tech Introduces Long-Term Initiative to Advance the United Nations Sustainable Development Goals" (<https://news.gatech.edu/news/2020/08/25/georgia-tech-introduces-long-term-initiative-advance-united-nations-sustainable>)
- Mujica, J. "Statement, General Assembly of the United Nations," September 24, 2013 (video) (<http://gadebate.un.org/68/uruguay>)

### 6. *Human rights (September 11)*

- Scott, James C. *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*. New Haven, US: Yale University Press, 2008. Read Chapter 7.
- Cullather, N. *The Hungry World: America's Cold War Battle Against Poverty in Asia*. Harvard University Press, 2010. (read chapters 3 and 4).

### 7. *No class – Essay #1 due (September 13)*

## **PART 2. SECTORAL CORRELATES OF ECONOMIC DEVELOPMENT**

- 1. Sources of economic development: Geography and Natural Resources (September 18)**
  - Sachs, Jeffrey D. 2001. "Tropical Underdevelopment." NBER Working Paper No. 8119.
  - Acemoglu, Daron, Simon Johnson, and James A. Robinson. "Reversal of fortune: Geography and institutions in the making of the modern world income distribution." *The Quarterly journal of economics* 117.4 (2002): 1231-1294.
- 2. Paradox of Plenty (September 20)**
  - Beattie, A. "The superpower that never was." *Financial Times*, May 22, 2009.
  - Ross, Michael L. "The political economy of the resource curse." *World politics* 51.02 (1999): 297-322.
  - Jensen, Nathan, and Leonard Wantchekon. "Resource wealth and political regimes in Africa." *Comparative political studies* 37.7 (2004): 816-841.
- 3. Sources of economic development: Industrialization (September 25)**
  - Amsden, A. H., & Chu, W.-W. *Beyond Late Development: Taiwan's Upgrading Policies*. MIT Press, 2003. (Read Chapters 1 and 2)
- 4. Premature Deindustrialization (LAB 2) (September 27)**
  - Gallagher, K. and Lyuba Zarsky. *The Enclave Economy: Foreign Investment and Sustainable Development in Mexico's Silicon Valley*. MIT Press, 2007 (read chapters 5 and 6)
  - Rodrik, D. "Premature Deindustrialization." *Journal of Economic Growth*, 21 (2016): 1-33.
- 5. Sources of economic development: Services and the knowledge economy (October 2)**
  - Cruz, J. "Exporting the Knowledge Economy."
- 6. No class – Essay #2 due (October 4)**

## **PART 3. POLITICAL-ECONOMY DEBATES**

- 1. The State and Industrial Policy (October 11)**
  - Evans, P. *Embedded autonomy: states and industrial transformation*. Princeton University Press, 2012. (Read Chapters 1 and 2)
- 2. The market (October 16)**
  - Robert H. Bates. (2014). *Markets and States in Tropical Africa*. University of California Press. (Read Chapter 1, 2, 5)
- 3. The role of foreign aid (October 18)**
  - Easterly, W. *Reinventing Foreign Aid* MIT Press, 2008. (Read Introduction)
- 4. Multinational Corporations (LAB 3) (October 23)**

- “Stealing Africa,” *Why Poverty?* PBS (<https://www.youtube.com/watch?v=WNYemuiAOfU>)
- Schrank, Andrew. "Homeward bound? Interest, identity, and investor behavior in a Third World export platform." *American Journal of Sociology* 114.1 (2008): 1-34.

#### **5. Global Value Chains (October 25)**

- Gereffi, Gary. "International trade and industrial upgrading in the apparel commodity chain." *Journal of international economics* 48.1 (1999): 37-70.
- Pipkin, S. and Alberto Fuentes. “Spurred to Upgrade: A Review of Triggers to Change in the Global Value Chain Literature,” *World Development*, 98 (2017).

#### **6. Institutions (October 30)**

- Robinson, James A., and Daron Acemoglu. *Why nations fail: The origins of power, prosperity and poverty*. London: Profile, 2012. (Read Chapters 1 and 3)
- Evans, P. “Development as Institutional Change: The Pitfalls of Monocropping and Potentials of Deliberation,” *Studies in Comparative International Development*. 38(4) [Winter] (2004): 30-53.

#### **7. Democracy, Authoritarianism and Development (November 1)**

- Robinson, James A. "Economic development and democracy." *Annu. Rev. Polit. Sci.* 9 (2006): 503-527.
- Michael L. Ross. 2006, “Is Democracy Good for the Poor?” *American Journal of Political Science* Vol. 50. No. 4, pp 860-874.
- Philip Keefer and Stuti Khemani. 2005. “Democracy, Public Expenditures, and the Poor: Understanding Political Incentives for Providing Public Services,” *World Bank Research Observer* 20 (1): 1-27.

#### **8. NO CLASS (November 6 and November 8)**

#### **9. Subnational politics, cities and participatory planning (November 13)**

- Angotti, Tomas. “Ciudad Guayana: From Growth Pole to Metropolis, Central Planning to Participation.” *Journal of Planning Education and Research* (2001).
- Sousa Santos, Boaventura de. “Participatory Budgeting in Porto Alegre: Toward a Redistributive Democracy,” *Politics & Society*, 26:4 (1998).
- Mohan and K. Stokke, "Participatory Development and Empowerment: The Dangers of Localization," *Third World Quarterly*, Vol. 21, No. 2 (2000), pp. 247-268.

#### **10. Rule of law, Corruption and Clientelism (November 18)**

- The Intercept (3 part series)
  - “How and Why The Intercept is Reporting on a Vast Trove of Materials About Brazil’s Operation Car Wash and Justice Minister Sergio Moro.” June 9, 2019.
  - “Hidden Plot.” June 9, 2019.
  - “Breach of Ethics.” June 9, 2019.
- Osrecki, F. (2016). “A Short History of the Sociology of Corruption: the demise of counter-intuitivity and the rise of numerical comparisons.” *The American Sociologist* 48, 1 (2016): 103-125.

- Hindness, B. "Investigating International Anti-corruption." *Third World Quarterly* 26, 8 (2005): 1389-1398.

***11. Undergraduate student presentations (November 27)***

***12. Undergraduate student presentations (November 29)***

***13. Undergraduate student presentations (December 4) – Essay #3 due***