

DEVELOPMENT POLICY

Instructor: Dr. Sc. Dagmar Radin

E-mail: dradin@fpzg.hr

Time: TBD

Degree program: graduate

Course: elective

ECTS points: 7

COURSE SUMMARY

This course is focused on development policy. First, we will discuss the main issues and theoretical approaches that are involved in the study of development, and then we will apply them and evaluate the recent development strategies in Latin America and Asia. This approach will focus on the analysis of both domestic and international factors that have influenced the policy of economic development in these nation states. We will also look at the political factors that have influenced the choice of strategies, as well as the impact that policy choices had on political institutions.

EXPECTED COURSE LEARNING OUTCOMES

1. Graduate students in political science will have an understanding of the political economy of development.
2. Graduate students in political science will have an understanding of the parameters of particular developmental policies and their consequences.
3. Graduate students in political science will have be able to identify developmental models.
4. Graduate students in political science will be able to understand and analyze case studies and find and analyze relevant data related to each case.

WEEKLY COURSE CONTENT:

WEEK 1: - Introduction

Seligson, M. "The Dual Gaps: An Overview of Theory and Research" (in Seligson: 1-8)

WEEK 2: Issues in Development

Maddison, A. "The World Economy: A Millennial Perspective" (in Seligson 9-16)

Passe-Smith, J. "The Persistence of the Gap Between Rich and Poor Countries, 1960-1998" (in Seligson, 17-32)

Wade, R. B. "The Rising Inequality of World Income Distribution". (in Seligson 33-39)

Passe-Smith, J. "Could It Be That the Whole World Is Already Rich? A Comparison of RGDP/pc and GNP/pc Measures" (in Seligson, 41-57)

WEEK 3: Domestic Income Inequality

Kuznets, S. "Economic Growth and Income Inequality" (Seligson, 61-75)

IMF Fiscal Affairs Department. "Should Equity Be a Goal of Economic Policy?" (Seligson, 77- 81)

Muller, E. and Seligson, M. "Inequality and Insurgency" (Seligson, 83-99)

Bates, R. 2000. "Ethnicity and Development in Africa: A Reappraisal", *American Economic Review* 90 (2): 131-134.

WEEK 4: Neoclassical Theories (Modernization)

Rostow, W.W. "The Five Stages of Growth" (Seligson, 123- 131)

Haggard: 9-23

Migdal, Joel. 1974. "Why Change? Toward a New Theory of Change Among Individuals in the Process of Modernization," *World Politics*, 26(2): 189-206.

Abramovitz, M. "Catching Up, Forging Ahead, and Falling Behind." (Seligson, 133- 154)

Baumol, W.J. " Productivity Growth, Convergence, and Welfare: What the Long-Run Data Show" (Seligson, 155-169)

WEEK 5: Neoclassical Theories

De Long, B.J. "Productivity Growth, Convergence, and Welfare: Comment" (Seligson, 171-182)

Korzeniewicz, R. P. and Moran, T. P. "World-Economic Trends in the Distribution of Income, 1965-1992." (Seligson, 183-207)

Haggard: 9-23

Firebaugh, G. "Empirics of World Income Inequality." (Seligson, 209-222)

WEEK 6: Cultural Explanations

McClelland, D. C. "The Achievement Motive in Economic Growth." (Seligson, 225-248)

Lewis, O. "The Culture of Poverty." (Seligson, 249-257)

Granato, J., Inglehart, R. and Leblang, D. "The Effect of Cultural Values on Economic Development: Theory, Hypotheses, and Some Empirical Tests" (Seligson, 259-273)

WEEK 7: CULTURAL EXPLANATIONS

Cole, H., Malaith, G., and Postlewaite, A. 1992. "Social Norms, Savings Behavior, and Growth." *Journal of Political Economy*: 1092-125. (available on E-Journals in MSU library)

Fershtman, C., and Weiss, Y. 1993. "Social Status, Culture, and Economic Performance." *The Economic Journal* 103: 946-59. (available on E-Journals in MSU library)

WEEK 8: Dependency Theory

Hammer, HJ., and Gartrell, J.W. "American Penetration and Canadian Development: A Case Study of Mature Dependency" (Seligson, 289-304)

O'Hearn, D. "The Irish Case of Dependency: An Exception to the Exception?" (Seligson, 305-325)

Bratton, Michael. 1982. "Patterns of Development and Underdevelopment: Toward a Comparison," *International Studies Quarterly* 26 (Sept): 333-372.

Firebaugh, G. "Growth Effects of Foreign and Domestic Investment" (Seligson, 327-344)

WEEK 9: Dependency Theory

Kentor, J. "The Long-Term Effects of Foreign Direct Investment Dependence on Economic Growth, 1940-1990" (Seligson, 345-356)

Alderson, A. and Nielsen, F. "Income Inequality, Development, and Dependence: A Reconsideration" (Seligson, 357- 378)

WEEK 10: Midterm Exam

ISI vs. ELG

Haggard: Ch 2 (23-48)

Olson, Jr., Mancur. 1996. "Big Bills Left on the Sidewalk: Why Some Nations are Rich, and Others Poor," (Seligson, 381-405)

WEEK 11: Economic Development in Comparative Perspective

Haggard. Korea: From Import Substitution to Export-Led Growth (CH 3)

Haggard. Taiwan: From Import Substitution to Export Led Growth. (CH 4)

WEEK 12: Economic Development in Comparative Perspective

Haggard: The East Asian NICs in the 1970s and 1980s: The Politics of Adjustment. (CH 6)

Haggard. Mexico and Brazil in Comparative Perspective: Two Import-Substituting Trajectories (CH 7)

WEEK 13: Financial Crises and Development

Przeworski, A. and Limongi, F. "Political Regimes and Economic Growth" (Seligson, 435-448)

Haggard, Stephan. *The Politics of the Asian Financial Crisis*. *Journal of Democracy* - Volume 11, Number 2, April 2000, pp. 130-144.

WEEK 14: FINAL EXAM

GRADING:

Students are expected to attend and participate in regular class meetings and seminars, take two exams, one research paper and presentation. Since classes and seminars are closely correlated, students are required to attend both. They are required to attend at least 70% of all classes in order to get a signature (total of 4 absences are allowed). Class participation is 10% of the grade.

Grade breakdown:

Midterm exam (20%)

Final exam : 25%

Research paper: 45%

Presentation: 10%

Participation: 10%