UCLA
DEPARTMENT OF POLITICAL SCIENCE AND
INTERNATIONAL DEVELOPMENT STUDIES

PS 167C/IDS M120: POLITICAL ECONOMY OF DEVELOPMENT

Prof. Daniel Posner
3248 Bunche Hall
dposner@polisci.ucla.edu

Spring 2025
Tues, Thurs 12:30-1:45pm
Haines 39
Student hours: Tues, 3-5pm

This course provides a political economy approach to the puzzle of why some countries are rich and others are poor, and why, among the latter, some have been able to achieve rapid rates of economic growth and improvements in their citizens' well-being while others have not. This is perhaps the central question in the study of development, and we approach it by reviewing and explaining the logic behind some of the most important arguments that have been advanced to account for differences across countries and communities in their rates and levels of economic development.

The first half of the course looks at theories that emphasize the role of the state in economic development—theories that can be applied to both Europe, historically, and the Global South today. We begin at the simplest level with the problem of achieving order and prosperity in stateless societies. Then we discuss the deep sources of development such as geography and factor endowments. Then we bring in the state and explore its role as a protector against violence and predation, a guarantor of property rights, a coordinator of economic policies, and an investor in productive enterprise, and we show how each of these roles contributes to economic development. But because a state that is strong enough to do such things is also strong enough to implement policies that run against the public interest, we then take up a discussion of the ways in which the state can stand as an impediment to development, and also how it might be reined in via political institutions.

The second part of the course focuses on issues confronting the Global South today. We consider the critical issues of conflict, gender, and the role of leadership. We then look at how exchanges with other countries—via trade, migration, and international capital flows (including investment and foreign aid)—affect the logic and process of development. We conclude by examining four approaches to promoting development that, in various moments, have each been embraced as "the answer" to generating improvements in the well-being of the poor: decentralization, informational campaigns, the Millennium Villages Project (the embodiment of Jeffrey Sachs' "Big Push" logic), and unconditional cash transfers. We discuss the motivations that lie behind each of these interventions and their (mixed) record of success.

TEACHING OBJECTIVES

By the end of the course, students will have acquired a deeper understanding of the sources of economic development and the reasons why some countries and communities have achieved higher rates of economic development than others. Students will also be introduced to the variety of approaches that social scientists employ to study political and economic development, and to a number of leading topics in the development literature.

COURSE REQUIREMENTS

The course is taught in two lectures each week, on Tuesday and Thursday from 12:30pm to 1:45pm in Haines 39. Attendance at lectures is mandatory.

Students are required to take a take-home midterm, an in-class midterm, and a cumulative final exam. Students are also required to attend and participate in weekly discussion sections. Each part of the midterm is worth 25 percent of the final grade, the final exam is worth 35 percent, and section participation is worth the remaining 15 percent.

- The in-class portion of the midterm will be taken in class on May 1.
- The take-home portion of the midterm will be posted to the course BruinLearn page at the end of lecture on May 8 and due at 8pm on Friday, May 9.
- The final exam will be on Tuesday, June 10 from 3-6pm. *Students who are unable to take the final exam at that time and date should not enroll in the course.*

The course involves a fairly heavy reading load, the completion of which is essential to understanding the issues and controversies addressed in the lectures. There are no required books for purchase. All of the readings are posted on the course's BruinLearn page (UCLA log in required) and are available for your own use.

OTHER NOTES AND RESOURCES

Academic integrity: As a student and member of the UCLA community, you are expected to demonstrate integrity in all of your academic endeavors. Accordingly, all work you do will be held to the highest ethical and professional standards. Violations of academic integrity include, but are not limited to: cheating, fabrication, plagiarism (**including the use of AI platforms such as ChatGPT**), multiple submissions, or facilitating academic dishonesty. If you are unsure of what any of these entail, please consult the university guidelines below or ask me. *If you are even suspected of violating these standards, I am obliged to refer your case immediately to the Dean of Students*, who will carry out an investigation. Guidelines regarding academic dishonesty at UCLA are available at: https://deanofstudents.ucla.edu/academic-integrity.

Students with disabilities: If you need an academic accommodation based on a disability, please contact the Center for Accessible Education (CAE) at cae.ucla.edu, if possible within the first two weeks of the term, as reasonable notice is needed to coordinate accommodations.

Illness: If you get sick or have to care for someone who is sick, let me know as soon as you are able to. I will work with you to make up the work.

Religious observances: In the event of a religious holiday or any other form of observance, please contact me regarding your absence as soon as possible so we can make accommodations for you.

Your wellbeing: We want you to succeed here at UCLA. The university has many resources available to help you, should you need them.

- UCLA Counseling and Psychological Services (CAPS) provides confidential counseling to support your mental health needs as you pursue your academic goals. Counselors

available 24 hours a day by phone at (310) 825-0768. Further information is available at www.counseling.ucla.edu.

- UCLA CalFresh Initiative helps provide food security for students in need. Visit basicneeds.ucla.edu/services/calfresh for more information.
- The Economic Crisis Response Team provides support to UCLA students facing financial hardship. Visit basicneeds.ucla.edu/services/economic-crisis-response-team.
- UCLA Student Legal Services provides confidential legal counseling and assistance regarding a wide range of legal issues. Visit studentlegal.ucla.edu for more information.
- UCLA Care Advocate provides confidential services for survivors of sexual or gender-based violence. Visit careprogram.ucla.edu for more information.
- UCLA Title IX Office: For reporting gender-based discrimination, including sexual harassment or sexual violence. Visit sexualharassment.ucla.edu for more information.

LECTURE TOPICS AND READING ASSIGNMENTS

WEEK 1

April 1: *Introduction: The Puzzle of Development*

"The Road to Riches," *The Economist*, 31 December 1999.

Angus Deaton, "The Wellbeing of the World," in *The Great Escape: Health, Wealth and the Origins of Inequality* (Princeton University Press, 2013), ch 1.

Nicholas Kristof, "Why 2018 Was the Best Year in Human History!" *New York Times*, 5 January 2019.

April 3: *Guest Lecture: A Practitioners Take on the Lessons of PS 167C/IDS M120*

Courtney Martin, "The Reductive Seduction of Other People's Problems," *Bright Magazine*, 11 January 2016.

WEEK 2

April 8: *What Does It Mean to be "Developed?"*

Akash Kapur, "Rush: What Happens When a Big Road Meets a Small Village?" *The New Yorker*, 14 October 2013.

Abhijit Banerjee and Esther Duflo, "The Economic Lives of the Poor," *Journal of Economic Perspectives* 21 (Winter 2007), pp. 141-167.

Johannes Haushofer, "The Price of Poverty: Psychology and the Cycle of Need," *Foreign Affairs*, 15 July 2014.

April 10: *Risk and Kinship*

Robert Bates, *Prosperity and Violence, 2nd edition* (Norton, 2010), ch 2.

James Scott, *The Moral Economy of the Peasant* (Yale University Press, 1979), chs 1-2.

WEEK 3

April 15: *Deep Sources of Development: Geography and Factor Endowments*

Jeffrey Sachs, "Nature, Nurture and Growth," *The Economist*, 12 June 1997.
"The Road to Hell is Unpaved," *The Economist*, 21 December 2002.
Paul Collier, "The Natural Resource Trap" and "Landlocked with Bad Neighbors," in *The Bottom Billion* (Oxford University Press, 2007), chs. 3-4.
"This is Our Land," *New York Times*, 26 January 2019.

April 17: *The State as a Solution to Growth*

Robert Bates, *Prosperity and Violence, 2nd edition* (Norton, 2010), ch 3.

WEEK 4

April 22: *The State as a Helping Hand: ISI and Planning*

Debraj Ray, "Growth Engineering: The Soviet Experience" and "Trade Policy: Import Substitution," in *Development Economics* (Princeton University Press, 1998), pp. 56-57 and 656-660.
Thayer Watkins, "The Great Leap Forward Period in China, 1958-1960."
John Waterbury, "The Long Gestation and Brief Triumph of Import Substituting Industrialization," *World Development* 27, 2 (1999), pp. 323-341.

April 24: *The State as a Grabbing Hand: Corruption*

William Easterly, *The Elusive Quest for Growth*: *Economists' Adventures and Misadventures in the Tropics* (MIT Press, 2001), ch. 12.
Anurag Singh, "Our Money, Our Accounts," short film.

WEEK 5

April 29: *Democratic Institutions as a Solution?*

Douglass North and Barry Weingast, "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England," *Journal of Economic History* 49 (December 1989), pp. 803-832.
Adam Przeworski et al, "Political Regimes and Economic Growth," as excerpted in O'Neil and Rogowski, *Essential Readings in Comparative Politics* (Norton, 2004), pp. 406-414.

May 1: *In-Class Midterm*

WEEK 6

May 6: *Conflict and Development*

World Bank, *World Development Report 2011: Conflict, Security and Development*, ch. 1.
Paul Collier, "The Conflict Trap," in *The Bottom Billion* (Oxford University Press, 2007), ch 2.

May 8: *Gender and Development*

Esther Duflo, "Women Empowerment and Economic Development," *Journal of Economic Literature* 50 (December 2012), pp. 1051-1079.
"Liberia's Women Warn Male Presidential Candidates: Keep the Peace," *New York Times*, 9 October 2017.
Esther Duflo, "Female Leadership," VoxDev video, 2021.

May 9: *Take-Home Midterm due, 8pm*

WEEK 7

May 13*: Do Leaders Matter?*

Benjamin Jones and Benjamin Olken, "Do Leaders Matter? National Leadership and Growth Since World War II," *Quarterly Journal of Economics* 120(3), pp. 835-864.

May 15: *Globalization: Trade and Migration*

"Trade and the Path Out of Poverty," World Bank video, 2015.
"The Role of Trade in Supporting Growth and Reducing Poverty," World Bank video, 2016.
Michael Clemens, "Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?" *Journal of Economic Perspectives* 25 (Summer 2011), pp. 83-106.
Amanda Taub and Lauren Leatherby, "How Shrinking Populations Fuel Divisive Politics," *New York Times*, 2 February 2024.

WEEK 8

May 20: *Globalization: Sweatshops and the Domestic Politics of Trade*

"Chinese Girls' Toil Brings Pain, Not Riches," *New York Times*, 2 October 2003.
"An Ugly Side of Free Trade: Sweatshops in Jordan," *New York Times*, 3 May 2006.
Nicholas Kristof and Sheryl Wu Dunn,"Two Cheers for Sweatshops," *New York Times Magazine*, 24 September 2000.
Nicholas Kristof, "Making the Case for Sweatshops," video, 15 January 2009.
Paul Krugman," In Praise of Cheap Labor," *Slate*, 20 March 1997.
Chris Blattman and Stefan Dercon, "Everything We Knew About Sweatshops Was Wrong," *New York Times*, 27 April 2017.
"The Unkept Promise," *New York Times*, 30 December 2003.
"The Great Catfish War," *New York Times*, 22 July 2003.
"Brazil's Shrimp Caught Up in a Trade War," *New York Times*, 10 March 2004.
"America's Sugar Daddies," *New York Times*, 29 November 2003.
"The Long Reach of King Cotton," *New York Times*, 5 August 2003.
"Who Said Anything About Rice? Free Trade is About Cars and PlayStations," *New York Times*, 10 August 2003.
"Napoleon's Bittersweet Legacy," *New York Times*, 11 August 2003.

May 22: *IFIs and Aid*

Angus Deaton, "How to Help Those Left Behind," in *The Great Escape: Health, Wealth and the Origins of Inequality* (Princeton University Press, 2013), pp. 267-307.
Ryan Briggs, "Development Aid Isn't Reaching the Poorest. Here's What That Means," *The Monkey Cage* 13 December 2017.
Rohini Pande et al, "A New Home for Extreme Poverty: Middle Income Countries," *New York Times*, 28 January 2019.
Gautam Nair, "Most Americans Vastly Underestimate How Rich They Are Compared with the Rest of the World. Does it Matter?" *The Monkey Cage*, 23 August 2018.

WEEK 9

May 27: *Interventions to Promote Development: Decentralization*

Junaid Ahmad, Shantayanan Devarajan, Stuti Khemani, and Shekhar Shah, "Decentralization and Service Delivery," *World Bank Policy Research Working Paper* 3603, May 2005.

May 29: *Interventions to Promote Development: Informational Campaigns*

Stuti Khemani, "Can Information Campaigns Overcome Political Obstacles to Serving the Poor?" In Shantayanan Devarajan and Ingrid Widlund, eds. *The Politics of Service Delivery in Democracies: Better Access for the Poor.* Swedish Ministry of Foreign Affairs (2007).

WEEK 10

June 3: *Interventions to Promote Development: Big Push/Millennium Villages*

"Big Push Back," *The Economist*, 3 December 2011.

Paul Pronyk et al, "The Effect of an Integrated Multisector Model for Achieving the Millennium Development Goals and Improving Child Survival in Rural Sub-Saharan Africa: a Non-Randomised Controlled Assessment," *The Lancet*, 8 May 2012.

Michael Clemens, "When Rigorous Impact Evaluation is Not a Luxury: Scrutinizing the Millennium Villages," blog post, 10 October 2010.

Gabriel Demombynes, "The Millennium Villages Project Impacts on Child Mortality," blog post, 10 May 2012.

Abhijit Banerjee et al, "A Multifaceted Program Causes Lasting Progress for the Very Poor: Evidence from Six Countries," *Science*, 15 May 2015 [*read the first page summary; skim the rest*]

June 5: *Interventions to Promote Development: Unconditional Cash Transfers*

"The Future of Not Working," *New York Times Magazine*, 23 February 2017.

Nurith Aizenman, "It's One of the Biggest Experiments in Fighting Global Poverty. Now the Results Are In." *NPR*, 7 December 2023.