

DEVELOPMENT IN THE INTERNATIONAL POLITICAL ECONOMY (IR207)

Course duration: 54 hours lecture and class time (Over three weeks)

LSE Teaching Department: Department of International Relations, Government and Society

Lead Faculty: Professor Tim Forsyth

Pre-requisites: At least one introductory course in either social science (e.g. political science, international relations, sociology, economics), history or law

Course Outline

This course is a comprehensive introduction to International Development as discussed in national and international politics.

International Development is the social and economic changes worldwide that can offer more prosperous, healthy and fulfilling lives for all. It can include trade, investment and economic growth, as well as political themes such as the role of the state and civil society, and the need for humanitarian assistance, environmental management and gender equality.

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This course examines the politics and the institutional framework of international development. The course focuses on different approaches to social and economic development in poor countries, with particular reference to economic growth, the nature and causes of poverty and social vulnerability, and the strategies necessary to encourage inclusive growth and political change.

The course will look at the impact of economic globalization, international trade, and the emerging role of civil society and international investment in development. The inter-connection between economic development and social and political issues like poverty, democratization, governance, poverty, human rights, gender, famine, environmental issues (including climate change) and armed conflict is examined, as well as the role of international organizations such as the World Bank, the United Nations and the World Trade Organization.

The course uses approaches from political science and international relations. It discusses economic growth, but it does not use quantified economics. The course aims to provide a useful and interesting introduction to the politics and policies of international development.

Recommended Text

Currie-Alder, B., Kanbur, R., Malone, D. and Medhora, R. (eds) (2014) *International Development: Ideas, Experience, and Prospects*, Oxford: Oxford University Press. pp943. ISBN paperback: 978-0199671663 Kindle: 0199671656

This book is available for online access from the LSE library website. Students will be able to achieve online access once they have registered at the LSE library. Students may also buy this book in advance of the course if they wish, although this is not an official requirement. The reading list below suggests specific chapters from this book, but students will benefit from reading as much of this book as possible. In addition, each lecture has further suggested readings that may be discussed in class. Students are also advised to read as much as they can from other books, papers, and websites—especially concerning current debates on development such as from official development organizations such as the United Nations Development Programme <http://www.undp.org/>, The World Bank <http://www.worldbank.org/>, or critical organizations such as The Bretton Woods Project <http://www.brettonwoodsproject.org/>

Course Structure and Assessment:

Lectures: 36 hours Classes: 18 hours

Assessment: (i) One written essay to be submitted at or before the lecture on Thursday of week 2 (50% of final grade). (ii) One written examination on the Friday of week 3 (50% of final grade).

In addition, there will be one voluntary formative written assessment (max. 600 words) to be submitted at or before the lecture on Friday of week 1. This voluntary essay is to allow students the possibility to practice writing and to get preliminary advice.

Course outline and readings

Please read the attached papers for each class before attending the lecture and the class for each day. Classes will discuss the content of the lecture, and will use the reading for discussion.

1. Defining “Development”

Lecture 1 elaborates the meaning of development by reviewing its history, key conceptual debates and current trends. Three key themes are identified: “modernization” (or the belief in economic growth, and technological progress); “dependency” (or the fear that economic growth will make rich countries richer and poor countries poorer); and various alternative themes of development (such as participatory development, holistic development, and so-called “anti” development, which criticizes the development project). This lecture provides a preliminary outline of the international factors that influence social and economic development, including the historical legacy of colonialism and the world economic order. It also introduces students to the contemporary approaches to development such as the so-called Washington (and Post-Washington) Consensus; the ‘Beijing Consensus’ and the Millennium Development Goals – and the controversial roles of the United Nations and World Bank. These themes will be discussed and expanded throughout the course.

Required reading:

- Chapter 2: Development Theories, by John Harriss, pp35-49 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- (Additionally students might read: Chapter 1: The Study of Development, by David Williams, pp21-34).

Additional reading:

- Kanbur, R. (2002) [“Economics, social science and development,”](#) *World Development* 30: 3 477-86. (This is a good discussion of the ways in which ‘International Development’ comprises both economics and political approaches to social science)
- C. Gore (2010) [‘The MDG Paradigm, Productive Capacities and the Future of Poverty Reduction’](#) *IDS Bulletin* 41(1): 70-79.

2. Economic Growth

Lecture 2 analyses in greater detail the ideas and prescriptions for economic growth, industrial policy, and development. The ideas examined include the theory of the stages of growth as well as more recent debates about export-led growth versus import substituting industrialization, including reference to the East Asian Newly Industrialized Economies. How can industrializing countries protect their own industries? Why is there diminishing national capacity to “govern the market” in an increasingly globalized world market? Is it difficult to re-enact the “East Asian miracle” under an increasingly hegemonic global economic order?

Required reading:

- Chapter 3, Fifty Years of Growth Economics, by Shaid Yusuf, pp50-64 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Plus: Chapter 32, Industrial Policy, by Michele di Maio, pp550-565.

Additional reading:

- Chapter 37, The Asian Model of Development: From Crisis to Transformation, by Simon Tay, pp631-634;
- Chapter 33, Innovation Systems and Development, by José Cassiolato et al, pp566-581.
- Chapter 38, China, by Lan Xue & Ling Chen, pp651-666.
- Chapter 39, Brazil, by R Flores, pp667-682.
- Chapter 42, India's Economic Development, by D Kapur, pp714-731.
- Chapter 43, Economic Development: The Experience of Sub-Saharan Africa, by O Ajakiye & A Jerome, pp732-749
- Chapter 44, Economic Development in the Arab Region: A Tale of Oil and Politics, by A Galal & H Selim, pp750-767.
- Dollar, D. and Kraay, A. (2002) ["Growth is good for the poor"](#), *Journal of Economic Growth*, 7 (3): 195-225 (20 pages)
- Donaldson, J. (2008) ["Growth is good for whom, when, how? Economic growth and poverty reduction in exceptional cases"](#) *World Development* 36: 2127-43 (16 pages)

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3. Debt, Structural Adjustment and Debt Relief

Lecture 3 analyses the problems of international indebtedness., and the increasing role of the World Bank and International Monetary Fund in in development since the 1980s Debt has been a major constraint on international development since the 1980s. The lecture combines theoretical explanation of international debt, with historical analysis of its economic and social consequences. There is also a focus on responses to debt, including Structural Adjustment programs, which have been some of the more controversial policies adopted under the so-called Washington (and Post-Washington) consensus. This lecture will also begin to discuss official poverty reduction strategies and will introduce questions relating to globalization and trade.

Required reading:

- Chapter 16, The Evolving Paradigms of Structural Change, by J Lin & C Monga, pp277-294 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).

Additional reading:

- Chapter 49, The Role and Influence of International Financial Institutions, by D Leipziger, pp831-846.
- Stewart, F. and Wang, M. (2003) '[Do PRSPs empower poor countries and disempower the World Bank, or is it the other way round?](#)' *QEH Working Paper* 108, Queen Elizabeth House, Oxford.
- World Bank/IMF (2005) '[2005 Review of the PRS Approach: Balancing Accountabilities and Scaling Up Results -- Synthesis](#)'

4. Trade, globalization, and financial crises

Lecture 4 builds on the themes of economic growth and international debt by assessing the role of trade and investment. What is trade, and how can it benefit development? What are the terms of trade? What is the role of the World Trade Organization? How do trade laws affect industrialization and investment? How do financial crises—such as the Asian crisis in 1997-8, or in Argentina 2001-2—arise? What are the lessons for international development?

Required reading:

- Chapter 17, Trade and Finance in Development Thinking, by J. Ocampo, pp295-310 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 48, The World Trade Organization and Development, by D Tussie and C Quiliconi, pp815-830.

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Additional reading:

- Khor, M. (2008) 'The World Trading System and Development Concerns' in N. Serra and J.E. Stiglitz, eds. *The Washington Consensus Reconsidered*, Oxford University Press. (This is a critical discussion of trade from the head of the Third World Network, an activist organization).
- Acemoglu, D., Johnson, S. and Robinson, J. (2002) "[Reversal of fortune, geography and institutions in the making of modern world income distribution](#)" *Quarterly Journal of Economics* 117: 1231-94.
- Wade, R. "Wheels within wheels: Rethinking the Asian crisis and the Asian model."
- Krugman, Paul, "[The Myth of Asia's Miracle](#)", *Foreign Affairs*, vol.73, no.6 (Nov/Dec, 1994), pp.62-78.
- Barrientos, S. 'Globalization and Ethical Trade: Assessing the Implications for Development' *Journal of International Development*, 12: 559-70..

5. Politics and Governance

Lecture 5 looks at the theme of politics and governance. The lecture will include discussion of the role of the state, civil society, and non-governmental organizations. The political economy of governance (and 'good' governance) will be analyzed, with some reference to rent seeking behavior, corruption and the prevalence of political and economic mismanagement.

Required reading:

- Chapter 45, The State as a Development Actor, by C & J Kerstenetzky, pp771-787 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 46, Civil Society, by K Naidoo and S Borren, pp788-798.

Additional reading:

- Chapter 38, China, by Lan Xue & Ling Chen, pp651-666.
- Chapter 42, India's Economic Development, by D Kapur, pp714-731.
- Chapter 43, Economic Development: The Experience of Sub-Saharan Africa, by O Ajakiye & A Jerome, pp732-749.
- Chapter 44, Economic Development in the Arab Region: A Tale of Oil and Politics, by A Galal & H Selim, pp750-767.
- Doornbos, Martin, 2001. Good governance: the Rise and Decline of a Policy Metaphor? *The Journal of Development Studies* 37:6.
- Chandhoke, Neera 2002 'Governance and Pluralisation of the State: Implications for Democratic Politics in Asia' (see file).

6. Poverty, Livelihoods and famine

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Lecture 7 concentrates on debates concerning poverty, vulnerability and livelihoods – and how social policies have aimed to address these. The definition of poverty is highly controversial, and many critics believe the World Bank's common indicator of \$1 or \$2 a day's income is inaccurate and unhelpful. The incidence of poverty within social groups, regions and its gender dimensions are also evaluated. How can we eradicate poverty and vulnerability? Should policies be universalist (addressing all groups) or targeted (addressing some)? How do poverty and vulnerability come together in famines? Why do famines occur when there are food surpluses? We review Sen's entitlements and capabilities approaches.

Required reading:

- Chapter 5, Poverty in Development Thought, by David Hulme, pp81-97 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 6, Inequality and Development, by F Stewart & E Samman, pp98-115.
- Chapter 8, Composite Indices of Development, by M Santos & G Santos, pp133-150.

Additional reading:

- Mkandawire, Thandika (2005), '[Targeting and Universalism in Poverty Reduction](#)', United Nations Research Institute for Social Development, Social Policy and Development Programme Paper No. 23, December 2005 [17pp].

- Bebbington, A. (1999) 'Capitals and capabilities: A framework for analyzing peasant viability, rural livelihoods and poverty,' *World Development* 27: 12 2021-2044.
- Krugnam, Paul (1997) "In praise of cheap labor"
<http://www.slate.com/id/1918/%20In%20Praise%20of%20Cheap%20Labor>
- Corbridge, S, 'Development As Freedom: the Spaces of Amartya Sen' *Progress in Development Studies* 2,3 (2002) pp. 183–217 [34 pages].

7. Aid, Humanitarianism and Conflict

Lecture 11 considers the relevance of economic aid and humanitarian assistance for economic development. The form, sources, geographical direction and scale of aid flows will be examined in conjunction with debates concerning aid's effectiveness and ethics. In addition, the role of humanitarianism will be discussed, and the problems of so-called 'complex emergencies' such as combined war and famine. This section will also focus more on the role of NGOs and international organizations, and debates about the politics of neutrality and intervention. This section will also discuss the contested role of the United Nations.

Required reading:

- Chapter 50, Development Assistance, by H Mharas, pp847-865 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 21, Peacebuilding and Conflict, by M Berdal, pp362-378.

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Additional reading:

- Easterly, W 'The Big Push Déjà vu: A Review of Jeffrey Sachs's *The End of Poverty: Economic Possibilities for Our Time*,' *Journal of Economic Literature* 44, 1 (2006) [10pp]
- Moyo, D. (2009) "Dead aid : why aid is not working and how there is another way for Africa, London: Allen Lane. (*This is a book: read the introduction, and if you wish further chapters*). LSE library: Classmark: HC800 M93 (2nd floor)

8. Rural Development

Lecture 6 focuses on rural development. This lecture considers the key debates concerning rural development, such as land reform and agrarian reform. What was the 'Green Revolution?' How can development agencies assist poor people in rural areas, and how far should strategies target agriculture or the social and economic structures that poor people have in rural areas? How is globalization affecting rural livelihoods?

Required reading:

- Chapter 27, The Rural Transformation, by J Beregueé et al, pp463-478 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 28, Land Reform, by Ben White et al, pp479-494.

Additional reading:

- Ashley, C. and Maxwell, S. (2001) "Rethinking Rural Development," Development Policy Review 19:4 395-425, and other papers in this special issue.
- Borras, SM, Kay, C. and Akram-Lodhi, A.H., 2007. 'Agrarian Reform and Rural Development: Historical Overview and Current Issues' in *Land, Poverty and Livelihoods in an Era of Globalization*, (London and New York: Routledge) (see file).
- Scott, J. (1985) Chapter Two from *Weapons of the Weak*. (This is a classic paper about how technological and market change in one village in Malaysia during the Green Revolution had knock-on effects on social change and relationships with the state).

9. Population and Health

Lecture 8 considers questions of population growth and movement. The lecture will review the implications of the Demographic Transition for development, and impact of age structure on economic development potential. The question of whether the world is suffering from overpopulation is considered, with reference to both pessimistic and optimistic viewpoints. The lecture will also refer to the emergence of "global health" as a key development challenge, and the relationships with population policies.

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Required reading:

- Chapter 25, Agriculture and Food Security, by M Sambasivan et al, pp432-447 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).
- Chapter 30, Global health, by T Evans, pp511-529
- Chapter 31, Targeting Diseases, by N Oomman & F Cleghorn, pp530-545.

Additional reading:

- Dyson, T. (2001) 'A partial theory of world development', *International Journal of Population Geography*, 7, 2: 67-90.
- Banerjee, A. and Duflo, E. (2011) 'Low Hanging Fruit for Better (Global) Health?', pp41-70 in *Poor Economics: A Radical Rethinking of the way to fight Global Poverty*, BBS: New York. (Available online at [LSE library](#))
- Hussain, R. Cassen and T. Dyson (2006) 'Demographic transition in Asia and its consequences' *IDS Bulletin* 37(3):79-87

10. Gender and Development

Lecture 9 discusses gender relations, and especially the role of women in development. Development work has adopted a variety of approaches over time to acknowledging the importance of gender as a crucial social division. Gender now occupies an important place in the development agenda and international institutions usually require gender issues to be explicitly addressed in policy proposals. Employment and education are key themes.

Required reading:

- Chapter 7, Women's Economic Roles and the Development Paradigm, pp116-133 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).

Additional reading:

- Chant, Sylvia; Gutmann, M. "'Men-streaming' Gender? Questions for Gender and Development Policy in the 21st Century." *Progress in Development Studies* 2, no. 4 (2002), pp. 269-282.

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11. Environment, Hazards and Development

Lecture 10 focuses on questions of environment and development. Approaches to environment have changed over the years, and now there is intense debate about the nature of environmental problems, the need to implement policy, and the need to involve local people in the definition and management of problems. This lecture will focus mainly upon questions of local environmental problems, so-called natural hazards, and problems such as deforestation and desertification. The theme of environmental refugees will also be discussed (prior to discussing climate change more fully in Lecture 12).

Required reading:

- Chapter 26, Water Resources, pp448-462 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al). (This chapter is useful background but not essential reading).

Additional reading:

- Batterbury, SPJ and Forsyth, T. 1999. "Fighting Back: human adaptations in marginal environments" *Environment* 41(6) 6-11, 25-30.

- Forsyth, T. (2003) *Critical Political Ecology*, Chapter One (and/or Chapter Two) LSE shelfmark: HC79.E5 F73 (various locations)
- Hartmann, B. (2010) [“Rethinking climate refugees and climate conflict: rhetoric, reality and the politics of policy discourse,”](#) *Journal of International Development* 22, 233–246. (Critical of the Malthusian line)
- Lester R. Brown, Gary Gardner, Brian Halweil (1998) Worldwatch Paper #143: [Beyond Malthus: Sixteen Dimensions of the Population Problem](#) (This is a good summary to the more Malthusian, crisis-led approach to environment discussed in Lecture 8 on Population)

12. Climate Change and Development. Roundup.

Lecture 12 will conclude the course by focusing on the new challenges brought by climate change. This lecture will not summarize the physical science of climate change, but will discuss the political challenges it brings; the potential solutions for developing countries; and the emerging politics of North–South interaction on this subject. The theme of climate change is a good one to end on as it illustrates various elements of vulnerability; industrialization; intervention; and the role of international investment and organizations such as the United Nations.

If there is time – and if students wish – there will also be a discussion of the course in general and some tips for the examination.

Required reading:

- Chapter 29, Climate Adaptation, pp495-510 in *International Development: Ideas, Experience, and Prospects* (ed Currie-Alder et al).

Additional reading:

- Lohmann, L. (2011) [“The Endless Algebra of Carbon markets”](#) Newton, UK (This is a deliberately controversial criticism of the climate change mechanisms set up under the Kyoto Protocol)
- Boyd, E. (et al) (2009) [Reforming the CDM for sustainable development: lessons learned and policy futures](#), *Environmental Science and Policy* 12: 820-831. (This is a good critical review of how the Clean Development Mechanism is, or is not, working in the context of development)
- Griffiths, T. (2007) Seeing “REDD”? “Avoided deforestation” and the rights of Indigenous Peoples and local communities.

Credit Transfer: If you are hoping to earn credit by taking this course, please ensure that you confirm it is eligible for credit transfer well in advance of the start date. Please discuss this directly with your home institution or Study Abroad Advisor.

As a guide, our LSE Summer School courses are typically eligible for three credits within the US system and 7.5 ECTS in Europe. Different institutions and countries can, and will, vary. You will receive a digital transcript and a printed certificate following your successful completion of the course in order to make arrangements for transfer of credit.

If you have any queries, please direct them to summer.school@lse.ac.uk