

**Political Science / International Relations 217:
How Countries Become Rich**

**University of Rochester
Spring 2016
Tuesday and Thursday, 11:05 AM to 12:20 PM
Dewey Hall 2-162**

Instructor: Adam Cohon

Phone: 585-275-5466

Email: acohon@ur.rochester

Office: Harkness Hall 307

Office hours: Thursday 2:00 pm-4:00 pm, or by prior email appointment

Why are some countries rich and well-developed while other countries remain underdeveloped and poor? What role do political institutions, both domestic and outward-oriented, play in economic development? In this course we examine classic and contemporary answers to these questions, and consider evidence for competing explanations. We start with Adam Smith, and move through theories of dependency, import substitution, and export-based development. We conclude with contemporary theories on the connection between economic development and political institutions. We explore national economies from all continents, with special emphasis on countries outside the North Atlantic that have grown and developed, to varying extents, since World War II. (This course was formerly titled "States and Markets.")

Course Materials:

All course materials will be posted onto Blackboard, or available through the University of Rochester library website. Readings marked with an asterisk (*) are available on Blackboard. Lecture slides will be available on Blackboard before the start of each class.

I ask students to buy one book: Gordon Harvey's *Writing With Sources: A Guide for Students* (Cambridge, MA: Hackett Publishing Co., 2008 – older versions okay). A used copy is acceptable.

Course Requirements:

Students are expected to attend class regularly, do the assigned reading, complete all assignments, and participate in class discussions and activities. The assignments comprise a five page paper (20%) due on **March 24th** (at the beginning of class), a midterm examination (10%) to be held at the beginning of class on **March 1st**, a final five page paper (20%) due on **April 29th** (in my faculty mailbox, my office, or in an nearby box by **3:30 PM**), a final examination (20%) to be held **Friday, May 6th, 2016 at 8:30 AM**, one economic report, to be done in collaboration with another student (10%), and in-class participation in discussions and assignments (20%).

Prompts for all written assignments will be distributed at least two weeks before the due date.

Both papers will have attached to them a full first draft that has been reviewed and marked up by a classmate. Students are required to make changes specified by the peer editor. Failure to attach such a draft, or to make

changes, will result in a 10-point loss on the assignment. Criteria for peer editing will be distributed with the first prompt.

Grading scale:

93 to 100% - A
90 to 92.99% - A-
87 to 89.99% - B+
84 to 86.99% - B
80 to 83.99% - B-
77 to 79.99% - C+
74 to 76.99% - C
70 to 73.99% - C-
Below 69.99% - failing

All students will receive an extra 2% on their grade if at least 95% of students in the class complete online course evaluations.

Late assignments will be deducted three points for each 24-hour period or fraction thereof that they are late.

Re-grades:

Students should feel free to contact me about re-grades due to arithmetic errors. If students feel that grades were incorrectly given, they can re-submit the assignment to me with a memorandum of at least 200 words explaining why they thought they deserve a different grade. Requests for re-grades should be made within 72 hours after the results have been passed back. I reserve the right on re-grades to lower, raise, or maintain any grade.

Written work standards:

All written work should be written in Times New Roman font, size 12, double-spaced, with 1" margins on all sides of the paper. Citations are mandatory, in either Chicago or MLA style. The bibliography at the end does not contribute to the page count.

The rubric for grading all essays is found below.

Studying and collaboration:

You are welcome to study and discuss paper drafts with classmates. Doing so is a valuable skill and means of feedback. Please send me clarification questions when you have them. I reserve the right not to answer any inquiries seeking feedback on potential grades or the value of arguments.

All final work *must* be your own product.

Accommodations:

If you need accommodations, please coordinate these with the Center for Excellence in Teaching and Learning well in advance of deadlines. Their information and policies can be found at

<http://www.rochester.edu/college/cetl/undergraduate/index.html>

I cannot make these arrangements for you; you must contact CETL (formerly LAS) yourself.

There will be no make-ups for students who miss assignment deadlines. If you cannot make deadlines, for prior reasons only, please let me know at least 48 hours in advance, and we can make alternative arrangements. I will ask you for verifiable evidence of any emergency.

Academic Honesty:

Conduct in class, during assignments and examinations, and in writing coursework should conform to the University's policies on academic honesty. The policy can be found at <http://www.rochester.edu/college/honesty>

Be sure to cite all your sources. When in doubt, add a footnote or endnote. In-text citations are acceptable. All country reports and independent papers should contain a bibliography at the end. Wikipedia is not considered a reliable source of information for this class, and should never be cited as an authority.

Use *Writing with Sources*. Throughout the semester, we'll discuss more on proper citation and writing.

Any instance of plagiarism will result in zero credit for the assignment and referral of the student(s) involved to the College Board on Academic Honesty.

Course Outline

Readings with an asterisk can be found on the course Blackboard website. All other articles are available for reading and download through the University of Rochester library website.

Two asterisks () signify a discussion section. Students should come to class prepared to discuss all readings assigned prior to and on that date.**

I reserve the right to drop or replace readings to better direct learning and sharpen the focus of the course. All readings are required unless otherwise indicated.

Part 1: Classical Theories on Political Economy

January 14 - Introduction to the Course

Smith, Adam. 1776. *An Inquiry into the Origins and Causes of the Wealth of Nations* [excerpts] *

January 19

List, Friedrich. 1841. *The National System of Political Economy*. Chapters 12-14.*

January 21

Marx, Karl. 1849 [2000]. *Wage-Labor and Capital*. Trans. Friedrich Engels.*

Marx, Karl and Friedrich Engels. 1848. *The Communist Manifesto*.*

January 26

Friedman, Milton. 1982. *Capitalism and Freedom*. Chicago: University of Chicago Press. Introduction, Ch. 1 and 2 (36 pages)*

January 28**

Fligstein, Neil. 2001. *The Architecture of Markets: An Economic Sociology of Twenty-First Century Capitalist Societies*. Princeton, NJ: Princeton University Press. pp. 27-44.*

North, Douglass. 1982. *Structure and Change in Economic History*. New York: W.W. Norton & Co. Ch. 1-3 (pgs. 3-32).*

Part 2: Why the West Industrialized First

February 2

Greif, Avner. 2006. "Securing Property Rights from the Grabbing Hand of the State: The Merchant Guild," in Avner Greif, *Institutions and the Path to the Modern Economy*. New York: Cambridge University Press. Chapter 4.*

Carruthers, Bruce G. 1996. *City of Capital: Politics and Markets in the English Financial Revolution*. Princeton, NJ: Princeton University Press. Chapter 3 and 5 *

February 4

Acemoglu, Daron, Simon Johnson, and James Robinson. 2005. "The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth," *American Economic Review* 95(3): 546-579.

Allen, Robert. 2011. "Why the Industrial Revolution was British: Commerce, Induced Invention, and the Scientific Revolution," *The Economic History Review* 64(2): 357-384.

February 9

Hobsbawm, Eric. 1962. *The Age of Revolution, 1789-1848*. New York: Vintage Books. Ch. 2*

Headrick, Daniel. 1988. *The Tentacles of Progress: Technology Transfer in the Age of Imperialism: 1850-1940*. New York: Oxford University Press. Chapter 1.*

February 11

Polanyi, Karl. 1944 [2001]. *The Great Transformation*. Boston: Beacon Press. pp. 35-89.*

February 16**

Goldstone, Jack A. 2002. "Efflorescences and Economic Growth in World History: Rethinking the 'Rise of the West' and the Industrial Revolution," *Journal of World History* 13(2): 323-389.

Part 3: The Mid-Century Developmental State, Its Rise, and Its Crisis

February 18

Cardoso, Fernando Henrique and Faletto Enzo. 1979. *Dependency and Development in Latin America*. Berkeley: University of California Press. Ch. 2, 3, and 6.*

February 23

Johnson, Chalmers. 1982. *MITI and the Japanese Miracle*. Stanford, CA: Stanford University Press. pp. 3-34.*

Doner, Richard, Bryan Ritchie, and Dan Slater. 2005. "Systematic Vulnerability and the Origins of Developmental States: Northeast Asia and Southeast Asia in Comparative Perspective," *International Organization* 59:2. April. Pp. 327-361.

February 25

Gerschenkron, Alexander. 1962. "Economic Backwardness in Historical Perspective" in B.F. Hoselitz, ed., *The Progress of Underdeveloped Areas*. Chicago: University of Chicago Press. Pp. 5-30.*

Chaudhry, Kiren Aziz. 1993. "The Myth of the Market and the Common History of Late Developers." *Politics and Society* 21:3. September. 245-274.

March 1**

Thirty-minute midterm examination at the beginning of class.

Johnson, Chalmers. 1999. "The Developmental State: Odyssey of a Concept," in Meredith Woo-Cumings, ed. *The Developmental State*. Ithaca: Cornell University Press. pp. 32-60*

Part 4: Structural Reform, The Washington Consensus, the Transition to the "Thin" State

March 3

Franko, Patrice. 2007. "Latin America's Debt Crisis: The Limits of External Financing," in P. Franko, *The Puzzle of Latin American Economic Development*, Lanham, MD: Rowman and Littlefield. Chapter 4.*

Sachs, Jeffrey. 1986. "Managing the LDC Debt Crisis," *Brookings Papers on Economic Activity* 2: 397-437.

March 8 - NO CLASS; SPRING BREAK

March 10 - NO CLASS; SPRING BREAK

March 15

Williamson, John. 1990. "What Washington Means By Policy Reform," in John Williamson, ed. *Latin American Adjustment: How Much Has Happened?* Washington, DC: Institute for International Economics.*

Vogel, Steven. 1996. *Freer Markets, More Rules*. Princeton, NJ: Princeton University Press. Ch. 1*

March 17

Hellman, Joel. 1998. "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," *World Politics* 50(2): 203-234.

Hellman, Joel, Geraint Jones, and Daniel Kaufmann. 2003. "Seize the State, Seize the Day: State Capture and Influence in Transition Economies," *Journal of Comparative Economics* 31(4): 751-773.

March 22**

Moran, Michael. 2002. "Review Article: Understanding the Regulatory State," *British Journal of Political Science* 32:2. Pp. 391-413.

Part 5: East Asian "Tigers"

March 24

First five-page paper due today at the beginning of class.

Haggard, Stephan. 1990. *Pathways from the Periphery: The Politics of Growth in Newly Industrializing Countries*. Ithaca: Cornell University Press. Ch. 2-4.*

March 29

Jenkins, Rhys. 1991. "The Political Economy of Industrialization: A Comparison of Latin American and East Asian Newly Industrializing Countries," *Development and Change* 22: 197-231.

Rosenbluth, Frances McCall and Michael F. Thies. 2010. "Japan's Postwar Political Economy," in Rosenbluth and Thies, *Japan Transformed: Political Change and Economic Restructuring*. Princeton, NJ: Princeton University Press. Chapter 4.*

March 31**

Lipsy, Phillip Y. and Hirofumi Takinami. 2012 "The Politics of Financial Crisis Response in Japan and the United States," *Japanese Journal of Political Science* 14(3): 321-353

Part 6: India and Africa

April 5

Basu, Kaushik. 2004. "The Indian Economy: Up to 1991 and Since," in Kaushik Basu, ed. *India's Emerging Economy: Performance and Prospects in the 1990s and Beyond*. Cambridge, MA: MIT University Press. Ch. 1.*

Jenkins, Rob. 2000. *Democratic Politics and Economic Reform in India*. New York: Cambridge University Press. Chapter 2 [available online at the library website]

April 7

Kohli, Atul. 2012. *Poverty Amid Plenty in the New India*. Cambridge, UK: Cambridge University Press. Chapters 1, 3. [available online at library website]

April 12

Nunn, Nathan and Leonard Wantchekon. 2011. "The Slave Trade and the Origins of Mistrust in Africa," *American Economic Review* 101(7): 3221-3252.

Van de Walle, Nicholas. 2001. *African Economies and the Politics of Permanent Crisis, 1979-1999*. New York: Cambridge University Press. Chapter 2.*

April 14**

Handley, Antoinette. 2008. *Business and the State in Africa: Economic Policy-making in the Neoliberal Era*. New York: Cambridge University Press. Introduction.*

Whitfield, Lindsay, Ole Therkildsen, Lars Buur and Anne Mette Kjær. 2011. *The Politics of African Industrial Policy: A Comparative Perspective*. New York: Cambridge University Press. Chapter 3.*

Part 7: China

April 19

Shirk, Susan. 1993. "The Pre-Reform Chinese Economy and the Decision to Initiate Market Reforms," in Susan Shirk, ed. *The Political Logic of Economic Reform in China*. Berkeley: University of California Press., pp. 23-51.*

Oi, Jean. 1992. "Fiscal Reform and the Economic Foundation of Local State Corporatism in China," *World Politics* 45(1):99-126.

April 21

Heilmann, Sebastian. 2008. "Policy Experimentation in China's Rise," *Studies in Comparative International Development* 43(1): 1-26.

Saich, Tony. 2011. *Governance and Politics of China: 3rd Edition*. New York: Palgrave Macmillan. Chapters 4-5.*

April 26 – Final Discussion**

Williamson, John. 2012. "Is the 'Beijing Consensus' Now Dominant?" *Asia Policy* 13: 1-16

**FINAL PAPER DUE FRIDAY, APRIL 29TH BY 3:30 PM TO MY OFFICE OR FACULTY MAILBOX,
THIRD FLOOR OF HARKNESS HALL.**

Grading Rubric for Written Work

| | A (Above Standards) | B (Meets Standards) | C (Approaching Standards) | D (Below Standards) |
|---|--|--|---|---|
| | 100% | 90% | 80% | 70% |
| Completeness (25 points) | All parts of the assignment are addressed | A minor part of the assignment is unaddressed or it is unclear how the author is addressing it. | A major part of the assignment is unaddressed or it is unclear how the author is addressing it. | Two or more major parts of the assignment are unaddressed or it is unclear how the author is addressing them. |
| Clarity (25 points) | Ideas are provided in a logical and organized order that makes it easy to follow the author's argument and thoughts. The author provides guidance to readers. Grammatical and spelling errors are minimal. | Ideas are provided in a fairly logical order that makes it not too hard for readers to follow the argument. Grammatical and spelling errors occur. | Ideas are not presented in an organized or logical order, making the argument difficult to follow. Grammatical and spelling errors occur. | Many ideas are not in an expected or logical order, making the essay confusing. Grammatical and spelling errors are frequent. |
| Support (25 points) | Every point in the argument is supported with valid inferences from evidence or logic. | Minor points are unsupported or supported with invalid or tendentious inferences from evidence or logic. | At least one major point is unsupported or supported with invalid or tendentious inferences from evidence or logic. | Many major points are unsupported or supported with invalid or tendentious inferences from evidence or logic. |
| Research (15 points) | More than five sources, of which at least three are peer-reviewed journal articles or scholarly books, are used. Sources include both general background sources and specialized sources. Politicized or popular sources are acknowledged as such when used. | Five sources, of which at least two are peer-reviewed journal articles or scholarly books, are used. Politicized or popular sources are mostly acknowledged as such when used. | Five sources, of which at least two are peer-reviewed journal articles or scholarly books, are used. Politicized or popular sources are used without acknowledgement. | Fewer than five sources are used, or fewer than two of the minimum five sources used are peer-reviewed journal articles or scholarly books. |
| Source Documentation (10 points) | Correct attributions are provided for all quotations, esoteric facts, and original research. | | | Correct attributions are not provided for quotations, non-trivial facts, and original research. |