

Syllabus

LECO 3150: International Organizations and the Political Economy of Development

Fall 2016

Lang College, The New School
6 East 16th Street, Room 704
Tu. Th. 1000 a.m. – 1140 a.m

Instructor: Ingrid Harvold Kvangraven

Office Hours: Thursdays 12–2pm (room D-1105)

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Course overview

This class takes a transdisciplinary, critical and historical approach to global political economy and considers political economy issues from the perspective of the low and middle-income countries. The course examines the political economy of 'North-South' relations, focusing on how changes in international organizations and the international policy framework affect developing countries' economic trajectories and national-level strategies for interaction with the global economy.

The course is split into four modules. **Module 1** gives an introduction to the political economy approach to the study of economic development. **Module 2** examines the evolution and role of international organizations in economic development. A variety of explanations of the role that international organizations play in global politics are discussed, such as governance in international sovereign debt and finance and the politics of international trade and investment. **Module 3** takes more thematic approach to global political economy, covering issues such as globalization, production, the state, and financial crises. Finally, **Module 4** discusses alternatives for reforming global multilateral economic organizations, as well as emerging South-South alternatives.

Prerequisites

It is recommended that students complete *introduction to political economy* and *intermediate macroeconomics* before enrolling in this class.

Learning objectives

By the conclusion of this course, students are expected to be able to:

- Identify and define terminology critical to understanding issues studied in global political economy.
- Describe, compare and contrast different international institutions, their evolution, and how they relate to economic development.
- Describe ways in which economic globalization impacts developing countries.
- Think critically about how issues of economic development are understood and described in different fields of social science, particularly in Economics.

Resources

The university provides many resources to help students achieve academic and artistic excellence. These resources include:

- The University (and associated) Libraries: <http://library.newschool.edu>
- The University Learning Center: <http://www.newschool.edu/learning-center>

- The Student Ombuds office provides students assistance in resolving conflicts, disputes or complaints on an informal basis. This office is independent, neutral, and confidential. For further details see: <http://www.newschool.edu/intercultural-support/ombuds/>

Work requirements / Grading

While my goal is for all students to excel in this class, the students must earn their grades through active and engaged learning. The grade for the class is based on the following four elements.

(1) Response papers (30%)

Each student will have to write 6 response papers. The purpose of these papers is for the students to reflect on the assigned reading(s) before coming to class. What do you think was most interesting about the reading(s) and why? The response papers will be due the Sunday night before the relevant week. The papers will be graded on a 5-point scale, where 5 indicates that you have understood the reading and reflected on the content. Response papers should be no more than 2 pages double-spaced. Late homework assignments will not be accepted. If you write more than 6 response papers, the lowest grades will be dropped.

(2) Midterm assignment (20%)

The midterm assignment will be posted on Canvas on Friday October 21st and will be due Sunday October 31st (by e-mail). Feel free to bring any questions to class on Tuesday October 25th and we will discuss any issues you are struggling with in a short review session.

(3) Final take-home exam (30%)

The final exam will be a take-home exam due on December 22nd. It will be distributed on December 9th. Bring any questions to class on December 15th.

(4) Participation (20%)

Class participation is an essential part of class and includes: keeping up with reading, contributing meaningfully to class discussions, active participation in group work, and coming to class regularly and on time.

Lang College Policies

1. Disability Services <http://www.newschool.edu/studentdisabilityservices/>:

In keeping with the university's policy of providing equal access for students with disabilities, any student with a disability who needs academic accommodations is welcome to meet with me privately. All conversations will be kept confidential. Students requesting any accommodations will also need to contact Student Disability Service (SDS). SDS will meet with the student and, if appropriate, the Director will provide an academic accommodation notification letter for the student to bring to me. At that point, I will review the letter with you and discuss what accommodations may be reasonably offered in relation to this course.

2. Academic Honesty and Integrity Policy and the Intellectual Property Rights Policy, can be found at: <http://www.newschool.edu/leadership/provost/policies/> For further information on plagiarism, see the Learning Center's website: <http://www.newschool.edu/learningcenter/virtualhandoutdrawer/>

3. Lang College's attendance and Lateness Policy: Absences may justify some grade reduction and a total of four absences mandate a reduction of one letter grade for the course. More than four absences mandate a failing grade for the course, unless there are extenuating circumstances, such as the following: an extended illness requiring hospitalization or visit to a physician (with documentation); a family emergency, e.g. serious illness (with written explanation); observance of a religious holiday. The attendance and lateness policies are enforced as of the first day of classes for all registered students. If registered during the first week of the add/drop period, the student is responsible for any missed assignments and coursework. For significant lateness, the instructor may consider the tardiness as an absence for the day. Students failing a course due to attendance should consult with an academic advisor to discuss options. Divisional and/or departmental/program policies serve as minimal guidelines, but policies may contain additional elements determined by the faculty member.

Brief overview of the course

Module 1: Political Economy and the World We Live In

Week 1: Introduction and the Study of Political Economy

Week 2: Growth, Inequality and Poverty: Evidence, Arguments and Economists

Week 3: The Production of Development Knowledge: Contested Realities

Module 2: The Evolution of Modern International Institutions

Week 4: The Evolution of the International Financial System and the IMF's Role in Global Development

Week 5: The Role of the World Bank and the IMF in Global Development

Week 6: The Evolution of the Global Trade Regime: From GATT to Regionalism

Week 7: The UN Framework for Development: Fit for Purpose?

Week 8: Non-State Actors and Philanthrocapitalism

Module 3: Understanding Globalization And Its Consequences

Week 9: Globalization and Development: Leveling or Tilting the Playing Field?

Week 10: Globalization and Production: Changing Structures

Week 11: Globalization and the State: Shrinking Policy Space?

Week 12: Globalized Finance, Financialization, and Development

Week 13: Global Financial Crises and Development

Module 4: What Is The Alternative?

Week 14: Reform of International Institutions: Fundamental or Cosmetic?

Week 15: BRICS and South-South Cooperation: Towards A New World Order?

Week 16: Exam week

Detailed overview of the course

Module 1: Political Economy and the World We Live In

Week 1: Introduction and the Study of Political Economy

[Tuesday August 30th, Thursday September 1st]

Required readings:

- Ravenhill, John. 2014. The Study of Global Political Economy, in Ravenhill (2014) *Global Political Economy* (4th ed.)
- Grosfoguel, Ramón. 2007. 'The Epistemic Decolonial Turn – Beyond Political-Economy Paradigms,' *Cultural Studies*, 21:2-3, 211-223.
- Watson, Matthew. 2014. The Historical Roots of Theoretical Traditions in Global Political Economy, in Ravenhill (2014) *Global Political Economy* (4th ed.)

Additional resources:

- Toye, John. 1991. 'Is There A New Political Economy of Development?' in Christopher Colclough and John James Manor (eds) *States or Markets? Neo-liberalism and the Development of Policy Debate* (pp. 160-180).

Week 2: Growth, Inequality and Poverty: Evidence, Arguments, and Economists

[Tuesday September 6th, Thursday September 8th]

Required readings:

- Wade, Robert. 2014. 'Growth, Inequality and Poverty: Evidence, Arguments, and Economists,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Lahoti, Rahul and Sanjay Reddy. 2015. '\$1.90 Per Day: What Does it Say?'
- Arrighi, Giovanni, Beverly Silver, and Benjamin Brewer. 2003. 'Industrial Convergence, Globalization, and the Persistence of the North-South Divide,' *Studies in Comparative International Development*, Vol. 38, No. 1, pp. 3-31

Additional resources:

- Milanovic, Branko. 2016. 'Why the Global 1% and the Asian Middle Class Have Gained the Most from Globalization,' *Harvard Business Review* May 13th 2016.
- Stiglitz, Joseph, Amartya Sen, and Jean-Paul Fitoussi. 2009. 'Executive Summary,' in *Report by the Commission on the Measurement of Economic Performance and Social Progress*.

Week 3: The Production of Development Knowledge: Contested Realities

[Tuesday September 13th, Thursday September 15th]

Required readings:

- Apffel-Marglin, Frédérique. 1996. 'Introduction: Rationality and the World,' in Apffel-Marglin, Frédérique and Stephen A. Marglin (eds) *Decolonizing knowledge: From development to dialogue*.
- Webber, S. 2015. 'Randomising Development: Geography, Economics and the Search for Scientific Rigour,' *Journal of Economic and Social Geography* 106: 36–52.

- Tandon, Yash. 2015. 'Development is Resistance,' *Africa Development*, Volume XL, No. 3, 2015, pp. 139-159
- Waeyenberge, Elisa Van and Ben Fine. 2011. 'A Knowledge Bank?' in *The Political Economy of Development – The World Bank, Neoliberalism and Development Research*

Additional resources:

- Ndlovu –Gatsheni, Sabelo J. 2012. 'Coloniality of Power in Development Studies and the Impact of Global Imperial Designs on Africa' Inaugural Lecture delivered at the University of South Africa, Senate Hall, 16 October 2012

Module 2: The Evolution of Modern International Institutions

Week 4: The Evolution of the International Financial System and IMF's Role [Tuesday September 20th, no class Thursday September 22nd]

Required readings:

- Helleiner, Eric. 2014. 'The Evolution of the International Monetary and Financial System.' In Ravenhill, John (ed.) *Global Political Economy* (4th ed).
- Eichengreen, Barry and Ngaire Woods. 2016. 'The IMF's Unmet Challenges,' *Journal of Economic Perspectives*, 30(1): 29-52.
- Borio, Claudio. 2014. 'The international monetary and financial system: its Achilles heel and what to do about it,' Bank for International Settlements, Working Paper #456.
- James, Harold. 2012. 'The multiple contexts of Bretton Woods,' *Oxford Review of Economic Policy*, Volume 28, Number 3, pp. 411–430.

Additional resources:

- Kindleberger, Charles P. 1965. 'Balance of Payments Deficits and the International Market for Liquidity,' *Essays in International Finance* No. 46, Princeton.
- Boughton, James. 2012. 'Policies for Development: From Structural Adjustment to Poverty Reduction and Growth,' in *Tearing Down Walls, The International Monetary Fund, 1990-1999*, IMF.
- Bøas, Morten and Desmond McNeill. 2003. *Multilateral Institutions – A Critical Introduction*, sections on the IMF: pages 28-34; 80-88.
- Ostry, Jonathan D., Prakash Loungani, and Davide Furceri. 2016. 'Neoliberalism: Oversold?' *Finance & Development*, Vol. 53, No. 2.

In lieu of class on Thursday September 22nd, please listen to episode of the documentary "Inside The IMF" (25 mins) and write a response paper on the role of the IMF in dealing with the global financial crisis. [Access the documentary here: www.bbc.co.uk/programmes/p00cx663#play]

Week 5: The Role of the World Bank and the IMF in Global Development [Tuesday September 27th, Thursday September 29th]

Required readings:

- Demery, L. 'Structural Adjustment: Its Origins, Rationale and Achievements,' in *From Adjustment to Development in Africa*, ed. Giovanni Andrea Cornia and Gerald K. Helleiner.
- Fine, Ben, Deborah Johnston, Ana C. Santos and Elisa Van Waeyenberge. 2016. 'Nudging or Fudging: The World Development Report 2015' *Development and Change* 47: 640–663.
- Cammack, Paul. 2004. 'What the World Bank Means by Poverty Reduction, and Why it Matters,' *New Political Economy*, Vol. 9, No. 2.
- Taylor, Ian. 2004. 'Hegemony, neoliberal 'good governance' and the International Monetary Fund: a Gramscian perspective,' in Bøas, Morten and Desmond McNeill (eds.), *Global Institutions and Development*, 124-136.
- Rodrik, Dani. 2006. 'Goodbye Washington consensus, hello Washington confusion: a review of the World Bank's Economic growth in the 1990s: Learning from a decade of reform,' *Journal of Economic Literature*.

Additional resources:

- Khemani, Stuti, Ernesto Dal Bó, Claudio Ferraz, Frederico S Finan, Stephenson Johnson, Corinne Louise, Adesinaola Michael Odugbemi, Dikshya Thapa, Scott David Abrahams. 2016. *Making politics work for development: harnessing transparency and citizen engagement*. Washington, D.C. : World Bank Group.
- Krueger, Anne. 2004. 'Meant well, tried little, failed much": policy reform in emerging market economies", speech from the IMF in NYC 2004.
- Bøas, Morten and Desmond McNeill. 2003. *Multilateral Institutions – A Critical Introduction*, sections on the World Bank: pages 17-28; 63-71.

Week 6: The Evolution of the Global Trade Regime: From GATT to Regionalism

[Tuesday October 4th, Thursday October 6th]

Required readings:

- Winham, Gilbert. 2014. 'The Evolution of the Global Trade Regime,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Shaikh, Anwar (2006), 'Globalization and the Myth of Free Trade,' in Shaikh, Anwar (ed) *Globalization and the Myths of Free Trade: History, Theory, and Empirical Evidence*.
- Lin, Justin and Ha-Joon Chang. 2009. 'Should Industrial Policy in Developing Countries Conform to Comparative Advantage or Defy it? A Debate Between Justin Lin and Ha-Joon Chang,' in *Development Policy Review*, 2009, 27 (5): 483-502.

Additional resources:

- Matthews, Dylan. 2015. 'How trade deals like TPP fail the global poor,' *VOX November 6th 2015*.
- Bøas, Morten and Desmond McNeill. 2003. *Multilateral Institutions – A Critical Introduction*, sections on the WTO: pages 41-43, 80-88.
- Ravenhill, John. 2014. 'Regional Trade Agreements,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)

Week 7: The UN Framework for Development: Fit for Purpose?

[Tuesday October 11th, Thursday October 13th]

Required readings:

- Fukuda-Parr, Sakiko. 2016. 'From the Millennium Development Goals to the Sustainable Development Goals: shifts in purpose, concept, and politics of global goal setting for development,' *Gender & Development* Volume 24, Issue 1, 2016.
- Karshenas, Massoud. 2016. 'Power, Ideology and Global Development: On the Origins, Evolution and Achievements of UNCTAD,' *Development and Change* 47(4): 664–685.
- Joshi, Devin and Roni Kay O'Dell. 2013. 'Global Governance and Development Ideology: The United Nations and the World Bank on the Left-Right Spectrum,' *Global Governance* 19 (2013), 249-275
- Adams, B. & J. Martens, 2015. 'Fit for whose purpose? Private Funding and Corporate Influence in the United Nations,' *Global Policy Forum* 2015, Bonn/New York

Additional resources:

- Rist, G. 2009. 'From the Struggle Against Poverty to the Millennium Development Goals' in *The History of Development: From Western Origins to Global Faith*.
- Saith, A. 2006. 'From Universal Values to Millennium Development Goals: Lost in Translation,' *Development and Change*, 37: 1167–1199.
- Thomas G Weiss. 2000. 'Governance, good governance and global governance: Conceptual and actual challenges,' *Third World Quarterly* 21:5, 795-814.

Week 8: Non-State International Actors and Philanthrocapitalism

[Tuesday October 18th, Thursday October 20th]

Required readings:

- Edwards, Michael. 2009. 'Gates, Google, and the Ending of Global Poverty: Philanthrocapitalism and International Development,' *Brown Journal of International Affairs* 15(2): 35–42.
- Igoe, J. and T. Kelsall. 2005 'Introduction: Between a Rock and a Hard Place,' in J. Igoe and T. Kelsall (eds) *Between a Rock and a Hard Place: African NGOs, Donors and the State*, pp. 1–33.
- Garsten, C, & K. Jacobsson. 2007. 'Corporate Globalisation, Civil Society and Post – Political Regulation: Whither Democracy?' *Development Dialogue, Special Issue on Global Civil Society: More of Less Democracy?* No. 49.

Additional resources:

- Roy, Arundhati. 2014. 'The NGO-ization of Resistance,' *Massalijin* Sept. 04. 2014.
- Mueller-Hirth, Natascha. 2012. 'If You Don't Count, You Don't Count: Monitoring and Evaluation in South African NGOs,' *Development and Change* 43(3): 649–670.

Midterm will be posted on Friday October 21st, due Sunday October 31st.

Module 3: Globalization And Its Consequences

Week 9: Globalization and Development: Leveling or Tilting the Playing Field? [Tuesday October 25th, Thursday October 27th]

Required readings:

- Phillips, Nicola. 2014. 'Globalization and Development,' in Ravenhill (2014) *Global Political Economy* (4th ed.)
- Bergeron, Suzanne. 2001. 'Political Economy Discourses of Globalization and Feminist Politics,' *Signs* Vol. 26, No. 4, pp. 983-1006.
- McGrew, Anthony. 2014. 'The Logics of Economic Globalization,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Amin, Samir. 1996. 'The Challenge of Globalization,' *Review of International Political Economy* Vol. 3, No. 2, pp. 216-259.

Additional resources:

- Saguier, Marcelo. 2012. 'Resistance to Globalization,' *The Encyclopedia of Globalization*. The Wiley Blackwell.
- Rodrik, Dani. 1997. 'Sense and Nonsense in the Globalization Debate,' *Foreign Policy*, No. 107 (Summer, 1997), pp. 19-37.

Midterm Due Sunday October 31st

Week 10: Globalization of Production: Changing Structures [Tuesday November 1st, Thursday November 3rd]

Required readings:

- Thun, Eric. 2014. 'The Globalization of Production,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Kaplinsky, Raphael. 2000. 'Globalisation and unequalisation: What can be learned from value chain analysis?' *The Journal of Development Studies* 37: 2.
- Bhagwati, Jagdish. 2007. 'Why Multinationals Help Reduce Poverty,' *The World Economy*
- Akamatsu, Kaname. 1962. 'A Historical Pattern of Economic Growth in Developing Countries,' *The Developing Economies*, 1: 3–25.

Additional resources:

- Labowitz, Sarah and Dorotheé Baumann-Pauly. 2014. 'Introduction,' *Business as Usual is Not an Option: Supply Chains and Sourcing After Rana Plaza*. New York: Center for Business and Human Rights at NYU Leonard N. Stern School of Business
- Bräutigam, Deborah and Kevin P. Gallagher. 2014. 'Bartering Globalization: China's Commodity-backed Finance in Africa and Latin America,' *Global Policy*, Vol. 5, Iss. 3.

Week 11: Globalization and the State: Shrinking Policy Space? [Tuesday November 8th, Thursday November 10th]

Required readings:

- Hay, Collin. 2014. 'Globalization's Impact on States,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Weiss, Linda. 2012. 'The Myth of the Neoliberal State,' in C. Kyung-Sup, B. Fine, L. Weiss (eds) *Developmental Politics in Transition - The Neoliberal Era and Beyond*
- Mkandawire, Thandika. 2001. 'Thinking About Developmental States in Africa', *Cambridge Journal of Economics* 25: 289-313.
- Strange, Susan. 1997. 'The Erosion of the state,' *Current History* 96, pp. 365-369.

Additional resources:

- Evans, Peter. 1997. 'The Eclipse of the State? Reflections on Stateness in an Era of Globalization,' *World Politics* 50:1, pp 62-87.
- Sassen, Saskia. 2003. 'Globalization or Denationalization?' *Review of International Political Economy* Vol. 10, No. 1, pp. 1-22.

Week 12: Globalized Finance, Financialization, and Development

[Tuesday November 15th, Thursday November 17th]

Required readings:

- Ghosh, Jayati. 2013. 'Microfinance and the challenge of financial inclusion for development', *Cambridge Journal of Economics*, 37 (6): 1203-1219.
- Ashman, Sam, Ben Fine, Susan Newman. 2011. 'The Crisis in South Africa: Neoliberalism, Financialization and Uneven and Combined Development.' *Socialist Register*
- Dodd, Nigel. 2011. "'Strange money'": risk, finance and socialized debt,' *The British Journal of Sociology* Vol. 62, Iss. 1.
- Rodrik, Dani and Arvind Subramanian. 2009. 'Why Did Financial Globalization Disappoint?' *IMF Staff Papers*, Vol. 56, Iss. 1, pp 112–138.

Additional resources:

- Mosioma, Alvin. 2016. *Panama Papers and the Looting of Africa*.
- Akyuz, Y. 2015. 'Internationalization of finance and changing vulnerabilities in emerging and developing economies,' *South Centre Research Papers* 60.
- Aitken, Rob. 2013. 'The Financialization of Micro-Credit,' *Development and Change* 44(3): 473–499.

Thanksgiving – no class Tuesday November 22nd and Thursday November 24th

Week 13: Global Financial Crises and Development

[Tuesday November 29th, Thursday December 1st]

Required readings:

- Pauly, Lous W. 2014. 'The Political Economy of Global Financial Crises,' in Ravenhill (ed.) *Global Political Economy* (4th ed.)
- Nabudere, Dani Wadada. 2009. 'The Crisis of the International System and the Third World,' in *The Crash of International Finance-Capital*.

- Minsky, Hyman. 1982. 'The Financial Instability Hypothesis: Capitalist Processes and the Behavior of the Economy,' in Kindleberger, Charles P. and Jean-Pierre Laffargue, eds., *Financial Crises: Theory, History, and Policy*.

Additional resources:

- Rodrik, Dani. 2011. "The Globalization Paradox: Democracy and the Future of the World Economy", W.W. Norton & Company. Chapters 5 & 6 on financial crises. Module 4: Are There Alternatives?

Module 4: What Is The Alternative?

Week 14: Reform of International Institutions: Fundamental or Cosmetic?

[Tuesday December 6th, Thursday December 8th]

Required readings:

- Wade, Robert. 2013. 'The Art of Power Maintenance – How Western States Keep the Lead in Global Organizations,' *Challenge*, vol. 56, no. 1, pp. 5–39.
- Ocampo, José Antonio. 2011. 'A Development-Friendly Reform of the International Financial Architecture,' *Politics & Society* 39(3) 315–330.
- UNCTAD. 2015. 'Making the international financial architecture work for development,' *Trade and Development Report 2015*.

Additional resources:

- Strand, Jonathan R. and Kenneth J. Retzl. 2016. 'Did Recent Voice Reforms Improve Good Governance within the World Bank?' *Development and Change* 47(3): 415–445

The final exam will be distributed on December 9th. It's due December 22nd.

Week 15: BRICS and South-South Cooperation: Towards A New World Order?

[Tuesday December 13th, Thursday December 15th]

Required readings:

- Abdenur, Adriana Erthal. 2014. 'China and the BRICS Development Bank: Legitimacy and Multilateralism in South–South Cooperation,' *IDS Bulletin* Vol. 45, No. 4, pp. 85-101.
- Muhr, Thomas. 2016. 'Beyond 'BRICS': Ten theses on South-South cooperation in the twenty-first century,' *Third World Quarterly* 37(4): 630 – 648.
- Wallerstein, Immanuel. 2015. 'Whose interests are served by the BRICS?' in Bond, Patrick, and Ana Garcia (2015) *BRICS – An Anti-Capitalist Critique*.

Additional resources:

- Pieterse, Jan Nederveen. 2011. 'Global Rebalancing: Crisis and the East–South Turn,' *Development and Change* 42(1): 22–48.

Week 16: EXAM

Exam due Thursday December 22nd.