CPO 4034 Developing Nations/INR 4035 Rich and Poor Nations in the World System

Spring 2013

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This course focuses on the struggles that developing countries go through to achieve prosperity, peace, democracy and effective government. It is cross-listed in both comparative and international politics precisely because the answers to how countries go from poor to rich, violent to peaceful, authoritarian to democratic, and from weak to capable states, require looking at both domestic and international causes.

We will spend the semester exploring the interplay between economics and politics primarily in Africa, Asia, Latin America and the Middle East. We will visit many of the broad challenges facing countries in these regions, and in particular we will explore the political effects of resource wealth. In the middle of the last century, economists believed strongly that countries rich in oil, natural gas and other primary commodities stood to prosper and to use those resources to develop quickly into advanced economies. Fifty years later, resource-rich countries are less likely to be democratic, stable, or for women to enjoy strong roles in government and the economy. What accounts for these trends? Can resource wealth play any positive roles in development?

We will explore the origins of the world oil and gas markets and early scholarship on the effects of resource wealth. We will then spend much time exploring the impact of resource wealth on regime type, political stability, long-term economic prospects, violent intrastate conflict, women's participation in the economy and politics, and more. Finally, we will read about some proposed solutions to various aspects of the "resource curse."

Course Requirements

The major assessment components of this course include two exams, both of which have in-class and take-home components (25% and 30%, respectively), a paper that is due on April 29 of about 10 pages (35%), and your contribution to the class discussion (10%). All written assignments will be due as scheduled both in class and to turnitin.com. The course id # is 5864071; the password is developer. You should register for this course as soon as possible.

Required Readings:

Paul Collier, The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It Terry Karl, The Paradox of Plenty: Oil Booms and Petro-States Michael Ross, The Oil Curse: How Petroleum Wealth Shapes the Development of Nations Benjamin Smith, Hard Times in the Lands of Plenty: Oil Politics in Iran and Indonesia Macartan Humphreys et al eds. Escaping the Resource Curse

All of these books will be available at local bookstores. They are also available for sale online and on course reserve at Library West (with some of them available as e-books). There are also many journal articles and book chapters assigned below; they may all be found through the library's website and we will have a short workshop during the first two weeks on accessing and locating these articles.

Schedule:

January 7: Course Introduction. No readings

What is the Developing World? What are Its Special Problems?

January 9:

Collier, preface and Chapter 1.

January 11: Collier, Chapter 2.

January 14: Collier, Chapters 3 and 4.

January 16: Collier, Chapters 5-6.

January 18: Solutions? Collier, Chapter 7.

January 21: No class. Martin Luther King Day.

January 23: Collier, Chapters 8-10.

January 25: Collier, Chapter 11.

Moving into Resource Wealth: Why should we think resource wealth makes countries different?

January 28: Watkins, Melville H. 1963. "A Staple Theory of Economic Growth." *Canadian Journal of Economics and Political Science* 29 (2): 142–58

January 30: Mick Moore, "Revenues, State Formation, and the Quality of Governance in Developing Countries," *International Political Science Review*, Vol 25, No. 3, 297–319.

February 1: Giacomo Luciani, "Economic Foundations of Democracy and Authoritarianism: The Arab World in Comparative Perspective, *Arab Studies Quarterly* 10, 4: 457-76.

February 4: Ross, chapters 1-2.

February 6: Mahdavy, Hossein. 1971. "The Patterns and Problems of Development in Rentier States: The Case of Iran." To be delivered by email.

February 8: Norio Usui, 1998. Dutch Disease and Policy Adjustments to the Oil Boom: A Comparative Study of Indonesia and Mexico. *Resources Policy* 23, 4: 151-62.

February 11: W.H. Corden. 1984. Booming Sector and Dutch Disease Economics: Survey and Consolidation, *Oxford Economic Papers* 36: 359-80.

February 13: Exam 1. Take-home exam distributed in class.

February 15: Discussion of exam and introduction to research methods and the political economy of resource wealth. Take-home exam due in class and to turnitin.com.

February 18: Karl, Preface and Chapters 1 and 2.

February 20: Karl, Chapters 3-4.

February 22: Karl, Chapters 5-6.

February 25: Karl, Chapters 7-9

February 27: Karl, Chapter 10.

March 1: Terry Karl, "Perils of the Petro-State: Reflections on the Paradox of Plenty," *Journal of International* Affairs 53, 1: 31-48; and Benjamin Smith, "Oil Wealth and Regime Durability in the Developing World, 1960-1999," *American Journal of Political Science* 48, 2: 232-46.

March 2-10: Spring Break.

Resource Wealth and Economic Development

March 11: Ross, Chapter 6.

March 13: Brunnschweiler, Christa N. and Erwin H. Bulte, "The Natural Resource Curse Revisited and Revised: A Tale of Paradoxes and Red Herrings," ETH Working Paper Series no. 06/61 (2006).

March 15: Christa Brunnschweiler. 2008. Cursing the Blessings? Natural Resource Abundance, Institutions and Economic Growth. *World Development* 36, 3: 399-419.

March 18: Richard Auty, 1997. Natural Resource Endowment, the State and Development Strategy. *Journal of International Development* 9, 4: 651-63.

Halvor Mehlum et al. 2005. Cursed by Resources or Institutions? Norwegian Institute of Science and Technology Working Paper.

March 20: Exam 2. Take-home exam distributed in class.

Resource Wealth and Political Regimes

March 22: Take-home exam due in class and to turnitin.com. Discussion of exam and introduction to the study of resources and regimes.

March 25: Ross, Chapter 3.

March 27: Jay Ulfelder, 2007. Natural Resource Wealth and the Survival of Autocracy. *Comparative Political Studies* 40, 8: 995-1018.

March 29: Nathan Jensen and Leonard Wantchekon, 2004. Resource Wealth and Political Regimes in Africa. *Comparative Political Studies* 37, 7: 816-41.

How Oil Produces Both Stability AND Instability...

April 1: Smith, Introduction and Chapters 1-2 (NOTE: YOU CAN JUST SKIM CHAPTER 1; IT IS LARGELY THE SAME AS THE ARTICLE YOU READ FOR MARCH 1).

April 3: Smith, Chapter 3.

April 5: Smith, Chapter 4.

April 8: Smith, Chapter 5 and conclusion.

How Does Resource Wealth Affect Women's Participation?

April 10: Steven Fish, 2002. Islam and Authoritarianism. World Politics 55 (October): 5-37.

April 12: Ross Chapter 4.

Resource Wealth and Conflict

April 15: Paul Collier and Anke Hoeffler, "On Economic Causes of Civil War," *Oxford Economic Papers* 50: 563-73.

April 17: Ross, Chapter 5.

Escaping the Resource Curse

April 19: Humphreys et al, Chapters 1-2.

April 22: Humphreys et al, Chapters 5 and 7.

April 24: Humphreys et al, Chapters 9 and 12.

April 29: Final paper due.