**BROWN UNIVERSITY**
**SPRING 2010**

# BROWN UNIVERSITY

## POLS 1821O
## POLITICS AND ECONOMIC DEVELOPMENT IN ASIA

**Wilson 104**
**4-620 pm**

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**Prospect House, Room 112**
**Office Hours: Wednesday 2-4 pm**
**(At 112 Prospect House, unless otherwise announced)**

It is widely accepted that development is not simply an economic phenomenon. Political processes are intimately tied up with economic development. Consider the following questions. Does the nature of the political system affect development? Does democracy slow down economic growth? What is the relationship between democracy and economic liberalism? As more and more countries have embraced both political freedoms and market-oriented economic reforms, should one expect both to succeed equally?

Consider some *comparative* questions now. Why have some countries industrialized faster than others? Why do some countries do better at poverty alleviation than others? Why have some countries been successful in solving the problem of food production, while others have not been? Are their different paths to agrarian and industrial development?

Since the Second World War, an enormous amount of intellectual effort has gone into understanding these issues. Asia has been at the heart of much of this literature. We will compare and contract the various Asian countries and models of development around themes identified above. The heaviest emphasis will be on China, India and South Korea.

**Requirements**: This class has been conceptualized as an upper class seminar. The first hour of the class will feature the instructor's lecture, and the rest will comprise student presentations and a general discussion on lectures/readings.

There are no exams. Grades will be based on three papers (80%) and student presentations (20%). The first two papers will be 5-6 pages each, and will count for 40 per cent of the grade (20% for each paper). The third paper, 10-12 pages in length, will count for 40 per cent of the grade.

The topic of the first paper (20%) will be announced on October 7. The paper will be due on October 14 in class. The topic of the second paper (20%) will be announced on October 28, with a due date of November 4. The announcement date for the third paper topic is December 2 and the due date is December 15.

Each student will also make a 15 minute presentation (20% of the grade) on one of the readings of the week, followed by a discussion. Presentations will be assigned on September 16, and will begin on September 23. There will be two presentations each week (with some exceptions). *The presentation should summarize the argument of the reading, its relationship with the other readings of the week, and criticisms, if any*. A power point presentation is preferable, but power points are not a requirement. A hard copy of the main points of the presentation should be made available to class.

The following books have been ordered for purchase. *Those who wish to work further on development and/or Asia may also want to buy the recommended books*. Moreover, the recommended books will also be useful for writing papers. If you don't buy the recommended books, you can access them in the library.

**Required**

Barrington Moore, Jr, *Social Origins of Dictatorship and Democracy*, Beacon Press, 1993 (Reprint edition), ISBN**:** 0807050733

James Scott, *Weapons of the Weak*, Yale University Press, 1987, ISBN: 0300036418 (paperback)

Ashutosh Varshney, *Democracy, Development and the Countryside*, Cambridge University Press, 1998, ISBN: 0-521-64625-1 (paperback)

Barry Naughton, *The Chinese Economy: Transitions and Growth*, MIT Press, 2007 (paperback, ISBN# 978-0-262-64064-0.

Amartya Sen, *Poverty and Famines*, Oxford U Press, 1983, ISBN**:** 0198284632 (paperback)

Amartya Sen, *Development as Freedom*, New York: Anchor, 2000, **ISBN-13:** 978-0385720274

Arvind Panagariya, *India; An Emerging Giant*, Oxford University Press, 2008. ISBN# 0195315030

Yasheng Huang, *Capitalism with Chinese Characteristics* , Cambridge University Press, 2008, ISBN# 0521898102

## READINGS

### I. INTRODUCTION AND KEY CONCEPTS: WHAT IS DEVELOPMENT? (Sept. 9)

Amartya Sen, "The Concept of Development", in Hollis Chenery and T.N. Srinivasan, eds, The Handbook of Development Economics, New York: North Holland, 1988, pp. 10-26.

Amartya Sen, "The Ends and Means of Development", in Development and Freedom, (New York, Random House, 1999), pp. 35-53.

Samuel Huntington, "The Change to Change: Modernization, Development, and Politics", Comparative Politics,Vol. 3, No. 3, April 1971, pp. 283-305.

**Recommended**: Samuel Huntington, "The Goals of Development", in Myron Weiner and Samuel Huntington, eds, Understanding Political Development, Boston: Little Brown, pp. 3-32.

## II. HOW DID INDUSTRIAL SOCIETY EMERGE? TOWN-COUNTRY LINKAGES IN DEVELOPMENT AND LESSONS FROM WESTERN EUROPE AND THE SOVIET UNION (Sept. 16)

W. Arthur Lewis, "Economic Development with Unlimited Supplies of Labor", Manchester School of Social and Economic Studies, Vol 22, No. 2, 1954, pp. 401-420 (end of II paragraph), 431 (II para)- 435. CHECK THE PAGE NUMBERS. THE ELETCRONIC RESERVES COPY MIGHT HAVE A DIFFERENT PAGINATION.

Ashutosh Varshney, "Town-Country Struggles in Development", Ch. 1, in Democracy, Development and the Countryside (DDC hereafter) Cambridge University Press, pp. 10-27.

Barrington Moore, Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World, Chs. 1 ("England and the Contribution of Violence to Gradualism"), and 7-9 ("Theoretical Implications and Projections"), pp. 3-39, 415-483. This is dense and slow reading, but it is a classic and a must-read.

**Recommended**: Anne Krueger, The Political Economy of Agricultural Pricing Policy, Vol. 5, The John Hopkins U press, Ch. 2, pp. 7-33**.**

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## THE RURAL SECTOR: WHERE A LOT OF PEOPLE STILL LIVE

## III. Land Reforms: What Theorists Liked but the Real World Did Not...Mostly (Sept. 23 )

Ronald Herring, Land to the Tiller, Yale U Press, 1983, pp. 1-8, 217-267;

Samuel Huntington, "The Peasantry: Reform as a Substitute" and "The Politics of Land Reform" in *Political Order in Changing Societies*, Yale U Press, pp. 374-396.

Ronald J. Herring, "Dilemmas of Agrarian Communism", *Third World Quarterly*, Vol. 11, No. 1, January 1989, pp. 89-115.

**Student presentations begin** Presentations on Huntington ("Politics of Land Reform"; a general argument about the politics of land reforms) and Herring ("Dilemmas", an analysis of Indian state of Kerala)

**Recommended**. A. Varshney, DDC, Ch. 2; S.H. Ban. P.Y. Moon and Dwight Perkins, "Land Reform", in Rural Development, Harvard U Press, 1982, pp. 283-297; Atul Kohli, The State and Poverty in India, Cambridge University Press, 1987, pp. 95-144.

**IV. The Green Revolution: What Technology Did to the Rural World (Sept. 30)**

Ashutosh Varshney, DDC, Rehearse Section 1.1.1, pp. 11-14

T. Schultz, Transforming Traditional Agriculture, U of Chicago Press, 1964, pp. 3-52.

George Blyn, "The Green Revolution Revisited", Economic Development and Cultural Change, Vol. 31, No.4, July 1983, pp. 705-725.

James Scott, Weapons of the Weak, pp. 48-85.

*World Development Report 2008*, pp. 180-201.

Presentations on Scott (this is on green revolution in Malaysia) and *World Development Report* ("Making Agricultural Systems More Environmentally Sustainable", pp. 180-201).

**Recommended**: "The Agricultural Transformation", in Chenery and Srinivasan, Handbook of Development Economics, North Holland; Anne Krueger, The Political Economy of Agricultural Pricing Policy, Vol. 5, Ch. 3, pp. 34-57.

**V. Poverty, Famines and Hunger (Oct. 7)**

**First paper (5-6 pages) announced in class**

Michael Lipton, Why Poor People Stay Poor, Harvard U Press, Introduction.

Amartya Sen, Poverty and Famines, Oxford: Clarendon Press, pp. 1-51, 52-85 ("The Great Bengal Famine"), 131-153 ('Famine in Bangladesh").

Amartya Sen, *Development as Freedom*, Ch. 4, "Poverty as Capability Deprivation", pp. 87-110, and Ch. 7, "Famines and Other Crises", pp. 160-188

Ashutosh Varshney, "Democracy and Poverty", in Deepa Narayan, ed, *Measuring Empowerment*, World Bank Publications, 2005, pp**.**

Presentation on Sen ('The Great Bengal Famine") and Sen ("Poverty as Capability Deprivation")

**Recommended**: *The Human Development Report 1997*, pp. 13-60; for a debate on urban bias theory, see Ashutosh Varshney, "Urban Bias in Perspective", and Robert Bates, "Urban Bias: a Fresh Look", and Michael Lipton, "Urban Bias: Of Consequences, Classes and Causality", in A. Varshney, ed, Beyond Urban Bias (London, 1983);

**VI. Collectivization and After: Maoist China and post-Mao Rural Developments (Oct. 14)**

**First paper due in class**

Barry Naughton, *The Chinese Economy*, Chs. 10-12, pp. 231-270, 271-293 ("Rural Industrialization")

Yasheng Huang, *Capitalism with Chinese Characteristics*, Cambridge U Press, 2008, pp. 50-105.

Jonathan Unger, "Remuneration, Ideology and Personal Interests in a Chinese Village, 1960-80," in William Parish, ed, Chinese Rural Development: The Great Transformation (New York: M.E. Sharpe, 1985) pp. 117-140.

Kevin O'Brien and Lianjiang Li, *Rightful Resistance in Rural China*, Cambridge U Press, 2006, pp. 1-15, 67-94, 116-129.

Presentations on Naughton (Ch. 12: Rural Industrialization: pp. 271-293) and O'Brien and Lianjiang, pp. 67-94 (on political action in contemporary rural China).

Recommended: The remaining pages of O'Brien and Lianjiang are worth reading.

**VII. Protest, Collective Action and the Peasantry (Oct. 21)**

James Scott, Moral Economy of the Peasant, Yale U Press, 1975, pp. 13-34.

Samuel Popkin, The Rational Peasant, U of California Press, pp. 1-31

James Scott, Weapons of the Weak, Yale, 1985, pp. 28-47, 241-289.

Ashutosh Varshney, DDC, pp. 1-6, 113-145, 191-202.

Presentations on Scott (28-47: what kinds of peasants protests are typical) and Varshney (191-202; what democracy does to rural protest))

**Recommended**: If you have the time, read Weapons in entirety. It is an awesome work of research. Chapters 5 and 8 are in particular recommended. Ask yourself if Scott's argument would have benefited from a greater attention to economic literature.

## TRADE, INDUSTRIAL DEVELOPMENT, AND ECONOMIC REFORM

**VIII. From Central Planning to Neoliberalism (Oct. 28)**

**Second paper (5-6 pages) announced**

Paul Rosenstein-Rodan, "External Economies and Industrialization", in Gerald Meier, ed, Leading Issues in Economic Development, Oxford, 1989, pp. 279-283; Albert Hirschman, "Linkage Effects and Industrialization", in Meier, ibid, pp. 283-287.

Lance Taylor and Helen Shapiro, "The State and Industrial Strategy", in Wilber and Jameson, The Political Economy of Development, 1992; pp. 432-464.

Deepak Lal, The Poverty of Development Economics, Oxford U Press, pp. 1-16, 70-87, 103-109, Chapters entitled "The Dirigiste Dogma", "Industrialization and Planning" and some "Some General Conclusions. Page numbers in the other editions could be different, so check the chapter titles.

Presentation on Lal (pp. 70-87, on central planning), and Taylor and Shapiro

**Recommended**:,Jagdish Bhagwati, “Development Economics: What Have We Learned?”, in Bhagwati, *Wealth and Poverty*, edited by Gene Grossman, Oxford U Press, 1985, pp. 13-31; Anne Krueger, *Trade Policy and Developing Nations*, (Washington: The Brookings Institution, 1995), 1-36.

**IX. The First East Asian Transformation (Japan, South Korea and Taiwan) and its Implications (Nov. 4)**

**Second paper (5-6 pages) due in class**

Robert Wade, "East Asia's Economic Success", World Politics, Vol. 44, No. 2 (Jan 1992), pp. 270-320.

Atul Kohli, "Where Do High Growth Political Economies Come from?” , *World Development*, pp. 93-136)

Haggard et al. “Japanese colonialism and Korean development: A critique”, *World Development*, June 1997.

Paul Krugman, "The Economics of Qwerty", in Krugman, Peddling Prosperity, pp. 221-244.

Presentation on Kohli (impact of Japanese colonialism on Korea’s industrialization) and Krugman (why do different places specialize in different kinds of industries)

**Recommended**: Meredith Woo-Cummings, ed, The Developmental State, (Cornell U Press, 1999), chapters by Meredith Woo-Cummings (Introduction, pp. 10-31), Chalmers Johnson (“The Developmental State: Odyssey of a Concept”, pp. 32-60),; Alice Amsden, *Asia’s Next Giant*, Oxford U press, 1991, introduction, Chs. 2-3, conclusion; Paul Krugman, "The Myth of Asia's Miracle", Foreign Affairs, November/December, 1994; Peter Evans, Embedded Autonomy, Princeton U Press, 1995, pp. 3-98, 181-206, 227-250;

**X. Economic Reform and Globalization (Nov. 11)**

John Williamson, "What Washington Means by Policy Reform", in Wllliamson, ed, *Latin American Adjustment: How Much Has Happened*?, Washington: Institute of International Economics, 1990, pp. 5-20.

Jagdish Bhagwati, "The Capital Myth" *Foreign Affairs*, May-June 1998.

Dani Rodrik, *Has Globalization Gone Too Far*?, (IIE, 1997), chapters 1-48, 69-85.

Joseph Stiglitz, *Globalization and Its Discontents*, (Norton, 2002), 133-165, 180-194

Adam Przeworski, "The Political Dynamics of Economic Reform", in *Democracy and the Market*, Cambridge U Press, 1991, pp. 136-191.

Presentations on Bhagwati and Stiglitz (133-165)

**Recommended:** Jeffrey Sachs and Andrew Warner, “Economic Reform and the Process of Global Integration”, *Brookings Papers in Economic Activity*, 1: 1995

**XI. The Second East Asian Transformation: Economic Reform in China (Nov. 18)**

Barry Naughton, *The Chinese Economy*, pp. 1-13, 85-110, 137-158, 375-401, 401-423, 451-481,485-503.

Yasheng Huang, *Capitalism with Chinese Characteristics*, Cambridge U Press, 2008, Ch. 1 (1-49), Ch. 4 (175-232), Ch 5 (233-298)

Mary Gallagher, "Reform and Openness: Why Chinese Economic Reforms Have Delayed Democracy," *World Politics*. (April 2002).

Presentations on Huang (pp. 1-49), and Gallagher

**Recommended**: Kellee S. Tsai, *Capitalism Without Democracy: The Private Sector in Contemporary China*, Cornell University Press, 2007, pp. 1-16, 201-221; Minxin Pei, *China's Trapped Transition*, Harvard U Press, 2006, pp. 1-44; for Southeast Asia in general, see K.S. Jomo. 2001. "Rethinking the role of Government in Southeast Asia." In Joseph Stiglitz and Shahid Yusuf , eds., *Rethinking the East Asian Miracle*. World Bank.

**XII. Economic Reform in India (Dec. 2)**

**Third Paper (10-12 pages) topic announced**

Arvind Panagariya, *India: The Emerging Giant*, Oxford U Press, 2008, pp. 3-109; 129-167.

Ashutosh Varshney, "India's Democratic Challenge", *Foreign Affairs*, March 2007.

Amartya Sen, *Development as Freedom*, Ch. 6, pp. 146-159.

Presentation on Bhagwati and Sen

**Recommended**: Jagdish Bhagwati, *India in Transition*, Clarendon, 1993, pp. 39-69;
Ashutosh Varshney, "Mass Politics or Elite Politics? India's Economic Reforms in Comparative Perspective", in Jeffrey Sachs, A. Varshney and N. Bajpai, eds, *India in the Era of Economic Reforms*, 222-260; Jean Dreze and Amartya Sen, *India: Economic Development and Social Opportunity*, pp.1-6, 27-56,109-139, 140-146, 179-204.

## Third paper (10-12 pages) due on Dec. 15.