**Interdependent development**

**PLSC 45111**

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This course surveys the evolution of thinking about what produces development in Asia and Latin America. The course will follow the literature from a focus on structural preconditions for growth to a concern for learning and process in the construction of growth strategies. Classic economic, political economic and sociological positions will be considered first, in general and then in context. Attention will then turn to the macroeconomic and micro-organizational and economic transformations in the last twenty years that have recast the terrain of development. The final several weeks of the course will consider the ways in which these changes have impacted development policy experiments, forms of governance and theoretical perspectives in recent years.

**Requirements:** One in class presentation of some of the material assigned in a particular week. This can be collaborative. The idea should be to present material in a way that provokes questions for discussion. A final paper will also be required, twenty to twenty five pages. This can either deal with an empirical research question involving development issues, or it can be a literature review dealing with the various literatures and debates we address in the class.

*Books available for purchase at the Seminary Coop:*

* Luiz Carlos Bresser Pereira, *Globalization and Competition* (Cambridge University Press 2010)
* Helpman, Elhanan. *The Mystery of Economic Growth.* Harvard University Press (Belknap—paperback 2010).
* Vivek Chibber, *Locked in Place: state-building and late industrialization in India*, (Princeton University Press, 2003)
* Dani Rodrik, *The Globalization Paradox. Democracy and the Future of the World Economy*, (Norton 2011)
* Yasheng Huang, *Capitalism with Chinese Characteristics* (Cambridge 2008)
* Edward Steinfeld, *Playing Our Game*, (Oxford 2010)

**Week One: The Development Project: Conventional Coordinates**

Helpman, Elhanan. 2004. *The Mystery of Economic Growth.* Harvard University Press (Belknap).

Daron Acemoglu, Simon Johnson, James Robinson, “[The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth](http://www.people.fas.harvard.edu/%7Ejrobins/researchpapers/publishedpapers/jr_AERAtlanticTrade.pdf)” The American Economic Review 95, no. 3 (June 2005): 546-79.

Peter Evans, 2005 “[The Challenges of the ‘Institutional Turn’: Interdisciplinary Opportunities in Development Theory](http://sociology.berkeley.edu/profiles/evans/pdf/Institutional%20Turn%20Article_galley_proof_09Evans_12JAN05-8.pdf),”. in The Economic Sociology of Capitalist Institutions. Victor Nee and Richard Swedberg (eds). Princeton, NJ: Princeton University

Albert Hirschman, “The Rise and Decline of Development Economics” in idem, Essays in Trespassing: Economics to Politics and Beyond, (Cambridge University Press, 1980) p 1-24

**Week Two: What was the East Asian ‘Developmental State’?**

Chalmers Johnson (2002) “The developmental state: Odyssey of a concept” in Woo- Cumings (ed.), *The Developmental State,* 32-60

Shahid Yusuf (2001), “The East Asian Miracle at the Millenium”, in Stiglitz and Yusuf, *Rethinking the East Asian Miracle*, 1-53

Anne O. Kreuger, “Government Failures in Development,” *Journal of Economic Perspectives*, Summer 1990, pp 9-23

Dani Rodrik, Gene Grossman, Victor Norman, "Getting Interventions Right: How South Korea and Taiwan Grew Rich," *Economic Policy* 20, 1995.

Sea-Jin Chang, “Business Groups in East Asia: Post-crisis Restructuring and New Growth”, *Asia Pacific Journal of Management*, 23: 407-417, Nov 2006

**Recommended**:

Chalmers Johnson, *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925-1975* (1982)

Alice Amsden, *Asia’s next giant : South Korea and late industrialization*, 1989

**Week Three: Dependency/Development/State-led industrialization**

Peter Evans, *Embedded Autonomy*, (Princeton University Press) Chapters 3-4, 8,10

Vivek Chibber, *Locked in Place: State-building and late industrialization in India*, chapters 1-6, 9 & Epilogue

**Recommended**:

Peter Smith, “The Rise and Fall of the Developmental State in Latin America,” in *The Changing Role of the State in Latin America*, ed. M. Vellinga, 1998

F.H. Cardoso and E. Faletto, *Dependency and Development*, trans. 1979

Atul Kohli, *State-directed development : political power and industrialization in the global periphery*, 2004, selections

**Week Four: China**

Joel Andreas, “A Shanghai Model: On Capitalism with Chinese Characteristics” in New Left Review 65 sept oct 2010 p 63-85

Huang Yasheng “The Politics of China’s path: A Reply to Joel Andreas” in New Left Review 65 sept-oct 2010 p 85-91

Edward Steinfeld, *Playing Our Game*, (Oxford) Chapters 1-5 & 8

Qian, Yingyi, “The Process of China's Market Transition (1978-1998): The Evolutionary, Historical, and Comparative Perspectives.” *Journal of Institutional and Theoretical Economics*, March 2000, 156(1), pp. 151-171.

Qian, Yingyi, “How Reform Worked in China,” in D. Rodrik, ed., *In Search of Prosperity: Analytic Narratives of Economic Growth*, Princeton, NJ, Princeton University Press, 2003

**Recommended:**

Yasheng Huang, *Capitalism with Chinese Characteristics* (Cambridge 2008)

**Week Five: Macro Transformations**

Luiz Carlos Bresser Pereira, *Globalization and Competition* (Cambridge University Press 2010)

**Week Six: Micro Transformations**

Henry Chesbrough, “Open innovation: A new paradigm for understanding industrial innovation” & Chesbrough, “New Puzzles and New Findings” both in Chesbrough, Vanhaverbeke & West, eds, *Open Innovation. Researching a New Paradigm* (Oxford University Press, 2006)

Gary Herrigel & Jonathan Zeitlin, ["Interfirm Relations in Global Manufacturing: Disintegrated Production and its Globalization"](http://home.uchicago.edu/%7Egherrige/publications/final_morgan_whitley.pdf) in Glenn Morgan, John Campbell, Colin Crouch, Peer Hull Kristensen, Ove Kai Pedersen and Richard Whitley, eds., *The Oxford Handbook of Comparative Institutional Analysis*, (Oxford: Oxford University Press, 2010)

Charles Sabel,  “[A Real Time Revolution in Routines](http://www2.law.columbia.edu/sabel/papers/02-Heckscher-chap02.pdf)”, in *The Firm as a Collaborative Community*. ed. Charles Heckscher and Paul Adler, Oxford  University Press, (2006): 106-156.

Gunther Ortmann, “On drifting rules and standards” in *Scandinavian Journal of Management* (2010) 26, 204-214

**Week Seven: Flexible Developmentalism, Learning Developmentalism?**

Dani Rodrik, “Economic Development as Self-Discovery” (with Ricardo Hausmann), *Journal of Development Economics*, vol. 72, December 2003.

Sean O’Riain, “The Flexible Developmental State: Globalization, Information Technology, and the "Celtic Tiger***"*** *Politics & Society*, Jun 2000; 28: 157 - 193.

AnnaLee Saxenian and Charles Sabel, [*Roepke Lecture in Economic Geography Venture Capital in the “Periphery”: The New Argonauts,Global Search, and Local Institution Building*](http://www2.law.columbia.edu/sabel/EG_84401-Saxenian.pdf), Vol. 84, No. 4, *Economic Geography,* October 2008.

Perez-Aleman, P., "Cluster Formation, Institutions and Learning: The Emergence of Clusters and Development in Chile," *Industrial and Corporate Change*, vol. 14, no. 4, 2005, pp. 651-677.

Gerald McDermott, ["The Politics of Institutional Renovation and Economic Upgrading: Recombining the Vines that Bind in Argentina](http://sites.google.com/site/mcdermottusc/mcdermottps/McDermott-P-S-Published-Version-3-07.pdf?attredirects=0" \t "_blank)," Politics and Society, 35(1): 103-143, March 2007.

**Recommended:**

Sean O’Riain, “From Developmental Network State to Market Managerialism in Ireland” MS, NUI Maynooth, October 2009

Perez-Aleman, P., "Collective Learning in Global Diffusion: Spreading Quality Standards in a Developing Country Cluster," Organization Science, doi 10.1287, March 2010, pp. 1-18.

Gerald McDermott, [“Public-Private Institutions as Catalysts for Upgrading in Emerging Market Societies](http://sites.google.com/site/mcdermottusc/public-private-institutions-paper/McDermott-Corredoira-Kruse-AMJ09-Published.pdf?attredirects=0" \t "_blank),” Academy of Management Journal, 52(6): 1270-1296, December 2009 (with R. Corredoira & G. Kruse).

**Week Eight: Latin America and Asia, again**

Ben Ross Schneider; David Soskice, “Inequality in developed countries and Latin America: coordinated, liberal and hierarchical systems” *Economy & Society* 38 (1) 2009 Pages 17 – 52

Andrew Schrank, “Understanding Latin American Political Economy: Varieties of Capitalism or Fiscal Sociology?” *Economy & Society* 38 (1) 2009.

Kevin P Gallagher and M Shafaeddin, Policies for industrial learning in China and Mexico, in *Technology in Society*, 32 (2010) 81-99

Eric Thun, "The Dynamic Value of MNE Political Embeddedness: The Case of the Chinese Automobile Industry," (with Pei Sun and Kamel Mellahi),  *Journal of International Business Studies*, 41, January 2010.

Charles Sabel, *Self-Discovery as a Coordination Problem: Lessons from a Study of New Exports in Latin America*, (forthcoming introduction to the edited volume *Self-Discovery as a Coordination Problem: Lessons from a Study of New Exports in Latin America* published by the IDB and co-edited with with Eduardo Fernandez-Arias, Ricardo Hausmann, Andres Rodriquez-Clare and Ernesto Hugo-Stein).

Andrea Goldstein and Fazia Pusterla, “Emerging economies' multinationals: General features and specificities of the Brazilian and Chinese cases” in *International Journal of Emerging Markets*, 2010 vol. 5 (3/4) pp. 289-306

**Recommended**:

Andrew Schrank, “Growth and Governance: Models, Measures, and Mechanisms.” *Journal of Politics* 69 (2) 2007. Co- authored with Marcus Kurtz, the Ohio State University.

Andrew Schrank, “Credit Where Credit Is Due: Open Economy Industrial Policy and Export Diversification in Latin America and the Caribbean.” *Politics & Society* 33 (December) 2005*.* Co-authored with Marcus Kurtz, the Ohio State University.

Eric Thun, "The Fight for the Middle:  Upgrading, Competition, and Industrial Development in China," (with Loren Brandt), *World Development*, vol. 38, no. 11, November 2010.

**Week Nine: Globalization, Development and Governance**

Dani Rodrik, *The Globalization Paradox. Democracy and the Future of the World Economy*, (Norton 2011)