New York University
Robert F. Wagner Graduate School of Public Service

Institutions, Governance, and International Development

P11.2214 (001)         Spring 2009

Mondays       6:45-8:25       809 Silver

Instructors:

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Office Hours: Mondays 4:00 – 6:00 PM at Caffe Pane e Cioccolatto (corner of Mercer and Waverly
Place) and by appointment. I will also usually be available Thursday evenings after 8:45.

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Teaching Assistant:

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Description:

This course introduces the theory and practice of institutional reform in developing and transitional
countries. It reviews the evolution of international development paradigms, examining how the role,
structure, and management of institutions, the public sector, and non-governmental organizations have
changed in response to shifting economic and political trends, with a particular emphasis on
accountability. The focus is on major institutional and managerial reforms intended to promote good
governance as less developed economies liberalize and their societies democratize. Key topics include
public sector reform and fiscal framework, property rights, rule of law, decentralization and
intergovernmental relations, public-private partnerships and citizen engagement. In addition, the roles
and operation of international development aid and the external institutions that support institutional
and managerial reform in developing and transitional countries are introduced. The course concludes
with a comparative case study exercise.

Goals:

The main goals of the class are:

1) To familiarize students with the evolution of the theory and practice of the relationships between
   institutions, governance, public sector reform, and development in developing and transitional
   countries, with a focus on current trends and challenges;
2) To introduce students to international development aid and the various types of organizations that
   support it; and,
3) To help students to think analytically and synthetically about current trends in public sector
   institutional and managerial reform and the actors involved in it.
Requirements:

The grade will be based on the following:

- Two Exams (50% total; 25% each exam)
- Class Participation (20%: 10% participation in discussion, 10% précis on class readings)
- Group Exercise (Presentation and Final Paper) (30%)

Active class participation means coming to class prepared to engage in a thoughtful and reflective discussion, and being able to ask good questions at least as much as being able to answer them. As part of the participation requirement, each student is required once during the semester to prepare a 3-5 double-spaced page précis on two or more of the week’s readings and to play an active role in class discussions based on those readings. Separate instructions will be provided on how to sign up for and to prepare the précis.

The group exercise is a focused synthetic analysis of institutional reform in a particular country. The class will be divided into country groups that will each examine one aspect of institutional structures and reforms in a case country. Groups must form prepare a one-page abstract of the topic by February 16, and they must clear that topic with the professors by March 9. Groups will conduct research on their topic, using a wide range of sources. These should include academic research, reports from aid agencies, and government documents. Some groups in the past have conducted interviews as well.

The groups will meet outside of class time to discuss the case materials, prepare group presentations, and write a final group paper of approximately 25 pages in length (double-spaced, normal margins, not including bibliography, notes, or appendices). During the last few classes, the groups will make their presentations. Final group papers will be due on May 11, one week after the last day of class.

As you conduct research you should exploit the expertise of Public Affairs librarian Gretchen Gano at Bobst Library.

Readings:

There is one required book and two recommended books for the course:


Paula Hoy, Players and Issues in International Aid (West Hartford, CT: Kumarian Press, 1999). (Recommended for those with limited background on aid agencies)

Willy McCourt and Martin Minogue, The Internationalization of Public Management: Reinventing the Third World State (Chichester: Edward Elgar, 2001). (Recommended)

These required/recommended books are available for purchase at the NYU Professional Bookstore and are also on reserve at Bobst Library.
All required readings that are not in the required books are available on Blackboard under Course Documents and/or can be downloaded directly from websites provided in the reading list. Please note that some of the websites for journals that the NYU Library subscribes to can only be accessed from your NYU email account unless you have a personal subscription to the journal.

The reading list also provides a number of optional readings, some of which are available in provided internet links or in books in Bobst Library. Guidance about the required and optional readings will be given regularly during the semester.
OVERVIEW OF COURSE SCHEDULE

SECTION I: THE CONCEPTUAL FOUNDATIONS AND PRACTICAL CHALLENGES OF INSTITUTIONS IN DEVELOPMENT

January 26 Evolving Development/Institutional Reform Paradigms I: Statism and the Rise of the Washington Consensus

February 2 Evolving Development/Institutional Reform Paradigms II: Washington Confusion and the Rise of Institutions and Governance

February 9 Development Assistance Agencies I: Multilaterals

February 16 PRESIDENTS DAY -- NO CLASS Group topic abstract due

February 23 Development Assistance Agencies II: Bilaterals and NGOs

March 2 Debates on the Role of Aid and Development Assistance Agencies Exam 1 distributed (Due Sat March 7)

SECTION II: INSTITUTIONS, GOVERNANCE, AND PUBLIC SECTOR REFORM THEMES

March 9 Public Sector Reform and the Fiscal Framework Final Deadline for approval of group topics

March 16 NO CLASS – FALL BREAK

March 23 Property Rights and the Rule of Law

March 30 Decentralization and Intergovernmental Relations

April 6 Public Private Partnerships

April 13 Citizen Engagement Exam 2 distributed, (Due Sat April 18)

SECTION III: INSTITUTIONAL AND GOVERNANCE REFORM IN COMPARATIVE CONTEXT

April 20 Country Case Presentations

April 27 Country Case Presentations

May 4 Country Case Presentations (if necessary) and wrap-up discussion

May 11 Final group papers due
I. The Conceptual Foundations and Practical Challenges of Institutions in Development (January 26-February)

A. Evolving Development/Institutional Reform Paradigms (January 26 and February 2)

1. Statism and the Rise of the Washington Consensus (January 26)
   
   *Please come to the first class having read the required readings.*


2. Washington Confusion and the Rise of Institutions & Governance (February 2)


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1 Required readings are marked as follows: one "*" indicates available in one of the required texts; "**" indicates available on Blackboard; and "***" indicates downloadable from the provided internet site. Unmarked readings are supplementary and optional.


The goals are to get a sense of how the index is constructed and how the World Bank has operationalized the concept of governance. Skim the Governance Matters VII paper (don’t be alarmed by the length.. it’s about 25-30 pages of text and many tables) and play around with the data, perhaps on the country of your group project and some others. Do you find anything interesting?

**Recommended:**


http://www.loc.gov/catdir/toc/ecip0413/2004000905.html


B. Development Assistance Agencies (February 9 and 23) [NB: There is no class on February 16]

*P. Hoy, Players and Issues in International Aid (West Hartford, CT: Kumarian Press, 1999). [Recommended for review by all and required for those with limited background on aid agencies; no précis required for this reading]

Also look at two other overviews of official aid:

Oxfam USA, Foreign Aid 101

Homi Kharas, Trends and Issues in Development Aid (November 2007) which is posted under Recommended Readings in Blackboard for this week.

1. Overview and Multilaterals (February 9)


**UN Millennium Project (J. Sachs), Investing in Development: A Practical Plan to Achieve the Millennium Development Goals, (New York, NY: United Nations, 2005), intro material (pp. i-xxi—SK*IM ONLY) and Chapter 13 (pp. 193-210).

NOTE: Please browse the folder of supplementary materials on development assistance provided on of Blackboard under this topic. Some of these materials will be used or referred to during the class session.
2. Bilaterals and NGOs (February 23)

**S. Radelet, Challenging Foreign Aid: A Policymaker's Guide to the Millennium Challenge Account (Washington, DC: Center for Global Development, 2003), Chapters 1 (pp. 1-18) and 10 (pp. 165-174); full volume available from http://www.cgdev.org/content/publications/detail/2920**

**V. Chhotray and D. Hulme, “Contrasting Visions for Aid and Governance in the 21st Century: the White House Millenium Challenge Account and DFID’s Drivers of Change,” Institute for Development Policy Management (Manchester, UK: University of Manchester, 2007.**


**Recommended:**


C. Debates on the Role of Aid and Development Assistance Agencies (March 2)


Case:


Recommended:


II. Institutions, Governance, and Public Sector Reform Themes (March 9 -April 13)

A. Public Sector Reform and the Fiscal Framework (March 9)


**M. Moore, “Taxation and the Political Agenda, North and South” Forum on Development Studies, Number 1 (2004).


Cases:


*Recommended


B. Property Rights and the Rule of Law (March 23)


http://www.slate.com/id/2112792/


Case:

***Aiding or Abetting? World Bank and the 1997 Judicial Reform Project and Aiding or Abetting? (Case 1779.0). Available at http://www.ksgcase.harvard.edu/casetitle.asp?caseNo=1779.0
[NOTE: You need to purchase the case through this site]
Recommended:


Recommended:


Open Society Institute’s Justice Initiative
http://www.justiceinitiative.org/

Public Interest Law Initiative
http://www.pili.org/2005r/

D. Decentralization and Intergovernmental Relations (March 30)

**J. Cohen and S. Peterson, Administrative Decentralization Strategies for the 1990s and Beyond (West Hartford, CT: Kumarian Press, 1999), Chapters 1-3 (pp. 1-68).—for reference only


**P. Smoke and E. Gomez, “The Dynamics of Decentralization in Asia and Latin America,” in P. Smoke, E. Gomez and G. Peterson (eds), Decentralization in Asia and Latin America: Towards a Comparative Interdisciplinary Perspective (Chichester, UK: Edward Elgar, 2007).

Case:


Recommended:


P. Bardhan and D. Mookherjee (eds), Decentralization in Developing Countries (Cambridge, MA: MIT Press, 2006).


E. Public Private Partnerships (April 6)


Case:
***”The Hyderabad Metropolitan Water Supply and Sewerage Board”
http://www.ksgcase.harvard.edu/casetitle.asp?caseNo=1828.0
(NOTE: You need to purchase the case through this site)

Recommended:

D. Hulme, “Reinventing the Third World State: Service Delivery and the Civic Realm,” in McCourt and Minogue (2001), pp. 129-152.


Global Public-Private Partnerships in Infrastructure Web Portal

Center for Global Development Research on Private Sector
http://www.cgdev.org/section/topics/privateinvest

F. Citizen Engagement (April 13)


Case:

***”The Challenge of Participation: Drafting Mauritania's PRSP (A)” http://www.ksgcase.harvard.edu/casetitle.asp?caseNo=1623.0
[NOTE: You need to purchase the case through this site]

Recommended:


### III. Institutional and Governance Reform in Comparative Context (April 20 - May 4)

Illustrative readings for individual case countries covered in the comparative final activity are posted on Blackboard.

Case studies will be prepared by groups of class members and presented during the last three classes. The schedule will be worked out after the groups are formed.

During the final class we will reserve as much time as possible for a synthetic concluding discussion.