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

Institutions, Governance, and International Development (IGID)  

PADM-GP2201-001  
Fall 2011  

Mondays 6:45-8:25PM  
Silver 411  

This version: Sept 15th 2011  

Instructor  
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Course Hours: By appointment, on Mondays from 1:00PM to 3:00PM  

Course description  
This course introduces students to the theory and practice of institutional reform in developing countries. International development became a global concern in the 1940s and 1950s, as the world grappled with the end of the World War II, decolonization in Africa and Asia, and the establishment of international organizations such as the United Nations, the World Bank, and the International Monetary Fund.  

Since then, progress has been uneven. On one hand, many economies have transformed themselves. The proportion of the global population living in absolute poverty has decreased considerably and access to basic capabilities has increased, particularly in large countries such as Brazil, Russia, India and China. On the other hand, problems still abound. Nowadays, industrialization coexists with environmental degradation; urbanization with spatial exclusion; medical breakthroughs with drug resistance; and technological innovation with illiteracy.  

The challenge of development remains enormous, and the meaning, ethics, and appropriateness of this enterprise continue to be highly political and therefore hotly contested. Not surprisingly, reasonable people disagree on what development is, what should be pursued first, how it ought to be done, and who should pay the costs and reap the benefits. The field of international development is overwhelmingly large, and this course carves out a narrow slice of this larger pie. It does not offer blueprints, pre-packaged tools, ready-to-use frameworks or any one-right-answer. Rather, it directs students to go beyond easy dichotomies and search for the levers of change that matter, particularly concerning the governing of the economy. Of course, it is much easier to criticize other people’s ideas than to suggest something new, pragmatic, and likely to work. Rigorous analysis is essential to this task, but at the end of the day we must be creative to find opportunities for constructive action. Several take home and in class exercises will help in this task.  

The course is composed of four modules. The first module offers a brief survey of the history of development thinking, leading to the contemporary emphasis on institutions and governance. The second module introduces the concept of “institutions” and examines whether, and in which ways, some are conducive and others are detrimental to development, and how an economy can acquire those institutions it needs to thrive. The third module explores the challenges of governance, i.e. the processes and structures that a society adopts to manage its collective affairs. The course concludes with a glimpse of the path ahead.
Course objectives

By the end of the course students will:

1. Understand the evolution of the theory and practice of international economic development, including current trends and challenges;

2. Acquire a critical perspective on blueprints, received wisdoms and other misconceptions prevalent in international development thinking;

3. Identify some of the roles played by national and local governments, private businesses, NGOs, citizens and international organizations in promoting economic development;

4. Think analytically and strategically about existing levers of institutional reform, improved governance and opportunities for pragmatic change;

5. Be a step closer to becoming reflective practitioners, i.e. professionals endowed with a sophisticated grasp of the art, science, opportunities, limits and dangers of action in the international development sphere

Requirements

The grade will be based on class participation, two memos, and a final project, as indicated below:

- 20% Class participation
- 20% First memo
- 20% Second memo
- 40% Final project

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. Quality of participation is more important than quantity, but these two are often correlated. Do not be afraid to speak up if you have something meaningful to say and do not wait too long to do it. Shyness increases with time, so do not let it sink in.

I will distribute three midterm memo assignments (corresponding to modules 1, 2 and 3). You only have to submit two assignments of your choosing. Moreover, you can write them alone, in pairs, or in groups of three. Students form their own groups. Those who took this course in the past report learning and enjoying more when working with others, so I encourage everyone to team up. Everyone in the group will receive the same grade. Also, groups are not fixed. Feel free to dismantle and reassemble your teams from assignment to assignment as needed.

The final project is mandatory, and it can also be written in groups. It will have the same format as the memos, but will encompass all topics covered in the course.

The memos and the final project are take-home, open book, and open notes applied exercises distributed in class. Answers should be no longer than 4 pages each, including title, bibliography and footnotes, in the format highlighted below. Typically, you will have two weeks to prepare each assignment, and we will discuss the final products in class.
Format and submission:

All assignments should be written on Times New Roman size 12, doubled-spaced lines (not 1.5), one inch margins all around. Please submit them as .pdf or .doc (not .docx).

The assignments must include citations in the text and a bibliography at the end of the document. Use the following format for citations: if you are citing an idea or a concept, include (author’s last name year) immediately after the passage, once per paragraph. If you are transcribing a passage, include the page number. For instance:

“…this type of engagement has been called responsive (Ayres and Braithwaite 1992, Braithwaite 2005), flexible (Bardach and Kagan 1982), tit-for-tat (Scholz 1984), creative (May and Burby 1998), and adaptive (Hawkins 1984).”

Use footnotes instead of endnotes.

Please remember to include your mailbox number in the paper and use the following convention to name your files: IGID [your lastname] [assignment]

For instance: IGID Alvarez 1st memo.doc

To submit your assignments, go to: http://www.dropitto.me/salocoslovsky. From there, you can upload the file directly to my computer. You will need a password, which I will distribute in class.

Grading Policy:

There is no curve in this course. Everyone may receive an A or everyone may receive an F. I grade class participation and assignments on a scale of 0 (zero) to 10 (ten), in which zero is absolute failure and 10 is a perfect score. Students who fail to submit the required assignments will automatically receive an F for the course, unless you ask for an incomplete. At the end of the semester, I use the weights listed above to calculate your final score, and convert it to a letter grade according to the following table:

<table>
<thead>
<tr>
<th>Numeric Grade</th>
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<tbody>
<tr>
<td>Incomplete</td>
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<tr>
<td>&lt;4.00</td>
<td>F</td>
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<td>4.00 – 5.00</td>
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(borderline cases will be decided based on contribution to the class)

I do not look forward to failing any student. If you are having difficulty keeping up, talk to me so we can devise a remedial plan for you to catch up and, hopefully, excel in the course.
Late Policy and Incompletes

Extensions will be granted only in case of emergency. This policy is adopted out of respect to those who have abided by deadlines, despite equally hectic schedules. Papers handed in late without extensions will be penalized 0.25 points per day. For more information on the official school policy, see Wagner’s website: http://wagner.nyu.edu/students/policies/incompletes.php.

A note on academic integrity and plagiarism

I take matters of academic integrity very seriously. It is your responsibility to identify quotes and to cite facts and borrowed ideas. If you need guidance, please consult the NYU-Wagner Academic Code (http://wagner.nyu.edu/students/policies/) and additional references listed there. You may also consult the teaching assistants, tutors, or the designated librarian at Bobst. Naturally, you may consult me at any time. Please note that NYU-Wagner subscribes to a commercial service that compares papers to a gigantic database to flag plagiarism. I will refer all cases of plagiarism to the appropriate disciplinary committee, either at Wagner or at the student’s home school.

Classroom Etiquette

Come prepared to engage with your fellow students, professor, and the material to be discussed. I assume everyone has read the articles and chapters indicated in this syllabus. I may start the class by asking a student to summarize the main points to initiate the discussion so come prepared. If you have professional (or personal) experience relevant to the discussion, share it with the class. In the past, students have said that learning from colleagues with field experience was a highlight.

Many people bring their laptops or tablets / iPads to class. That is fine if you are taking notes or sporadically consulting relevant materials online. Access to internet can be handy to find data or settle a factual dispute. However, do not navigate the web, check your facebook page, post on twitter, read the news, respond to email or conduct any activity not directly related to the class. I will not be seeing your screen, but those sitting next to you will, and aimless navigation can be distracting. Please respect your colleagues and keep your focus.

Finally, occasional absences are tolerated and do not need justification. Systematic non-attendance will affect your grade and may lead to an F or Incomplete

Social networks and other digital resources

In case you want to connect, this is my policy regarding social networks:

- **Twitter**: I post occasionally, in both English and Portuguese, on anything that strikes my fancy. Follow me at your peril.

- **Linkedin**: I’d be happy to connect, feel free to send me a request

- **Facebook**: I reserve it for personal use. I’d be happy to connect after graduation (please indicate that you have already graduated if / when you send the friend request)
Readings

In the past, students have asked for a textbook. There are some textbooks devoted to international development out there, but as far as I know none of them covers the materials we cover in this course. This is not necessarily a coincidence or a market opportunity. Rather, it is an indication that international development remains a contested field, without a main corpus of agreed upon theories, and therefore filled with hopes and possibilities.  

In the past, we have tried organizing a Course Packet with all the assigned readings for purchase. However, the final product can be quite costly (copyrights and all) and the actual copies are sometimes of low quality. To keep costs low, I prioritize articles instead of books (copyright is covered by the library, i.e. tuition) and I post all readings on BlackBoard.

Assigned readings cover a wide range of topics. Authors come from different countries and represent different political positions, academic disciplines and research traditions. Some texts may seem old, but to dismiss them would be a mistake. They are assigned because they make important points that remain valid, or are the original articulation of a powerful idea.

Students come to this course with diverse interests and heterogeneous backgrounds. The syllabus includes a range of optional readings to help more advanced students advance even further. Feel free to read any selection of the optional readings. Bringing them up in class knowledgeably will boost your participation grade. Some of the optional readings are on BB, others are online, and some may require a visit to the library. Throughout the semester, more and more of these readings will be posted on BB. Also, as the course progresses, I may identify additional readings or news articles relevant to the discussion. This means that the reading list is a living document, and will improve over time. If you run into articles that are relevant, bring them to my attention and I’ll be happy to circulate them to the class.

This course in context

This is an introductory course and therefore it does not include some important, often cited, and sometimes-controversial topics related to international development. Many of these topics are covered in the more than thirty international development courses offered at Wagner, including PADM-GP.2202: Politics of International Development with John Gershman, PADM-GP.2203: International Economic Development with Jonathan Morduch, PADM-GP.2204: Development Assistance: Accountability and Effectiveness with John Gershman and Paul Smoke, PADM-GP.2226: Protecting Rights and Promoting Development with Salo Coslovsky, HPAM-GP.1831: Introduction to Global Health Policy with Karen Grepin, and URPL-GP.2665: Decentralized Development Planning and Policy Reform in Developing Countries with Paul Smoke. Other faculty at NYU who teach courses relevant to international development are Rosalind Fredericks (Gallatin) and Dana Burde (Steinhardt, affiliated Wagner). Make sure to check their course offerings. The full list of international development courses and pre-approved NYU-wide development electives is provided at: http://wagner.nyu.edu/courses/listings.php?subc=intdev

Still, the scope of international development is so large that some topics may not be covered at all. If you think any particular topic deserves additional coverage in this class, you may join (or form) a student group and organize events, or talk to me and I will be happy to consider reforming the syllabus or help you engage on your own.

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1 See Roe E. (1991), Development narratives, or making the best of blueprint development, World Development, vol 19, Issue: 4, Pages: 287-300 for an insightful discussion on this point
Class dynamics, how to read academic articles and other good habits of mind

Classes will be a mix of lecture, discussion, and applied exercises. All classes (and practically all readings) will mix theory (i.e. generalizations) and practice (i.e. concrete cases), and these two will systematically inform each other. I am aware that students sometimes complain about “too much theory”. In my view, this is rarely the real problem. Rather, this type of complain indicates that the theory under review does not explain the phenomenon at hand or clarify the course ahead. In these cases, the challenge is not to have less theory, but to have better theory. We will explore this tension in class.

*Living with anxiety:* Sometimes students point out that this course is a reality shock that dismantles prior certainties and policy beliefs. Albeit disconcerting (even upsetting), this is often a step in the right direction. Yet, nihilism is not the goal. In addition to criticizing other people’s ideas, students should strive to ask the questions that allows one to make meaningful distinctions, identify relevant variables, and devise better theories and interventions.

*Reading academic articles:* Academic articles are a diverse genre. Some may flow like a compelling novel while others are dry and filled with jargon and complex equations. Independent on the writing style of the author or the tools of the discipline, your task is to identify the main problem or research question; the method deployed by the author(s) to answer the question, and the conclusion. Do not be sidetracked by all the side points and minor details.

*Politics of development:* Issues of power, inequality, and minority representation are interspersed throughout the semester. Whenever we discuss a new theory or element of the development puzzle, you should try to identify how who keeps, gains or loses decision power, gains or loses with the change, which existing alliances get disrupted and which ones get created.

Also, do not fall prey to the easy dichotomy of identifying everything that comes from abroad or are of a different persuasion than “the local people” as colonialist, detrimental, abusive, imperialist or exploitative, and everything that is home-grown as genuine, selfless and beneficial. In the real world, there is plenty of exploitation within countries; conducted by otherwise equals. Likewise, there is plenty of positive change triggered and supported by foreign entities and individuals. To be able to identify (and possibly create) cross-cutting alliances is a crucial skill for anyone interested in understanding and promoting development.

Along similar lines, students sometimes advocate for everything local and participatory. These tend to be good things, but as warlords, ward bosses, “caciques”, “coronéis”, and other incarnations of the local autocrat have repeatedly shown, not everything local is wholesome, selfless, and beneficial to the poor. Moreover, what some people define as development can be disruptive to others, and these people will surely oppose the change. Do not forget the politics.

Teaching Assistants and Additional Resources

The Wagner School and NYU provide plenty of resources to help students excel in their coursework. In this course, we count with the support of two TAs. Both are advanced PhD students specializing in international development. They will hold office hours for one-on-one consultation, group review sessions, and will occasionally grade student papers.

- Gundula Loffler (gundula.loffler@nyu.edu)
- Abby Weitzman (amw289@nyu.edu)
Typically, Gundula will hold office hours on Thursdays from 4:00 to 6:00PM and Abby from 3:00 to 5:00. Make sure to email them to confirm / set an appointment.

We have also recruited a number of volunteer peer advisors. They are masters’ students who took this course recently and will be available (on request) for one-on-one consultations and group review sessions.

The peer advisors are:

- Craig D Paterson: cdp288@nyu.edu
- Becky Bavinger: rebecca.bavinger@nyu.edu
- Barbara Augustin: baugustin78@gmail.com
- Vedrana Misic: vm716@nyu.edu
- Laine Rologn: lainerolong@nyu.edu
- Taya Darch: emma.darch@nyu.edu

Wagner tutors are available to help students with their writing skills. Please see details on http://wagner.nyu.edu/students/services/writing.php. This webpage has additional details on other useful resources, including NYU Writing Center and several links concerning plagiarism and how to cite properly. Also, make sure to read the document titled “How to write a memo”, available on that same webpage and on this link: http://wagner.nyu.edu/students/services/files/WritingMemos.pdf

Finally, prior to each assignment I will post on Blackboard examples of good memos written by students in previous years.

**Getting up to speed, moving forward**

If you want to learn more about international development prior to this course, want to regain fluency, or simply want to survey the field, you can read a selection of the books below, listed in no particular order, and accessible to a general audience:

*These books are optional / recommended for your enjoyment and general education. They are not part of the course and will not be discussed in class*

- Ha Joon Chang, Kicking Away the Ladder: Development Strategy in Historical Perspective
- Paul Collier, The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It
- William Easterly, The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics
- Paul Farmer, Pathologies of Power: Health, Human Rights, and the New War on the Poor
- Albert Hirschman, Development Projects Observed
• Charles Kenny, Getting Better: Why Global Development Is Succeeding--And How We Can Improve the World Even More


• Abhijit Banerjee and Esther Duflo, Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty

• Robert Tignor, W. Arthur Lewis and the Birth of Development Economics

Course Schedule

I. Historical overview: Theory and practice of institutional reform in developing countries
   September 12  The Role of Government: Planning for Growth
   September 19  Dependency and the Latin American School: Escaping Empire
   October 3     What is the new developmental state?
                  MEMO IS DUE

II - Institutions: Shaping the rules of the economic game
   October 10    Columbus Day - NO CLASSES
   October 17    Institutions: origins, functions and change
   October 24    Rule of law: prescription versus enforcement
   October 31    Property Rights: investment and innovation
   November 7    Knowledge: promoting businesses and creating jobs
   November 14   Challenges and opportunities in institutional reform
                  MEMO IS DUE

III - Governance: governing structures, processes, and functions
   November 21  Accountability and anti-corruption
   November 28  Decentralization and other things local (led by Paul Smoke)
   December 5   Collective action and community participation (led by John Gershman)
   December 12  Governance in practice (led by Gundula Loffler)
                  MEMO IS DUE

IV. Synthesis: Pragmatic institutional reform
   December 14  Identifying levers for pragmatic change (LAST CLASS)
   December 23  FINAL PROJECT IS DUE (NO CLASS)
Readings

I. Historical overview: Theory and practice of institutional reform in developing countries

A - The Role of Government: Planning for Growth

Required:


Munk, Nina, Jeffrey Sachs' US$200 Billion Dream, Vanity Fair, 2007


Recommended:


Interview with Dr. Normam Borlag: http://www.livinghistoryfarm.org/podcasts/BorlaugMexico.m4v


B – Dependency and the Latin American School: Escaping Empire

Required


Clapp, R.A Creating competitive advantage: *Forest policy* as industrial *policy in Chile*. Economic Geography, 71(3), 273-296

**Recommended**


Evans, Peter (1979) Dependent Development: The Alliance of Multinational, State, and Local Capital in Brazil, Princeton University Press


**C - The rise (and decline) of market supremacy**

**Required**


**Recommended**


D – What is the new developmental state?

Required

In-class exercise

Recommended

Mkandawire, Thandika (2001). The Need to Rethink Development Economics, Draft paper prepared for the discussion at the UNRISD meeting, 7-8 September 2001, Cape Town, South Africa


Lin, Justin Yifu, Six Steps for Strategic Government Intervention, Global Policy Volume 1. Issue 3. October 2010


II - Institutions: Shaping the rules of the economic game

A – Institutions: origins, functions and change

Required


Recommended


Kennedy, David, 1991, The Stakes of Law, or Hale and Foucault!, Working Paper

Hausman, Ricardo, Lant Pritchett, and Dani Rodrik, Growth Accelerations, NBER Working Paper no 10566, June 2004


B. Rule of law: prescription versus enforcement

Required


Recommended


Cardozo, Benjamin, The Nature of the Judicial Process

C: Property Rights: Public goods, investment and innovation

Required


Recommended


**D: Knowledge: promoting businesses and creating jobs**

**Required**


**Recommended**


Lin, Justin Yifu and Célestin Monga, Growth Identification and Facilitation: The Role of the State in the Dynamics of Structural Change, The World Bank, Development Economics, Office of the Vice President, May 2010


Chalmers, Johnson, MITI and the Japanese Miracle, Stanford University Press, 1982, chapters 1 and 2

**E: Challenges and opportunities in institutional reform**

**Required**

No required readings - In class exercise
III - Governance: governing structures, processes, and functions

A. Accountability and anti-corruption

Required


Recommended


B: Decentralization and other things local

Required


Recommended


C: Collective action and community participation

Required

Hardin, Garrett, Tragedy of the Commons


Recommended


D: Governance in practice

Required

No required readings - In class exercise

IV. Synthesis: Pragmatic institutional reform

A: Identifying opportunities for change

Required


Recommended


