

PS 125
Global Development: Politics, Policy and Practice
Social Sciences 124

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Office Hours: Tuesday, 1:30-3:30 OBA
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Course Description:

This course introduces students to the intellectual tools for understanding why development varies across the globe and the practical tools for designing and evaluating programs and policies aimed at alleviating poverty. To that end, the course is organized into three sections. The first section focuses on the macroeconomic and macropolitical foundations for sustained development, including geography, historical legacies, technological innovation and political institutions; the second section focuses on micro, household-level dynamics of poverty and development, including access to food and credit, the role of health and education, the transition from village to city life, and day-to-day governance; the third section introduces students to the practicalities of designing and evaluating governance and poverty relief programs with a special focus on international donor programming across the developing world.

The class will be taught with an eye toward gathering both abstract knowledge and specific skills. To promote the latter, sections will be used to work on exercises and activities that will promote your ability to work with data, develop country expertise, and design/evaluate development and anti-poverty programs. These sessions will be hands-on, and you will need to bring a laptop with the free statistical pack “R” loaded on it. Since these sessions will take some preparation on your part, I have taken it easy with the reading load for the class.

Course Requirements

- Midterm (25% of final grade): The midterm will test the material covered in the first half of the class. Exams will be a mixture of short-answer and essay questions. Material covered in both the lectures and the readings are fair game. The midterm is **Thursday, October 2**.
- Final Exam (25% of final grade): The final will be identical in format to the midterm, but it will test information covered since the midterm. It is on **Saturday, December 13 from 2-5 pm**.
- Weekly exercises (25% of final grade): Each week’s exercise will require some advance work, whether that be merging some data, learning some detailed information about your chosen country, or going hungry for a day. This preparation will include a short one-page report; the report might involve a few figures you have generated, an accounting of how much your food consumption costs, or some ideas on why your country/region/locality does or does not fit standard relationships between wealth/poverty and health, institutional quality, governance, etc. These weekly exercises will be graded on a 0-10 scale.
 - Your country, region or locality: In order to conduct these exercises, you will need to choose a country or region within a country (say, Durham county) to

serve as your laboratory this semester. You should be curious about this place, since you'll be doing regular research on it. There needs to be at least a household survey or census data of your place that you can get your hands on. Come talk to me or the TA, if you need help finding data.

- Downloading R: Nearly all of you will be working with some sort of data over the course of your Duke careers and beyond. If you haven't before, this will be a gentle introduction; if you have, here's a chance to strut your stuff. R is a free software package for analyzing data. You will need to download R onto your machine in order to complete the exercises. You can get it here: <http://www.r-project.org/>. There is also a free, user-friendly interface available for R (<http://www.rstudio.com/>), if you'd like to give it a try.
- Final Project (25% of final grade): The weekly exercises will build toward you designing a poverty alleviation program in your country. You will justify your program design and provide a research design for evaluating whether or not the program works. I will provide a detailed handout on this assignment later in the semester, but note that the last four section meetings will be devoted to successive drafts.
- Attendance/Participation (0 percent): This class will be taught in a combination lecture/seminar format. Even when I'm lecturing, I would encourage you to interrupt, ask questions, raise points, and generally poke and prod. As such, it is essential that you come to class having done the readings and be prepared to discuss them. Though it counts as zero percent toward your grade, my 15 or so years of experience indicates a strong correlation between attendance and grades.

Readings:

We will, however, read several chapters from two books that I encourage you to buy:

- Paul Collier. 2007. *The Bottom Billion: Why the Poorest Countries are Failing and What Can be Done About It*. New York: Oxford University Press.
- Abhijit Banerjee and Esther Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. New York: Public Affairs.

Pdfs of all the other readings will be available on Sakai. The weekly readings are typically composed of one academic-ish paper or chapter and one or two short policy briefs.

Optional Research Pool Participation and Extra Credit:

In addition to the graded assignments, students enrolled in PolSci 125 can participate in the Political Science experimental subject pool (<https://web.duke.edu/psrp/>). If you choose to participate in this pool, you will receive extra credit of one percent on your final grade for each hour you participate, up to three percent. In other words, if you volunteer three hours in the lab, you will receive three percent extra credit; if you volunteer two hours in the lab, you will receive two percent extra credit, etc.

The Political Science Research Pool (PSRP) is a password-secure website that administers and facilitates the participation of students in ongoing Political Science research. It enables students to voluntarily sign-up for studies, monitor completed hours, and contact study researchers with questions. If you would like to participate, please register at: <http://duke-psrp.sona-systems.com>. If you have additional questions, please contact Austin Wang at austin.wang@duke.edu.

Policies

- No makeup exams beyond restrictive University rules (illness, religious holiday). If a makeup is absolutely necessary, you need to contact me before the day of the exam.
- No late assignments. All late assignments will be punished by one letter grade for every day that they are late. In other words, an “A” becomes a “B”, if the paper is one day late; the “B” becomes a “C” after two days, etc.
- All appeals of grades received on an exam or assignment need to be submitted no later than **three** working days after the date the exams/papers are returned to the class. Please provide me with a written statement explaining precisely why you think a grade change is in order. Note that in the event of an appeal I will re-grade your entire exam/paper under the assumption that if I was heavy-handed on one part of the exam/paper, I might have been excessively tolerant elsewhere. Your grade might go up, but it could go down.
- Plagiarism and cheating are violations of academic integrity and thus violations of the Duke Community Standard. As specified by the Academic Integrity Council, such violations could result in a variety of disciplinary actions, including suspension or permanent dismissal from the University. For the purposes of this class, plagiarism will be defined as submitting a piece of work which in part or in whole is not entirely the student's own work without attributing those same portions to their correct source. If you are at all unsure as to what constitutes plagiarism, see this website: <https://plagiarism.duke.edu/>. I will report any perceived violation to the Office of Judicial Affairs for investigation.

NOTE: This syllabus can change over the course of the semester. Please check your email and the online syllabus for updates.

Course Schedule

Week 1:

Tue: What we are doing here: Expectations and Aspirations

Thurs: **NO CLASS.** Professor Wibbels (and most political scientists) out of town for APSA.

- Your job: Find a country you are interested in and are going to work on this semester. Load R onto your laptop.

Readings:

- Paul Collier, *The Bottom Billion*, Ch. 1. Available on Sakai.
- John Cassidy, “Relatively Deprived: How Poor is Poor?” *The New Yorker* April 3, 2006: <http://www.newyorker.com/magazine/2006/04/03/relatively-deprived?currentPage=all>

Section:

- Finding development data on the web
- Finding household surveys on the web
- A brief introduction to R: How to get your data into R

I. The Macroeconomics and Macropolitics of Development and Poverty

Week 2

Lectures: What do we mean by “poverty” and “development”?

- The dimensions of poverty and wealth
- The distribution of poverty and wealth in space
- The relationship between poverty and inequality
- The relationship between growth, inequality and development

Readings:

- Amartya Sen, *Development as Freedom* (Knopf, 1999), Chapter 4 “Poverty as Capability Deprivation.” Available on Sakai.
- Pedro Olinto et. al. “The State of the Poor: Where are the Poor, Where is Extreme Poverty Harder to End, and What is the Current Profile of the World’s Poor?” Pdf at <http://siteresources.worldbank.org/EXTPREMNET/Resources/EP125.pdf>
- Measuring Inequality:
<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238991~menuPK:492138~pagePK:148956~piPK:216618~theSitePK:430367,00.html>

Section: Measuring poverty

- Develop, justify and compute a poverty measure from your country/region/locality survey or census data
- Questions:
 - How does your poverty measure correlate with standard measures provided by the World Bank and UNDP?
 - How well would your poverty measure “travel” across countries? Would it capture poverty in the U.S., China, and beyond, or is it highly specific to your country?

Week 3

Lectures: The History of Economic Growth and the History of Development as an Idea

Readings:

- Introduction in Gregory Clark, *A Farewell to Alms: A Brief Economic History of the World*. Princeton: Princeton University Press.
- Chapter 1 in Jerven, *Poor Numbers: How We are Misled by African Development Statistics and What to do About it*. Ithaca: Cornell University Press.

Section: Measuring GDP, GDP per capita and its Growth (use Penn World Tables)

- Displaying GDP and Growth Trajectories
- Questions:
 - How does your country’s growth trajectory look? Do 5-year, 10-year, 20-year and 40-year trends look the same?
 - After reading Jerven (see below, do you
 - Look at your fellow students’ growth trajectory. Any guesses as to why it is different from yours?

Week 4

Lectures: The Proximate Causes of Economic Growth and Stagnation

- The ingredients of the standard economic growth model
- Labor, capital, land, technology and human capital

Readings:

- David N Weil Economic Growth, Chapters 2-3.
- Easterly, William (2001). "Chapter 3: Solow's Surprise: Investment is Not the Key to Growth" in *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*, pp. 47-69.

Section: The Ingredients of Growth in your Place

- Look at the most recent 10-year growth and poverty trajectory for your place.
- Look at 10-year dynamics bearing on the supply of labor, capital, land, technology and human capital
- Questions:
 - Do growth and poverty dynamics map onto dynamics in labor, capital, tech and human capital?
 - How good a job do the proximate causes of growth do in explaining your place's growth and poverty dynamics?

Week 5

Lecture: The Origins of Growth—Geography and Colonial Legacies

- The role of weather, tropical agriculture, and technology in long-term growth
- How colonial legacies shape trade patterns, governance and beyond today

Readings:

- Paul Collier, *The Bottom Billion*, Chapters 3 and 4.

Section: Review Session for Midterm next week

Week 6

MIDTERM EXAM: THURSDAY, OCTOBER 2

Lecture: The Origins of Growth—Institutions and Policies

- The role of government in development
- How constraints on government can contribute to economic dynamism
- How market failures introduce a role for government in promoting development
- Whether and how specific policies impact growth

Readings:

- Rodrik, Dani. 2004. "Growth Strategies." *Handbook of Economic Growth*. Available here: <http://www.hks.harvard.edu/fs/drodrik/Research%20papers/GrowthStrategies.pdf>

Section: The correlation between institutions and development

- Measures of institutions and their characteristics.
- Questions:
 - How well do these measures of institutions capture the key concepts?
 - How do they correlate with 5-year, 10-year and 20-year growth rates in your place? Over what time frame should we expect to find a relationship?
 - Where is your place/country in the cross-country relationships? Does it fit the story? Why/why not?

II. The Microeconomics and Micropolitics of Development and Poverty

Week 7

Lecture: Food and Credit

- Immediate needs: How the quest for calories shapes the human condition
- Planning for the future: How access or not to credit shapes household behavior

Readings:

- Chpts 1, 6, and 7 in Banerjee and Duflo, *Poor Economics*

Section:

- The mean and distribution of calorie intake in your place
- Questions
 - Calculate your calorie count (including sodas, beer, etc.) for a typical 24-hour period. Carefully calculate how much those calories cost. How much does it cost for you to eat normally for 24 hours?
 - How does your caloric intake and caloric cost compare to the mean caloric intake and cost for your place? Where is your consumption in the distribution for your place?
 - OPTIONAL (but educational!): How few calories can you survive on over a 24-hour period? How much did you pay for those calories? What does that suggest about the appropriate poverty level for the U.S.? Go back to the poverty measure you developed for Week 2, what does your experience with your calorie intake/cost suggest about your earlier measure?

Week 8

No class on Tuesday, October 14: Fall Break

Lectures: Social mobility and intergenerational transmission of income/wealth

- How parents shape children
- The ingredients of upward and downward social mobility

Readings:

- Chapters 1 and 2 in Anirudh Krishna, *One Illness Away: Why People Become Poor and How they Escape Poverty*.

Section:

- Measuring social mobility: narratives, surveys, censuses.
- Read Chpt 2 in Krishna. Then gather an oral history of intergenerational mobility from at least two branches of your family (if this isn't possible, do it for a friend's family). Get details and go as far back as you can on education, profession, income and assets.
- Questions:
 - How does your family's intergenerational upward/downward mobility compare with what we have learned about the U.S.?
 - What have you learned about measuring intergenerational transmission of income, assets, skills, etc.? What were the hard and easy parts of the story to learn?

Week 9

Lecture: Social Policies from Education to Health to Cash Transfers

- The role of education and health crises in household income dynamics
- The importance (and difficulty!) of incentivizing good performance by teachers, nurses, etc.
- The boom in conditional and unconditional cash transfers across the developing world

Readings:

- Santiago Levy and Norbert Schady. 2013. "Latin America's Social Policy Challenge: Education, Social Insurance, Redistribution." *Journal of Economic Perspectives* 27: 193-218.
- "The Price is Wrong," J-Pal Bulletin (April 2011) at <http://www.povertyactionlab.org/publication/the-price-is-wrong>

Section:

- The mean and distribution of educational achievement and health outcomes in your place
- If there is one, the rules governing a conditional or unconditional cash transfer program in your place
- Questions:
 - Imagine that you stopped your education now. How much does the average person with a high-school education earn in your place? Is that a living wage or not?
 - Any ideas on why health and education are distributed as they are in your place?
 - Has the cash transfer program in your country been rigorously evaluated? Does it work?

Week 10

Lectures: Rural Life, Urbanization and Slums

- Economic growth and urbanization
- Migratory flow to and from urban areas
- The growth and governance of slums

Readings:

- Chapters 2-3 in Mike Davis, *Planet of Slums* (New York: Verso, 2006).
- Pathways to Prosperity (a Duke project!): <http://p2pbangalore.com/>

Section:

- Using satellite data to detect slums from space
- The pace of urbanization in your country
- Questions:
 - What is the pace of urbanization in your place over the last 10 years? How does that pace compare with the urbanization rate in your fellow students' in class? What explains the variance across places?
 - Find your place's capital city in Google Earth. Can you find slums in the images? What are the characteristics of those neighborhoods? Use the time

slider to move through 10 years of images. Can you observe the evolution of slums through time?

Week 11

Lectures: Governance

- Clientelistic politics vs. programmatic politics
- Corruption
- Citizen monitoring and engagement

Readings:

- Paul Collier, *The Bottom Billion*, Chapter 5.
- Erik Wibbels. "A Brief Primer on Designing and Delivering Survey Experiments."
- High tech and very local approaches to governance. An example from Bangalore:
 - <http://www.ichangemycity.com/>

Section:

- Uncovering evidence of clientelism: How to develop a survey experiment. Groups of three or so students to develop a list experiment.
- Participatory, high-tech approaches to improving governance
- Questions:
 - What is your survey experiment? Justify your design: Why is it important? Do you think it'll work?
 - Be creative: Can you come up with a tech-based approach to improving governance in your place?

III. Alleviating Poverty—Designing and Evaluating Programs

Week 12

Lectures: Development as manipulable; development as an industry

- The role of government in development
- The international donor community and the industry of international development

Readings:

- Paul Collier, *The Bottom Billion*, Chapter 7.
- Policing in Rajasthan, India: <http://www.povertyactionlab.org/evaluation/police-performance-and-public-perception-rajasthan-india>

Section:

- The government's approach to development in your place
- The amount and type of donor programming in your place (see <http://www.oecd.org/investment/stats/>). If your place is in a developed country, can you figure out if it is a net contributor to or beneficiary from the national budget?
- Questions:
 - How much does the international community (or the national govt in a rich country) spend on development in your place? Is that a lot or a little compared to the places other students are studying?
 - And where is the donor money spent in your place (see <http://aiddata.org/maps/>)?

- Does it seem like donor (or national government programming) is working?
How would you know?

Week 13

Lectures: Policies and programs for alleviating poverty and improving governance

- Program design
- How to evaluate whether or not a program or policy works

Readings:

- Chapters 1 & 2 in Gertler et al. 2011 *Impact Evaluation in Practice*. Washington DC: the World Bank. Available at:
http://siteresources.worldbank.org/EXTHDOFFICE/Resources/5485726-1295455628620/Impact_Evaluation_in_Practice.pdf

Section:

- Statistical power in R
- Draft 1: Your anti-poverty or good governance program, including power analysis
- Questions
 - What is your program? What is the theory driving its design?
 - Have you designed your program to have sufficient power?

Week 14:

No class Thursday, November 27: Thanksgiving

Lectures: Field experiments in development

- Keys features of field experiments
- The promise and perils of field experiments

Readings:

- Chapter 2 in Dean Karlan and Jacob Appel, More than Good Intentions: How a New Economics is Helping Solve Global Poverty (Dutton, 2011).
- JPAL, "How to Design an Evaluation":
<http://www.povertyactionlab.org/methodology/how/how-design-evaluation>

Section:

- Randomization in R
- Draft 2: Your anti-poverty or good governance program with randomization built in
- Questions:
 - How much did your initial program design change in response to the need to randomize?
 - What was lost and gained in introducing randomization?

Week 15:

Lectures: Conclusion

- What we've learned
- The frontier of what we know and what we can learn

Section:

- Final Draft of your anti-poverty program/evaluation design
- Review for Final Exam