Political Economics of Developing Countries
Raúl Sánchez de la Sierra

PPHA 35556 Spring 2022, Tuesday, Thursday 9.30-10.50

“It is impossible to talk about the single story without talking about power. Like our economic and political worlds, stories too are defined by the principle of ‘nkali:’ How they are told, who tells them, when they're told, how many stories are told, are really dependent on power.”


This Masters-level course is aimed at Masters students in the Harris School of Public Policy. It is an introductory course that can be taken as an elective. There are no pre-requisites, but it is preferred if you have already taken another course in political economy or development.

Course objectives

The objective of this course is to help you understand the basic dominant ideas of the political economy of development, and through your exposure to a selection of ideas, expand your horizons beyond those ideas. To achieve these objectives, there will be two steps.

First, we will cover the ideas that dominate the academic and policy debate about why some countries “develop” more than others, which in turn determine popular understanding of their development process. Many of these ideas were built upon interpretations of specific historical episodes of specific societies. The course will not focus on the historical debates. We will focus on the ideas, and see how they may apply in a set of examples. My interest is that you go home with a rich vision of these forces.

Second, we will explore whether the lens through which economics and political science have tried to explain “development” of societies believed to be “backwards” are charged with presuppositions that were formed out these historical episodes. If the answer is yes, then such presuppositions may have limited our ability to grasp the fundamental logic of the societies “we” seek to “understand” (we will also ask who is “we” and what is the mission behind “understanding” and “helping”). Having considered this possibility, we will try to undo some of the learnings weaved through that lens. I will bring you to the frontier of research today that is asking those questions, mostly asking anthropologists what they mean. Importantly, they also come from scholars, and people, who come from places beyond Europe and the US.

We hope to nurture a conversation about development in “these” societies’ own terms.

1 Harris School of Public Policy: raul@uchicago.edu.
Course description: how we will achieve those objectives

The question. The guiding question of this course is: what leads societies to a path of progress?

The romantic story of the West. We will learn the predominant ideas in why countries become richer, and the role of power in that trajectory, which will take the first half of the course:

- Freedom of exchange. We will look at a basic idea that has taken an important role among economists, concerning the promise of free exchange and of markets to create value for all. We will then question those ideas, and their promotion, as emerging from a specific historical context, which will suggest that there are important missing pieces for its potential to be fulfilled

- Power and Institutions. We will then focus on one important missing piece on that story: how societies are organized, the role of power for markets, how power influences human behavior and regulates the exchange of things that matter to them, how that matters for “development.” Some call that institutions. This will be a story about the Western exceptionalism in developing the correct set of institutions.

Challenging the story. Then, we will see how the economic and political development of the West came in parallel with systems that used coercion, how that affected development in other places, how that matters today. We will ask how the ways to organize societies that are ingrained in those ideas can be attributed, in part, to a historical context.

Exploring alternative stories. This course will then look for new ideas from societies outside the so-called “West,” and in their own terms, precisely those societies at the center of the “development” work today. To do so, the first step will be to critically redefine what progress means. While motivated by the puzzle of why some countries are poor and other are rich, we will attempt to take seriously that, even if poverty is a pervasive problem in the world, the progress of a society is not only about economic growth, but also includes freedom, rights, dignity, and self-expression (Sen 1999). Then, we will venture beyond the realm of economics and listen to their own ideas through their own words, and those of anthropologists.

The ultimate objective is that this will help you make better decisions, by allowing you to be mindful about dynamics that you would otherwise perhaps not have seen.

There is no textbook for this course.
Syllabus

Part I – Some Problems

Lecture 1 – Introduction (March 29th)

One story from Eastern Congo

No readings

Lecture 2 – Congo Calling (March 31st)

Development? It’s complicated

Screening of Congo Calling Documentary during class hours [no lecture]

Alternative, encouraged: US Congo Calling Premiere at Harris, April 1st, 5:30-7pm, Keller

Part II – “Classical” Political Economy of Development: the romantic story of the West

Lecture 3 – The Great Divergence, and the power of markets (April 7th)

We have posed a few problems. We now go back to understand how the West has traditionally approached questions of development, which remains quite ingrained today. The main story told by the West is based predominantly on explaining a few critical junctures in which the West became richer, and in which its institutions became more inclusive.

Required readings

*Adam Smith “Wealth of Nations” (Book I: Of the Causes of Improvement in the productive Powers of Labour, Chapters I, II, III)
Lecture 4 – Markets (without government): a great idea, many failures, and a few disasters (April 7th)

This old idea gained predominance at a very specific historical moment, during the cold war. Yet, in the last 60 years, progress in economics has been made to demonstrate that free markets are great when some conditions are met and that those conditions often fail. We will discuss market failures and, especially, the role for institutions and government.

Required readings

*Stiglitz, Joseph (2001) Information and the change in the paradigm in economics (Prize lecture, December 8th 2001).


*Zubin Jelveh, Bruce Kogut, and Suresh Naidu, “Political Language in Economics”

“Pour en savoir plus” (not needed for the grade)

Adam Smith, “Theory of Moral sentiments” Part I, Section I (all chapters)

BBC documentary by Adam Curtis, The Trap (first episode)

Market failures: Adam Smith “Wealth of Nations” (Book I, Chapter XI: On the rent of land)


Lecture 5 – Markets with government: Economic institutions (April 12th)

This brings us to the realm of political economy of development. The next few lectures study the political and institutional foundations of economic growth as we normally study it.

Required readings


“Pour en savoir plus” (not needed for the grade)

Lecture 6 – Markets with government: Political institutions (April 14th)
Required readings


“Pour en savoir plus” (not needed for the grade)


Lecture 7 – “Dysfunctional” institutions: corruption (April 19th)
Required readings


“Pour en savoir plus” (not needed for the grade)


Lecture 8 – Helping others get our better institutions (April 21st)

We have seen that institutions, government and power can be important for development. In the last lecture of Part II, we examine attempts to export institutions to other societies.

Required readings


*Easterly, William “The tyranny of experts“ (chapters 1,2, 14)

Mid-term exam, take home or in class, tbd
Part III – Reinterpreting The Great Divergence, from below: Disenchancing the West’s rise

Attempts to share institutions of the West have often failed or produced bad outcomes. We are now back where we started, but we now understand the background from where the classical approach to development in the West comes from. We will now ask: what may be wrong?

Lecture 9 – White cognitive bias in historical perspective: race and the slave trade (April 26th)

Here we will see how the enlightenment project coincided with global scale exploitation of other countries. Ricardo’s theory of comparative advantage emerged just as England was becoming a textile capital of the world after crushing existing textile industries in those countries and fueled by cheap cotton produced by African slaves in the Americas.

Required readings


*Documentary: Exterminate all the brutes (Raoul Peck)

“Pour en savoir plus” (not needed for the grade)


Lecture 10 - White cognitive bias in historical perspective: civilizing missions and colonization (April 28th)

Required readings

*Fanon, Franz (2008) Black Skin, White Masks, New York: Grove Press. (Chapter 1)


*Gauthier Marchais, “Leaving the white house,” (Translated from French: “Le Deni Blanc: Penser la Question Raciale du Point de Vue d’un Blanc”) (Chapter 1, Chapter 3.1, 3.2)
“Pour en savoir plus” (not needed for the grade)


Adam Hochshild: “King Leopold's Ghost: A Story of Greed, Terror, and Heroism in Colonial Africa"

Lecture 11 – “Development” without white cognitive bias: from aid to friendship? (May 3rd)

This class is a collective discussion. No mandatory readings.

“Pour en savoir plus” (not needed for the grade)


Lecture 12 – Did colonization end? Global relationships with power asymmetries (May 5th)

Required readings


“Pour en savoir plus” (not needed for the grade)


The Wonga Coup: Guns, Thugs, and a Ruthless Determination to Create Mayhem in an Oil-Rich Corner of Africa Paperback – August 28, 2007


Susan Williams, “White Malice: The CIA and the Covert Recolonization of Africa"
Lecture 13 – Dis-enchanting the origins of the state: coercion, violence, extraction (May 10th)

Required readings


Part IV – Re-enchanting Political Economy of Development from below

Having de-romanticized the West’s own narrative about its own development exceptionalism, we will now take a step back and propose alternative interpretations for how other societies function.

Lecture 14 – The real state (May 12th)

Required readings


“Pour en savoir plus” (not needed for the grade)

Market governance in Kinshasa: the competition for informal revenue through ‘connections’ (branchement), Albert Malukisa Nkuku, Kristof Titeca


Lecture 15 – Re-enchanting development: “Development,” with meaning (May 17th)

Required readings


“Pour en savoir plus” (not needed for the grade)


Lecture 16 – Re-enchanting government: government, with meaning (May 19th)

Required readings


*Henn, Soeren, Gauthier Marchais, and Raúl Sánchez de la Sierra (2018) “Indirect rule and armed conflict: theoretical insights from Congo”

“Pour en savoir plus” (not needed for the grade)


Lecture 17 – Re-enchanting conflict? (May 24th)

Required readings

* Dunia Butinda, Lewis (2021): “From child of Walikale to taking weapons: a return trip”


“Pour en savoir plus” (not needed for the grade)

* Bates, Robert “Political Economy of Rural Africa” (1987), chapter 1


Evans-Pritchett “The Nuer: A Description of the Modes of Livelihood and Political Institutions of a Nilotic People” (1987)

Lecture 18 – Re-enchanting everything: towards supernatural development (May 26th)

Required readings

* Sanchez de la Sierra (2021): the role of the supernatural in economics


* Mariam Konate Deme, “Heroism and the Supernatural in the African Epic” (introduction)

“Pour en savoir plus” (not needed for the grade)


Instructor information

Instructor: Professor Sanchez de la Sierra
Contact: email raul@uchicago.edu (responds within up to 72 hours)

Office hours: Fridays
By appointment only:

Hours: 10:00-11:30 am
Mode: in person or virtual (by zoom).
To schedule appointments: https://calendly.com/raulsanchezdelasierra

Teaching assistants and sections

David Johnson
Malcolm Robinson
Contact (subject: PPHA 35556) dajohn@uchicago.edu malcolmrc@uchicago.edu
Weekly office hours
Wednesdays 10:30-11:30am
Tuesdays 11:00am -12:00 pm

There are no TA sessions. Instead, the week before midterm, and final, weekly office hours are exam open prep session.

Grade

- 20% midterm
- 10% final exam is an essay, due Wednesday, June 1\textsuperscript{st} 11:59pm. The question opens Sunday, May 29\textsuperscript{th} 11:59pm and there is no time limit in completing it, until the deadline
- 16% reading quizzes in selected lectures
- Participation 40%:
  - 20% participation individual component
  - 10% participation of the wholeclass
  - 10% presentations (team level grade)
- 14% Group essay (due Sunday, May 29\textsuperscript{th} 11:59pm)

Even emails after the class to the TA will count as participation. A student who misses more than two lectures without an excuse loses the whole participation grade. An absence can only be excused if requested before class begins.

Slides are shared before each lecture. The midterm exam is a series of questions with multiple answers about the readings and the class discussion, as well as a short answer question to help you prepare for the final exam. The final exam will be an essay. I will ask you one question.

The quizzes are about the readings unless otherwise announced. There will be one quiz each week. I will sometimes announce the date and provide details when needed. You should otherwise expect that all required readings are fair game. Students are expected to do all of the required reading before class. Hence, the quiz often covers the readings for the same day’s lecture.
How will the presentations be evaluated?

You will be graded on honesty and quality, not in whether your essay aligns with what you think the course wants to hear. If it is obvious that it is artificially aligned with what we think you think we want to hear (ie, unsubstantiated), you lose points.

In addition, you will be graded on progress, on how much progress you have made compared to the last time your team presented, both on the problems and solutions, and on the collaborative challenges.

How will the group essay be evaluated?

Expect a 10 pages document, 12pt, double space. You will be graded on honesty and quality, not in whether your essay aligns with what you think the course wants to hear. If it is obvious that it is artificially aligned with what we think you think we want to hear (ie, unsubstantiated), you lose points.

Part I - define the problem you decided to work on and describe the process that the group ended up deciding on that problem. Emphasize why you think this was a problem, and what other problems people in your group cared about and why they were discarded. You will be evaluated on how honest the description of the problem is, and on how important or ingrained the problem is (to avoid you focusing on problems that have an easy solution, which would increase your grade in part II). 3 pages

Part II - describe the solutions to that problem, and the practical implementation challenges you faced (and how you solve them). There is where I want you to be extremely clear about consequences and actions. You will be evaluated on realism. 3 pages

Part III - describe the collaborative and communication challenges you faced, how you solved them, and those that you were not able to solve and why. 3 pages

Summary - describe all the areas where at least one member learnt or changed their beliefs. Then, describe the core set of values on which you have agreed that sustain your essay. Then, describe the ‘contentious’ values, those on which you could not agree, and articulate how you think progress can be made after the essay based on that remaining disagreement.

To ensure that there is collaborative work in the working groups, I will distribute a quiz where you will anonymously evaluate the collaborative process.

You will evaluate your peers on: a. how much you felt listened to by everyone in your team; b. how much they contributed; c. how much you think they actively helped voices others than theirs to be heard; d. what was their contribution in maximizing that the knowledge in the team found its way over individuals. The results of this quiz will allow us to create weights that will (minimally)
differentiate the final grade between the different members of the team. This reduces concerns for free riding and rewards effort and collaborative work when output is collective.

**How will the final exam/essay be evaluated?**

Expect a 3-5 pages document, 12pt, double space. You will be graded on *honesty and quality*, not in whether your essay aligns with what you think the course wants to hear. If it is obvious that it is *artificially* aligned with what we think you think we want to hear (ie, unsubstantiated), you lose points. The course gave you elements of reflection, but we want you to use those to think freely, so do not expect that any view is expected. We want to evaluate how you articulate your thoughts and whether you have understood the concepts and ideas in the whole course.

**During lectures**

Talking is strongly encouraged. You can interrupt the instructor. You can, and are encouraged to disagree and to correct the instructor. The objective is to maximize the learning using all resources available in the course, including the knowledge from all of you, and especially the richness of the backgrounds of all of us. You can raise the voice during the lecture, and you can also submit your question to the TA if you feel more comfortable this way. The TA would then ask the question to me during the lecture.

**Re-grade request procedures**

You are encouraged to dispute your grades. If you dispute a grade, you can email the TA with a description of the issue, and we will re-evaluate your grade. To ensure that your request is incentive-compatible, by submitting a request, you relinquish the right to the original grade. Re-grading could improve your grade, but it could also decrease it, hence it is important you make sure that you are certain that your grade will improve by re-grading your exam.

**Remote participation**

This is an in-person class only. Under exceptional circumstances, I will approve transmitting the lecture on zoom for specific students only.

I will not record lectures, except under exceptional circumstances that would justify it. If I do so, I will inform you first, and you will all be able to anonymously express consent or lack thereof to be part of such recordings as part of the normal interactions in the class.

**Recording class sessions**

By attending course sessions, students acknowledge that:

They will not: (i) record, share, or disseminate University of Chicago course sessions, videos, transcripts, audio, or chats; (ii) retain such materials after the end of the course; or (iii) use such materials for any purpose other than in connection with participation in the course.
They will not share links to University of Chicago course sessions with any persons not authorized to be in the course session. Sharing course materials with persons authorized to be in the relevant course is permitted. Syllabi, handouts, slides, and other documents may be shared at the discretion of the instructor.

Course recordings, content, and materials may be covered by copyrights held by the University, the instructor, or third parties. Any unauthorized use of such recordings or course materials may violate such copyrights.

Any violation of this policy will be referred to the Area Dean of Students.

Available resources

If you feel uncomfortable with anything related to the class or to any aspect of your academic experience even outside the class, you can let me, the TA, or Harris Student Services know. We will listen to you and direct you to resources if appropriate, no matter what the source of the problem is. I encourage you to speak up, you will be listened. We are a community.

The University has long offered a comprehensive set of student support services, including student health services.

If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, remote counseling services are available. Student Counseling Service (SCS) urges you to attend to your mental wellbeing and to reach out to them for support during these challenging times.

All SCS services are covered by the Student Life Fee, and there is no additional cost for students to access their services. See https://wellness.uchicago.edu/mental-health/student-counseling-service-spring-quarter-faq/.

Students seeking new services/resources can call 773.702.9800 during business hours (Monday–Friday 8:30 a.m.–5 p.m.) and ask to speak with a clinician. Students needing urgent mental health care can speak with clinicians over the phone 24/7 by calling the SCS at 773.702.3625.

Integrity

All University of Chicago students are expected to uphold the highest standards of academic Integrity and honesty. Among other things, this means that students shall not represent another’s work as their own, use un-allowed materials during exams, or otherwise gain unfair academic advantage. The policy, available here, says:

“It is contrary to justice, academic integrity, and to the spirit of intellectual inquiry to submit another’s statements or ideas as one’s own work. To do so is plagiarism or cheating, offenses
punishable under the University's disciplinary system. Because these offenses undercut the distinctive moral and intellectual character of the University, we take them very seriously.”

The Harris School’s policies are available in the Harris Student Handbook Canvas site. Detailed guidelines for more specialized student work (e.g., problem sets including computer code) are offered in the section titled Harris Integrity Policy for Problem Sets Involving Code. Harris’s specific procedures for handling suspected violations of these policies are available in the section Harris Procedures for Allegations of Plagiarism, Cheating, and Academic Dishonesty and are also re-produced as an Appendix to this document.

All students suspected of academic dishonesty will be reported to the Harris Dean of Students for investigation and adjudication. The disciplinary process can result in sanctions up to and including suspension or expulsion from the University.

Accommodations

I will follow the University's policies regarding students with disabilities are available online. Students who have disability accommodations awarded by the University Student Disability Services Office should inform the Harris Dean of Students office by the end of the first week of class. The Harris Dean of Students Office will work with the student and instructor to coordinate the students’ accommodations implementation. Harris students are not required to submit their accommodations letter to the instructor. Students from other divisions in the University must submit their accommodations letter to either the instructor or the Harris Dean of Students Office. Students who do not yet have formal accommodations in place but who feel they need accommodations on a temporary or ongoing basis should contact the Harris Dean of Students Office.

Communication by all

I summarize the principle of communication in this class in what follows: responsible free speech:

“maximal freedom of expression, which ends where attacks on the dignity of other people begin.”

We foster thought-provoking discourse by encouraging community members not only to speak freely about all issues but also to listen carefully and respectfully to the views of others. The University identifies the freedom of expression as being

“Vital to our shared goal of the pursuit of knowledge, as is the right of all members of the community to explore new ideas and learn from one another. To preserve an environment of spirited and open debate, we should all have the opportunity to contribute to intellectual exchanges and participate fully in the life of the University.”

The Harris School’s commitments to lively, principled, and respectful engagement are available here: “Consistent with the University of Chicago’s commitment to open discourse and free expression, Harris encourages members of the leadership, faculty, student body, and
administrative staff to respect and engage with others of differing backgrounds or perspectives, even when the ideas or insights shared may be viewed as unpopular or controversial.”