

## Political Economy of Development

Module Code	Program	Peace and Development studies
PDS-M-1050	Course Code	PDS 2051
	Course Title	Political Economy of Development
	Course Credit	6
Course Description	<p>Though the practice of development is as old as human civilization, the study of development has a relatively short history, really dating back only as far as the 1950s. Since then, the interdisciplinary field of development studies has seen many changes in thinking regarding the meaning and purpose of development (ideologies) and in development practice (strategies of development).</p> <p>This course basically deals with political economy of development. To this end, it is made to have four carefully selected chapters. The first chapter explores the notion, core values, objectives and scope of development and the notion of political economy both at domestic and international levels. The second chapter analytically explores the contending models and theories of development in a form of comparative review; namely, the “Modernization” theories, the dependency perspective, the Marxist perspective of development, and alternative development theories/strategies. Chapter three mainly examines the diverse structures, major problems, issues and characteristics of developing countries along with the structure of developing countries’ economies. The fourth chapter deals about Poverty, Inequality, and Development. Furthermore, the chapter addresses about Inequality and Poverty, Poverty, Inequality, and Social Welfare and Economic Characteristics of High-Poverty Groups (Rural Poverty, Women and Poverty, Ethnic Minorities, Indigenous Populations, and Poverty) etc.</p>	
Course Objectives	<p>The general aim of the course is to familiarize students with the theories and practices, and strategies of development and apply these theories and concepts in analyzing and understanding to their own experience and conditions. Specifically, after the successful completion of the course, students will be able to:</p> <ul style="list-style-type: none"> <li>➤ Be familiar with terminologies and key concepts in the field of development.</li> <li>➤ Understand the common features, and diverse structures of developing countries</li> <li>➤ Be able to identify and understand the major theoretical paradigms of development.</li> <li>➤ Identify and understand key development issues and understanding how these impacts on their livelihoods or the livelihood of their communities.</li> <li>➤ Critically explain the main features, challenges and prospects socio-economic development in Ethiopia.</li> <li>➤ Understand the inner essence of political economy;</li> <li>➤ Understand and explain the major theoretical discourse on international political economy ;</li> <li>➤ Explain the difference and similarity between major theoretical approaches on international political economy;</li> <li>➤ Explain the operation of international financial and monetary institutions.</li> </ul>	

	<p><b>Chapter Three: Diverse Structures, Major Problems, and Issues of Developing Countries</b></p> <p><b>3.1. Historical Incidences of Contemporary Development Crisis in Developing Countries</b></p> <p><b>3.1.1 External Factors</b></p> <ul style="list-style-type: none"> <li>➤ The Expansion of Western Capitalism and the Creation of Underdevelopment</li> <li>➤ Capital Accumulation and the International Division of Labor</li> <li>➤ Colonialism, Neo-colonialism and the Crisis of Post-Colonial state</li> <li>➤ The Problem of Unequal-Exchange: Trade Deficit and Unfavorable Balance of Payment]</li> <li>➤ Globalization and Neo-colonialism:</li> <li>➤ Macroeconomic Stabilization and Restructuring attempts and International Institutions’( IMF and WB) Policy Conditionalities</li> </ul> <p><b>3.1.1. Domestic Factors</b></p> <ul style="list-style-type: none"> <li>➤ The State of Inequality and Absolute Poverty</li> <li>➤ The Structure, Institutions, and Nature of the State</li> <li>➤ Population Growth, Unemployment and Rural-Urban Migration</li> <li>➤ Agricultural Stagnation, Rural Underdevelopment, and the Need for Policy Reform</li> </ul> <p><b>3.2. Diverse Structures and Characteristics of Developing Countries</b></p> <p>3.2.1. The Structure of Developing Economies</p> <p>3.2.2. Common Characteristics of Developing Countries</p> <p>3.2.3. The Place of Developing Countries in the Global Political Economy: Dominance, Dependence, and Vulnerability</p> <p><b>3.3. Constraints on Developing Countries Development</b></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Introducing the Chapter</li> <li><input type="checkbox"/> Providing Overview of this Chapter</li> <li><input type="checkbox"/> Arousing and Activating Learners</li> <li><input type="checkbox"/> Presenting Enhanced Lectures</li> <li><input type="checkbox"/> Forming Groups as per the Need and Necessity</li> <li><input type="checkbox"/> Timely Giving and Following up Group Assignment/Work on: ‘Examine and Evaluating Globalization and Neo-colonialism: Macroeconomic Stabilization and Restructuring attempts and International Institutions’( IMF and WB) Policy Conditionalities: SAPs and others: [Selected Issues and Problems facing TWCs and Ethiopia pertaining to WTO, WB, IMF, FDI, and the like]</li> <li><input type="checkbox"/> Putting, Indicating and Giving Reading Materials and Self-Reading Tasks</li> <li><input type="checkbox"/> Guiding and supporting Learners in line with Expected Learners’ Activities</li> <li><input type="checkbox"/> Consulting Learners</li> <li><input type="checkbox"/> Presenting the Summary</li> </ul>	
	<p><b>4. Chapter Four: Poverty, Inequality, and Development</b></p> <p><b>4.1 Measuring Inequality and Poverty</b></p> <p>4.1.1 Measuring Inequality</p> <p>4.1.2 Measuring Absolute Poverty</p> <p>4.1.3 Poverty, Inequality, and Social Welfare</p> <p>4.1.4 Dualistic Development and Shifting</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Putting, Indicating and Giving Reading Materials and Self-Reading Tasks</li> <li><input type="checkbox"/> Guiding and supporting Learners in line with Expected Learners’ Activities</li> <li><input type="checkbox"/> Consulting Learners</li> <li>Presenting the Summary</li> </ul>	<input type="checkbox"/>

4.1.5	Growth and Inequality			
4.1.6	Absolute Poverty: Extent and Magnitude			
4.1.7	Growth and Poverty			
4.1.8	Economic Characteristics of High-Poverty Groups (Rural Poverty, Women and Poverty, Ethnic Minorities, Indigenous Populations, and Poverty)			
4.1.9	Policy Options on Income Inequality and Poverty: Some Basic Considerations and Areas of Interventions			

### **Course Policy**

All students are expected to abide by the code of conduct of students as per the Senate Legislation of the University throughout this course. Academic dishonesty, including cheating, fabrication, and plagiarism will not be tolerated and will be reported to concerned bodies for action which may carry penalties varying from failure in an assignment to suspension from the University. Students are also expected to attend class regularly. If a student misses more than 20% of the class attendance s/he will not sit for final exam. Please try to be on time for class as well. A student will not be allowed to enter if s/he is late for more than five minutes. Cell phones must be turned off before entering exam and lecture classes. Class activities will vary day to day and that students should actively participate. Students are also expected to do all the assignments and expected to submit and present them as required.

### **Teaching and Learning Modalities**

The major teaching learning methods employed in the course include the following

- Lecture, Reflections, and Home study

### **Assessment Methods**

	Assessment Tools
Continuous Assessment	1. Quiz 1. ....10%
	2. Quiz 2 .....10%
	3. Group Assignment and Presentation.....20%
	4. Tests.....20%
	5. Final.....40%
	Total.....100%

### **Text and Reference Materials**

- Arnott, Richard, et al (Eds.) (2003). *Economics for an Imperfect World: Essays in Honor of Joseph E. Stiglitz*. London: England. The MIT Press Cambridge, Massachusetts, (Page 519).
- Chang, Ha-Joon (2001). *Breaking the Mould: An Institutionalist Political Economy Alternative to the Neoliberal Theory of the Market and the State*. Social Policy and Development Programm Paper, Number 6. The United Nations Research Institute for Social Development (UNRISD).

- Crane, George T. and AbalAmawi (1997). *The Theoretical evolution of International Political Economy: A Reader* (2<sup>nd</sup> Edition). Oxford University Press: New York.
- David, Simon (1997). *Development Reconsidered: New Directions in Development Thinking*. Human Geography, Vol.79, No.4.
- Dube. S.C. (1988) *Modernization and development: the search for alternative paradigms*, Tokyo: United Nations University ; London : Zed, c1988, pp 15-34
- Gilpin, Robert (20010). *Global Political Economy: Understanding the International Economic Order*. Princeton University Press: Princeton
- Haggard, Stephen (1990). *Pathways from the Periphery: The Politics of Growth in the Newly Developing Countries*. Ithaca, N.Y.: Cornell University Press.
- Hayami, Yujiro and Yoshihisa Godo (2005). *Development Economics: From the Poverty to the Wealth of Nations*. London: Oxford University Press; 3<sup>rd</sup> Edition.
- Hettne, B. (1995). *Development theory and the three worlds*, Harlow, Essex, England: Longman Scientific & Technical; New York, NY : Wiley. Chapter 3. "The Globalization of Development Theory"
- Lundahl, Mats and Benno J. Ndulu (eds) (1996). *New Directions in Development Economics: Growth, environmental concerns and government in the 1990s*. London: Swedish Agency for Research Cooperation with Developing Countries (SAREC). A Reference Book for topics such as: Economic Growth (or its absence) in Developing Countries, and the Ongoing Debate over the Role of the State in Promoting Development.
- Martinussen, J. (1997) "Chapter 5: Neo-Marxist Theories of underdevelopment and dependency" in *Society, State and Market: A Guide to Competing Theories of Development*, London Zed Books 1997, p.p 85-100
- McMichael P. (2004) *Development and Social Change* Thousand Oaks, Calif; London: Pine Forge Press, Chapters 1 and 2 pp 1-54
- Meyer, Gerald (1995). *Leading Issues in Economic Development*.
- Nyilas, Jozseph (1989). *Theory and Practice of Development in the Third World*.
- Pieterse, J.N. (2001) *Development Theory: Deconstructions/ Reconstructions*, London: Sage
- Rist, G. (2002) *The History of Development*, London: Zed Books, pp 47-79
- TayeAssefa (2008) *Digest of Ethiopia` s National Policies, Strategies and Programs*. Forum for Social Studies, Addis, Ababa
- Todaro, Michael P. and Stephen Smith (2003). *Economic Development* (8<sup>th</sup> ed).
- UNDP (2002). *Human Development Report: Deepening Democracy in Fragmented World*. New York and Oxford: Oxford University Press.
- Wil, Hout (-----). *Capitalism and the Third World: Development, Dependence and the World Systems*.
- Willis, Katie (2005). *Theories and Practices of Development*. London and New York: Rutledge publisher

