1. OVERVIEW

The aims of this course are three-fold: to investigate the nature and utility of a neo-Polanyian approach to holistic political economy, to understand the limits and possibilities of national development strategies in forging a sustainable, prosperous and democratic future, and to deepen one’s knowledge of the political economy of specific countries in the global south. We begin with a couple of sessions devoted to exploring some key concepts in Polanyi’s approach and their contemporary relevance. Then we focus on the evolution and performance of the evolving neoliberal policy paradigm that has dominated development thinking since 1980. This thematic discussion is followed by three key cases: Chile, Ghana and India. We seek to understand in what sense and to what degree these three cases constitute instances of neoliberal reform and success.

Many scholars, activists and political leaders have been critical of neoliberal/capitalist approaches from a leftist perspective. They have advocated or implemented development alternatives in the form of what I categorize as moderate social-democratic, left-populist and radical social-democratic experiments. In the final section, we probe the nature, practicability and desirability of these alternatives within the context of their exemplars (Brazil, Venezuela and Kerala [India] respectively). The discussion of actual cases makes us aware of the shortcomings as well as benefits of each approach, thus helping us to avoid utopian thinking. Throughout, I suggest the heuristic value of Polanyi’s holistic political economy in the study of development.

2. ORGANIZATION AND REQUIREMENTS

I am responsible for the first four sessions. There will be plenty of time each week for discussion of the key themes, based on the required readings.

A member of the class will introduce the topic of the remaining 8 seminars with a 45-50 minute presentation (or a 30-35 minute presentation each in jointly-led seminars). Each class member will make one presentation. Please be ready in the week leading up to September 18th to email me a list of two sessions, beginning with session 5, which you are willing to lead. The schedule of presentations will then be available at the Sept. 18th class.

The course requirements are as follows.

- 1 oral presentation (see guidelines below) 25%
  The presentation should be based on the required and several of the supplementary readings from the reading list. This is not a research assignment (unless you want to make it that). I will provide a written evaluation. Please note that the instructor may cut you off if you exceed the maximum allowable duration.

- 2 written critical reflections on the weekly required readings (see guidelines below) 25%
  You should prepare two 2-3 single-spaced pages reflecting on the cogency of the argument(s) presented in one or more of the required readings for two sessions. Do not select the readings from the session on which you make a presentation. Your reflection papers should be handed in at the
beginning of the relevant class. I will provide a written evaluation. Please keep a hard copy of each written assignment until the final grade is computed.

- **participation** in class discussions  
  Active and informed participation obviously brings a high grade, but even quiet but regular attendance will yield half the grade.

- **1 thematic essay**  
  Write an essay of about 15-20 double-spaced pages — 4,000 - 5,000 words — on one of the thematic questions listed below. The aim of this paper is to draw together what you have learned in this class on one of the major themes by reflecting on the experience of particular cases. This assignment is due Monday, **December 18** by 4 pm in my office or placed in my mailbox. **Printed** copies only, and please print your essay on both sides of the paper. Late penalty is 2 percentage points per day.

1. Most African and Latin American economies were in dire shape in the early 1980s. Proponents of the Washington and Post-Washington consensus contended that the main problem was an overweening state that was unable to fulfill its goals through extensive economic interventionism. Hence, they argued, what was needed above all else was a reinvigoration of market forces. David Harvey, on the other hand, interprets neoliberalism as essentially a political project to establish or restore the power and privilege of a capitalist elite. How do you resolve this apparent contradiction? Draw on a couple of cases you are familiar with.

2. Karl Polanyi sought to understand capitalist transformation, its consequences and potential alternatives in Europe in the early era (early 1800s to 1940). Yet some scholars believe his ideas and models also help analyze the evolution, problems and possibilities of countries in the Global South during the neoliberal era. Identify three of Polanyi’s key concepts/models, and discuss how pertinent each of them is to comprehending processes of change in the Global South since 1980.

3. Both Brazil under the Workers Party administrations and Venezuela under Hugo Chávez achieved major gains for their constituencies. Yet both experiments ultimately foundered. What went wrong, and what lessons might the left draw from their experience?

4. Are leftist regimes, such as those in Chile, Ecuador, Bolivia and Kerala, any better at advancing ecologically sustainable development than neoliberal cases? Compare the record of two countries, one drawn from the four leftist cases just mentioned, and the other a neoliberal case with which you are familiar.

5. “It is generally accepted that markets work poorly in most developing countries. However, while some development economists make a case for the implementation of industrial policy to address market failures, neoliberal economists argue that governments are bad at picking winners and that state-led industrial policy is an invitation to corruption and rent-seeking.” What is your view? In your response, draw illustrations from two relevant cases.
Guidelines on Making an Effective Presentation

1. A presentation is an **oral essay**. Therefore, you need to present a **thesis** near the beginning, and organize your material to support and elaborate this thesis. Note, however, that written and oral essays are delivered differently. Merely reading aloud an essay that one wrote to be read is rarely effective. Instead, deliver your presentation from notes, if you feel comfortable doing so. The three hallmarks of a good oral presentation are the following:

   - **Organization.** Sufficient signposts guide your listeners through your argument; everyone is always aware of the relevancy of the point you are making. (One experienced speaker summarized his advice this way: “Tell your audience what you are going to say, say it, and then tell them what you said.”)
   - **Clarity.** Avoid ambiguity and vagueness by adhering to your outlined, clearly connected, points. Avoid jargon. Explain all concepts concisely.
   - **Pacing.** Slow down your delivery. Make eye contact. Do you notice puzzled looks or signs of boredom? If so, try to respond to these cues. Clarify the point you are making, or speak more slowly/loudly/with more emphasis.

Consider rehearsing your presentation, perhaps before a sympathetic listener or a recorder. You will discover whether you have too much material to cover in 45-50 minutes.

2. **Technical Details.**

   - Your presentation is not a research exercise. Base your oral essay on the required reading for your session plus several supplementary readings.
   - If you are sharing a topic, work out a division of labour with your partner. Each person should speak for 30-35 minutes. In a solo presentation, plan to speak for 45-50 minutes.
   - Tell your audience whether you welcome questions as you proceed, or whether you wish your listeners to hold all their questions until the end. Alternatively, you might entertain only questions of clarification (not challenges) while you work through your commentary, saving the latter for the discussion period. (Remember that, if you respond to objections to your argument as you proceed, you may lose the thread of your case.) If you entertain questions and objections during your talk, you will need to extend your presentation beyond the time limits suggested above.
   - It is helpful to conclude your presentation with issues or questions you think require further discussion.
   - After (or during) your presentation, respond in a reasoned and friendly manner to questions, comments, and challenges to your thesis. Remember you do not need to be right in every element of your case. But you do need to be clear.
GUIDELINES ON WRITING THE CRITICAL REFLECTIONS ON REQUIRED READINGS

1. This assignment involves the submission of a critical reflection on one or more required readings from 2 of the sessions throughout the term, excluding the session on which you deliver a presentation.

2. The critical reflection should be 2-3 pages in length (800 words). The emphasis is on concise, focused thought. You need to identify the author’s thesis, and respond critically to that thesis. Is the argument logically sound? Is it supported both by the evidence that the author cites and by further data or knowledge of which you are aware? Does the piece pose an ‘important’ question in a challenging manner? Is the article/book/excerpt well-organized and clearly written? Does the essay suggest interesting new avenues for thought or research? Some of these questions, and perhaps others, should guide your critical reaction.

3. You will receive a brief, written evaluation of your submissions within two weeks. The evaluation will be based on the following criteria:

   - effectiveness in taking a clear and critical position on issues
   - capacity to synthesize complex ideas
   - familiarity with the material you have selected to review
   - clarity and conciseness of expression.

READINGS FOR THE COURSE

This outline identifies required readings for each topic (*) plus select supplementary readings. You should find the latter useful in preparing your presentation and thematic essay and following up on a subject of particular interest. Obviously, you must read the required readings each week if we are to have a stimulating seminar. The required readings are on reserve in the short-term loan section on the 3rd floor of Robarts Library or are available in electronic journals. I have selected most readings from electronic journals.

Your purchase of some of the heavily used books will ease your task of preparing for the seminars. I have asked the bookstore to stock the following:


SCHEDULE OF SEMINARS

1. **Overview of the course and discussion of “What Is the Political Economy of Development?”** (Sept. 11)


**NOTE: SUBMIT THIS WEEK A LIST OF 2 CHOICES FOR SEMINAR PRESENTATIONS**

2. **The Holistic Political-Economy of Karl Polanyi** (Sept. 18)

*The classic critique of economic liberalism and explanation of the socio-political dynamics of the liberal era by reference to the notion of the ‘double movement’*


*R. Kuttner, “Karl Polanyi Explains It All,” The American Prospect 25:3 (2014), 70-75. (excellent introduction to both Polanyi’s life and his ideas)*


3. The Contemporary Relevance of Karl Polanyi to the Study of Development (Sept 25)

The resurgence of interest in Polanyi’s work coincided with the emergence of the neoliberal era, especially the world crisis of 2008. Is commodification of ‘fictitious commodities’ heuristically significant in understanding the challenges of our age, with special reference to the global south? Does the concept of the ‘double movement’ provide insight into the socio-political dynamics of contemporary capitalism?


*R. Sandbrook, Reinventing the Left in the Global South (Cambridge University Press, 2014), chap. 1.


M. Amato & L. Fantacci, Saving the Market from Capitalism. Cambridge: Polity, 2014. (Money as a fictitious commodity.)


W. Schaniel & W. Neale, “Quasi-Commodities in the First and Third Worlds,” Journal of Economic Issues 32:1
4. Neoliberal development doctrine since 1980: From the Washington to the Post-Washington Consensus (Oct 2)

Is neoliberalism best understood as a development paradigm, an institutional arrangement or a class project (in Harvey’s terms), or some combination of these three? Is the Post-Washington Consensus actually, as the term suggests, a replacement of the Washington Consensus or is it rather an augmentation of the latter? Are institutions (‘second generation reforms’) key to economic development and, if so, how does a country get strong institutions? Why did the world economic crisis of 2008-2009 not mark the end of the Post-Washington Consensus?

*Sandbrook, Reinventing the Left, chap. 2.


C. Gore, “The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries,” World
5. The Socio-economic Critique: What accounts for neoliberalism’s weak economic record before the commodity boom (2002-2011)? Have neoliberalism’s policies led to growing inequality and, if so, does it matter, if poverty is declining? Can economic growth and social equality proceed in tandem under a neoliberal regime? (Oct. 9)


-Sandbrook, Reinventing the Left, chap. 3.


On Inequality and Poverty:


On the Growth Record:


W. Easterly, “The Lost Decades: Developing Countries’ Stagnation in Spite of Policy Reform,” Journal of

6. The Environmental Critique: Does neoliberal development ineluctably lead to climate change and more generalized environmental decline? If so, what is the answer: a shift to a more benign variety of capitalism (social democratization) or the end of capitalism (eco-socialism)? (Oct. 16)


F.H. Buttel, "Ecological Modernizing as a Social Theory." Geoforum 31:1, 2000, pp. 57-65. [EJ]
S. A. Margline, “Premises for a New Economy,” Development 56:2 (2013), 149-54. (statement of 18 ecological experts on the sort of approach that must be adopted now)


7. **Chile: To what extent is this trailblazer a neoliberal success story?** (Oct. 23)


8. Ghana: Is neopatrimonialism or neoliberalism ascendant, or are the two reconcilable? (Oct. 30))


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S. Lindberg et al., “Are African Voters Really Ethnic or Clientelistic? Survey Evidence from Ghana,” *Political Science Quarterly* 123:1, 95-.

READING WEEK Nov. 6 – no class

9. India: a Neoliberal Success Story? In particular, why have the poor gained so little from the economic growth that has been promoted by economic liberalization? (Nov. 13)


M. Bouton, “India’s Problem is not Political,” Foreign Affairs 77:3 (1999), 80-93.
R. Jha, “Reducing Poverty and Inequality in India: Has Liberalization Helped?” WIDER, United Nations University, WP 204, Nov. 2000. (download from WIDER web site)
10. The Moderate Social-Democratic Path and the Case of Brazil (Nov 20)

Why was the Workers Party (PT) able to introduce moderate social democracy into highly inegalitarian Brazil, especially since 2007? What impact has the shift had on poverty and inequality? Does the Brazilian case illustrate the central dilemma of this path: that the class reconciliation model of moderate social democracy produces some significant gains, though not enough to mollify militants, yet any move to attack entrenched elite interests and power through class conflict will lead to economic (and probably political) disaster?

Critical Perspectives


*Sandbrook, Reinventing the Left, chap. 5.


Brazilian Case


General issues concerning social democracy:


Social Democracy: The Case of Brazil


S. Cunningham, “Made in Brazil; Cardoso’s Critical Path from Dependency via Neoliberal Options and the Third Way in the 1990s,” European Review of Latin American and Caribbean Studies 67 (1999), 75-86.


What are the main features of the left populist path? What are the main pitfalls this strategy confronts, and how might these pitfalls be avoided?


*Sandbrook, Reinventing the Left, 187-214.
    www.theguardian.com/commentisfree/2016/nom/17/venezuela-nicolas-maduro-dictatorship-
elections-jeremy-corbyn


S. Ellner, “Democratization of PSUV is Key to Chavismo’s Future.” https://venezuelanalysis.com/analysis/12716


12. The radical social-democratic path: The CPI(M) in Kerala, India

Why did a radical social-democratic path emerge in Kerala (1956 to early ’90s) and with what effect? Was it a “development debacle” or an “accumulation crisis” that led to the party’s shift to moderate social democracy in the 1990s? Is this radical strategy feasible in a single country today, and might it become more feasible in the future?


* J. Tharamangalam, “Human Development as Transformative Practice: Lessons from Kerala and Cuba,”


