

Poverty, Trade and Development: Globalization and Inequality in the 21st Century

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Office Hours: to be arranged by request

Course Goal: *To better understand the complex relationship between persistent poverty, governance institutions and political processes, and the role these play in the production of inequality in an era of market expansion and technological change.*

Research papers will be informed by student interest. However, global food supplies, fresh water provision, health care and employment are current areas where many analysts debate the costs and benefits of different poverty reduction strategies. It would be interesting to look at the way international organizations and civil society understand poverty eradication in relation to these four staples.

Week 1: Introduction –Progress and Prosperity in the Twenty-First Century: the Best of All Possible Worlds?

Is Globalization to blame? Analyzing persistent poverty in the global economy. Defining our terms. Required reading: 116 pages

Friedman, Thomas L. "Winner Takes All." In *The Lexus and the Olive Tree: Understanding Globalization*. New York: Farrar, Straus and Giroux, 1999. (16 pgs)

Castells, Manuel. "The New Economy: Informationalism, Globalization, Networking." In *The Rise of the Network Society*. Malden, Mass.: Blackwell, 2000 (original publication 1996). (85 pgs)

Massey, Douglas S. "The Age of Extremes: Concentrated Affluence and Poverty in the Twenty-First Century." *Demography* 33, no. 4 (1996): 395-412. (15 pgs)

Relevant Further Reading

MacPherson, Stewart, and Richard Silburn. "The Meaning and Measurement of Poverty." In *Poverty: A Persistent Global Reality*, edited by John Dixon and David Macarov. New York: Routledge, 1998. (17 pgs)

Week 2: Methodological Frames and Theoretical Propositions for the Study of Poverty

What is poverty? Key theoretical concepts and competing paradigms. Required reading: 104 pages

Sen, Amartya. "On the Darwinian View of Progress." *Population and Development Review* 19, no. 1 (1993): 123-37. (13 pgs)

Yapa, Lakshman. "What Causes Poverty? A Postmodern View." *Annals of the Association of American Geographers* 86, no. 4 (1996): 707-28. (16 pgs)

Miller, S. M. "The Great Chain of Poverty Explanations." In *Poverty: A Global Review*, edited by Else Oyen, S. M. Miller and Syed Abdus Samad. Oslo: Scandinavian University Press, 1996. (17 pgs)

Novak, Mojca. "Concepts of Poverty." In *Poverty: A Global Review*, edited by Else Oyen, S. M. Miller and Syed Abdus Samad. Oslo: Scandinavian University Press, 1996. (13 pgs)

Razavi, Shahra. "Seeing Poverty through a Gender Lens." *International Social Science Journal* 51, no. 162 (1999). (10 pgs)

Harris, David R. "Poverty Research and Antipoverty Policy after the Technological Revolution." In *Understanding Poverty*, edited by Sheldon H. Danziger and Robert H. Haveman. New York: Russell Sage Foundation and Harvard UP, 2002. (8 pgs)

Castells, Manuel. "Prologue: The Net and the Self." In *The Rise of the Network Society*. Malden, Mass.: Blackwell, 2000 (original publication 1996). (27 pgs)

Relevant Further Reading

Townsend, Peter. "Theoretical Disputes About Poverty." In *The International Analysis of Poverty*. Hemel Hempstead (Great Britain): Harvester Wheatsheaf, 1993. (24 pgs)

Week 3: The Difficulty with Measuring Poverty

Empirical challenges of measuring income poverty. What are social inclusion and human development? Required reading: 111 pages

Wolf, Martin. "The Future Looks Grim." *Financial Times of London*, February 26th 2003. (6 pgs)

Reddy, Sanjay G., and Thomas W. Pogge. "How Not to Count the Poor." New York: Columbia University, 2003. (32 pgs)

Wade, Robert Hunter. "The Rising Inequality of World Income Distribution." *Finance and Development* 38, no. 4 (2001). (3 pgs)

Wade, Robert Hunter. "Globalization, Poverty and Inequality: Does the Liberal Argument Hold?" London: London School of Economics and Political Science, 2002. (27 pgs)

Wade, Robert Hunter. *Inequality of World Incomes: What Should Be Done?* www.opendemocracy.net, 2001 [cited June 5 2003]. (3 pgs)

"Overview." In *Human Development Report 2003: Deepening Democracy in a Fragmented World*, www.undp.org, 2002. (11 pgs)

Drache, Daniel. "Poverty Eradication, Economic Integration and Citizenship: Modeling Social Inclusion after the Quebec Summit." Toronto: Robarts Centre for Canadian Studies, York University, 2003. (29 pgs)

Week 4: Globalization and National Poverty

Economic, political and social interdependence—from the Washington Consensus to the Battle in Seattle. How does globalization introduce new poverty challenges? Required reading: 106 pages

Williamson, John. "What Washington Means by Policy Reform." Washington: Institute for International Economics, 1990. (10 pgs)

Naim, Moises. "Washington Consensus or Washington Confusion?" *Foreign Policy*, Spring 2000. (17 pgs)

Soros, George. "The Capitalist Threat." *The Atlantic Monthly*, February 1997. (17 pgs)

Castells, Manuel. "The Information Technology Revolution." In *The Rise of the Network Society*. Malden, Mass.: Blackwell, 2000 (original publication 1996). (48 pgs)

Robbins, Lionel. "Lecture 5: Pamphleteers-Mercantilism (Malynes, Misselden, Mun)." In *A History of Economic Thought: The LSE Lectures*, edited by Steven G. Medema and Warren J. Samuels. Princeton, NJ: Princeton UP, 1998. (8 pgs)

Robbins, Lionel. "Lecture 22: International Trade." In *A History of Economic Thought: The LSE Lectures*, edited by Steven G. Medema and Warren J. Samuels. Princeton, NJ: Princeton UP, 1998. (8 pgs)

Week 5: Trade and Poverty – the Economic Interface

What are the linkages between trade, development and poverty reduction? Is trade liberalization the culprit? Required reading: 101 pages

Krugman, Paul. "Cycles of Conventional Wisdom on Economic Development." *International Affairs* 71, no. 4 (1995): 717-32. (15 pgs)

Dollar, David, and Aart Kraay. "Growth Is Good for the Poor." Washington: World Bank (Development Research Group), 2000. (27 pgs)

Dollar, David, and Aart Kraay. "Trade, Growth and Poverty." Washington: World Bank (Development Research Group), 2000. (31 pgs)

Rodrick, Dani. "Comments on 'Trade, Growth and Poverty' by D. Dollar and A. Kraay." Cambridge, Mass: Harvard University, 2000. (5 pgs)

Nye, Howard L. M., Sanjay G. Reddy, and Kevin Watkins. "Dollar and Kraay on 'Trade, Growth and Poverty': A Critique." International Development Economics Association, www.networkideas.org, 2002. (17 pgs)

Rodrick, Dani. "Trading in Illusions." *Foreign Policy*, March 2001. (6 pgs)

Relevant Further Reading

Ben-David, Dan, Hakan Nordstrom, and L. Alan Winters. "Special Studies 5: Trade, Income Disparity and Poverty." Geneva: World Trade Organization, 1999. Chapter 3 (22 pgs) Available at www.wto.org

Freeman, Richard B. "The Rising Tide Lifts. . .?" In *Understanding Poverty*, edited by Sheldon H. Danziger and Robert H. Haveman. New York: Russell Sage Foundation and Harvard UP, 2002. (29 pgs)

Week 6: Path Dependency and National Growth: History Matters

Why do states matter in the poverty equation? Market regulation and international governance. Required reading: 126 pages

Zysman, John. "How Institutions Create Historically Rooted Trajectories of Growth." *Industrial and Corporate Change* 3, no. 1 (1994). (37 pgs)

Hall, Peter A., and David Soskice. "An Introduction to Varieties of Capitalism." In *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, edited by Peter A. Hall and David Soskice. New York: Oxford UP, 2001. (68 pgs)

Pierson, Paul. "The Limits of Design: Explaining Institutional Origins and Change." *Governance: An International Journal of Policy and Administration* 13, no. 4 (2000): 475-99. (21 pgs)

Week 7: Governance, Institutions and Globalization – Bringing the State Back In

Can the state be an effective counterweight to globalization? Required reading: 103 pages

Peters, B. Guy. "Globalization, Institutions and Governance." In *Governance in the Twenty-First Century: Revitalizing the Public Service*, edited by Donald J. Savoie and B. Guy Peters. Montreal: McGill-Queens University Press, 2000. (26 pgs)

Hirst, Paul, and Grahame Thompson. *Globalization in Question: The International Economy and the Possibilities of Governance*. 2nd ed. Cambridge: Polity Press, 1999. Chapter 1 (18 pgs)

Bauman, Zygmunt. "After the Nation-State - What?" In *Globalization: The Human Consequences*. Cambridge: Polity Press, 1998. (21 pgs)

Trebilcock, Michael J. "Trade Liberalization, Regulatory Diversity and Political Sovereignty." Toronto: Faculty of Law, University of Toronto, 2002. (24 pgs)

Turner, Frederick C., and Alejandro L. Corbacho. "New Roles for the State." *International Social Science Journal* 52, no. 163 (2000). (12 pgs)

Naim, Moises. "New Economy, Old Politics." *Foreign Policy*, January/February 2001. (2 pgs)

Week 8: Politics, Poverty and Multilateralism

The expansion of global markets and the evolution of international institutions make poverty an issue that transcends the rarified domain of diplomats and negotiators. Is poverty the result of global indifference or institutional breakdown? Required reading: 110 pages

Drache, Daniel, and Marc Froese. "The Great Global Poverty Debate: Balancing Private Interests and the Public Good at the WTO." Toronto: Robarts Centre for Canadian Studies, York University, 2003. (40 pgs)

Drahos, Peter. "Developing Countries and International Intellectual Property Standard-Setting." *The Journal of World Intellectual Property* 5, no. 5 (2002): 765-89. (24 pgs)

Garrett, Geoffrey. "The Distributive Consequences of Globalization." New Haven: Yale University, 2001. (46 pgs)

Relevant Further Reading

Drahos, Peter, and John Braithwaite. *Information Feudalism: Who Owns the Knowledge Economy?* New York: The New Press, 2002. Chapters 1, 5, 7 (41 pgs)

Week 9: Matching Goals to Outcomes at the WTO

Do the institutional structure and political function of the WTO produce the appropriate outcomes for poverty reduction? If not, why don't they? Required reading: 105 pages

Oyen, Else. "The Politics of Poverty Reduction." *International Social Science Journal* 51, no. 162 (1999). (6 pgs)

de Senarclens, Pierre. "International Organizations and the Challenges of Globalization." *International Social Science Journal* 53, no. 170 (2001). (13 pgs)

Woods, Ngaire, and Amrita Narlikar. "Governance and the Limits of Accountability: The WTO, the IMF, and the World Bank." *International Social Science Journal* 53, no. 170 (2001). (12 pgs)

Drahos, Peter. "When the Weak Bargain with the Strong: Negotiations in the World Trade Organization." *International Negotiation* 8 (2003): 79-109. (25 pgs)

Stiglitz, Joseph E. *Globalization and Its Discontents*. New York: W.W. Norton and Company Inc., 2002. Chapters 1, 2 (49 pgs)

Relevant Further Reading

Bacchetta, Marc, and Marion Jansen. "Special Studies 7: Adjusting to Trade Liberalization: The Role of Policy, Institutions and WTO Disciplines." Geneva: World Trade Organization, 2003. (55 pgs) Available at www.wto.org

Week 10: Democratizing the Great Poverty Debate – Civil Society and the North/South Divide

Can the knowledge economy work for the poor? Required reading: 117 pages

Kovach, Hetty, Caroline Neligan, and Simon Burall. "The Global Accountability Report 1: Power without Accountability?" London: One World Trust, 2003. (34 pgs)

Ostry, Sylvia. "External Transparency: The Policy Process at the National Level of the Two Level Game." Geneva: World Trade Organization (WTO Advisory Group), 2002. (21 pgs)

Drahos, Peter, and John Braithwaite. *Information Feudalism: Who Owns the Knowledge Economy?* New York: The New Press, 2002. Chapters 13, 14 (21 pgs)

Castells, Manuel. "The Other Face of the Earth: Social Movements against the New Global Order." In *The Power of Identity*. Malden, Mass.: Blackwell, 1997. (41 pgs)

Week 11: Balancing Private Interests and Public Need

Is the international trade regime equipped to protect the public domain? Required reading: 83 pages

Bello, Walden. *Why Reform of the WTO Is the Wrong Agenda* [HTML File]. Focus on the Global South, 2003 [cited June 10 2003]. Available from www.portoalegre2003.org. (9 pgs)

Hirst, Paul, and Grahame Thompson. *Globalization in Question: The International Economy and the Possibilities of Governance*. 2nd ed. Cambridge: Polity Press, 1999. Chapter 4 (36 pgs)

Somavia, Juan. "Report of the Director-General: Working out of Poverty." Geneva: International Labor Office, 2003. Chapter 1 (17 pgs)

Comelau, Christian. "The Limitless Growth Assumption." *International Social Science Journal* 52, no. 166 (2000). (9 pgs)

Coicaud, Jean-Marc. "Reflections on International Organizations and International Legitimacy: Constraints, Pathologies, and Possibilities." *International Social Science Journal* 53, no. 170 (2001). (12 pgs)