ECON 3230A

Selected Topics in Economic History:  
Political Economy of Late Development:  
Reflections from Contemporary India & China

2018 Early Summer (May-June)

Course Instructor: Deepanshu Mohan
Course Duration: Early Summer Term (6 Weeks; May 7-June 19)
Lecture Hours: Tuesdays & Thursdays, 6:05pm–8:55pm
Location: A720 Loeb Building
Office Hours: TBA
E-mail: deepanshu.mohan@carleton.ca; dmohan@jgu.edu.in

Prerequisites:
Prerequisite(s): ECON 1000 or FYSM 1003, or permission of the Department.

Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator, Amanda Wright. DEF(ferred final grade) status at the end of this course precludes (continued) registration in any other course for which the former is a prerequisite

Brief Course Description:

“Institutions that provide dependable property rights, manage conflict, maintain law and order, and align economic incentives with social costs and benefits are the foundation of long-term growth...State institutions are not the only ones that matter. Social arrangements can have equally important and lasting consequences.... Modest changes in institutional arrangements... can produce large growth payoffs...[but] the required changes can be highly specific to the context This yields some general lessons for policy-makers in LDCs and transition economies who are contemplating market-oriented reforms and privatizations, and for their economic advisers from Western countries and international organizations. They must recognize that markets will not succeed unless they are supported by adequate governance institutions.”  

-Dani Rodrik (In Search of Prosperity, 2000)

In using a narrative style, this course shall focus on the institutional relationship between economic agents and principal political actors, offering comparative cross-country reflections from developing countries like India, China while discussing their own experience with social, economic reforms (aimed to promote economic development) since 1980s.

Some key course objectives are highlighted below:

- Introduce cross-country growth narratives of India and China by offering a comparative political economy perspective. Reflections from each country’s experience with economic reforms (in their respective growth narrative) shall seek to offer a more applied perspective on the interplay of market-economics with the affirmative action undertaken by the state (in aspects of price ceiling, public goods, increased regulation etc.).
• Introduce the course by drawing a connection between the motivation of concepts covered in international political economy with thoughts from leading classical western liberal philosophers like John Locke, J.S. Mill, Jeremy Bentham, John Rawls and eastern philosophers like Confucius, Kautilya et al. The philosophical interpretations will be vital in highlighting the limits of orthodox economics that influences economic policy-making.

• Develop an understanding of the kind of challenges developing economies like India, China and others in Asia face today surfacing from their progress to democratization and development as a post-colonial nation-state with the global diffusion of sub-continental Diasporas and culture.

• Incorporate discussions on studying the exacerbating nature of relational inequalities in areas of gender inequality and other identity based discriminations, surfaced from the nature of economic policies, including an over-marketization of social and public goods.

**Recommended Readings & Texts:**

- *Beyond the Invisible Hand: Groundwork for a New Economics* by Kaushik Basu
- *Saving Capitalism from the Capitalists* by Raghuram Rajan & Luigi Zingales
- *In Search of Prosperity* edited by Dani Rodrik et al.
- *State Directed Development: Political Power and Industrialization in the Global Periphery* by Atul Kohli

**Additional Reading Texts (On Political Economy of India and China):**

- *The Oxford Handbook of Political Economy* edited by Donald Wittman and Barry Weingast
- *India: The Emerging Giant* by Arvind Panagriya
- *The China Model* by Daniel Bell
- *A Sociology of Modern China* by Jean Louis Rocca
- *Can Asians Think? Understanding the Divide between East and West* by Kishore Mahbubani

A detailed list of week-by-week references and topics will be emailed and uploaded on Carleton Central for all registered student’s reference by Week I of the course. In addition to the mentioned books here, other references (mostly in the form of research papers) will be specified for most of the topics covered.

**Week Wise Topic & Reading List**

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<th>Semester Weeks</th>
<th>Reading¹</th>
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<tr>
<td>Week 1:</td>
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<tr>
<td>The “Political Economy” of “Late Development”: Meaning &amp; Significance</td>
<td>Class Discussion</td>
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<tr>
<td>The Role for “Narratives” in the diagnosis of Economic Growth</td>
<td>The Role of Narratives in Economic Analysis by Robert Shiller</td>
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¹ Scanned versions of all readings (including book chapters) will be available on the Carleton Central portal.
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<tr>
<th>Week 2:</th>
<th>Chapter 1: In Praise of Dissent in <em>Beyond The Invisible Hand</em> by Kaushik Basu</th>
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<td><em>Beyond the Invisible Hand: In Praise of Dissent</em></td>
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<td><em>Beyond the Invisible Hand: The Theory of the Invisible Hand &amp; The Limits of Orthodoxy</em></td>
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<td><em>(Mediating Policies between the State and Market)</em></td>
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<td><em>Market Failures and Correcting them.</em></td>
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<td>Chapter 2: The Theory of the Invisible Hand and Chapter 3: The Limits of Orthodoxy in <em>Beyond The Invisible Hand</em> by Kaushik Basu</td>
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<td><em>Market Failures and Government Failures</em> by Mrinal Datta Chaudhari</td>
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<td><em>Political Economy of Late Development: Reflections from India’s Growth Narrative (since 1980s)</em></td>
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<td>Week 4:</td>
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<td>Political Economy of Late Development: <em>Reflections from (Post-Reform) China and its (current) role in the World</em></td>
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| • *How Reform Worked in China* by Y. Qian  
• *The China Model* by Daniel Bell  
• *A Sociology of Modern China* by Jean Louis Rocca | |
| Week 5: | In Class- Policy Simulation Exercise (Details to be given by Week 3) |
| *Policy Simulation Exercise* | |
| Week 6: | |
| Constructing Narratives & their role in Economic Analysis and Reasoning | |
| *What do we learn from Cross-Country Narratives* by Dani Rodrik in *In Search of Prosperity* | |

**Course Evaluation:**

Each student’s grade in the course will be calculated as a weighted average of scores based on: (a) **Class Participation Grade**- 15%; (b) **Class Group Presentation** - 20%; (c) **Policy Simulation Exercise** (20%) and an **End Term Take Home Research Assignment** (45% of the overall grade). The assessment formats with their respective grade percentage are given below.

- Class Group Presentation Exercise 20%
- Class Participation 15%
- Policy Simulation Exercise 20%
- Final End of Term Paper 45%
Further details on all internal assessments, marking style and feedback mechanism will be provided during Week I of the class. Students must fulfil all of the preceding course requirements in order to achieve a passing grade (D- or higher). Failure to earn 50% or more of the available participation marks, or failure to do one or both assignments or failure to complete the required internal assessments (without a documented compelling reason) will result in a grade of ‘F’.

Failure to write the final examination when the student has achieved satisfactory performance during the term will result in a grade of ‘F’ until an appeal to write the deferred final exam in July 2018 is granted. A change of grade will be submitted when the deferred final examination must be made at the Registrar’s Office in writing no later than three working days after the original final examination.

Please note that any doctor’s note, police report etc. used as documentation provided by students for a missed assessment may be subject to verification.

Plagiarism: Please be aware that plagiarism is serious offence at Carleton and should be recognized and avoided. For further information on how to do so, please see “Pammett on Plagiarism and Paraphrasing” at www.carleton.ca/economics/courses/writing-preliminaries

Academic Support: The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: www.carleton.ca/csas.

Accommodation: The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send the instructor your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). Requests made within two weeks will be reviewed on a case-by-case basis. After requesting accommodation from PMC, meet with the instructor to ensure accommodation arrangements are made. Consult the PMC website www.carleton.ca/pmc for the deadline to request accommodations for the formally-scheduled exam (if applicable).

Religious Observance: Students requesting accommodation for religious observances should apply in writing to their instructor for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student. Instructors and students may contact an Equity Services Advisor for assistance (www.carleton.ca/equity).
**Pregnancy:** Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. Then, make an appointment to discuss your needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

**Academic Integrity:** Please ensure that you are familiar with and comply with the Carleton University Academic Regulations as they apply to [https://carleton.ca/registrar/academicintegrity/](https://carleton.ca/registrar/academicintegrity/)

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* I would suggest all students (including those from other departments) who are interested in pursuing this course to attend the Week I class in May to get the best perspective on the course details.

* The Week-Wise Reading and Topic list provided in the Course outline is indicative and subject to change before classes begin.