Course Overview

This course is designed to provide an introduction to the study of foreign aid and development. It begins by reviewing the logic and evidence of arguments for and against the provision of foreign aid. It introduces a set of analytic tools based on the strategic perspective of political science and political economy to evaluate the current debates on foreign aid and to draw policy-relevant conclusions.

After considering selected country case studies, discussions on the scope, limitations of foreign aid, and the institutions that implement aid policies will follow. We will ask: What are the mechanisms that underlie the persistence of poverty? What types of interventions have been tried or could be tried? Why is foreign aid often given to dictators and corrupt leaders who do little to advance the well being of their own citizens? Why has foreign aid not been effective at promoting economic growth or political freedom?

This is the subject of the current debate on foreign aid which centers on two competing explanations for foreign aid’s inadequate performance. One point of view argues that too little is spent on foreign aid to make a difference. The opposing perspective looks at the inadequacies of the recipients instead of the amount of aid given by the donors. This course will emphasize a third explanation, the selectorate-based strategic perspective, which seeks to answer four critical questions about aid: (1) Which countries give aid, (2) How much do they give, (3) Which countries get aid, (4) How much do they get?

In the second part of the course, attention then turns to the inter-relationship between foreign aid, poverty and revolutions. What is the impact of foreign aid on leader’s tenure? Does foreign aid inhibit democratization? We will further explore the extent to which international aid alleviated poverty and improved public goods provision and explore diverse topics ranging from the impact of foreign aid on revolutionary outcomes and of natural disasters on revolutionary movements.

Course Requirements

The class will be run like a seminar. You are expected to have completed the readings before each class and come to class ready to participate in the discussion. For each class, a student will be responsible for starting the discussion with a presentation and leading the discussion.
The discussion leader will submit 4 questions based on the readings the day prior to the class. The goal of the presentations will be to identify the key discussion questions which will guide the class discussion and provide a brief overview of the readings.

Course grade will be based on class participation and presentation (30%), a short response paper (30%), and a take-home final exam (40%). The response paper on one of the assigned readings is due by July 26th. The final exam will be handed out in class on July 29 and is due by the end of day on August 11th.

**Course Readings**

All journal articles are available on the class website via Classes. Readings marked with an asterisk (*) denotes further recommended reading and are optional. The textbooks for this course are listed below and are on reserve at the circulation desk in Elmer Holmes Bobst Library.


Easterly, William. 2006. *The White Man’s Burden: Why the West’s Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. Penguin Press.


*Easterly, William. 2002. *The Elusive Quest for Growth: Economists’ Adventures and Mis-

Course Schedule, Topics and Reading Assignments

Part 1. Introduction to the Key Concepts

Week 1 (July 3)
Overview of Theory, Empirics and Conditions.
No readings assigned.

Part 2. The Origins of Prosperity and Poverty

Week 1 (July 5): Why Nations Fail?
Sachs, Jeffrey. The End of Poverty. Chap. 3.

Week 2 (July 10): Models of Economic Growth and Development

Part 3. The Aid Debate: Saving the World vs. One Step at a Time

Week 2 (July 12): Path Dependence and Poverty Traps

Week 3 (July 17 & July 19): Planners versus Searchers


**Week 4 (July 24, July 26): Poor Economics**


**Part 4. Revolutions, Regime Change and Leadership**

**Week 5 (July 31): A Theory of Selectorate Politics**


**Week 5 (August 2): Giving and Getting Aid**


Bueno de Mesquita, Bruce, and Alastair Smith. 2009. “A Political Economy of Aid.” Inter-


*Bueno de Mesquita, Bruce, and George W. Downs, “Intervention and Democracy.” International Organization, Vol. 60, No. 3 (Summer 2006), pp. 627-649

**Week 6 (August 7): Aid, Poverty, and Revolutions**


**Week 6 (August 9): Natural Disasters, Leadership and Revolutions**

