

## **International Development and International Organizations**

**Cornel Ban**

Assistant Professor

The International Relations Department

Boston University

cban@bu.edu

Code: IR 592

Course blog: [www.ir592.wordpress.com](http://www.ir592.wordpress.com)

### **Seminar Description**

International organizations (IOs) play a central role in international development. The purpose of this seminar is to enable you to navigate the world of development-related international organizations with competence, critical skills and the capacity to apply your newly acquired knowledge to concrete policy challenges. The questions asked by this course cover a range of pressing issues? Why does the IMF matter and how? How are the rules made inside the World Bank? Does Washington have the last word in the Bretton Woods institutions? Why care about the ILO and the WHO? How have the crisis and the rise of the BRICs altered the landscape for IOs?

You will read texts that present pressing questions and issues concerning development practices, policies, and theories as they are related to international organizations. The pedagogical approach is to require students to read entire books, write thought-pieces, engage in lively critical discussions and undertake a research project. Efforts to connect broader debates to understanding contemporary problems are encouraged.

By October 15<sup>th</sup> each of you owes a 2,000 words literature review on a relevant issue to be decided together with the instructor. The final consists of a 4,000 words paper addressing a policy question that is high on the current policy agenda. The format is not the academic paper but the *policy memorandum*. Each of the literature review essays will be worth 20 points of the final grade, while the final paper will be worth 40 points. The remaining 20 points will be covered in the following way: 10 points for class participation and 10 points for a 700 word editorial/500 word letter to the editor prepared for a quality newspaper or blog on one of the issues discussed in class to be delivered at any point after October 15<sup>th</sup> along with evidence of its submission.

*Suggested class structure*

15 minutes: professor's lecture on the topic of the day  
15 minutes: discussion of some current event in political economy as it relates to the readings  
20 minutes: presentations  
5 minutes: professor's challenge to/comments to the presentations  
20 minutes: class discussion  
10 minutes: the policy implications of the discussion of the day  
5 minutes: professor's wrap-up

### *Presentation template*

1. Intro: the main question, the audience, the importance
2. Main body: the argument, unpacked
3. Scholarly and policy implications

To keep up to speed with the latest research on hot topics in economics and political economy you are strongly encouraged to keep an eye on the following blogs:

<http://www.voxeu.org/>  
<http://www.oxfamblogs.org/fp2p/>  
<http://triplecrisis.com/>  
<http://ineteconomics.org/blog>  
<http://blog-imfdirect.imf.org/>  
<http://nakedkeynesianism.blogspot.com/>  
<http://www.project-syndicate.org/>  
<http://baselinescenario.com/>  
<http://www.guardian.co.uk/global-development>  
<http://chrisblattman.com/>

### **Work and Ethics**

You are responsible to know Boston University's Academic Conduct Code. Link:  
<http://www.bu.edu/academics/resources/academic-conduct-code/>

All cases of misconduct will be referred to the Dean's Office.

Papers handed in late entail the loss of ten percent of the grade for each day.

### **Books**

Sarah L. Babb, *Behind the Development Banks: Washington Politics, World Poverty, and the Wealth of Nations*, University of Chicago Press, 2009.

Jeffrey Chwieroth, *Capital ideas: the IMF and the rise of financial liberalization*, Princeton, 2010.

Manuela Moschella, *The IMF and Global Financial Crises, Governing Risk*, Palgrave, MacMillan, 2010.

Catherine Weaver, *Hypocrisy Trap: The World Bank and the Poverty of Reform*, Princeton University Press, 2008.

Ngairé Woods, *The Globalizers: The IMF, the World Bank, and Their Borrowers*, Cornell University Press, 2007.

## **Seminar overview, week by week**

### **1. International Financial Institutions: A Bird's Eye View**

What are the principal roles and missions of the IMF and the World Bank? How do these institutions matter? What's wrong and what's right with them? How can they be reconstituted and revitalized?

**Thurs:** Ngairé Woods, *The Globalizers: The IMF, the World Bank, and Their Borrowers*, Cornell University Press, 2007. (ch. 1-3; 7)

Martin Wolf “Why a new Bretton Woods is vital – and so hard,” *Financial Times* November 5, 2008.

Explore the International Financial Institutions Research Site. This is an AMAZING research tool! Available here: <http://www.wellesley.edu/Economics/IFI/index.html>

SIGN-UP for IMF news releases at:  
<http://www.imf.org/external/cntpst/membersignup.asp>

### **2. The IMF in the Global Economy**

**Tues:** Graham Hache, “A Non-Definitive Guide to the IMF: A review article.” *World Economics* 8 (2), 2007, pp.97-118.

Grigore Pop-Eleches, “Public Goods or Political Pandering: Evidence from IMF Programs in Latin America and Eastern Europe,” *International Studies Quarterly*, Volume 53, Issue 3, pp. 787–816, September 2009

**Thurs:** Jeffrey Chwieroth, *Capital ideas: the IMF and the rise of financial liberalization*, 2010. (ch 1, 2 and 3)

*The Articles of Agreement*, entire (skim).

Available on-line: <http://www.imf.org/external/pubs/ft/aa/index.htm>

“About the IMF”

Available on-line: <http://www.imf.org/external/about.htm>

### **3. The IMF, Crises and Policy Change**

**Tues:**

Andrea, Presbitero and Alberto Zazzaro, “IMF Lending in Times of Crisis: Political Influences and Crisis Prevention” *World Development*, 2012, Vol.40(10), pp.1944-1969

Axel Dreher and Stefanie Walter, “Does the IMF Help or Hurt? The Effect of IMF Programs on the Likelihood and Outcome of Currency Crises, *World Development*, 2010, Vol.38(1), pp.1-18

**Thurs:**

Jeffrey Chwieroth, *Capital ideas: the IMF and the rise of financial liberalization*, 2010. (ch 5,7,8,9 )

### **4. The World Bank: Inside and Outside**

**Tues:**

Dani Rodrik, “Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s: Learning from a Decade of Reform” *Journal of Economic Literature*, Volume 44, Number 4, December 2006 , pp. 973-987(15).

The World Bank, [A guide to the World Bank ; 3rd ed..](#)

World Bank.; ebrary, Inc. ; Washington, D.C. : World Bank ; 2011 (available online through BU). Read chapters 1 and 2 only.

**Thurs:**

Catherine Weaver, *The Hypocrisy Trap: The World Bank and the Poverty of Reform*, Princeton University Press, 2008. (ch 1-3; 5-6)

### **5. The Bretton Woods Institutions and Financial Crises**

**Tues:**

Daniela Gabor, "The Road to Financialization in Central and Eastern Europe: Revisiting the early policies and politics of stabilizing transition", *Review of Political Economy*, 2010 (pdf-ed on the course blog)

Ali Burak Güven, "The IMF, the World Bank, and the Global Economic Crisis: Exploring Paradigm Continuity" *Development and Change*, 2012, Vol.43(4), pp.869-898

Marcel Fratzscher and Julien Reynaud, "IMF surveillance and financial markets—A political economy analysis" *European Journal of Political Economy*, Volume 27, Issue 3, September 2011, pp. 405–422

**Thurs:**

Manuela Moschella, *The IMF and Global Financial Crises, Governing Risk*, Palgrave, MacMillan, 2010. (ch 1-4; 6)

**6. IFIs and the US**

**Tues:** First half of Sarah L. Babb, *Behind the Development Banks: Washington Politics, World Poverty, and the Wealth of Nations*, University of Chicago Press, 2009. (first half)

**Thurs:** second half of Babb.

Liam Clegg, "Global governance behind closed doors: The IMF boardroom, the Enhanced Structural Adjustment Facility, and the intersection of material power and norm stabilisation in global politics," *The Review of International Organizations*, 2012, Vol.7(3), pp.285-308.

**7. The International Politics of Regional Development Banks**

**Tuesday:**

Raj Desai, and James Raymond Vreeland. 2011. "Global Governance in a Multipolar World: The Case for Regional Monetary Funds." *International Studies Review* 13 (1), pp. 109-121.

Christopher Kilby "Informal Influence in the Asian Development Bank." *Review of International Organizations* 6 (3-4), pp. 223-257.

**Thursday:**

Michele Fratianni and John Pattison, John. "The Bank for International Settlements: An Assessment of Its Role in International Monetary and Financial Policy Coordination." *Open Economies Review* 12 (2), 2001; pp. 197-222.

Ian Hardie, "The Power of the Markets? The International Bond Markets and the 2002

Elections in Brazil.” *Review of International Political Economy* 13, no. 1 (2005): 53–77.

## **8. Trade IOs**

### **Tues:**

Robert Hunter Wade “What strategies are viable for developing countries today? The World Trade Organization and the shrinking of ‘development space’” *Review of International Political Economy*. Volume 10, Issue 4, 2003, pages 621-644.

Nitsan Chorev and Sarah Babb, “The crisis of neoliberalism and the future of international institutions: A comparison of the IMF and the WTO,” *Theory and Society*, Volume 38, Number 5, 459-484.

### **Thurs:**

McGillivray, Fiona. “Democratizing the World Trade Organization.” Hoover Institution Policy Paper No 105. 2000.

Manfred Elsig, “Principal-agent theory and the World Trade Organization: Complex agency and 'missing delegation'” *European Journal Of International Relations*, 2011, Vol.17(3), pp.495-517

## **9. Labor, Environmental and Health IOs**

### **Tues:**

Mark P. Thomas, “Global Industrial Relations? Framework Agreements and the Regulation of International Labor Standards” *Labor Studies Journal*, Published online before print March 31, 2010.

Guy Standing “The ILO: An Agency for Globalization?” *Development and Change* Volume 39, Issue 3, pages 355–384, May 2008

### **Thurs:**

C. Death “ Summit theatre: exemplary governmentality and environmental diplomacy in Johannesburg and Copenhagen” *Environmental Politics*, 2011, Vol.20(1), pp.1-19

Nitsan Chorev (2012), “A New Health Order as Part of the New Social Order”: The Strategic Response of the WHO to its Member States, in Julian Go (ed.) *Political Power and Social Theory (Political Power and Social Theory, Volume 23)*, Emerald Group Publishing Limited, pp.65-100

## **10. Development IOs and the Rise of the BRICs**

**Tues:**

Ngairé Woods. "Whose aid? Whose influence? China, emerging donors and the silent revolution in development assistance" *International Affairs* 84 (6) 2008, pp. 1205-1221.

Mark Beeson, Comment: Trading places? China, the United States and the evolution of the international political economy. *Review of International Political Economy* 16(4): 729-741, 2009.

**Thurs:**

Kevin P. Gallagher, Understanding developing country resistance to the Doha Round. *Review of International Political Economy* 15(1): 62-85, 2008.

John S. Odell, Breaking Deadlocks in International Institutional Negotiations: The WTO, Seattle, and Doha. *International Studies Quarterly* 53(2): 273-299, 2009.

**11. Development IOs and Domestic Politics**

**Tues:**

Terri Caraway, Stephanie Rickard "International Negotiations and Domestic Politics: The Case of IMF Labor Market Conditionality" *International Organization*, 2012, Vol.66(1), pp.27-61.

Thomas Oatley, "The Reductionist Gamble: Open Economy Politics in the Global Economy" *International Organization*, 2011, Vol.65(2), pp.311-341.

**Thursday**

Xun Cao, "Global Networks and Domestic Policy Convergence: A Network Explanation of Policy Changes," *World Politics*, 2012, Vol. 64(3), pp.375-425.

Todd, Allee and Jamie Scalera "The Divergent Effects of Joining International Organizations: Trade Gains and the Rigors of WTO Accession," *International Organization*, 2012, Vol.66(2), pp.243-276

**12. Coping with the Crisis: The Future of IOs**

**Tues:**

Nancy Bermeo and Jonas Pontusson, "Coping with the crisis"  
[https://www.russellsage.org/sites/all/files/Bermeo\\_Chap1.pdf](https://www.russellsage.org/sites/all/files/Bermeo_Chap1.pdf)

Sarah Babb, "The Washington Consensus as Transnational Policy Paradigm: Its Origins, Trajectory, and Likely Successor," *Review of International Political Economy*, online.

**Thurs:**

Ruguram Rajan "The future of the IMF and the World Bank" *American Economic Review*, 2008, Vol.98(2), pp.110-115

Richard Deeg and Mary O'Sullivan, "The Political Economy of Global Finance Capital" *World Politics*, 2009, Vol.61(4), pp.731-763

**13. Wrap-up and student presentations**