

Course Name :	Political Economy of International Organizations
Program:	M2 PPD
Professor(s) :	Kristin MICHELITCH, Associate Professor of Political
	Science, SBS Department, TSE
Semester :	Spring 2024
Teaching Assistant :	-
Course hours Nb:	30h
Tutorials hours Nb:	-
Language:	English

## **CONTACT:**

EMAIL: <u>kristin.michelitch@iast.fr</u> PROFESSIONAL WEBSITE : https://sites.google.com/site/kristinmichelitch/home

## **OBJECTIVES:**

International development assistance has evolved considerably from WWII. Although some of the initial development agencies are still operating and remain influential, the way they function has evolved and important new players have entered the field. This course provides an overview of the organizational structure of aid organizations, the contractual arrangements with the recipient countries, and the political and economic motivations behind these relationships.

In the first part of the course we will study the different players in the aid game: on the one side, the aid recipients, and on the other side, the aid donors. We will study the governance structure and behaviour of multilateral donor agencies (like the World Bank or the Inter-American Development Bank), of bilateral agencies (like the AFD, GTZ, USAid,...) and of Non-Governmental organizations. We will also look at the new donors' (e.g., China's) strategies and motivations.

We will study the comparative advantage of each of these institutions, how they allocate funds, how they interact, and how their behaviour affects the aid recipients' behaviour. We will also look in detail into the effectiveness of aid flows, and the factors that affect this effectiveness. We will conclude with a discussion on the (lack of) coordination between donors and how it affects the effectiveness of aid.

#### **TEXTBOOKS**:

See below reading list of paper. As suggested books:

- Dambisa Moyo (2009) "Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa"
- William Easterly (2007) "The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much III and So Little Good"

#### **GRADING POLICY**:

• Participation (10%):

I expect everyone to participate. The success of the class is not just the efforts of the instructor, but efforts of students to contribute. Remember that good participation in a class is a training ground for

# School of Economics

you to be a good participant at a scholarly workshop or one day at your job. Key skills are: (0) coming to class prepared, (1) listening to classmates (not just focusing on what you will say), (2) recognizing classmates' contribution, and (3) building on classmates' contribution with your own ideas. Thus, participation is not just you talking to the professor, it is having a class conversation. Further, in these conversations about scholarly works, it is important not just to focus on scholars' flaws in theory, design, or analysis, but also --- what was a compelling theoretical contribution? what design aspects are strong? what analysis is novel? what results do I believe? what is an unanswered question for me? how would I address unanswered questions in original research?

• Wikipedia Update (40%):

This assignment allows students to explore a set of four interrelated readings of their choice that are not on the syllabus and create a public-facing ``teaching" output. In this assignment, you will expand open science by helping to update Wikipedia's pages related to the topic of political economy of international organizations. The four works should be related to the same theme, and should not currently exist on Wikipedia. Students will compose a short 1-2 paragraph update to an existing Wikipedia page, or a proposed re-write to existing paragraphs that introduce the new works. Students may choose to learn to technically edit Wikipedia and add their contributions themselves, or Professor Michelitch will simply add the work. This activity is purposefully early in the semester to get students exploring ideas related to personal interests that might prime the pump for a term paper/design idea.

• Research Design (50%):

The research design that students write for this course should advance their career in some way. Rather than being due only at the end of the semester, you will progressively work on this design with intermediary due dates. (1) a 1-2 page memo (10% of total grade) with research question, motivation, and potential contribution. This obviously requires some investigation and review of literature. You will have a one-on-one meeting with the professor regarding this memo. (2) A First Draft (15% of total grade) (3) A Second Draft (10% of total grade) (4) A final draft (15% of total grade). You will receive explicit instructions to do this design.

# **COURSE OVERVIEW (Draft and Subject to Change):**

- (1) Introduction
- (2) Major Actors in Development Aid
- Chris Humphrey and Katharina Michaelowa "The Business of Development: Trends in Lending by Multilateral Development Banks to Latin America, 1980 – 2009" World Development 2013
- William Easterly and Claudia Williamson "Rhetoric versus Reality: The Best and Worst of Aid Agency Practices" World Development 2013
- Axel Dreher, Andreas Fuchs, Brad Parks, Austin M Strange and Michael J Tierney "Apples and Dragon Fruits: The Determinants of Aid and Other Forms of State Financing from China to Africa" International Studies Quarterly 2018
- Gani Aldashev and Cecilia Navarra "Development NGOs: Some Basic Facts" Annals of Public and Cooperative Economics 2017

(3) Political Economy of Donor-Recipient Relationships

• Alesina and Dollar "Who gives aid to whom and why?" \textit{Journal of Economic Growth 2000}



• Axel Dreher, Andreas Fuchs, Roland Hodler, Bradley C. Parks, Paul A. Raschky, and Michael J. Tierney "Aid on Demand: African Leaders and the Geography of China's Foreign Assistance" Working paper

(4) Aid Effectiveness and Contracting

- Raghuram G. Rajan and Arvind Subramanian "Aid and Growth: What Does the Cross-Country Evidence Really Show?" Review of Economics and Statistics 2008
- Christopher Kilby and Erasmus Kersting "With a little help from my friends: Global electioneering and World Bank lending" Journal of Development Economics 2016
- Diego Hernandez "Are "New" Donors Challenging World Bank Conditionality?" Working paper

(5) Humanitarian and Food Aid

- Nathan Nunn, and Nancy Qian "The Determinants of Food Aid Provisions to Africa and the Developing World" Working paper
- Nancy Qian and Nathan Nunn "U.S. Food Aid and Civil Conflict" American Economic Review 2014
- Oeindrila Dube, and Suresh Naidu "Bases, Bullets, and Ballots: The Effect of US Military Aid on Political Conflict in Colombia" Journal of Politics 2015
- Michael Clemens and Hannah Postel "Deterring Emigration with Foreign Aid: An Overview of Evidence from Low-Income Countries" Working paper CGD 2018 Axel Dreher, Andreas Fuchs and Sarah Langlotz "The Effects of Foreign Aid on Refugee Flows" Working paper