

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
Location:	MH204
Time:	14:00-17:00 Thursdays from January 18 to March 21; Extra time for student presentations 17:00-20:00 on March 21

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OFFICE HOURS : by appointment

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.

GRADING:

- 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 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 10 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 course topic. The 10 works should be academic sources (e.g., books or journal articles) related to the same theme and should not currently exist on Wikipedia. Students may feel free to add additional non-academic citations as well to round out their content.

Students will compose either a brand new Wikipedia page, add paragraphs to update an existing Wikipedia page, or a (substantial) re-write to existing paragraphs on an existing page that contain the new works alongside existing works on the page. The topic of the page should ideally advance students' career in some way (think of your CV and jobs you want to get!). Students should write the page in English. Students will learn to technically edit Wikipedia and add their contributions themselves with guided training modules. This activity starts purposefully early in the semester to get students exploring ideas related to personal interests that might prime the pump for research design ideas.

Your work on this project will be a meaningful output. In the first class (2018) in which I had students do this project, their articles have now received over 3.2 million views, for example, at the time of writing.

- Research Design (50%):

The research design that students write for this course should ideally 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.

Pedagogical Philosophy:

In my class, I want to empower students in two ways. First, students will not only consume knowledge, but be producers of knowledge. The knowledge students produce will matter beyond the classroom. Second, rather than completely pre-define all aspects of student learning, I like to give students the opportunity to pursue a portion of learning in an area of their own choosing. When students apply for jobs and internships, students can point to a completely unique project about which they are passionate about.

COURSE OVERVIEW (Draft and Subject to Change):

0. Introduction & Wikipedia
 - 0.1. Wikipedia

- Akerly & Michelitch “Wikipedia and Political Science” *PS: Political Science and Politics* 2022
- Michelitch & Wilfahrt “Improving Open-Source Information on African Politics, One Student at a Time” *PS: Political Science and Politics* 2022

0.2. Debates on Development Assistance

- Nancy Birdsall “Seven Deadly Sins: Reflection on Donor Failings” *Center for Global Development* 2005
- William Easterly and Claudia Williamson "Rhetoric versus Reality: The Best and Worst of Aid Agency Practices" *World Development* 2013
- William Easterly and Tobias Pfutze “Where Does the Money Go Best and Worst Practices in Foreign Aid” *Journal of Economic Perspectives* 2008

1. Major Actors in Development Aid

1.1. Governance of Multilateral Organizations

- Chris Humphrey and Katharina Michaelowa “The Business of Development: Trends in Lending by Multilateral Development Banks to Latin America, 1980 – 2009” *World Development* 2013
- Leopoldo Avellan, Arturo Galindo, Giulia Lottie, Juan Pablo Rodriguez “Bridging the Gap: Mobilization of Multilateral Development Banks in Infrastructure” *World Development* 2024

1.2. Traditional vs. Emerging Donors

- 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
- Debra Shushan & Chirstopher Marcoux “The Rise (and Decline?) of Arab Aid: Generosity and Allocation in the Oil Era” *Worlds Development* 2011

1.3. NGOs

- Gani Aldashev and Cecilia Navarra “Development NGOs: Some Basic Facts” *Annals of Public and Cooperative Economics* 2017

2. Political Economy of Donor-Recipient Relationships

2.1. Aid Allocation

- Bernard Hoekman & Anirudh Shingal “Development Goals, Commercial Interest and EU Aid-for-Trade” *World Development* 2024
- Alesina and Dollar “Who gives aid to whom and why?” *Journal of Economic Growth* 2000
- Axel Dreher, Peter Nunnenkamp and Rainer Thiele “Are New Donors Different? Comparing the Allocation of Bilateral Aid Between non-DAC and DAC Donor Countries” *World Development* 2011
- 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" *Journal of Development Economics* 2019

2.2. Non-borrowers Influence in Multilateral Organizations

- Axel Dreher, Jan-Egbert Sturm and James Raymond Vreeland “Development Aid and International Politics: Does Membership on the UN Security Council Influence World Bank Decisions?” *Journal of Development Economics* 2009

3. Aid Effectiveness and Contracting

3.1. Macro Effectiveness Literature

- Axel Dreher, Valentin Lang, and Bernhard Reinsberg “Aid Effectiveness and Donor Motives” *World Development* 2024
- Raghuram G. Rajan and Arvind Subramanian "Aid and Growth: What Does the Cross-Country Evidence Really Show?" *Review of Economics and Statistics* 2008
- Simeon Djankov, Jose Montalvo and Marta Reynal-Querol “The Curse of Aid” *Journal of Economic Growth* 2008
- Raghuram Rajan & Arvind Subramanian “Aid, Dutch Disease, and Manufacturing Growth” *Journal of Development Economics* 2011

3.2. Aid Contracts Design, Conditions, and Evaluation

- 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?" *World Development* 2017
- Christopher Kilby “The Political Economy of Project Preparation: An Empirical Analysis of World Bank Projects” *Journal of Development Economics* 2013
- Christopher Kilby “What Determines the Size of Aid Projects?” *World Development* 2011
- Christopher Kilby “An Empirical Assessment of Informal Influence in the World Bank” *Economic Development and Cultural Change* 2013

3.3. Micro Effectiveness Literature

- Denizir, Kaufmann and Kraay “Good Countries or Good Projects?” Macro and Micro Correlates of World Bank Project Performance” *Journal of Development Economics* 2013
- Stephen Knack “Aid and Donor Trust in Recipient Country Systems” *Journal of Development Economics* 2013
- Stephen Knack & A Rahman “Donor Fragmentation and Bureaucratic Quality in Aid Recipients” *Journal of Development Economics* 2007

3.4. Fragmentation and Lack of Coordination

4. Humanitarian and Food Aid

- Nathan Nunn, and Nancy Qian "The Determinants of Food Aid Provisions to Africa and the Developing World" in *African Successes* Volume IV 2019

- 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" *Population and Development Review* 2018
- Axel Dreher, Andreas Fuchs and Sarah Langlotz "The Effects of Foreign Aid on Refugee Flows" *European Economic Review* 2019