

# The Plight of the Poor

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Very few people can afford to be poor.

— George Bernard Shaw

For the poor shall never cease out of the land: therefore I command thee, saying, Thou shalt open thine hand wide unto thy brother, to thy poor, and to thy needy, in thy land.

— Deuteronomy 15:11

No hovel is so wretched but it will find a worker to rent it because he is too poor to pay for better accommodation.

— Engels

## Course: Special Topics in International Development: The Plight of the Poor

Course Number: IDC518  
Lecture: Tuesdays 9:00–11:45am  
Location: 215 International Studies Hall

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## 1 Introduction

Imagine that each member of your family had only 800 won (1 USD) to spend each day on shelter, food, clothing, and other expenses. For one in every six people on our planet this is their daily reality. This course seeks first and foremost to elucidate the lives of the world's poorest people, examining their strategies for surviving another day, another week. To help these individuals improve their lives, however, requires that we situate them in their broader political economic context. Being poor is not simply about having enough money. We will explore alternative approaches to conceiving of and measuring poverty. We will then investigate some of the different policies implied by each of these approaches.

## 2 Objectives

By the end of this course, students will be knowledgeable on:

1. Diverse measurements and definitional debates of poverty and the rationales behind such measures and debates.
2. The conditions with which the poorest of humanity must cope everyday and the strategies they employ to do so.
3. Different responses to poverty and attempts at poverty alleviation from different actor groups, including governments, the poor themselves, international institutions, and private sector non-profits.

## 3 Course Requirements

- Great consideration has been given to what readings are assigned. As such, you are expected to have completed all the readings assigned prior to our class meetings. Do not expect that you can complete the readings assigned in one night simply because there are only two chapters or a few articles to read. The readings can be dense and take time to get through. Some class time will also be dedicated to discussions of current news, group activities, and multi-media presentations.
- A one-page Reaction Paper (RP) is due electronically by 9am MONDAY morning each week for 7 out of the 10 weeks for which there are readings. This allows you to choose which weeks to write a reflection paper. The papers will not be graded with a letter grade, but will be allocated from zero to three points depending on how actively your paper engages the material. The paper should usually be 350–500 words (about one page single-spaced). These brief papers are intended to facilitate class discussion in seminar. You can use the Reaction Paper (RP) to ask for clarification about any aspect of the readings you did not fully understand and/or to express an opinion about one or more of the readings. In general, I would advise you to focus the RP on only one of the readings assigned for each week. RPs should be clearly written, spell-checked, stylistically polished, and grammatically correct.
- In addition to writing your own RP, you are expected to read and reflect on those of all other seminar participants prior to our class meeting. This will enable you to think about your classmates' reactions to the readings in advance of our collective discussion.

- Class attendance is not mandatory, but each absence will deduct two points from your final grade. Beyond this, class participation is strongly encouraged. I would grade on the basis of participation, but I do not wish to penalize students who are naturally reticent. However, you should expect to have your opinions solicited if you do not offer them freely... and nobody enjoys that.
- An individual research paper will be required. You are free to choose any topic related to the course material. However, you must consult with me during midterms to get your topic approved. Additionally, you must explicitly draw on the assigned readings and class discussions. The paper must be 3,000–4,000 words long (not including cover pages and bibliographies). Note that the paper is due at the beginning of class on November 30. Late papers will lose ten points (one letter grade) per day.
- You will also make a twenty-minute presentation based on your paper to the class. The presentation grade will be based on content, clarity, and organization. My assessment will be weighted by that of your classmates.
- There will no examinations.

## 4 Grading

### Weights

21%	Article summaries
9%	Class presentation
20%	Class attendance
50%	Paper

## 5 Plagiarism

Plagiarism is unacceptable. If plagiarism is detected, you will receive a zero for the given assignment. Please note that plagiarism is much broader than many students realize. You are encouraged to look at this excellent summary of plagiarism from Indiana University (<http://www.indiana.edu/~wts/pamphlets/plagiarism.shtml>), and you will be held to its standards.

## 6 Required texts

All materials except Banerjee and Duflo and Collier will be available electronically. However, significant portions of the following affordable books will be used, and you should thus consider purchasing your own copy.

- Abhijit V. Banerjee and Esther Duflo. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Public Affairs, New York, 2011. This book is available through Kyobo Books for approximately 28,000 won. It is also on reserve in the central library.
- Paul Collier. *The Bottom Billion: Why the Poor Countries Are Failing and What Can Be Done About It*. Oxford University Press, New York, 2007.
- William Easterley. *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press, Cambridge, 2001.
- Jeffrey D. Sachs. *The End of Poverty: Economic Possibilities for Our Time*. Penguin Books, New York, 2005.

## 7 Schedule of Topics and Reading

All the readings below will be available electronically. In addition, further readings may be assigned to compliment and integrate current events into the course discussions.

### Module 1: What does it mean to be poor?

**Week 1 (Aug. 30): Introduction**

**Week 2 (Sept. 6): Measuring and locating poverty**

1. John Iceland. *Poverty in America: A Handbook*. University of California Press, second edition, 2006, chapters 2 and 3.
2. Jeffrey D. Sachs. *The End of Poverty: Economic Possibilities for Our Time*. Penguin Books, New York, 2005, chapter 1.
3. Anonymous. More or less equal?, 11 March 2004.
4. Martin Ravallion. Pessimistic on poverty? *The Economist*, 7 April 2004.
5. Howard Nye, Thomas W. Pogge, Sanjay Reddy, and Benjamin M. Friedman. What is poverty? *The New York Review of Books*, 49(18), 21 November 2002.
6. Angus Deaton. Is world poverty falling? *Finance and Development*, 39(2):4–7, June 2002.

**Week 3 (Sept. 13): No class.**

**Week 4 (Sept. 20): Shelter poverty and the working poor**

1. Michael Stone. *Shelter Poverty: New Ideas on Housing Affordability*. Temple University Press, Philadelphia, 1993, chapters 1 and 2.
2. David K. Shipler. *The Working Poor*. Vintage Books, New York, 2005, introduction and chapter 2.

**Week 5 (Sept. 27): Freedom and capabilities**

1. Martha Craven Nussbaum. *Creating Capabilities: The Human Development Approach*. Belknap Press, Cambridge, 2011, chapters 2, 3, and 4.

## Module 2: Why are there poor people?

**Week 6 (Oct. 4): Traps**

1. Paul Collier. *The Bottom Billion: Why the Poor Countries Are Failing and What Can Be Done About It*. Oxford University Press, New York, 2007, chapters 2 to 5.

**Week 7 (Oct. 11): No class.**

**Week 8 (Oct. 18): Trade. Discuss paper topic with me.**

1. Jeffrey D. Sachs. *The End of Poverty: Economic Possibilities for Our Time*. Penguin Books, New York, 2005, chapter 2.
2. Paul Collier. *The Bottom Billion: Why the Poor Countries Are Failing and What Can Be Done About It*. Oxford University Press, New York, 2007, chapter 6.
3. Nancy Birdsall. Inequality matters: Why globalization doesn't lift all boats. *Boston Review*, March/April 2007.
4. G. Pascal Zachary. Out of Africa: Cotton and cash. *The New York Times*, 14 January 2007.

Recommended:

1. Andre Gunder Frank. The development of underdevelopment. *Monthly Review*, 18(4):17–31, September 1966.
2. Walter Fernandes. Mines, mining and displacement in india. In Gurdeep Singh, David Laurence, and Kuntala Lahiri-Dutt, editors, *Managing the Social and Environmental Consequences of Coal Mining in India*, pages 333–344. Dhanbad: The Indian School of Mines University, 2007.

## Module 3: Responses

**Week 9 (Oct. 25): Aid**

1. Jeffrey D. Sachs. *The End of Poverty: Economic Possibilities for Our Time*. Penguin Books, New York, 2005, chapters 12 and 13.

2. Paul Collier. *The Bottom Billion: Why the Poor Countries Are Failing and What Can Be Done About It*. Oxford University Press, New York, 2007, chapter 7.
3. William Easterley. *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press, Cambridge, 2001, chapters 2 and 8.

#### **Week 10 (Nov. 1): Institutions—Property rights, governance, and corruption**

1. Hernando de Soto. *The Other Path: The Economic Answer to Terrorism*. Basic Books, New York, 1989, chapter 2.
2. William Easterley. *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press, Cambridge, 2001, chapter 12.
3. Paul Collier. *The Bottom Billion: Why the Poor Countries Are Failing and What Can Be Done About It*. Oxford University Press, New York, 2007, chapter 9.

Recommended:

1. Douglass Cecil North. *Structure and change in economic history*. Norton, New York, 1st edition, 1981, pages 3–58.
2. Daron Acemoglu and Simon Johnson. Unbundling institutions. *Journal of Political Economy*, 113(5):949–995, 2005.

#### **Week 11 (Nov. 8): Insurance, saving, and lending**

1. Abhijit V. Banerjee and Esther Duflo. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Public Affairs, New York, 2011, chapters 6 to 9.

Recommended:

1. Rajdeep Sengupta and Craig P. Aubuchon. The microfinance revolution: An overview. *Federal Reserve Bank of St. Louis Review*, 90(1):9–30, January/February 2008.
2. Peer Smets. ROSCAs as a source of housing for the urban poor: an analysis of self-help practices from Hyderabad, India. *Community Development Journal*, 35(1):16–30, January 2000.

#### **Week 12 (Nov. 15): Education**

1. William Easterley. *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press, Cambridge, 2001, chapter 4.
2. Abhijit V. Banerjee and Esther Duflo. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Public Affairs, New York, 2011, chapter 4.
3. Paulo Friere. *Pedagogy of the Oppressed*. Continuum, New York, 30th anniversary edition, 1973, chapters 1 and 2.

#### **Week 13 (Nov. 22): Social movements**

1. Mao Zedong. Report on an investigation of the peasant movement in hunan. [http://marxists.org/reference/archive/mao/selected-works/volume-1/mswv1\\_2.htm](http://marxists.org/reference/archive/mao/selected-works/volume-1/mswv1_2.htm), March 1927. Available through [marxists.org](http://marxists.org).
2. Mao Zedong. On practice: On the relation between knowledge and practice, between knowing and doing. [http://marxists.org/reference/archive/mao/selected-works/volume-1/mswv1\\_16.htm](http://marxists.org/reference/archive/mao/selected-works/volume-1/mswv1_16.htm), July 1937. Available through [marxists.org](http://marxists.org).
3. Mao Zedong. On protracted war. [http://marxists.org/reference/archive/mao/selected-works/volume-2/mswv2\\_09.htm](http://marxists.org/reference/archive/mao/selected-works/volume-2/mswv2_09.htm), May 1938. Available through [marxists.org](http://marxists.org).

**Week 14 (Nov. 29): Class presentations. Final paper due before class.**

**Week 15 (Dec. 6): Class presentations**

**Week 16 (Dec. 13): Class presentations**