



Syllabus “Political Economy of the Global South in the Age of Financialisation”

Title of the Course	Political Economy of Global South in the Age of Financialisation	Course breakdown	28 teaching hours online 152 hours independent study
Name of instructor	Dr. Ali Rıza Güngen	Total course hours	180
Language	English	ECTS	6
Hosted by	ICDD	Certificate issued by	Department of Social Sciences, U of Kassel
min. number of participants	5	max. number of participants	30
Weekly class time	Mondays 2-3pm GMT +1 4-5pm GMT + 3		

About the instructor

Ali Rıza Güngen is a political scientist and independent researcher. Dr. Güngen received his Ph.D. from Middle East Technical University and was granted the Young Social Scientist award by the Turkish Social Sciences Association in 2013. Güngen is the co-author of the 2014 book *Financialization, Debt Crisis and Collapse* (in Turkish) and co-editor of 2019 book *The Political Economy of Financial Transformation in Turkey*. His articles appeared in journals such as *The Journal of Peasant Studies* and *New Political Economy*. His research currently focuses on sovereign debt management across the global South, financial inclusion, and state restructuring in Turkey.

Course description and learning aims:

This course aims to provide a comprehensive introduction to the debates on development and political economy of Turkey and the global South in general. It covers central topics such as trajectories of development, competition, financial deepening, financial inclusion and crisis management in the last quarter of the 20th century and the first two decades of the 21st century.

A widely held misconception regarding economic and financial crises in the global South attributes the causes of the crises to the incapacity of policy makers in transforming their economies in line with the demands of investors. Either because of the exclusive institutions or policy fallacies, it is maintained; the South cannot catch up with the advanced countries of the North. This stance ignores the interdependencies not only between the countries, but also the policy dilemmas that the emerging markets confront amidst processes of financialisation and credit-led strategies of economic growth.



The course will rest on an interdisciplinary effort benefiting from comparative political economy, political science and development studies. It will elaborate various case studies to analyze both the day-to-day workings of global finance and the reflection of global financial conjuncture upon major emerging markets. It will help the students grasp major issues and problems confronted by the policy makers of emerging markets in an era of financialisation. While providing a meta-level discussion of development in the last decades, the course will provide a comparative and historical lens to analyze the political economic transformation in the global South.

Upon the successful completion of the course students will be able to:

- identify social and political implications of major historical transformations in the global South in the last four decades.
- develop a grounded understanding of the policy space in major emerging markets and the impact of the 2007-09 international financial crisis on the scope and content of this space.
- grasp the key elements of crisis management in the global South and its transformation in recent decades.
- critically evaluate the debates in the fields of development studies and global political economy

Course requirements

- **Reading Reflections**

Students will submit four reading reflections (no longer than 400 words each, double-spaced in 12-point Times New Roman font) during the course, starting from the third week. These short notes should briefly and critically engage with one of the readings of the related week. It will not be a summary, but a brief discussion in which the student points out the main arguments of the reading and reflects her agreements/disagreements while posing one or two questions.

- **Short Essay**

Students will submit an analytic short essay (no longer than 1000 words, double-spaced in 12 point Times New Roman Font) in the 8th week. The topic of the essay must address one of the areas covered in the course. Students will discuss their topic with the instructor via the platform not later than the 4th week. It is of utmost importance that the essay engages with the existing literature, poses a specific question about the topic chosen, provides an argument and uses evidence to support the argument. The essay should use proper citation styles (T&F standard reference style – link below - which is a slightly revised version of Chicago style) and must be analytic rather than descriptive.



The short essays of the students will be reviewed during the classes from week 9 to week 13. The order of reviewing the short essays will be determined in the 6th week. The short essay will be made available to the other students and students they will be expected to present their short essays in 5 minutes, simply summarizing the main argument and the supporting evidence in the online classroom. The length of discussions will also depend on the number of enrolled students.

- **Long Essay**

Students are also expected to submit a long essay (no longer than 3000 words, double-spaced in 12 point Times New Roman Font) in the 14th week. The topic of the essay must be different from the one in the short essay but remain within the boundaries of the course. The topic should address one or more of the areas covered in the course and will be determined by the 6th week of the course. Students are expected to critically reflect upon their choice of topic, provide an argument and support the argument by referring to the literature (at least 6 academic sources) and evidence at hand. The citations and references should comply with academic rules (check T&F reference style available online: https://www.tandf.co.uk/journals/authors/style/reference/tf_ChicagoAD.pdf)

Course Evaluation

Participation (through chat and 5-minute presentation of the short essay) → 10 %
 Four Reading Reflections → 20 %, each worth 5 %
 Short essay (week 8) → 30 %
 Long essay (week 13) → 40 %

Can one participate without planning to fulfil these expectations?

No.

Organization of the course

The course combines classic online learning with a participatory organization. It will be organized in 11 thematic units. 14 class sessions will be composed of one hour lecture (uploaded to the platform before class), followed by questions and class discussion for another hour.

The sessions will end with a wrap up of the discussion by the instructor. The virtual blackboard will be used both during the lecture and wrap-up sessions.

In addition to the resources on www.coworkingsquares.de, we will refer to some free online documentaries, newspaper/blog articles in our discussion and use ppt. files and notes prepared by the instructor, if required.



Reading List

Week 1: Introduction

Week 2: Development and Strategies

Chang, H. (2002) "Policies for Economic Development: Industrial, Trade and Technology Policies in Historical Perspective", *Kicking Away the Ladder: Development Strategy in Historical Perspective*, London: Anthem Press, 13-68.

Esteva, G. 2010 [1992] "Development", Sachs W. (ed.) *The Development Dictionary: n. A Guide to Knowledge as Power*, London: Zed Books, 1-23.

Week 3: International Debt Crisis and Washington Consensus

Bird, G. and Powell, R. (2009) "Debt Relief in Low-Income Countries: Background, Evolution and Its Effects" Boughton, J. and Lombardi, D. (eds.) *Finance, Development and the IMF*, Oxford: Oxford University Press, 175-91.

Gore, C. (2000) "The Rise and Fall of Washington Consensus as a Policy Paradigm for Developing Countries", *World Development*, 28 (5): 789-804.

Week 4: Recurrent Crises and Changing Role of the State

Jayasuriya, K and A. Rosser (2001) "Economic Orthodoxy and the East Asian Crisis", *Third World Quarterly*, 22 (3): 381-396.

Öniş, Z. and F. Şenses (2003) "Rethinking the Emerging Post-Washington Consensus", *Development and Change*, 36 (2): 263-290.

Week 5: Financialization and What to do with it?

Engelen, E. (2008) "The Case for Financialization", *Competition and Change*, 12 (2): 111-119.

Fine, B. (2010) "Financialisation as Neoliberalism: Engaging Neoliberalism", Saad-Filho, A. and G. Yalman (eds.) *Economic Transitions to Neoliberalism in Middle Income Countries*, London: Routledge, 11-23.

Week 6: A New Consensus or Peripheral Financialization?

Becker, J., J. Jager, B. Leubolt and R. Weissenbacher (2010) "Peripheral Financialisation and Vulnerability to Crisis: A Regulationist Perspective", *Competition and Change*, 14 (3-4): 225-247.

Painceira, J. P. (2009) "Developing Countries in the Era of Financialisation: From Deficit Accumulation to Reserve Accumulation", *RMF Discussion Papers*, no 4, February 2009.



Week 7: Emerging Markets and Development Options (I)

Bhattacharya S. (2007) "Vicissitudes of the Relationship between State, Labour and Capital: An Appraisal of Neoliberal Labour Market Reforms in India and Beyond", *Labour, Capital and Society*, 40(1&2): 106-133.

Chibber, V. (2005) "The Politics of a Miracle: Class Interests and State Power in Korean Developmentalism", D. Coates (ed.), *Varieties of Capitalism, Varieties of Approaches*, London: Palgrave Macmillan, 122-138.

Week 8: Emerging Markets and Development Options (II)

Bresser-Pereira, L. C. (2009) "From Old to New Developmentalism in Latin America", *Escola de Economia de Sao Paulo Textos para Discussao*, 193: 1-37.

Veltmeyer, H. (2016) "Extractive Capital, the State and Resistance in Latin America", *Sociology and Anthropology*, 4 (8): 774-84.

Week 9: International Financial Crisis of 2007-09

McNally, D. (2009) "From Financial Crisis to World Slump: Accumulation, Financialisation and the Global Slowdown", *Historical Materialism*, 17 (2009): 35-83.

Wigan, D. (2009) "Financialisation and Derivatives: Constructing an Artifice of Indifference", *Competition and Change*, 13 (2): 157-172.

Week 10: Capital Mobility and Fragility

Nesvetailova, A. (2014) "Innovations, Fragility and Complexity: Understanding the Power of Finance." *Government and Opposition*, 49 (3): 542-568.

van Hulten, A. and M. Webber (2010) "Do Developing Countries Need 'Good' Institutions and Policies and Deep Financial Markets to Benefit from Capital Account Liberalization?", *Journal of Economic Geography*, 10: 283-319.

Week 11: Financial Inclusion: The New Motto of Development?

Ghosh, J. (2013) "Microfinance and the Challenge of Financial Inclusion for Development", *Cambridge Journal of Economics*, 37(6): 1203-1219.

Jammulamadaka, N. (2016) "Microfinance: A Neoliberal Instrument or a Site of the 'Other's' Resistance and Contestation", in Prasad et. al. (eds.), *The Routledge Companion to Critical Management Studies*, London, New York: Routledge, 370- 383.

Week 12: Global Governance and Restructuring

Golub, P. S. (2013) 'From the New International Economic Order to the G20: how the 'global South' is restructuring world capitalism from within', *Third World Quarterly* 35(6): 1000-1015.

Stephen, M. (2014) "Rising powers, global capitalism and liberal global governance: A historical materialist account of the BRICs challenge", *European Journal of International Relations*, 20 (4): 912-938.



Week 13: Future of Global Capitalism and Global South

Cirera, X. and W. Maloney (2017) *The Innovation Paradox: Developing Country Capabilities and the Unrealized Promise of Technological Catch-Up*, Washington: World Bank

[<https://openknowledge.worldbank.org/bitstream/handle/10986/28341/211160ov.pdf?sequence=5&isAllowed=y>].

Wanner, T. (2015) "The New 'Passive Revolution' of the Green Economy and Growth Discourse: Maintaining the 'Sustainable Development' of Neoliberal Capitalism" *New Political Economy*, 20 (1): 21-41.

Week 14: Leapfrogging or Day-dreaming: Wrap-Up and Discussion

Extra readings:

Documentaries, Podcasts, Op-Eds

Note that, you are not required to watch the docs or read the extra material, but it might be of use in your reading reflections, short essays and online discussions

Week 3: International Debt Crisis and Washington Consensus

"External Factors of the Debt Crisis" – Video by MRU

<https://www.youtube.com/watch?v=gyQhp71rsCk>

Week 4: Recurrent Crises and Changing Role of the State

On Economic Development – Interview with Ha-Joon Chang

<http://www.economicppf.com/ha-joon-chang.html>

Week 5: Financialization and What to do with it?

Is Financialization Necessary for a Modern Economy? - Costas Lapavitsas on RAI (5/8)

<https://www.youtube.com/watch?v=BAvU11DeZeg>

Week 6: A New Consensus or Peripheral Financialization?

CADTM (2018) "Land-grabbing and the Financialization of Agricultural Land" (Interview by Mary Taylor), <http://www.cadtm.org/Land-grabbing-and-the>

Week 7: Emerging Markets and Development Options (I)

Yates, M.D. (2004) "Poverty and Inequality in the World Economy",

<https://monthlyreview.org/2004/02/01/poverty-and-inequality-in-the-global-economy/>

Week 8: Emerging Markets and Development Options (II)



The Politics and Economics of Latin American Left (presentation by J. Webber) -
<https://www.youtube.com/watch?v=Ylxxi97OCi8>

Macroeconomic policies in countries of the Global South (Interview with Luiz Carlos Bresser-Pereira)
<https://www.youtube.com/watch?v=Mkclug-JYws>

Week 9: International Financial Crisis of 2007-09

“The Crisis of Credit Visualized” https://www.youtube.com/watch?v=bx_LWm6_6tA

Chakraborty, A. (2018) “Ten years after Lehmans, it’s as if we’ve learned nothing from the crash”, The Guardian (Sep. 5 ,2018)
<https://www.theguardian.com/commentisfree/2018/sep/05/ten-years-financial-crash-lehmans-austerity-debt>

Week 10: Capital Mobility and Fragility

Private Investment in the Developing World (short clip by NEF)
<https://www.youtube.com/watch?v=GPdpx1xsEqw>

Akyüz, Y. (2018) “Crisis alla Turca”, IPS News Agency,
<http://www.ipsnews.net/2018/08/crisis-alla-turca/>

Week 11: Financial Inclusion: New Motto of Development?

India ☐☐ | Microfinance: Banking on debt | 101 East
<https://www.youtube.com/watch?v=xwoAv2xPGrM>

Mussitwa, J. (2018) “Why the accessibility gap in financial services needs to be closed”, WEFForum,
<https://www.weforum.org/agenda/2018/09/the-accessibility-gap-in-financial-services-needs-to-be-closed>

Week 12: Global Governance and Restructuring

Jim O'Neill – The Evolution of Global Governance
<https://www.project-syndicate.org/podcasts/the-evolution-of-global-governance>

China - world power again | DW Documentary
<https://www.youtube.com/watch?v=67yre0HYWcQ>

Saad-Filho, A. (2018) “The Rise of Nationalist Authoritarianism and the Crisis of Neoliberalism”, PPEsydney, <http://ppesydney.net/the-rise-of-nationalist-authoritarianism-and-the-crisis-of-neoliberalism/>



OFF UNIVERSITY

Week 13: Future of Global Capitalism and Global South

Drones, robots, mobile payments - Africa's growing digital business | DW Documentary

<https://www.youtube.com/watch?v=eh-mNj9lqI4>

Week 14: Leapfrogging or Day-dreaming: Wrap-Up and Discussion

A New Round of Financial Crises in Emerging Markets? (Panel at the Chatham House, July 19, 2018)

<https://www.youtube.com/watch?v=CJwSMolAYh4>

The Third Industrial Revolution: A Radical New Sharing Economy

<https://www.youtube.com/watch?v=QX3M8Ka9vUA>

Outline of the Course Schedule

Week 1	Should Start Submitting Reading Reflections and Focus on Short Essay	Introduction
Week 2		
Week 3		Submission of Reading Reflections Start
Week 4		Short Essay Topic to be determined
Week 5		
Week 6		Long Essay Topic to be determined
Week 7		
Week 8		Short Essay Due
Week 9	Should Focus on Long Essay	
Week 10		
Week 11		
Week 12		
Week 13		
Week 14		Wrap-up and Conclusion – Long Essay Due