

Democracy and Markets in Developing Countries **790:395:10**

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Organization and Objectives of the Course

During the past 20 years, many countries of Latin America and the former Soviet Union have simultaneously moved toward the establishment of democratic regimes and more open market economies. There is also a great debate underway about whether it is possible for countries of the Middle East to follow a similar path. The basic objective of this course is to explore the relation between democracy and markets in these three regions. Students will be expected to analyze the extent to which these changes been mutually supportive and the tensions and conflicts between the political and economic transformations.

The course is divided into two parts. The first discusses the general opportunities and challenges involved in transitions from authoritarianism to democracy and in the establishment of market economies. The second part focuses on specific geographic regions and countries. We examine Latin America, with specific attention to Venezuela; the Arab Spring, with specific reference to Tunisia; and post-Communist countries, with specific reference to Russia.

Requirements for the course

1. A 4-5 page summary and evaluation of one of the articles assigned in Part I of the course. This will be due March 8. It will count for approximately 25 percent of the grade.
2. Class participation and pop quizzes on the reading. All students will be expected to attend classes prepared to discuss and debate the assigned readings for the week. There will be six short quizzes on readings, graded on a pass-fail basis. Participation and quizzes will count for approximately 10 percent of the grade.
3. Final essay (approximately 65 percent of the grade). The topic will cover the relation between democracy and markets in one of the countries covered in the course, and will involve some additional research beyond the assigned readings. Students will hand in the final paper at the end of the semester, along with a copy of the first draft.

Books for Purchase:

Larry Diamond, *The Spirit of Democracy: The Struggle to Build Free Societies throughout the World*. Times Books, New York: Henry Holt and Company

***** PLEASE NOTE:**

All other articles assigned for the course are available online through the Sakai website, which can be found at: <https://sakai.rutgers.edu/portal>. Once you locate this website, enter your Rutgers email address (eden account) and password in the “user id” and “password” section, respectively. These sections can be found in the upper right hand corner of the Sakai homepage. After logging in, first click on the class folder titled “01:790:395:10 Spring 2017” and then click on the “Resources” icon to retrieve individual assigned readings.

If you are unable to retrieve the assigned class articles through the Sakai website, they are all available through Rutgers University’s e-journal collection. Assigned articles can be found in journals held at Alexander Library or accessed via the internet on the following website:

http://www.libraries.rutgers.edu/rul/rr_gateway/ejournals/ejournals.shtml.

Weekly Assignments

Part I Overview

Wednesday, January 18: What is Democracy? How democratic are the regimes emerging in developing and post-socialist countries?

Diamond, Introduction, Chapter 1, and Chapter 2.

Wednesday, January 25: Causes of Democratization

Diamond, Chapter 4 (Internal Causes)

Diamond, Chapter 5 and 6 (International and Regional Causes)

Wednesday, February 1: How Stable are New Democracies? Is there a “democratic recession?”

Larry Diamond, “Facing up to the Democratic Recession,” *Journal of Democracy* 26 (January 2015): 140-154.

Steven Levitsky and Lucan Way, “The Myth of Democratic Recession,” *Journal of Democracy*, 26 (January 2015): 45-58.

Roberto Stefan Foa, "The Democratic Disconnect," *Journal of Democracy*, 27 (July 2016), pp. 5-17)

Ronald Inglehart, "How Much Should We Worry?" *Journal of Democracy* 27 (July 2016), pp. 18-23.

Wednesday, February 8: Inequality and Democracy: Does economic inequality undermine democracy?

*Terry Lynn Karl, "Economic Inequality and Democratic Instability," *Journal of Democracy*, 11,1 (2000):149-156

*Nancy Bermeo, "Does Electoral Democracy Boost Economic Equality?" *Journal of Democracy* October 2009.

*Reuschmeyer, "Addressing Inequality," *Journal of Democracy* 15:4 (2004)

Wednesday, February 15: Competitive Authoritarian Regimes: What are competitive authoritarian regimes? What do Levitsky and Way mean by "linkages and leverage?" How important are these in encouraging a transition to democracy?

*Steven Levitsky and Lucan Way, "The Rise of Competitive Authoritarianism," *Journal of Democracy*, April 2002.

*Steven Levitsky and Lucan Way, "International Linkages and Democracy," *Journal of Democracy*," 16,3 (July 2006).

Steven Levitsky and Lucan Way, "Linkage and Leverage" *Comparative Politics*, 38,4 (July).

Wednesday, February 22: The (In)Effectiveness of Democracy Promotion

Diamond, Chapters 13-15

Wednesday, March 1: Should democracy be placed "on hold" while states develop their own administrative capacity?

Thomas Carothers, "The 'Sequencing' Fallacy," *Journal of Democracy* 18, 1 (January 2007): 12-27

Thomas Carothers, "Misunderstanding Gradualism," *Journal of Democracy* 18, 3 (July 2007): 18-22.

Edward D. Mansfield and Jack Snyder, "The Sequencing 'Fallacy'" *Journal of Democracy*, 18, 3 (July 2007): 5-10

Part II: Case Studies

Wednesday, March 8: Midterm Paper Due. Latin America and Venezuela

Diamond, Chapter 8

Wednesday, March 15: Spring break

Wednesday, March 22: Class cancelled for professional meeting.

Wednesday March 29: The Struggle for Democracy in Venezuela

Benigno Alarcon et al, "Can Democracy Win in Venezuela?" *Journal of Democracy* 27, 2 (April 2016): 20-34.

Javier Corrales and Michael Penfold, *Dragon in the Tropics: The Legacy of Hugo Chavez* (second edition). The Brookings Institution Press 2015.

*Javier Corrales and Michael Penfold-Becarra, "Venezuela: Crowding out the Opposition," *Journal of Democracy*, 18, 2 (April 2007)

Julia Sweig, "What Hugo Chavez Built: The Legacy of Latin American 'Chavismo'," available on Sakai.,

Luis Vicente Leon and David Smilde, "Understanding Populism and Political Participation: The Case of Venezuela," (Woodrow Wilson Center), on Sakai.

Wednesday, April 5: Islam and Democracy – are they compatible?

Diamond, Chapter 12

*Alfred Stepan, "Religion, Democracy, and the 'Twin Tolerations'" *Journal of Democracy*, 11, 4 (2000): 37-57

*Samuel P. Huntington, *Clash of Civilizations*"

*Steven Fish, "Does Diversity Hurt Democracy?" *Journal of Democracy*, January 2004.

Wednesday, April 12: Arab Spring

Michael Robbins, "People Still Want Democracy," *Journal of Democracy*, 26, (October 2015): 80-89.

Kasper Ly Netterstrom, "The Islamists' Compromise in Tunisia," *Journal of Democracy* 26, 4 (October 2015): 110-124.

Mieczysław P. Boduszynski et al, "Are Secular Parties the Answer?" *Journal of Democracy* 26,4 (October 2015): 125-139.

Alfred Stepan, "The Tunisian Transition and the Twin Toleration," *Journal of Democracy* (April 2012).

Alfred Stepan and Juan J. Linz, "Democratization Theory and the 'Arab Spring'" *Journal of Democracy* 24, 2 (April 2013): 15-30.

Recommended.

Tarek Masoud, "Has the Door Closed on Arab Democracy?" *Journal of Democracy*, 26, 1 (January 2015): 74-87.

Olivier Roy, "The Transformation of the Arab World," *Journal of Democracy*, 23, 3, (July 2012): 5-18.

Hillel Fradkin, "Arab Democracy" (critique of Roy): *Journal of Democracy* 24, 1 (January 2013)

Hillel Fradkin, "Arab Democracy or Islamist Revolution?" *Journal of Democracy*, 24, 1 (January 2013): 5-13.

Olivier Roy, Rebuttal, *Journal of Democracy* 24, 1 (January 2013)

Wednesday, April 19: Transitions from Communist Rule: The role of International Linkages in the promotion of democracy in post-socialist countries

Diamond, Chapter 9

Dimitrov, "Popular Autocrats" (on Sakai)

*Valerie Bunce and Sharon Wolchik, "Post-Communist Ambiguities," *Journal of Democracy*, July 2009

*Steven Levitsky and Lucan Way, "Linkage, Leverage, and the Post-Communist Divide," *Communist and Post Communist Studies* 27, 21 (2007).

Wednesday, April 26. Putin's Russia

Articles in Foreign Affairs, Issue 3, May-June 2016

Gideon Page, "Putin's Russia"

Gleb Pavlvsy, "Russian Politics under Putin: The System Will Outlast the Master."

Sergei Guriev, "Russia's Constrained Economy: How the Kremlin Can Spur Growth."

Maria Lipman, "How Putin Silences Dissent: Inside the Kremlin's Crackdown"

Shetsova, "Forward to the Past in Russia" (on Sakai)