

Bibliographic Essay

The following essay is intended to suggest sources for those who are interested in investigating issues of difference, inequality, and developing societies. We have attempted to select readings that provocatively highlight important issues with rigorous analysis while still being accessible to a general reading audience. The discussion below is not meant to be comprehensive, but is rather meant to be a gateway to many of the most important issues.

Globalization and Global Inequalities.

A good place to begin reading about globalization is Martin Wolf, *Why Globalization Works* (New Haven: Yale University Press, 2004), a book written by one of the world's most influential economic journalists who is a passionate defender of the benefits of internationalizing markets but who is honest enough to consider the problems created by global inequality. Joseph E. Stiglitz's *Making Globalization Work* (New York: W.W. Norton, 2006) provides a critical study of inequality on globalization. For an insightful view of recent thinking about economic development that highlights the importance of local knowledge and democracy as a means of building good institutions see Dani Rodrik, *One Economics Many Recipes: Globalization, Institutions, and Economic Growth*. (Princeton: Princeton University Press, 2007). Paul Collier's *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It* (Oxford: Oxford University Press, 2007) offers an accessible treatment of the problems of the world's poorest countries and includes provocative suggestions for remedies. Branko Milanovic's *Worlds Apart: Measuring International and Global Inequality* (Princeton University Press, 2005) provides clear explanations of statistical measures of global inequality. He reviews a range of statistical controversies and draws some persuasive conclusions about the scope of global inequality. Francis Bourguignon and Christian Morrisson provide an accessible and authoritative discussion of the historical experience of globalization and inequality in their essay "Inequality among World Citizens: 1820-1992," *The American Economic Review* 92:4 (September 2002), 727-744. Articles by Nancy Brune and Geoffrey Garrett, "The Globalization Rorschach Test: International Economic Integration, Inequality, and the Role of Government," *Annual Review of Political Science* (Palo Alto: Annual Reviews, 2005), 399-423, and Geoffrey Garrett, "Globalization's Missing Middle," *Foreign Affairs* 83:6 (November/December 2004) are very readable introductions to issues of globalization and inequality.

Other resources include: Bob Sutcliffe, "World Inequality and Globalization," *Oxford Review of Economic Policy* 20:1 (2004) 15-37, which offers an overview of measuring globalization that is more brief and almost as clear as Milanovic's *Worlds Apart*; Glenn Firebaugh's *The New Geography of Global Income Inequality* (Cambridge:

Harvard University Press, 2003) offers an optimistic view of the impact of globalization on inequality from a sociological perspective. Robert Hunter Wade, in his essay, “Is Globalization Reducing Poverty and Inequality?” *World Development* 32:4 (April 2004), 567–589, critiques mainstream views of the impact of globalization on global inequality and poverty inequality. Nancy Birdsall, Dani Rodrik, and Arvind Subramanian, “How to Help Poor Countries,” *Foreign Affairs* 84:4 (July/August 2005), 136-152, offer a brief and provocative discussion of solutions to the problems of globalization, inequality, and poverty. Gavin Kitching’s *Seeking Social Justice Through Globalization: Escaping a Nationalist Perspective*. (University Park: Pennsylvania State University Press, 2001) is well-written and provocative.

Inequality, Difference and the Politics of Global Markets.

Robert Gilpin’s *The Challenge of Global Capitalism*. (Princeton: Princeton University Press, 2001) provides a magisterial overview of post-World War II international political economy that highlights how globalization is a process structured by international institutions and treaties that are shaped by global politics and therefore inequalities. Jeffrey Friedan’s *Global Capitalism: Its Fall and Rise in the Twentieth Century* (New York: WW Norton, 2006) examines important domestic and international dynamics of economic development since 1896. Daniel W. Drezner’s *All Politics is Global* (Princeton, Princeton University Press, 2007) provides an interesting account of the degree to which great powers are able to have their own way in a range of international domains. For a brief essay that highlights many international inequality issues, see Nancy Birdsall, “Asymmetric Globalization: Global Markets Require Good Politics,” *Brookings Review* (Spring 2003). Many political scientists highlight the importance of power inequalities in shaping the development of global institutions. Stephen Krasner offers an explanation for why considerations of power are important even when efficiency is also a concern in his essay “Global Communications and National Power: Life on the Pareto Frontier,” *World Politics*, 43:3 (April 1991), 336–366. Lloyd Gruber provides an interesting discussion of how powerful countries get less powerful countries to agree to new institutions that favor the powerful. See his article “Power Politics and the Free Trade Bandwagon,” *Comparative Political Studies* 34:7 (September 2001), 703–741 or his book *Ruling the World: Power Politics and the Rise of Supranational Institutions* (Princeton, NJ: Princeton, 2000). Economic historian Ha Joon Chang elaborates the contention that powerful countries attempt to prevent developing countries from using the very policies that they employed to promote their development in *Kicking Away the Ladder: Development Strategy in Historical Perspective* (London: Anthem Press, 2002).

International Trade and the WTO. John H. Barton, Judith L. Goldstein, Timothy E. Josling and Richard Steinberg, *The Evolution of the Trade Regime* (Princeton: Princeton University Press, 2006) provide a theoretically informed overview of the global trade regime that raises issues of inequality. For a plan to make the global trade regime more equitable see Joseph E. Stiglitz and Andrew Charlton, *Fair Trade for All: How Trade Can*

Promote Development (New York: Oxford University Press, 2005). Susan K. Sell analyzes the role of multinational corporations and the United States in the development of an international regime for intellectual property rights in *Private Power, Public Law: The Globalization of Intellectual Property Rights* (Cambridge: Cambridge University Press, 2003). Keith C. Shadlen provides a nuanced view of the issue of intellectual property rights and public health concerns in developing countries in “Patents and Pills, Power and Procedure: The North-South Politics of Public Health in the WTO,” in *Studies in Comparative International Development* 39:3 (Fall 2004), 76–108.

The Regime for International Finance. In addition to Gilpin (*The Challenge of Global Capitalism*, 2001), background on the development of the regime for international finance is available from Eric Helleiner, *States and the Reemergence of Global Finance: From Bretton Woods to the 1990s* (Ithaca, NY: Cornell University Press, 1994); and Barry Eichengreen, *Globalizing Capital: A History of the International Monetary System* (Princeton: Princeton University Press, 1998). Eichengreen also provides analysis of international financial crises in *Capital Flows and Crises* (Boston: MIT Press, 2004). Leslie Elliott Armijo provides a clear introduction to the different impact of various forms of international finance in “Mixed Blessing: Expectations about Foreign Capital and Democracy in Emerging Markets,” in L.E. Armijo, ed., *Financial Globalization and Democracy in Emerging Markets* (New York: Palgrave/St. Martin’s, 1999). Layna Mosley discusses why international financial markets create more constraints for developing than developed countries in her book *Global Capital and National Governments* (Cambridge: Cambridge University Press, 2003). In “The Capital Myth,” *Foreign Affairs* 77:3 (May/June 1998) 7-12, Jagdish Bhagwati briefly highlights the power of the “Wall Street Treasury Complex” and then explains why countries must be more careful when liberalizing financial markets than when liberalizing trade markets. Economists Eswar S. Prasad, Kenneth Rogoff, Shang-Jin Wei and M. Ayhan Kose provide an authoritative analysis of how financial globalization has contributed to greater economic volatility for developing countries in “Effects of Financial Globalization on Developing Countries: Some Empirical Evidence” *IMF Occasional Paper No. 220* (Washington, D.C.: International Monetary Fund, 2003).

Domestic Inequality and Economic Development.

The World Bank’s *World Development Report 2006: Equity and Development* (Washington, D.C.: International Bank for Reconstruction and Development, 2005) explores a number of ways that inequality affects development in poor countries. Giovanni Andrea Cornia, ed., *Inequality, Growth, and Poverty in an Era of Liberalization and Globalization* (Oxford: Oxford University Press, 2004) also provides a valuable discussion of inequality and development.

Colonialism played an important role in shaping creating inequalities and shaping the manner in which they affected economic and political institutions and subsequent economic development in developing countries. For analysis explaining how colonizers

created varying economic and political institutions that profoundly influenced inequality and economic progress in developing countries, see Stanley L. Engerman and Kenneth L. Sokoloff, “Factor Endowments, Inequality and Paths of Development among New World Economies,” *Economia* 3 (2002), 41–109; and Daron Acemoglu, Simon Johnson, and James Robinson, “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution,” *Quarterly Journal of Economics* 118 (2002), 1231–1294. A provocative essay that highlights the role of politics and the state in shaping economic development and suggests the importance of inequality is Pranab Bardhan, “History, Institutions, and Underdevelopment” in his book *Scarcity, Conflicts and Cooperation: Essays in the Political and Institutional Economics of Development* (Cambridge: MIT Press, 2004), 1–26.

Developing an appreciation for the diverse experiences of global regions helps to promote a more nuanced understanding of the impact of inequality on development. Jeffrey Herbst sets the historical context for Africa by demonstrating the impact of the challenges of asserting ruling authority over sparsely-populated territories in *States and Power in Africa: Comparative Lessons in Authority and Control* (Princeton: Princeton University Press, 2000) especially pages 1–36. Nicholas van de Walle, in *African Economies and the Politics of Permanent Crisis, 1979–1999* (Cambridge: Cambridge University Press, 2001), highlights the importance of “neo-patrimonialism” in state-society relations. In contrast, Giovanni Arrighi, “The African Crisis: World Systemic and Regional Aspects,” *New Left Review* 15 (May/June 2002), 5–36, draws attention to international factors.

One of the best overviews of inequality and development in Latin America can be found in David De Ferranti, Guillermo E. Perry, Francisco H.G. Ferreira and Michael Walton, *Inequality in Latin America: Breaking with History?* (Washington, D.C.: The World Bank, 2004). Scholars of Latin America like Judith Teichman “Merging the Modern and the Traditional: Market Reform in Chile and Argentina,” *Comparative Politics* 37:1 (October 2004), 23–40; and Miguel Centeno and Patricio Silva in their introductory essay to *The Politics of Expertise in Latin America* (New York: St. Martin’s Press, 1998) have pointed out the role of technocrats. Others have underlined the importance of “neo-populism.” See for instance, Taylor C. Boas, “Television and Neopopulism in Latin America: Media Effects in Brazil and Peru,” *Latin American Research Review* 40:2 (June 2005), 27–50; and Edward Gibson, “The populist road to market reform: Policy and electoral coalitions in Mexico and Argentina,” *World Politics* 49:3 (April 1997), 339–370. Still other scholars of Latin American politics have drawn attention to the increasingly potent role of business in politics, Hector E. Schamis, “Distributional Coalitions and the Politics of Economic Reform in Latin America,” *World Politics* 51:2 (1999), 236–268.

Two of Asia’s largest and fastest-growing economies have also experienced increasing inequality. Atul Kohli documents the growing power of Indian business in his essays “Politics of Economic Growth in India, 1980–2005 Part I: The 1980s,” *Economic and Political Weekly* (April 1, 2006), 1251–1259; and “Politics of Economic

Growth in India, 1980–2005, Part II: The 1990s and Beyond,” *Economic and Political Weekly* (April 8, 2006), 1361–1370 also notes the growing political importance of business elites. Scholars of China have highlighted how marketization and decollectivization has contributed to rising inequality by curtailing the welfare state. See for instance, Dorothy J. Solinger, “Path Dependency Reexamined: Chinese Welfare Policy in Transition to Unemployment,” *Comparative Politics* 38:1 (October 2005), 83–101; and Mary Gallagher, *Contagious Capitalism* (Princeton: Princeton University Press, 2005).

Conflict and Economic Development

For a variety of reasons, developing countries are remarkably diverse both in terms of differences within their own societies and in regard to the range of experience from society to society. Diversity within developing societies can result in marginalization of some groups and in some cases it contributes to violent conflict. Deborah J. Yashar’s *Contesting Citizenship in Latin America* (Cambridge: Cambridge University Press, 2005) provides a study of the marginalization of indigenous groups in Latin America and how some democracies have instituted reforms to alleviate marginalization. In their article “Inequality and Violent Crime,” *Journal of Law and Economics* 45 (April 2002), 1–40, Pablo Fajnzylber, Daniel Lederman, and Norman Loayza find that inequality is positively associated with the outbreak of violent crime. Hans Schmitz and Kathryn Sikkink find that inequality is associated with greater repression in “International Human Rights.” In Walter Carlsnales, Thomas Risse, and Beth Simmons, eds., *Handbook of International Relations*, (London: Sage, 2005), 517–537.

Is it more difficult for socially heterogeneous and divided societies to achieve high levels of economic development? Dani Rodrik, “Where Did All the Growth Go? External Shocks, Social Conflict, and Growth Collapses,” *Journal of Economic Growth* 4 (December 1999), 385–412; and William Easterly, “Can Institutions Resolve Ethnic Conflict?” *Economic Development and Cultural Change* 49:4 (2001), 687–706 find that it is only where political institutions are weak and unable to accommodate conflict between groups that ethnic divisions diminish growth.

For the increasing realization of the importance of accommodating difference in developing strategies to promote economic development, see Dani Rodrik, “Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank’s *Economic Growth in the 1990s: Learning from a Decade of Reform*,” *Journal of Economic Literature* 49 (December 2006), 973–987; World Bank, *Economic Growth in the 1990s: Learning from a Decade of Reform* (Washington, D.C.: World Bank, 2005); and Joseph Stiglitz, *Globalization and Its Discontents* (New York: W.W. Norton, 2002). ■