

GVPT761: International Political Economy

Fall 2014v1.0

Thursdays 3:30-6:15pm in Tydings 1111

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This is a political science graduate seminar exploring theories, ideas and empirical research in the field of international political economy. The broadest understanding of this field is that it is concerned with the ways in which politics and markets interact at the global level, or between global and national levels. The field of international political economy (IPE) in the US emerged within international relations in the 1970s, spurred both by concerns about US decline, European integration, and rising economic interdependence. The early work in mainstream US IPE developed theories of hegemonic stability, international regimes, and transnationalism. At the same time, those scholars more interested in issues relevant to the developing world wrestled with world systems and dependency theories. More recently, the field has grown more eclectic in its methods, and covers a wider range of issues.

In this course, we will cover some of the main old and new theories and research, and look at major questions in the field. How does the distribution of power affect liberalization and development internationally? Why do states open their markets to trade and investment? Why and when do they turn to protectionism? How do open markets and globalization affect regulation, welfare, gender equality, and democracy?

The course is not designed to be comprehensive, but rather to introduce you to the field and give you a decent grounding in it. The readings will be methodologically eclectic, ranging from approaches in which economic tools are applied to international relations ("positive political economy") to more constructivist methods based on discourse, law and norms. We will survey the main debates in IPE, gain familiarity with some of the substantive issue areas, and introduce key concepts, approaches and methodologies.

I do not assume you already know international and/ or macro-economics, although the course will be easier for those that do. You may want to get an economics text as a reference. I also recommend the work of those economists who write for the general public, including Ha-Joon Chang, Paul Krugman (co-author of an international economics textbook), Jagdish Bhagwati, and others. Although the course is geared towards academic scholarship, you may find some of the economics-oriented policy blogs helpful and interesting, including: NPR Planet Money, Marginal Revolution, IPEZone, Conscience of a Liberal, International Economic Law and Policy Blog, Institute for New Economic Thinking, The Curve, Dan Drezner, and others.

Course requirements:

You should come to each class ready to discuss the assigned readings. Identify the main argument(s) in the readings and the evidence they provide, and compare them. Be sure to bring questions and do not be shy about asking those that seem embarrassingly basic—chances are good the person next to you is wondering the same thing. Be prepared to discuss what you liked and didn't like about each piece.

Seminar Paper: You have two choices: (1) apply a particular theory to an empirical problem, as in a traditional research paper or journal article; or (2) do a research design in which you develop a plan for a research project (e.g. a dissertation). You will share and present a rough draft of your paper in class, and the final paper should incorporate suggested revisions. (80% of grade)

Critical Response Papers and Discussion Leadership: Choose two weeks when you will lead discussion in class, and provide in advance a written critical analysis of the readings for those weeks (2-3 pages). (20%)

Schedule

Sept. 4 Introduction

Helpful background reading:

Jeffrey Frieden, *Global Capitalism*

Benjamin Cohen, *International Political Economy*

Lawrence Wright, *The Clash of Economic Ideas*

Ha-Joon Chang, *Economics: The User's Guide*

Sept. 11 Approaches and Background

Benjamin Cohen. 2007. "The Transatlantic Divide: Why are American and British IPE so Different?" *Review of International Political Economy* 14: 2, 197-219

Special Issue of the *Review of International Political Economy*. 2009. "Not So Quiet on the Western Front: The American School of IPE," articles by Weaver, Maliniak/ Tierney, Germain

David Lake. 2009. "Open Economy Politics," *Review of International Organizations* 4: 219-44.

Penny Griffin, 2007. "Refashioning IPE: What and How Gender Analysis Teaches International (Global) Political Economy", *Review of International Political Economy*, 14,4: 719-36.

Ted Hopf. 2013. "Common-sense Constructivism and Hegemony in World Politics" *International Organization* 67 317–54

Sept. 18 Power, Hegemony and International Political Economy

Charles Kindleberger. 1981. "Dominance and Leadership in the International Economy," *International Studies Quarterly* 25,2: 242-54.

G. John Ruggie. 1982. "International Regimes, Transactions, and Change." *International Organization*

Lloyd Gruber. 2001. "Power Politics and the Free Trade Bandwagon." *Comparative Political Studies* September 34,7: 703-41

David A. Lake. 2012. "Authority, Coercion, and Power in International Relations." in *Back to Basics: State Power in a Contemporary World*, Martha Finnemore and Judith Goldstein, eds.

Chris Brummer. 2014. *Minilateralism*. Introduction.

Sept. 25 Trade and Politics

Ronald Rogowski, 1987. "Political Cleavages and the Changing Exposure to Trade," *APSR* 81,4

Michael Hiscox, 2001. "Class Versus Industry Cleavages: Inter-Industry Factor Mobility and the Politics of Trade," *International Organization* 55,1

Hathaway, Oona A. 1998. "Positive Feedback: The Impact of Trade Liberalization on Industry Demands for Protection." *International Organization* 52,3: 575-612.

Gawande, Kishore, Pravin Krishna, and Marcelo Olarreaga. 2009. "What Governments Maximize and Why: The View from Trade." *International Organization* 63,3: 491-532.

Malcolm Fairbrother. 2010. "Trade Policymaking in the Real World: Elites' Conflicting Worldviews and North American Integration." *Review of International Political Economy* 17(2): 319-347.

Oct. 2 International Institutions and Trade Politics

James Smith, 2004 "Inequality in International Trade? Developing Countries and Institutional Change in the WTO," *Review of International Political Economy* 11,13

Christina Davis, 2004. "International Institutions and Issue Linkage: Building Support for Agricultural Trade Liberalization," *American Political Science Review* 98,1 153-169.

Joanne Gowa and Soo Yeon Kim. 2005. "An Exclusive Country Club," *World Politics* 57,4

Goldstein, Judith, Douglas Rivers, and Michael Tomz. 2007. "Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade." *International Organization* 61,1 : 37-67.

Oct 9 The Liberalization of Financial Markets

Layna Mosely, 2000. "Room to Move: Financial Markets and National Welfare States," *International Organization* 2000 54,4

Simmons, Beth A. and Zachary Elkins. 2004. "The Globalization of Liberalization: Policy Diffusion in the International Political Economy." *American Political Science Review* 98,1 171-189.

David Bach/ Abraham Newman. 2010. "Transgovernmental Networks and Domestic Policy Convergence: Evidence from Insider Trading Regulation" *International Organization* 64,3 505 – 528

Sarah Brooks/ Marcus Kurtz. 2012. "Paths to Financial Policy Diffusion: Statist Legacies in Latin America's Globalization." *International Organization* 95 – 128

Thomas Oatley, et al. 2013. "The Political Economy of Global Finance: A Network Model." *Perspectives on Politics*. 11,1 133-

Oct. 16 Exchange Rates, Debt Crises, and the International Monetary System

Leblang, David, and Shanker Satyanath. 2006. "Institutions, Expectations, and Currency Crises." *International Organization* 60,1: 245-262.

Tomz, Michael. 2007. *Reputation and International Cooperation: Sovereign Debt across Three Centuries*. Chs.1-2, 9

Tom Rixin. 2013. "Why Reregulation after the Crisis is Feeble: Shadow Banking, Offshore Financial centers, and Jurisdictional Competition. *Regulation and Governance* 7,4

Stephen Nelson, 2014. "Playing Favorites: How Shared Beliefs Shape the IMF's Lending." 68,2 297-328

David Drezner, 2014. *The System Worked*

Oct. 23 Foreign Direct Investment and the Organization of Production

Nathan M. Jensen. 2003. "Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment," *International Organization* 57,3

Zachary Elkins, Andrew T. Guzman, and Beth A. Simmons. 2006. "Competing for Capital: The Diffusion of Bilateral Investment Treaties, 1960-2000," *International Organization* 60 811-846.

Tim Büthe/ Helen Milner, 2008. "The Politics of Foreign Direct Investment into Developing Countries: Increasing FDI through International Trade Agreements?" *American Journal of Political Science*

Todd Allee/ Clint Peinhardt. 2011. "Contingent Credibility: The Impact of Investment Treaty Violations on Foreign Direct Investment." *International Organization* 65, 3: 401-432.

Edward Mansfield/ Diana C. Mutz. 2013. "Us Versus Them: Mass Attitudes Toward Offshore Outsourcing." *World Politics* 65 4: 571-608

Oct 30 International Regulation

Tim Büthe/ Walter Mattli. 2011. *New Global Rulers: The Privatization of Regulation in the World Economy* Chs.1-3

Kate McDonald. 2014. *The Politics of Global Supply Chains* Chs. 1-3

Joseph Jupille, Walter Mattli, and Duncan Snidal. 2013. *Institutional Choice and Global Commerce*. Chs.1-3

Christine Overdevest/ Jonathan Zeitlin. 2014. "Assembling an Experimentalist Regime: Transnational Governance Interactions in the Forest Sector." *Regulation and Governance* 8,1

Nov. 6 Presentations

Nov. 13 Globalization and Development Institutions

Nita Rudra. 2002. "Globalization and the Decline of the Welfare State in Less Developed Countries," *International Organization* 56,2 411-445.

Stephen Kosack and Jennifer Tobin. 2006. "Funding Self-Sustaining Development: The Role of Aid, FDI and Government in Economic Success" *International Organization* 60,1 2006

Nooruddin, Irfan and Joel Simmons. 2006. "The Politics of Hard Choices: IMF Programs and Government Spending," *International Organization*, 60,1 1001-1033

Vreeland, James Raymond. 2011. "Foreign Aid and Global Governance: Buying Bretton Woods - The Swiss-bloc case." *Review of International Organizations* 6,3-4

Jacqueline Best, *Governing Failure* Chs.1-2, 5-6

Nov. 20 Labor, Welfare and Human Rights

Mark M. Gray, Miki Caul Kittilson and Wayne Sandholtz, 2006. "Women and Globalization: A Study of 180 Countries, 1975-2000," *International Organization* 60,2 293-333.

Layna Mosley and Saiko Uno. 2007. "Racing to the Bottom or Climbing to the Top? Economic Globalization and Collective Labor Rights," *Comparative Political Studies*, Vol. 40, No. 8, 923-948

Emilie Hafner-Burton. 2005. "Trading Human Rights: How Preferential Trade Agreements Influence Government Repression," *International Organization* 59,3: 593-629.

John Ahlquist, Amanda Clayton, Margaret Levi. 2014. "Provoking Preferences: Unionization, Trade Policy, and the ILWU puzzle." *International Organization* 68,1 33-75

Peter Hall/ Michéle Lamont. 2014. *Social Resilience in a Neoliberal Era*. Introduction.

Nov. 27 **NO CLASS**

Dec. 4 **Energy, Natural Resources, and the Environment**

Jeff Colgan, 2010. Oil and Revolutionary Governments *International Organization* 64,4 661-94

Thomas Brewer, *The United States in a Warming World* Chs.1-3

de Soysa, Indra, and Eric Neumayer. 2005. "False Prophet or Genuine Savior? Assessing the Effects of Economic Openness on Sustainable Development, 1980-1999." *International Organization* 59,3: 731-772

Jessica Green. 2010. "Private Standards in the Climate Regime: The Greenhouse Gas Protocol." *Business and Politics*. 12,3

Eric Helleiner/ Jason Thistlethwaite. 2013. "Subprime catalyst: Financial regulatory reform and the strengthening of US carbon market governance." *Regulation and Governance* 7,4

Dec. 11 **Globalization and Inequality**

Lloyd Gruber. 2011. "Globalization with Growth and Equity: Can we Really Have it All? *Third World Quarterly*. 32,4

Daron Acemoglu/ James Robinson. *Why Nations Fail*. 1-3.

Thomas Piketty, 2014. *Capital in the 21st Century* Ch.1

Paul Krugman. 2014. "Why We're in a New Gilded Age." May. *The New York Review of Books*.