The purpose of this course is to familiarize students with current issues and debates in the field of international political economy. Topics include: the relationship between power and wealth; the politics of international trade, aid, investment, and the international monetary system; the tension between international, regional, and domestic political and economic goals and concerns; the trade-offs of sustainable development; and the relationship between IPE and international security. Emphasis will be given to the application of the theories and concepts of international political economy to current issues and problems in the world today.

REQUIREMENTS

This course will meet twice a week. Undergraduates will be required to write one 5 page paper (20%), and complete a midterm (30%), and final exam (45%). Graduate students will be required to write two 5 page papers (30% each), one of which will require statistical analysis, and one 8-10 page paper (35%). Participation in classroom discussion is strongly encouraged and will be an important determinant of the final grade (5%). All graduate students will be expected to meet for one instructional session outside of the regular class meetings. Graduate students who do not have a working knowledge of SPSS are encouraged to attend a free instructional session offered by UIS before the graduate instructional session meets. All late assignments will be penalized one half a letter grade per day after the due date.

Reading material has been assigned for each class meeting. Readings with an * are required for graduate students and recommended for undergraduates, though they will not be covered on the mid-term or final exams. All readings are available at the reserve desk in the library. The major books may be purchased at the Georgetown University bookstore or on-line. Students are encouraged to read the Washington Post, the New York Times and the Economist or other news sources and should feel free to raise questions relating the topics of this course to current events or concerns. This syllabus is subject to change at the discretion of the professor.
Books for Purchase:


Optional:

Course Outline:

I. Theories of International Political Economy  
II. International Trade  
III. Economic Development  
IV. The International Monetary System  
V. Global Issues: IPE and the Environment, IPE and Security

CLASS SCHEDULE & READINGS

August 30: Pick up Syllabus and complete readings for first class. While reading, ask yourself: What is international political economy? Why does it matter? What makes it interesting?

I. Theories of International Political Economy

A. Paradigms and Methods (September 4)


B. Liberalism

1. What is economic liberalism? What are the benefits of "free trade" or "openness?" What are the costs? (September 6)


   Jeffry Frieden and David Lake, editors. *International Political Economy*, ch. 19.

2. Interdependence, Corporate Interests and National Decisions (September 11)


   Jeffry Frieden and David Lake, editors. *International Political Economy*, ch. 4.


C. Realism/Mercantilism/Economic Nationalism

1. If freer trade would help every one, why don't actors cooperate and promote it more than they do? What is the relationship between political power and political economy? (September 13)


   Jeffry Frieden and David Lake, editors. *International Political Economy*, ch. 1.


2. State Intervention and Protectionism (September 18)


Jeffry Frieden and David Lake, editors. *International Political Economy*, ch. 2, 6, 12.


D. Distributional Concerns: Marxism v. the Winner-Take-All Society (September 20)


George Crane and Abla Amawi, *The Theoretical Evolution of International Political Economy*, ch. 3.


Dani Rodrik, *Has Globalization Gone Too Far?*, chs. 4, 5.


E. Rational Choice (September 25)

1. Basic Assumptions, Models and Hypotheses about Cooperation

Balaam and Veseth, *Introduction to International Political Economy*, ch. 5.

George Crane and Abla Amawi, *The Theoretical Evolution of International Political Economy*, etc.
2. Basic Game Theory Applications (September 27)

Kenneth Oye, editor, Cooperation Under Anarchy, pp. 147-225.


F. Paradigms and Methods Applied (October 2)

Who wins? Who loses?

** Undergraduate and first Graduate paper due in class, October 2 **

5 pages maximum, double spaced, with reasonable fonts and margins

Everyone should be prepared to discuss his or her paper in class.

Paper Topic 1 for undergraduate and graduate students:

Increasingly well organized groups of protesters have challenged many of the major multilateral meetings of countries trying to coordinate and promote economic development through liberalization and globalization. Despite their enthusiasm, the protesters have been unable to communicate a coherent explanation of why liberalization and globalization should be challenged. In five pages or less, either develop an argument for or against economic liberalization and globalization, or development an argument that explains why the protests began when they did (i.e., at a time of relative global prosperity and broad agreement on the merits of economic and political liberalism) and are continuing today. To do so, use two competing paradigms (or methods) about the relationship between economics and politics that we have discussed in class. Be sure to generate competing hypotheses and make an argument that defends one against another.

Remember:

* A simple and well specified argument is preferable to one that is overly complex or loose.

* A well developed argument is written in a persuasive manner with supporting evidence. Feel free to select one specific issue – possible examples include the
expansion of NAFTA, U.S.-European trade disputes over steel or agricultural products, PRC entry into the WTO, IMF loans to countries in financial distress, and placing environmental or labor standards in trade accords – to provide evidence for your argument and focus your analysis.

* A well defended argument is one that anticipates and addresses the primary concerns of its most likely critic (i.e., the competing viewpoint or hypothesis).

* Cite all sources.

* You must write your own paper, but you are encouraged to discuss your ideas with each other, the TA and the professor.

II. International Trade

A. GATT/WTO and the post-World War II System (October 9)


B. Is hegemony necessary for free trade? What role do international economic organizations play? (October 11)

Jeffry Frieden and David Lake, editors. *International Political Economy*, ch. 3, 5, 8.


** Graduate Student Computer Instruction Session will be on Friday, October 19 **

Time and location. Second Graduate Paper is due November 6.
C. How Do Domestic Actors Affect the International Trading System? (October 16)


* Robert Keohane and Helen Milner, *Internationalization and Domestic Politics*, pp. 3-75, 137-85, 243-58.

D. Regionalism (October 18)


III. Economic Development

A. Modernization Theory, Culture and Development (October 23)

Mitchell Seligson and John Passé-Smith, editors. *Development and Under Development: The Political Economy of Inequality*, “Part 1: Classic Theories and Conflicting Evidence” (the pages vary depending on which edition you use, but either edition is fine).


B. Structural Causes of Underdevelopment I: Structuralists and Trade in Primary Commodities (October 25)

Robinson, "Trade in Primary Commodities," to be distributed in class.


Balaam and Veseth, Introduction to International Political Economy, chs. 17, 18.


C. Structural Causes of Underdevelopment II: Dependency Theory (October 30)


Balaam and Veseth, Introduction to International Political Economy, ch. 16.

George Crane and Abla Amawi, The Theoretical Evolution of International Political Economy, ch. 5.

Mitchell Seligson and John Passé-Smith, Development and Under Development: The Political Economy of Inequality, Part 5: Dependency and World System Theory.

D. Review for Midterm (November 1)

** MIDTERM EXAMINATION for Undergraduates, in class, NOVEMBER 6 **
IV. The International Monetary System

A. Goals and History of the International Monetary System (November 8)


Jeffry Frieden and David Lake, editors. *International Political Economy*, chs. 13, 14, 15, 17.


B. Debt, Investment, and Development (November 13)


* Stephan Haggard, *The Political Economy of the Asian Financial Crisis*, chs. 1, 3, 6 (photocopy on reserve).

C. Investment in Emerging Markets (November 15)

Jeffry Frieden and David Lake, editors. *International Political Economy*, chs. 9, 10, 11.


V. Global Issues

A. IPE and the Environment (November 20)


Barkin and Shambaugh, editors, *Anarchy and the Environment*, chs. 1, 2, 8.

B. Market Failure and Solutions to Collective Action Problems (November 27)


D. Trade, Security and Economic Statecraft

1. What is the relationship between international trade and security? (November 29)


2. Economic Statecraft (December 4)


George Shambaugh, *States, Firms and Power*, chs. 1 and 5.


**VI. Conclusion: Review, Reprise, Riposte: IPE and the 21st Century** (December 6)


* Final Graduate Paper Due December 7, at 5:00pm

**Undergraduate Final Exam: As Scheduled by the Registrar**  GOOD LUCK!
Students are responsible for verifying the date and time of final exam.