Course description

This course analyzes the politics of international economic relations, investigating the roots and evolution of the international political economy since World War II, and focusing on the rise and implications of global economic governance and globalization. We will aim to answer questions such as “Why do governments adopt particular international economic policies?”, “Why do states often have trouble cooperating economically?”, “When are governments likely to promote or oppose globalization?”, and “What do we expect the international political economy to look like 10 years from today?”

The course will deal with the interplay between politics and economics in a range of different issue areas, including the international financial system and its management (IMF, World Bank, etc.), the international trading system and its evolution (GATT, WTO, etc.), attempts at regional economic integration (the European Union, NAFTA), changes in the patterns of world production, the role of multinational corporations, and trends in the international distribution of power and wealth in the post-Cold War world. We will also study issues of debt and development, and attempts at political and economic liberalization around the world since the 1990s, from Africa to Indonesia and from Mexico to Russia and China.

Analytically, the course will focus on the relationships between states, markets, and ideas; power, wealth, and capabilities; forms of conflict and cooperation; and the role of historical and institutional legacies. Over the course of the semester, we will follow a two-track approach. The first track will concentrate on providing the theoretical framework and the empirical context for the various topics listed above, while the second track will focus on analyzing contemporary events in each of these areas. You will find that the two tracks reinforce each other and that your ability to analyze current events will grow considerably over the course of the term.

Course policies & requirements

Although you may find some of the reading hard going at first, you will find that doing the reading before class will increase what you get out of the lectures and discussions immeasurably. Moreover, you should be prepared to ask and answer questions about the reading in lecture. 10%
of your grade will be based on class participation, which will be judged in terms of the quality, not the quantity, of your contributions. In addition, there will be five unannounced quizzes given in class. These will serve both to encourage your attendance and to check whether you are doing the reading. The quizzes are worth 2% of your grade each.

There will be two midterm exams and a 10-12 page final paper, but no final exam. The midterm exams will be worth 25% of your total grade each. They will be identical in set-up, and each will consist of a brief multiple choice section, a short answer section, and an essay question. The paper will be worth 30% of your overall grade. Details about the paper assignment will be provided later in the semester. The assignment will be due on Friday, Dec. 3.

Additional policies & comments

You need to let me know ahead of time if you cannot make a class. After-the-fact excuses for missing class on days that happened to feature a quiz are unlikely to be accepted. The same goes for the midterm exams: do not expect to e-mail me a day later with a flimsy excuse and expect to be able to take a make-up exam without penalty. Similarly, if you need an extension on your paper, and have a good reason, let me know in advance. Unapproved late submissions of the paper will be penalized one half of a full grade per day.

Failure to complete any single component of the course (never showing up to class, missing all 5 quizzes, missing a midterm, or not submitting a final paper) will result in failing the course — in other words, you cannot make up for it by excelling in all other components.

I take violations of academic honesty very seriously. All academic work must meet the standards set out in the Honor Code. In particular, if you cheat on a test or commit plagiarism on your paper and I discover it, I will report the violation to the Dean’s office, with all the potential repercussions that implies. The key point is that the work you submit must be your own — not that of a fellow student, nor that of someone whose work you found in the library or online.

Office hours &c

My office hours are Mondays and Wednesdays, 3-5pm and by appointment. Please do come see me if you have any questions on or problems with the reading material, the writing assignment, or the course in general. If you need to reach me to make an appointment, I am most easily reached by e-mail.

Readings

The following 3 books should be available for purchase at the W&M Bookstore:


There will be no reading packet. All articles on the syllabus are available online or through the Electronic Journals feature of the W&M library website. If you do not know how to access these readings electronically or in print, please ask someone (a fellow student, a librarian, or me)!

In addition, there will be regular reading assignments of brief articles on new developments in global political economy in newspapers such as the *Financial Times*, the *New York Times* and the *Economist*. These, too, will be available electronically. Links will be provided by email and on the course website.

**Calendar**

I. **Introduction**

Wed. Aug. 25  *Introduction; overview of course*

Fri. Aug. 27  *Globalization: What is it and why should we care?*
- KOF Index of Globalization, at globalization.kof.ethz.ch
  Method of calculation, detailed rankings, press releases for 2010 and 2009
  Recommended

Mon. Aug. 30  *Theoretical perspectives*
- Gilpin, chapter 1 (pp. 3-24)

Wed. Sep. 1  *States and markets*
- Gilpin, chapters 2-3 (pp. 25-76)
II. The Politics of International Trade

Fri. Sep.  3  Basic overview; the logic of comparative advantage

• Suranovic, Steven M. “The Theory of Comparative Advantage – Overview” at: http://internationalecon.com/Trade/Tch40/T40-0.php
• Coughlin, Cletus C. “The Controversy over Free Trade: The Gap between Economists and the General Public.” FLB chapter 19

Recommended

Mon. Sep.  6  (Labor Day) The global trading system: overview

• Gilpin, chapter 8 (pp. 196-233).

Recommended

Wed. Sep.  8  Free trade and protectionism before the twentieth century

• Schonhardt-Bailey, Cheryl. “Free Trade: The Repeal of the Corn Laws.” FLB chapter 5

Fri. Sep. 10  Hegemons and trade


Recommended

Mon. Sep. 13  The domestic politics of trade


Recommended
Wed. Sep. 15  **Trade and jobs**

- Freeman, Richard B. “Are Your Wages Set in Beijing?” FLB chapter 22.

Fri. Sep. 17  **Multinational corporations**

- Gilpin, chapter 11 “The State and Multinationals.” (pp. 278-304).

Mon. Sep. 20  **Multilateral trade negotiations & the WTO**


Wed. Sep. 22  **Regional integration**

- Gilpin, chapter 13 “The Political Economy of Regional Integration.” pp. 341-376. *Recommended*

III. **The Politics of International Finance**

Fri. Sep. 24  **Monetary politics & exchange rate regimes**

- Gilpin, chapter 9 “The International Monetary System (pp. 234-260).

Mon. Sep. 27  **The gold standard**

Special event. **Movie: The Wizard of Oz**
(time and place to be announced)

Wed. Sep. 29 **Fixing and floating**


**Recommended**

Fri. Oct. 1 **Dollarization & monetary integration**

- Hausmann, Ricardo. 1999. “Should there be five currencies or one hundred and five?” *Foreign Policy*, nr. 116 (Fall), pp. 65-79.

**Recommended**

Mon. Oct. 4 **International financial crises**


**Recommended**

Wed. Oct. 6 **Financial politics & the IMF**

- Gilpin, chapter 10 “The International Financial System” (pp. 261-277).

**Recommended**
Fri. Oct. 8  **Midterm I**

Mon. Oct. 11 Fall Break (no class)

**IV. National Economies and Development in a Globalized World**

Wed. Oct. 13  **National systems of political economy**  Paper assignment handed out

  • Gilpin, chapter 7 “National Systems of Political Economy.” (pp. 148-195).

Fri. Oct. 15  **International competitiveness**


  **Recommended**

Mon. Oct. 18  **The state and economic development 1**


Wed. Oct. 20  **The state and economic development 2**


Fri. Oct. 22  **The state and globalization**

  **Recommended**

Mon. Oct. 25  **Large developing countries in the global economy: China**

Recommended
- Das, Gurcharan. 2006. “The India Model.” Foreign Affairs, July/August

Wed. Oct. 27 Small developing countries in a global economy

Recommended

Fri. Oct. 29 Natural resources: boon or bane?

Recommended

Mon. Nov. 1 Helping poor countries? International investment

Recommended

Wed. Nov. 3 Helping poor countries? Foreign aid & debt relief
- Center for Global Development. 2009. “Commitment to Development Index 2009.” At http://www.cgdev.org/section/initiatives/_active/cdi/ (browse, and read information about constructing the index and what it means)

Recommended

Fri. Nov. 5  **Helping the Bottom Billion 1**

• Collier, parts 1-2

Mon. Nov. 8  **Helping the Bottom Billion 2: Challenges**

• Collier, parts 3-4

Wed. Nov. 10  **Helping the Bottom Billion 3: Solutions?**

• Collier, part 5

Fri. Nov. 12  **Midterm 2**

V.  **The Future of the Global Political Economy**

Mon. Nov. 15  **The future of the trading state**

  **Recommended**

Wed. Nov. 17  **The future of major currencies**


Fri. Nov. 19  **The global financial crisis**


*Recommended*

**Mon. Nov. 22**  
*Global issues: challenging the reach of the state*


**Wed. Nov. 24**  
Thanksgiving Break (no class)

**Fri. Nov. 26**  
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**Mon. Nov. 29**  
*Governance in the global economy*


*Recommended*

**Wed. Dec. 1**  
*Throwing our weight around*


*Recommended*

**Fri. Dec. 3**  
*Back to the future*  


*Recommended*