



## **POLS 2600: INTRODUCTION TO INTERNATIONAL POLITICAL ECONOMY Fall 2021**

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**Office Hours:** Mondays 3.30 – 5.30 pm, or by appointment, <https://slu.zoom.us/j/730373101>

**Class Meetings:** Mondays & Wednesdays, 2.10 pm – 3.25 pm, McGannon 260.

### **COURSE DESCRIPTION AND PREREQUISITES**

This is an introductory course on international political economy, which examines the interaction between political and economic phenomena on an international and global scale. The term “international political economy” has been successively associated with the classical international economics of the late eighteenth century, the theory of imperialism of the nineteenth and early twentieth century, the institutional theories during 1960s, and systematic inquiry into the observed international interrelationship of sociopolitical and economic structures and processes since the late 1970s.

The course digs deep into the theoretical and empirical research on international political economy and offers a presentation of major theories and most frequent topics including various perspectives on international political economy, formation of the main structures of international political economy, trade politics, determinants and consequences of international trade, multinational corporations and foreign direct investment, international monetary system, developing countries and international finance, migration, and globalization. In terms of methods, the traditional comparative, historical, and case-study approaches have been increasingly accompanied by theoretical research based on mathematical modeling, statistical testing, and game theory. You can observe this fact in the readings for yourself.

### **Learning Goals, Objectives, and Outcomes**

This course is designed to help you to gain knowledge and understanding on how international political economy works, how the economic relations between states affect domestic and international politics, and how do political relations between states affect domestic and

international economics. The course is designed not just to familiarize you with the literature, but also to stimulate your curiosity to pursue new research questions. An important goal of the course is also to equip you with the analytical tools required to pursue such research.

Upon successful completion of the course, you are expected to be able to:

1. Understand and analyze the key issues in international political economy.
2. Understand the development and evolution of structures of international political economy.
3. Evaluate important perspectives and theories of international political economy in historical and contemporary contexts.
4. Develop comprehensive knowledge of the dynamic relationship between politics and economics globally.
5. Comprehend the political and economic determinants and effects of trade.
6. Explain the use of international organizations such as the International Monetary Fund (IMF), the World Bank, World Trade Organization (WTO), and regional organizations such as the European Union and United States–Mexico–Canada Agreement (USMCA – former NAFTA)
7. Explain the relationship between development, trade, FDI, and foreign aid.
8. Critically analyze competing theoretical and empirical arguments regarding the consequences of globalization.
9. Evaluate the future growth potential of regions, nations, and the international system.

**COUR**

Barton, J. H. et al. (2008) *The Evolution of the Trade Regime: Politics, Law, and Economics of the GATT and the WTO*. Princeton, N.J.: Princeton University Press.

Bates, R.H. (2018). *The Development Dilemma: Security, Prosperity, and a Return to History*, Princeton, N.J.: Princeton University Press

Collier, P. (2018). *The Future of Capitalism: Facing the New Anxieties*. New York: Harper.

Frieden, Jeffrey (2020) *Global Capitalism: Its Fall and Rise in the Twentieth Century and Its Stumbles in the Twenty-First*

with life-long learning in mind (so you might remember something you learned in this class in 20 years). We will, therefore, use multiple methods to reinforce the main take-away messages of the course.

## **Readings**

You are expected to have completed the readings prior to class each week because lectures largely engage with the readings and move beyond them. Thus, you should have completed the readings in order to follow and participate in class sessions.

The course will also refer to several movies, documentaries, and short video clips regarding important historical events to illustrate in more dramatic fashion some key lessons.

Main Text: Each week will include one or two chapters from Oatley. The chapters provide a general introduction to the topics and introduce theories of international political economy.

## **Debate Issues / Opinion Pieces**

Starting with Topic 3 (Review of the Multilateral Trade System), you will receive debate issues before the start of the particular topic. You need to write a 500-750 word long opinion piece / response on at least 2 of the 10 topics (the last topic you will receive a debate issue is Ongoing Debates and Controversies in IPE) throughout the semester and submit it via email or Canvas before the corresponding topic starts. The start of the corresponding topic can be a Monday or a Wednesday. I will let you know the due date of the opinion pieces when I give you the debate issues, but you are also responsible for paying attention 912 0 1 12 0 612 792 reW\* nBT/F1 12 Tf1 0 0 1 213.

important and how is it relevant to the rest of the world, citing the sources from where they obtained the information. Finally, they will provide a question (or two) for the class to discuss at the end of their presentations. Presentations will be at most 6 minutes long, followed by a 3-minute discussion. You should send me your preferred dates (and preferred presentation partners, if you have any) by September 6 to ensure timely scheduling of the presentations.

Some good sources I suggest you follow daily or weekly are, but not limited to, Aljazeera, allAfrica, BBC, The Christian Science Monitor, CNN, The Economist, Euronews, The Financial

Late work for assignments and the research paper is most of the time gladly accepted, but it will result in penalties in grading. This is done for equity reasons to level the playing field for those who manage to turn their work products in on time.

Note that you are not guaranteed to get an extension or a make-up.

## **Grading**

Your final grade will be determined as follows:

Midterm Exam	25%
Final Exam	30%
News of the World Presentation	7.5%
Opinion Pieces	20% (10% each)
Quizzes, Attendance, and Participation	17.5%

If we have more than 3 quizzes, the lowest quiz score will be taken out of the final grading.

Extra-credit assignments throughout the semester are possible – but undetermined. Any extra credit assignments and their weights will be announced over the course of the semester.

To determine your final letter grade, the following scale will be used:

<b>Letter Grade</b>	<b>Percentage</b>	<b>Letter Grade</b>	<b>Percentage</b>	<b>Letter Grade</b>	<b>Percentage</b>
A	93% - 100%	B	83% - 86%	C	73% - 76%
A-	90% - 92%	B-	80% - 82%	C-	70% - 72%
B+	87% - 89%	C+	77% - 79%	D	60% - 69%
				F	below 60%

I may, at my discretion, impose curves to assignments and final grades and alter the grading scale to require fewer percentage points to obtain a particular letter grade.

person.<sup>1</sup> Nevertheless, each one of you is responsible for keeping up with the assigned materials and being aware of schedule or exam date changes.

You are expected to participate actively and meaningfully (that is, following the discussions closely, contributing informed answers to the questions, taking notes actively, and asking relevant questions). Effective engagement in the course is demonstrated through consistent and thoughtful contribution to the classroom community (which includes asking thoughtful questions, not just contributing your own views), through focused attention to course materials and conversations, and through a general responsiveness to (and respect for) your peers. Engagement does not always mean talking a lot (in fact, talking for its own sake can often look like the opposite of engagement). Ideally, you will be engaged, self-directed, and motivated to advance understanding for all of us in our class.

You are also expected to be respectful of the classroom, the space, and each other. If you are not able to attend class for any reason please let me know ahead of time. During class discussions, you are expected to remain respectful of your fellow students and their perspectives. Examples of disruptive behavior include, but are not limited to, consistently showing up late to class, leaving early without prior approval, walking out in the middle of a lecture without prior approval, or chatting and being noisy in the middle of a lecture or another student's discussion. If you insist on showing any disruptive behavior in the class, you may be asked to leave the room.

Seating Charts for Contact Tracing: In order to facilitate contact tracing in classrooms, while preserving confidentiality of COVID-19-positive individuals, faculty are expected to provide Contact Tracers access to accurate seating charts (or some equivalent) for all our in-person classrooms and learning spaces. From the start of the semester, faculty will be required to produce, on demand, a seating chart (or some equivalent) for a given day in the semester. Contact Tracers will request this information directly from faculty, and faculty will be expected to share it within 12 hours of the request. Faculty who do not comply may impede Contact Tracing, which could lead to all members of a class being tested and/or quarantine.

For this reason, starting next class, I will be circulating seating charts during every class. Please ensure you complete this form every time you attend the class, even if you arrived the class late or have to leave the class early. Moreover, starting from next class, I ask you to sit on the same seat (as much as possible) for the rest of the semester.

I want to emphasize that maintaining records are to ensure effective and efficient contact tracing should it be needed.

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<sup>1</sup> If you have an unexpected





**When a University-wide face mask requirement is in effect**, the following will apply:

Students who attempt to enter a classroom without wearing masks will be asked by the instructor to put on their masks prior to entry. Students who remove their masks during a class session will be asked by the instructor to resume wearing their masks.

Students and instructors may remove their masks briefly to take a sip of water but should replace masks immediately. The consumption of food will not be permitted.

Students who do not comply with the expectation that they wear a mask in accordance with the University-wide face mask requirement may be subject to disciplinary actions per the rules, regulations, and policies of Saint Louis University, including but not limited to those outlined in the *Student Handbook*. Non-compliance with this policy may result in disciplinary action, up to and including any of the following:

- dismissal from the course(s)
- removal from campus housing (if applicable)
- dismissal from the University

To immediately protect the health and well-being of all students, instructors, and staff, instructors reserve the right to cancel or terminate any class session at which any student fails to comply with a University-wide face mask requirement.

**When a University-wide face mask requirement is not in effect**, students and instructors may choose to wear a face mask or not, as they prefer for their own individual comfort level.

### **ADA Accommodations for Face Mask Requirements**

Saint Louis University is committed to maintaining an inclusive and accessible environment. Individuals who are unable to wear a face mask due to medical reasons should contact the Office of Disability Services (students) or Human Resources (instructors) to initiate the accommodation process identified in the University's [ADA Policy](#). Inquiries or concerns may also be directed to the [Office of Institutional Equity and Diversity](#). Notification to instructors of SLU-approved ADA accommodations should be made in writing prior to the first class session in any term (or as soon thereafter as possible).

## **INSTRUCTOR FEEDBACK AND COMMUNICATION**

The best time to get in touch with me is the office hours. If you can't make it to the office hours, you can make an appointment to meet some other time. You can also contact me via email. I will try to respond as soon as possible.

The office hours will take place using Zoom. You can virtually meet me during the office hours or a predetermined meeting time by clicking the link, <https://slu.zoom.us/j/730373101>. If you want to talk another way, please inform me in advance so we can make the arrangements.

### **Email Communication**

When contacting with me through email, please type "POLS 2600" in the beginning of the subject of the email (for example, "POLS 2600: XXXXXXXX"). This will make it easier for me to classify your email and eliminate the chance that I might inadvertently delete it.

## **Mistakes**

From past experience, I have noticed that there is a high frequency of instructor mistakes, especially in the early versions of the course. In order to catch these mistakes quickly, I will buy the first student to catch a substantive numerical or conceptual mistake in the lecture notes a latte (or a drink of their choice from Kaldi's Coffee). This is meant to incentivize the students to be vigilant and pay attention, and the instructor (me) to be careful. A "substantive mistake" means a false statement that will mislead students. A typo is not considered a substantive mistake but I do appreciate them being pointed out to me.

## **IMPORTANT MATTERS**

### **Academic Integrity**

Academic integrity is honest, truthful and responsible conduct in all academic endeavors. The mission of Saint Louis University is "the pursuit of truth for the greater glory of God and for the service of humanity." Accordingly, all acts of falsehood demean and compromise the corporate endeavors of teaching, research, health care, and community service via which SLU embodies its mission. The University strives to prepare students for lives of personal and professional integrity, and therefore regards all breaches of academic integrity as matters of serious concern.

The governing University-level Academic Integrity Policy was adopted in Spring 2015, and can be accessed on the Provost's Office website at: [https://www.slu.edu/provost/policies/academic-and-course/policy\\_academic-integrity\\_6-26-2015.pdf](https://www.slu.edu/provost/policies/academic-and-course/policy_academic-integrity_6-26-2015.pdf)

Additionally, each SLU College, School, and Center has adopted its own academic integrity policies, available on their respective websites. All SLU students are expected to know and abide by these policies, which detail definitions of violations, processes for reporting violations, sanctions, and appeals. Please direct questions about any facet of academic integrity to your faculty, the chair of the department of your academic program, or the Dean/Director of the College, School or Center in which your program is housed.

### **Title IX**

Saint Louis University and its faculty are committed to supporting our students and seeking an environment that is free of bias, discrimination and harassment. If you have encountered any form of sexual misconduct (e.g. sexual assault, sexual harassment, stalking, domestic or dating violence), we encourage you to report this to the University. If you speak with a faculty member about an incident of misconduct, that faculty member must notify SLU's Title IX coordinator, [Anna R. Kratky](mailto:anna.kratky@slu.edu) (DuBourg Hall, room 36; anna.kratky@slu.edu; 314-977-3886) and share the basic facts of your experience with her. The Title IX coordinator will then be available to assist you in understanding all of your options and in connecting you with all possible resources on and off campus.





Balaam & Dillman – Chapter 3

Balaam & Dillman – Chapter 4

### **Review of the Multilateral Trade System – September 20 & 22**

#### Mo (September 20): Economic Case for Trade & GATT

Oatley, pg. 22 – 29.

Planet Money (2016). “Trade Show:

<https://www.npr.org/sections/money/2016/09/23/495226796/episode-725-trade-show>”

Douglas Irwin (2017). “Ricardo and Comparative Advantage at 200.” VOXEU-CEPR.

#### We (September 22): Key Features of WTO & RTAs

Oatley, pg. 30 – 45.

The Economist (2019). “Why the revised USMCA pleases both Democrats and Donald Trump.” December 11<sup>th</sup>.

The Economist (2021). “The WTO Has a New Chief. Is it Time for New Trade Rules Too.?” February 18<sup>th</sup>.

#### Optional:

Oatley, Ch. 3

The Economist (2009). “Economics Focus: Paul Samuelson.” December 17<sup>th</sup>

The Economist (2016). “Tariffs and Wages: An Inconvenient Iota of Truth.” August 6<sup>th</sup>

### **State and Society Centered Approaches to Trade Politics – September 27 & 29**

#### Mo (September 27): A Society-Centered Approach to Trade Policy

Oatley, pg. 70-84 & 90-91.

#### We (September 29): A State-Centered Approach to Trade Policy

Oatley, Chapter 5.

#### Optional:

Michael J. Hiscox (2004) “The Domestic Sources of Foreign Economic Policies” in Ravenhill J. (ed) Global Political Economy, Oxford University Press, pp.50-84.

**– October 4 & 5**

Mo (October 4): Import Substitution Industrialization

Oatley, Chapter 6

We (October 6): Economic Reform

Oatley, Chapter 7

The Economist (2010). “China’s Labour Market: The Next China”. July 29th.

Optional:

Dani Rodrik (1992). “The Limits of Trade Policy Reform in Developing Countries.” *The Journal of Economic Perspectives*, 6(1): 87-105.

Williamson, John (2004). “A Short History of the Washington Consensus.” Paper commissioned by Fundación CIDOB for a conference “*From the Washington Consensus towards a new Global Governance*,” Barcelona, September 24–25, 2004.

Hoekman, Bernard, et. al. (2002). *Development, Trade and the WTO : a Handbook*, available at

<http://documents.worldbank.org/curated/en/805981468763835259/Development-trade-and-theWTO-a-handbook>

Mo (October 11): Review & Catch Up

No readings, start studying for the exam!

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**Midterm Exam– October 13**

We (October 13): Midterm Exam

None! Study for the exam . Work hard and avoid the call of the sirens.

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**Multinational Corporations in the Global Economy and FDI – October 18 & 20**

Mo (October 18): MNCs in the Global Economy

Oatley, Chapter 8.

Raymond J. Mataloni Jr., and David Wessel (2021). “Multinational Activity in the Modern World.” in C. Fritz Foley, James Hines, and David Wessel (eds), *Global Goliaths: Multinational Corporations in the 21st Century Economy*. Washington D.C.: Brookings Institution Press.

We (October 20): The Politics of MNCs

Oatley, Chapter 9.

The Economist (2017). “Multinationals: The Retreat of the Global Company”. January 28th.

Optional:

Nathan M. Jensen (2003). “Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment.” *International Organization*, 57(3): 587-616.

Edward Tse (2015) *China's Disruptors: How Alibaba, Xiaomi, Tencent, and other companies are changing the rules of business*. Penguin Books.

**The International Monetary System – October 25 & 27**

Tu (March 31): Exchange Rate Systems

Oatley, pg. 207-217.

Th (April 2): Balance of Payments

Oatley, pg. 217-229.

The Economist (2012). “BoP Until You Drop.” August 4<sup>th</sup>

The Economist (2016). “Free Exchange: Trade in the Balance.” February 6<sup>th</sup>

Optional:

The Economist (2010). “Time to Rebalance”. March 31<sup>st</sup>.

**Exchange Rate Politics – November 1 & 3**

Tu (April 7): The Trilemma

Oatley, Chapter 11 (skim).

The Economist (2016). “The Mundell-Fleming Trilemma: Two Out of Three ain’t Bad.” August 27<sup>th</sup>.

The Rise and Fall of the Gold Standard and Bretton Woods

Oatley, Chapter 11 (skim).

United Nations Monetary and Financial Conference at Bretton Woods. Summary of Agreements. July 22, 1944.

**State and Society Centered Approaches to Exchange Rate Politics – November 8 & 10**

Mo (Nov 8): A Society-Centered Approach to Exchange Rate Politics

Oatley, Chapter 12.



The Economist (2015). “Moneychangers at Bay”. Feb 7<sup>th</sup>.

The Economist (2021). “Will Surprisingly High Global Inflation Last?” July 10<sup>th</sup>.

Mo (Nov 10): A State-Centered Approach to Exchange Rate Politics

Oatley, Chapter 13.

Optional:

Frieden, Jeffrey A. (2008). “Globalization and Exchange Rate Policy.” in Ernesto Zedillo ed. pp. 344-357.

**Developing Countries and International Finance – November 15 & 17 & 22**

Mo (Nov 15): Structure of Crises – Latin American & Asian Financial Crises

Oatley – Chapter 14.

The Economist (2004). “Tequila Slammer: The Peso Crisis, Ten Years On”. December 29<sup>th</sup>.

The Economist (2013). “The Origins of the Financial Crisis”

We (Nov 17): Recent Economic Crises and the Future of the International System

Oatley, Chapter 15.

Optional:

Simon Johnson (2009). “The Quiet Coup”, Published in *The Atlantic*.

Graciela L. Kaminsky & Carmen M. Reinhart (2000). “On Crises, Contagion, and

Cafaro, Philip (2015). “The 1 Percent’s Immigration Con: How Big Business Adds to Income Inequality, Pits Workers Against Each Other.” Published in *www.salon.com*

Optional:

Mayda, Anna Marie (2006). Who is Against Immigration? A Cross-Country Investigation of Individual Attitudes toward Immigrants. *The Review of Economics and Statistics*. 88 (3):510-530.

Rodrik, Dani (2007). “How to Save Globalization from its Cheerleaders.” *The Journal of International Trade and Diplomacy*, 1(2): 1-33.

**Ongoing Debates and Controversies in IPE, Pre- and Post-Pandemic – December 6 & 8**

Mo (Dec 6): Backlashes to Globalization

Rodrik, D. (2018) “Populism and the Economics of Globalization”, *Journal of International Business Policy*.

Steven A. Altman and Phillip Bastian (2021). “The State of Globalization in 2021” *Harvard Business Review*

We (Dec 8): Future of Globalization and World Economy

Geoffrey Gertz (2020). “How to Deglobalize” *Foreign Policy*, July 24<sup>th</sup>.

The Economist (2020). “Will Covid Kill Globalisation?” September 30<sup>th</sup>.

Deutsche Welle (2021). “Coronavirus: How the Pandemic is Changing Globalization.”