

BOSTON UNIVERSITY

INTERNATIONAL POLITICAL ECONOMY

CAS IR 390/PO 355

FALL 2012

TR 9:30-11:00 A.M.

CAS 221

STROM THACKER

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OFFICE HOURS: Mondays, 11:00a.m. - 1:00p.m.; & by appt.

OBJECTIVES:

This course introduces students to the study of international political economy (IPE). It addresses the reciprocal, interactive relationship between politics and economics in the international system. Increasingly integrated global markets present growing challenges and opportunities for political actors around the world. We will explore the effects of political factors on international economic relations as well as the impact of economic factors on domestic and international politics across a variety of issue areas in IPE.

The course first introduces the general historical and theoretical frameworks that guide the study of IPE. It then applies these frameworks to the relations between the principal state and non-state actors in a variety of issues in IPE, including international trade, foreign investment flows, international monetary relations, economic development, currency crises, and global environmental affairs. The course concludes with a consideration of the challenges that globalization presents to the political management of national and international markets.

PREREQUISITES:

EC 101 and EC 102 or their equivalents are prerequisites for this course. Students requesting an exception should see the instructor upon entering the class.

REQUIREMENTS:

Grades will be based on 1) a series of unannounced (or “pop”) quizzes on the day’s assigned readings, 2) a 3-4 page paper, and 3) a final exam. *You will not do well in this class if you do not attend class and do the reading.* You will be allowed to drop one (1) quiz score. The final exam will cover readings, lectures, class discussions, films and all other course requirements. Instructions for the paper will be handed out the first week of class, or can be found at our course Blackboard site under Course Information.

ACADEMIC INTEGRITY

All work for this class is expected to be individual, i.e., not the result of collaboration or a group project. You are not required to use outside sources for the paper, but any outside sources used must be cited properly. It is imperative that students understand and follow the guidelines of proper source citation. For guidance, see the guideline for source citation on page three of this syllabus or our course Blackboard site under Course Information, and the BU Academic Conduct Code (<http://www.bu.edu/academics/resources/academic-conduct-code/>). Cases of academic misconduct will be referred to the Dean’s office.

GRADING:

- 40% Reading quizzes (unannounced—approximately 10-15 total quizzes)
- 20% Paper, due at the beginning of class on the assigned date
- 40% **Final exam: Monday, December 17, 9:00 – 11:00 a.m.**
- Borderline grades will be rounded up or down according to the level and quality of the student’s class participation.

Grades are calculated on a 100-point scale, converted to letter grades as follows:

93-100	A	90-92	A-	87-89	B+	83-86	B	80-82	B-
77-79	C+	73-76	C	70-72	C-	60-69	D	Below 60	F

ABSENCES AND LATE WORK:

Students are expected to attend all class sessions and to take all quizzes and the exam at their scheduled times. No make-ups will be given without documentation excusing an absence for medical, religious or personal reasons, or for official university business. Students must notify the instructor as soon as possible (preferably in advance) of the reason for the absence. Late papers will be penalized five (5) points for the first day late, and three (3) points each day thereafter.

READINGS:

Students are required to complete all reading assignments before class. Quizzes and frequent class discussions will require a thorough understanding of the readings.

The following required texts are available for purchase at Barnes and Noble @ BU and on reserve at Pardee Library, School of Management, 595 Commonwealth Avenue (call numbers in parentheses where available):

- Oatley, Thomas. 2012. *International Political Economy: Interests and Institutions in the Global Economy*, Fifth Edition. New York: Longman. ISBN 978-0205060634. (SMG1 IR390/ PO355 PC2 OS)
- Oatley, Thomas, ed. 2012. *Debates in International Political Economy*, Second Edition. New York: Longman. ISBN 978-0205060610. (SMG1 IR390/ PO355 PC1 OS) **Referred to below as “Reader.”**
- Ravenhill, John, ed. 2011. *Global Political Economy*, Third Edition. Oxford: Oxford University Press. ISBN 978-0199570812. (HF1359 .G577 2011)

The following books are recommended (not required) and available at the same locations as above.

- Bannock, Graham, R. E. Baxter and Evan Davis. 2011. *The Penguin Dictionary of Economics*, Eighth Edition. New York: Penguin. ISBN 978-0307387905.
- Epping, Randy Charles. 2009. *The 21st Century Economy: A Beginner’s Guide*. New York: Random House. ISBN 978-0141045238.
- Frieden, Jeffry, David Lake and Lawrence Broz, eds. 2010. *International Political Economy: Perspectives on Global Power and Wealth*, Fifth Edition. New York: W.W. Norton. ISBN 978-0393935059. (SMG1 IR390/PO355 PC6 OS) **All assigned portions of this book are available via Blackboard.**

Other readings are available on-line via <http://blackboard.bu.edu/> (select this course, then click Course Documents, then Course Packet) and marked by an asterisk ().

PERIODICALS:

In order to stimulate lively and timely class discussions, students are required to read the section dealing with issues of international economics of one of the following publications on a regular basis (i.e., daily for newspapers, weekly for magazines):

New York Times
Wall Street Journal
Financial Times (London)

Christian Science Monitor
The Economist

Discounted subscriptions to *The Economist* are available at https://www.economistacademic.com/subscribe_single.cfm?facid=1304.

USE OF SOURCE MATERIALS*

Correct use and acknowledgment of source materials is vital to any research project. Only through accurate documentation can the reader distinguish the writer's original contribution from those of others. This allows the reader (1) to consult the source of a fact or opinion if he or she so desires and (2) to assign credit or blame judiciously — to the writer or to the writer's sources. Moreover, failure to acknowledge source material properly constitutes plagiarism and is subject to the appropriate penalties.

The basic rule is this: If you use material drawn from something beside your own first-hand experience, and the material is not “common knowledge,” that is, something that “everybody knows,” give credit to your source.

If you quote directly, even a word or phrase, use quotation marks and footnote.**

If you paraphrase (i.e., take the ideas and put them into your own words), footnote.

If you organize material in the unique manner of someone else, give that person credit in the text and, usually, in a footnote as well.

A good rule of thumb is to ask yourself: “Could a reader who consulted the works listed in my bibliography recognize in my paper sentences, phrases, and even striking words; patterns of organization; interpretations or attitudes or points of view or whole ideas or facts, as deriving from any one of these sources?” If the reader could, you must footnote those passages. Any clear parallels between your paper and any of its sources that a reader would discover from consulting these sources, you should already have told him or her through footnotes or informal acknowledgments.

If you borrow everything in your paper, footnote everything in your paper!

Once your paper is turned in, the reader has the right to assume that whatever appears in the paper, unless otherwise indicated, is your own work or is “common knowledge.”

It should be noted that a paper that is merely a patchwork of other people's words and ideas is a poor paper. Because of the particular slant on the topic you have been asked to consider; because of the particular combination of sources you have consulted; because of the independence of your own creative mind, your paper should be organically different from any of the various sources that have contributed to it.

* This statement is adapted from a document entitled “Use of Source Materials,” Pomona College Department of Government, Claremont, CA.

** Parenthetical references [e.g., (Smith 1991, 234)] may be substituted for footnotes.

COURSE OUTLINE

ANALYTICAL FRAMEWORKS

Sep. 4: *Introduction to the course*

Sep. 6: *What is international political economy?*

- Ravenhill, Chapter 1 (Ravenhill)
- Oatley, Preface and pp. 1-7

Sep. 11: *Historical approaches*

- Ravenhill, Chapters 2 & 3 (Watson; Aggarwal & Dupont)
- Oatley, pp. 7-12

Sep. 13: *IPE theories and the Liberal International Economic Order (LIEO)*

- *Frieden & Lake, Introduction
- Ravenhill, Chapter 4 (Hiscox)
- Oatley, pp. 13-20
- Reader, Preface

INTERNATIONAL TRADE RELATIONS

Sep. 18: *Trade simulation*

Sep. 20: *The GATT and WTO trading system*

- Oatley, Chapter 2
- Ravenhill, Chapter 5 (Winham)
- Reader, Chapter 1

Sep. 25: *Free trade and protectionism*

- Oatley, Chapter 3
- *Hufbauer, Gary Clyde and Jeffrey J. Schott. 2012. "Will the World Trade Organization Enjoy a Bright Future?" Peterson Institute for International Economics Policy Brief PB12-11. May.
<http://www.iie.com/publications/pb/pb12-11.pdf>

Sep. 27: *Statist explanations of trade politics*

- Oatley, Chapter 5
- *Frieden & Lake, Chapter 1 (Krasner)

Oct. 2: *Societal explanations of trade politics*

- Oatley, Chapter 4
- *Frieden & Lake, Chapter 20 (Rogowski)

Oct. 4: *The New Protectionism and regionalism*

- Ravenhill, Chapter 6 (Ravenhill)
- Reader, Chapters 2, 5

FOREIGN DIRECT INVESTMENT

Oct. 9: *Last day to drop a course without a 'W'*

Oct. 11: *The multinational corporation (MNC) and FDI*

- Oatley, pp. 158-64
- Ravenhill, Chapter 11 (Thun)

Oct. 16: *The origins of FDI*

- Oatley, pp. 165-73
- *Frieden & Lake, Chapter 9 (Caves)

Oct. 18: *The impact of FDI*

- Oatley, pp. 173-79, Chapter 9
- Reader, Chapter 8
- *Frieden & Lake, Chapter 11 (Elkins, Guzman and Simmons)

INTERNATIONAL MONETARY RELATIONS

Oct. 23: *The Bretton Woods monetary system*

- Ravenhill, Chapter 7 (Helleiner)
- Oatley, Chapter 10

Oct. 25: *The post-Bretton Woods monetary (dis)order*

- Oatley, Chapter 11
- *Frieden & Lake, Chapter 15 (Cohen)
- Reader, Chapter 11

Oct. 30: *Statist explanations of monetary politics*

- Oatley, Chapter 13
- *Frieden & Lake, Chapter 14 (Eichengreen)

Nov. 1: Film: *Frontline: The Crash*

- Reader, Chapter 10

Nov. 6: *Societal explanations of monetary politics*

- Oatley, Chapter 12
- *Frieden & Lake, Chapter 16 (Frieden)

DEVELOPMENT AND NORTH-SOUTH RELATIONS

Nov. 8: *LDC development strategies*

- Ravenhill, Chapter 12 (Wade)
- Reader, Chapters 13, 14
- *Frieden & Lake, Chapters 26, 27 (Acemoglu; Williamson)

Nov. 9: *Last day to drop a course with a 'W'*

Nov. 13: *North-south trade and investment relations*

- Oatley, Chapter 6
- Reader, Chapters 7, 12
- Ravenhill, Chapter 13 (Phillips)

CRISIS AND RECOVERY (TIMES TWO)

Nov. 15: *The debt crisis*

- Oatley, Chapters 7, 14
- Reader, Chapter 4

Nov. 20: *Currency crises in Latin America and Asia*

- *Edwards, Sebastian. 1997. "Bad Luck or Bad Policies? An Economic Analysis of the Crisis," in *Mexico 1994: Anatomy of an Emerging Market Crash*, ed. Sebastian Edwards and Moisés Naím, Washington, DC: Carnegie Endowment.
- Oatley, Chapter 15

GLOBAL ENVIRONMENTAL RELATIONS

Nov. 27: *The political economy of environmental degradation and protection*

- Ravenhill, Chapter 14 (Dauvergne)
- *Frieden & Lake, Chapter 29 (Frankel)
- Reader, Chapter 6

Nov. 29: Film: *Too Hot Not to Handle*

- *Bell, Ruth Greenspan, Barry Blechman and Micah Ziegler. 2011. "Beyond the Durban Climate Talks: To Fix the Environment, Fix the Negotiations." *Foreign Affairs*. Snapshot, October 30, 2011.
- *Bell, Ruth Greenspan and Barry Blechman. 2011. "How Much Did the Climate Talks in Durban Accomplish? Why More of the Same Could Be Dooming the Planet." *Foreign Affairs*. Snapshot, December 13, 2011.
- *Levi, Michael, Elizabeth C. Economy, Shannon O'Neil and Adam Segal. 2010. "Globalizing the Energy Revolution: How to Really Win the Clean-Energy Race." *Foreign Affairs* 89(6): 111-21.
- *Victor, David G. and Kassia Yanosek. 2011. "The Crisis in Clean Energy: Stark Realities of the Renewables Craze." *Foreign Affairs* 90(4): 112-20.
- *Ball, Jeffrey. 2012. "Tough Love for Renewable Energy: Making Wind and Solar Power Affordable." *Foreign Affairs* 91(3): 122-33.

FINANCIAL CRISES, GLOBALIZATION AND THE NATION-STATE

Dec. 4: *International finance, crisis and globalization*

- Ravenhill, Chapters 8 & 9 (Pauly, McGrew)
- Reader, Chapter 16

Dec. 6: *Globalization and the nation-state*

- Ravenhill, Chapter 10 (Hay)
- *Frieden & Lake, Chapter 32 (Johnson)
- Reader, Chapter 9

Dec. 11: *Managing globalization*

- Oatley, Chapter 16
- Reader, Chapters 3, 15

Dec. 17: *Final exam, 9:00-11:00a.m.*