

INTERNATIONAL POLITICAL ECONOMY

Political Science 3389, Spring 2016

W 2:00–4:50pm, Dallas Hall 115

Web page: <http://courses.smu.edu>

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Office hours:
By appointment

“The science of economics presupposes a given political order and cannot profitably be studied in isolation from politics.” (E.H. Carr, *The Twenty Years' Crisis*)

Course Description and Objectives

This course offers a general introduction to theories and issues in international political economy. In particular, it examines the political and economic conditions conducive to the development of cooperative behavior and bargaining among industrialized states as well as between rich and poor countries. Upon successful completion of this course, students will be able to:

- (1) critically evaluate international politics and economics by seeing more clearly the relationship between the two;
- (2) develop analytical skills in writing, speaking, and problem solving;
- (3) understand the history and evolution of the international political economy;
- (4) develop research skills; and
- (5) prepare for careers that have an international dimension, whether in the private or public sectors, or post-graduate study in related fields.

Course Requirements

1. Attendance and participation (20% of a student's course grade): Attendance at lecture and participation in discussion are mandatory. The readings vary in length and difficulty but average about 150 pages per week. You are expected to attend all the lectures and do the required readings. Come to class **prepared and ready to participate** in discussing the material assigned in the readings. Most importantly, *students are required to turn in a **memo** by **emailing** it to the instructor by **Tuesday at 5pm***. An unexcused absence will adversely affect your course grade, as will being present but unprepared to participate, or participating without being prepared.

After two unexcused absences, I may drop you from the course or give an FA (F for attendance) to your course grade. An excused absence is almost exclusively restricted to religious reasons, certain university activities, documented medical conditions, or documented family emergencies. Absences for religious reasons or for university

extracurricular activities require communication with me at the **beginning** of the semester. It is **your** responsibility to make arrangements with me **prior** to any missed scheduled examination or other missed assignment for making up the work.

Ultimately your attendance and participation grade turns on **my** impression of how seriously you take this course. It is **your** responsibility to take this course seriously and let me know that. How? Attend class; be prepared for class—read the assignments for understanding, be ready to ask and answer questions, take an informed role in discussions, and most importantly, write a good memo; **arrive early** to class; remain for the entire class; *be attentive in class without distracting me or your classmates with cell phones, text messages, side conversations, bathroom trips, coming-and-going, and so forth*; complete assignments when due; and demonstrate your understanding on the essays and other assignments. Laptops, cell phones, iPhones, and any other *electronic devices may not be used in class—**not even for note-taking.***

The course is designed, and will be conducted, like a graduate seminar. How well this course achieves its goals will depend on students' participation. Students are expected to do the assigned reading **before** class; to have read **actively**, comparing what they are reading with what they already know through other readings in this class or other classes to join class discussions.

2. **Two Take-home midterms** (15% each): The first take-home midterm will be made available on Feb. 17 and due Feb. 24, and the second take-home midterm will be made available on Apr. 13 and due Apr. 20. The exam is open book and open notes and will require 7 pages (typed, double-spaced, 12-point font) of writing. No extensions will be granted except in the case of a serious illness or a death in the family. **Please plan to finish the assignment prior to the due date, and leave adequate time to work out any computer or printer problems that may arise.**
3. **Research paper** (35%): Each student will be required to write a 15 page research paper (typed, double-spaced, and 12-point font) on a controversial issue in international political economy. Topics and readings for the paper should be developed in close consultation with the course instructor. *Each paper must be re-written, taking into account criticism of your first draft.* Each student is *required to meet the following due dates:*

| | |
|------------------------|---------|
| Paper topic / question | Jan. 27 |
| Progress report | Mar. 2 |
| First draft | Mar. 30 |
| Final draft | Apr. 27 |

Each research paper will be evaluated based on the final draft. However, *the paper will not be graded and given an F if you have not turned in the first draft or some of the previous assignments.* Moreover, if you turn in the first draft late, your research paper grade will be marked down with 20%. *A paper written without close consultation with the instructor will not be graded and given an F.* If you receive an F for the research paper, you will also receive an F for your course grade. **Late papers will not be accepted.** More detailed

information on this assignment will be posted on the course web site.

4. Take-home final (15%): The take-home final will be made available on Apr. 27 and due May 4 at 5:00pm by email. It will cover material from the entire semester but mainly from Parts III. The exam is open book and open notes and will require 7 pages (typed, double-spaced, 12-point font) of writing. **Late assignments will not be accepted.** Incompletes will be granted only in circumstances beyond your control: e.g., illness or family emergencies.

Each of you must meet with Professor Takeuchi for 20 minutes in the first weeks of the semester. Sign up for an appointment time during the first day in class. Be punctual.

Disability Accommodations

If you need academic accommodations for a disability, it is **your** responsibility to first contact Disability Accommodations & Success Strategies (DASS) at 214-768-1470 or www.smu.edu/alec/dass.asp to verify the disability and establish eligibility for accommodations. You should then schedule an appointment with me to make appropriate arrangements. (See University Policy No. 2.4)

Religious Observance

If you wish to be absent on religiously observed holidays that require missing class, you should notify me in **writing** at the **beginning** of the semester, and should discuss with me, **in advance**, acceptable ways of making up any work missed because of the absence. (See University Policy No. 1.9)

Excused Absences for University Extracurricular Activities

If you participate in an officially sanctioned, scheduled University extracurricular activity, you will be given the opportunity to make up class assignments or other graded assignments missed as a result of your participation. It is **your** responsibility to make arrangements with me **prior** to any missed scheduled examination or other missed assignment for making up the work. (University Undergraduate Catalogue)

Books and Readings

The following books are available for purchase at the bookstore. Readings marked with an asterisk (*) are available electronically on the course webpage at the Blackboard (<http://courses.smu.edu>). There may be changes in the readings and assignments below. This course requires use of the Blackboard.

Stephen G. Brooks, *Producing Security: Multinational Corporations, Globalization, and the Changing Calculus of Conflict* (Princeton, NJ: Princeton University Press, 2005).

Jeffrey A. Frieden, David A. Lake, and J. Lawrence Broz (indicated as FLB below), *International Political Economy: Perspectives on Global Power and Wealth*, 5th edition (New York: W. W. Norton & Company, 2010).

Patrick J. McDonald, *The Invisible Hand of Peace: Capitalism, The War Machine, and International Relations Theory* (New York: Cambridge University Press, 2009).

Michael L. Ross, *The Oil Curse: How Petroleum Wealth Shapes the Development of Nations* (Princeton, NJ: Princeton University Press, 2012).

Schedule and Reading Assignments

Readings provide background on topics covered in class lectures and discussions, so read the assignment **before** the class for which they are assigned. Because the course will make frequent reference to current events, you should make a habit of *reading a respectable newspaper on a regular basis* and pay attention to the events of international political economy.

1. Introduction (Jan. 20)

“Introduction: International Politics and International Economics” in FLB (pp. 1–19).

Brooks, chapter 1 (pp. 1–15).

McDonald, chapter 1 (pp. 1–22).

* Cassandra, “The Impending Crisis in Egypt,” *Middle East Journal* 49(1) (Winter 1995): pp. 9–27.

* Kenneth N. Waltz, “Globalization and Governance,” *PS: Political Science and Politics* 32 (December 1999): pp. 693–700.

In preparation for the class discussion, you are required to watch the documentary film, **“Commanding Heights, The Battle for the World Economy: Episode 1, The Battle of Ideas”** (available at the Fondren Library Center AV Collection: call number IDD00890; also available at the You Tube, http://www.youtube.com/watch?v=MCYU_HviAh0) by Jan. 26.

2. Contending Perspectives on International Political Economy (Jan. 27)

Stephen D. Krasner, “State Power and the Structure of International Trade” in FLB (pp. 23–41).

Barry Eichengreen, “The Political Economy of the Smoot-Hawley Tariff” in FLB (pp. 42–52).

Kenneth L. Sokoloff and Stanley L. Engerman, “History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World” in FLB (pp. 53–62).

Jeffrey A. Frankel, “Globalization of the Economy” in FLB (pp. 63–81)

David Lake, “British and American Hegemony Compared: Lessons for the Current Era of Decline” in FLB (pp. 139–152).

McDonald, chapters 2–3 (pp. 23–76).

RESEARCH PAPER TOPIC AND QUESTION DUE JAN. 27.

3. The Oil Curse (Feb. 3)

Ross, entire (253 pages).

4. Political Economy of the Middle East (Feb. 10)

[Guest Lecturer: Ambassador Robert Jordan]

Recommended Film: “Wadjda” (available at the Fondren Library Center AV Collection: call number IDD 01314).

5. Historical Perspectives (Feb. 17)

Cheryl Schonhardt-Bailey, “Free Trade: The Repeal of the Corn Laws” in FLB (pp. 87–97).

Peter Alexis Gourevitch, “International Trade, Domestic Coalitions, and Liberty: Comparative Responses to the Crisis of 1873–1896” in FLB (pp. 98–118).

McDonald, chapters 4–7 (pp. 77–232).

6. The Invisible Hand of Peace (Feb. 24)

[Guest Lecturer: Dr. Patrick McDonald]

The first midterm distributed on Feb. 17 and due at the start of class on Feb. 24.

7. Trade (Mar. 2)

Celtus C. Coughlan, “The Controversy over Free Trade: The Gap between Economists and the General Public” in FLB (pp. 341–364).

Ronald Rogowski, “Commerce and Coalitions: How Trade Affects Domestic Political Alignments” in FLB (pp. 365–375).

James E. Alt and Michael Gilligan, “The Political Economy of Trading States: Factor Specificity, Collective Action Problems, and Domestic Political Institutions” in FLB (pp. 376–392).

Richard B. Freeman, “Are Your Wages Set in Beijing?” in FLB (pp. 393–403).

Alan V. Deardorff and Robert M. Stern, “What You Should Know about Globalization and the World Trade Organization” in FLB (pp. 404–421).

Michael Bailey, Judith Goldstein, and Barry R. Weingast, “The Institutional Roots of American Trade Policy: Politics, Coalitions, and International Trade,” in FLB (pp. 422–442).

In preparation for the class discussion, you are required to watch the documentary film, “**Commanding Heights, The Battle for the World Economy: Episode 2, The Agony of Reform**” (available at the Fondren Library Center AV Collection: call number IDD00890; also available at the You Tube, <https://www.youtube.com/watch?v=N9pn3iQU02w>) by Mar. 1.

RESEARCH PAPER PROGRESS REPORT DUE MAR. 2.

8. Economies in Development and Globalization (Mar. 16)

David Dollar, “Globalization, Poverty, and Inequality since 1980” in FLB (pp. 447–467).

Daron Acemoglu, “Root Causes: A Historical Approach to Assessing the Role of Institutions in Economic Development” in FLB (pp. 468–473).

Jeffery G. Williamson, “Globalization and Inequality, Past and Present” in FLB (pp. 474–485).

Razeen Sally, “The Political Economy of Trade Policy Reform: Lessons from Developing Countries,” in FLB (pp. 486–504).

Jefferey A. Frankel, “Globalization and the Environment,” in FLB (pp. 507–535).

Kenneth F. Scheve and Matthew J. Slaughter, “A New Deal for Globalization” in FLB (pp. 536–545).

Dani Rodrik, “How to Save Globalization from Its Cheerleaders” in FLB (pp. 546–566).

Simon Johnson, “The Quiet Coup” in FLB (pp. 567–581).

In preparation for the class discussion, you are required to watch the documentary film, “**Commanding Heights, The Battle for the World Economy: Episode 3, New Rules of the Game**” (available at the Fondren Library Center AV Collection: call number IDD00890; also available at the You Tube, https://www.youtube.com/watch?v=vYf6gn_x-Zk) by Mar. 15.

Recommended Films: “**Mardi Gras: Made in China**” (available at the Fondren Library Center

AV Collection: call number IDD02113; “**China Blue**” (available at the Fondren Library Center AV Collection: call number IDD04489).

9. Political Economy of Development in Africa (Mar. 23)

[Guest Lecturer: Dr. Karisa Cloward]

* Paul Collier and Jan Willem Gunning, “Why Has Africa Grown Slowly?” *Journal of Economic Perspectives* 13(3) (Summer 1999): pp. 3–22.

* Nicolas van de Walle, *African Economies and the Politics of Permanent Crisis, 1979–1999* (New York: Cambridge University Press, 2001): pp. 20–63.

* Daron Acemoglu, Simon Johnson, and James A. Robinson, “An African Success Story: Botswana,” Dani Rodrik, ed., *In Search of Prosperity: Analytic Narratives on Economic Growth* (Princeton, NJ: Princeton University Press, 2003): pp. 80–119.

10. Money and Finance (Mar. 30)

J. Lawrence Broz, “The Domestic Politics of International Monetary Order: The Gold Standard,” in FLB (pp. 223–245).

Barry Eichengreen, “Hegemonic Stability Theories of the International Monetary System,” in FLB (pp. 246–272).

Benjamin J. Cohen, “The Triad and the Unholy Trinity: Problems of International Monetary Cooperation,” in FLB (pp. 272–285).

Jeffrey A. Frieden, “Globalization and Exchange Rate Policy,” in FLB (pp. 286–297).

Matthew Gabel, “Divided Opinion, Common Currency: The Political Economy of Public Support for EMU,” in FLB (pp. 297–313).

Sergio L. Schmukler, “Financial Globalization: Gain and Pain for Developing Countries,” in FLB (pp. 314–336).

Recommended Films: “**Margin Call**” (available at the Fondren Library Center AV Collection: call number IDD07014).

RESEARCH PAPER FIRST DRAFT DUE MAR. 30.

11. Multinational Corporations and Production (Apr. 6)

Brooks, chapters 2–3 & 5–7 (pp. 16–79 & 129–245).

12. Free Trade Agreements (Apr. 13)

* Hillary Clinton, “America’s Pacific Century,” *Foreign Policy* 189 (November 2011): pp. 56–63.

* Bernard K. Gordon, “Trading Up in Asia: Why the United States Needs the Trans-Pacific Partnership,” *Foreign Affairs* 91(4) (July/August 2012): pp. 17–22.

* Fukunari Kimura, “How Have Production Networks Changed Development Strategies in Asia?” in Deborah K. Elms and Patrick Low, *Global Value Chains in a Changing World* (Geneva: WTO Publications, 2013): pp. 361–383.

* Carla A. Hills, “NAFTA’s Economic Upsides: The View from the United States,” *Foreign Affairs* 93(1) (January/February 2014): pp. 122–127.

* Michael Wilson, “NAFTA’s Unfinished Business: The View from Canada,” *Foreign Affairs* 93(1) (January/February 2014): pp. 128–133.

* Jorge G. Castaneda, “NAFTA’s Mixed Record: The View from Mexico,” *Foreign Affairs* 93(1) (January/February 2014): pp. 134–141.

* Michael Froman, “The Strategic Logic of Trade: New Rules of the Road for the Global Market,” *Foreign Affairs* 93(6) (November/December 2014): pp. 111–118.

* Xinyuan Dai, “Who Defines the Rules of the Game in East Asia? The Trans-Pacific Partnership and the Strategic Use of International Institutions,” *International Relations of the Asia-Pacific* 15(1) (2015): pp. 1–25.

13. International Trade Policy Making in Action (Apr. 20)

[Guest Lecturer: Hon. Sara Wilshaw]

14. Current Problems in International Political Economy (Apr. 27)

McDonald, chapters 9–10 (pp. 264–308).

* Richard N. Haas, “The Unraveling: How to Respond to a Disordered World,” *Foreign Affairs* 93(6) (November/December 2014): pp. 70–79.

* Elizabeth C. Economy, “China’s Imperial President: Xi Jinping Tightens His Grip,” *Foreign Affairs* 93(6) (November/December 2014): pp. 80–91.

* Andrei Shleifer and Daniel Treisman, “Normal Countries: The East 25 Years after Communism,” *Foreign Affairs* 93(6) (November/December 2014): pp. 92–103.

RESEARCH PAPER FINAL DRAFT DUE APR. 27.

The take-home final distributed on Apr. 27 and due May 4 at 5pm by email.