

INTERNATIONAL POLITICAL ECONOMY

Political Science 3389, Spring 2021
MW 5:00–6:20pm, Hyer Hall 200 (SMUFlex)
Web page: <http://canvas.smu.edu>

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Virtual Office hours: MW 2:30–4:00pm
Zoom office hours: By appointment

Course Description and Objectives

“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*)

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 (including memo assignments) (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 100–150 pages per week. You are expected to attend all the lectures (following the SMUFlex rules) and do the required readings. *Students who wish to attend in person on both the red and blue rotation days are welcome to do so*, as long as the official classroom capacity for social distancing is observed. 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 on Canvas by 11:59pm of the due date*. An unexcused absence will adversely affect your course grade, as will being present but unprepared to participate, or participating without being prepared.

After four 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.

Zoom Participation: When you participate in a Zoom class meeting, you must turn on the video feature for the duration of the class meeting. If students are not clearly in view on the screen when attending via Zoom, they will be counted absent, and the participation grade will be impacted. Non-participation will lead to a commensurate penalty in your grade for the course. If students have a technological issue that complicates participation, or if there is a specific reason to have the camera off, students must notify the instructor as soon as these issues occur to develop an alternative arrangement. During the class, please obey the following Zoom protocol:

- Please raise your hand virtually by using the Raise Hand function.
- Please wait to be called on before you unmute to speak.
- Please use the Chat function only if you have trouble getting my attention.
- Please keep your video on so I can see you.

Mature, respectful behavior befitting an SMU student is expected. When you participate in a class meeting over Zoom, please find a quiet location where you may work uninterrupted. *Turn off mobile phones and other devices that may disrupt the meeting.*

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.***

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 exam is open book and open notes and will require 5–7 pages (typed, double-spaced, 12-point font) of writing. Essays will be evaluated on the basis of: demonstrated mastery of the assigned readings; skill in exposing nuances of similarity and difference in various defensible positions; cogency, clarity, precision and organization of presentation; and relevance of evidence marshaled to *support your argument(s)*. Papers shorter than the indicated length will receive deduction of your grade unless you receive my consent prior to submission. Same if your paper is single-spaced, you use abnormally small or large margins or fonts (12-point), or your paper is not typed. 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 Internet problems that may arise.

3. Research paper (35%): Each student will be required to write a 12–15-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	Feb. 4
Progress report	Mar. 7
First draft	Apr. 18
Final draft	May 2

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 April 28 and due May 10 at 11:59pm on Canvas. It will cover material from the entire semester but mainly from Part III. The exam is open book and open notes and will require 5–7 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 over Zoom 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

Students needing academic accommodations for a disability must first register with Disability Accommodations & Success Strategies (DASS). Students can call 214–768–1470 or visit www.smu.edu/Provost/SASP/DASS to begin the process. Once approved and registered, students will submit a DASS Accommodation Letter to faculty through the electronic portal *DASS Link* and then communicate directly with each instructor to make appropriate arrangements. Please note that accommodations are not retroactive and require advance notice to implement.

Religious Observance

Religiously observant students wishing to be absent on holidays that require missing class should notify their professors in writing at the beginning of the semester, and should discuss with them, in advance, acceptable ways of making up any work missed because of the absence. (<https://www.smu.edu/StudentAffairs/ChaplainandReligious-Life/ReligiousHolidays>).

Excused Absences for University Extracurricular Activities

Students participating in an officially sanctioned, scheduled University extracurricular activity should be given the opportunity to make up class assignments or other graded assignments missed as a result of your participation. It is the responsibility of the student to make arrangements with the instructor prior to any missed scheduled examination or other missed assignment for making up the work. (See [2020–2021 SMU Undergraduate Catalog](#) under “Enrollment and Academic Records/Excused Absences.”)

Student Academic Success Programs (SASP)

Students needing assistance with writing assignments for SMU courses may schedule an appointment with the Writing Center through Canvas. Students wishing support with subject-specific tutoring or success strategies should contact SASP, Loyd All Sports Center, Suite 202; 214–768–3648; <https://www.smu.edu/sasp>.

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 Canvas (<http://courses.smu.edu>). There may be changes in the readings and assignments below. This course requires use of the Blackboard.

Edward Alden, *Failure to Adjust: How Americans Got Left Behind in the Global Economy* (Lanham, MD: Roman & Littlefield, 2017).

Richard Baldwin, *The Great Convergence: Information Technology and the New Globalization* (Cambridge, MA: The Belknap Press of Harvard University Press, 2016).

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. 25)

* Uri Friedman, “Why America Resists Learning from Other Countries,” *Atlantic*, May 14, 2020

(<https://www.theatlantic.com/politics/archive/2020/05/coronavirus-could-end-american-exceptionalism/611605/>)

* Hiroki Takeuchi, “Trade as a Pathway to Peace,” *The Catalyst*, Fall 2020
(<https://www.bushcenter.org/catalyst/china/takeuchi-trade-and-peace-china.html>)

I. Theoretical Foundations of Trade and Peace in the International Political Economy

2. Realism: Hegemonic Stability Theory and Comparative Advantage (Jan. 27)

* Stephen D. Krasner, “State Power and the Structure of International Trade,” *World Politics* 28(3) (April 1976): pp. 317–343.

* Cheryl Schonhardt-Bailey, *From the Corn Laws to Free Trade: Interests, Ideas, and Institutions in Historical Perspective* (Cambridge, MA: MIT Press, 2006): pp. 1–30.

3–4. Domestic Politics of Foreign Economic Policy (Feb. 1 & 3)

* Helen Milner, “Trading Places: Industries for Free Trade,” *World Politics* 40(3) (April 1988): pp. 350–376.

* Michael Bailey, Judith Goldstein, and Barry R. Weingast, “The Institutional Roots of American Trade Policy: Politics, Coalitions, and International Trade,” *World Politics* 49(3) (April 1997): pp. 309–338.

* Ronald Rogowski, *Commerce and Coalitions: How Trade Affects Domestic Political Alignments* (Princeton, NJ: Princeton University Press, 1989): pp. 3–20.

* Christina L. Davis, “International Institutions and Issue Linkage: Building Support for Agricultural Trade Liberalization,” *American Political Science Review* 98(1) (February 2004): pp. 153–169.

RESEARCH PAPER TOPIC AND QUESTION DUE FEB. 4, 11:59PM ON CANVAS

5. Commercial Liberalism (1): Theory (Feb. 8)

McDonald, chapters 1–3 (pp. 1–76)

6. U.S.-Japan Relations in the New Age (Feb. 10)

[Class meets at the Japan Currents Symposium (Online), 6:00–7:15pm]

Memo Assignment 1 due Feb. 14, 11:59pm on Canvas.

In preparation for writing the first memo assignment, 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 Hamon Arts Library Center AV Collection: call number IDD00890; also available at the You Tube, <https://www.youtube.com/watch?v=gfRTpoYpHfw>).

7. Commercial Liberalism (2): Empirics (Feb. 15)

McDonald, chapters 4 & 7 (pp. 77–110 & 185–232)

8. Capitalist Peace vs. Democratic Peace (Feb. 17)

McDonald, chapters 8–10 (pp. 233–308)

9. Review (Feb. 22)

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

[Guest Speaker: Dr. Patrick McDonald, University of Texas at Austin]

THE FIRST TAKE-HOME MIDTERM DUE FEB. 28, 11:59PM ON CANVAS

II. Global Value Chains and the New Globalization

11. Old Globalization vs. New Globalization (Mar. 1)

Baldwin, chapters 2–3 (pp. 47–110)

12. What’s New in the New Globalization (Mar. 3)

Baldwin, chapters 4–5 (pp. 113–176)

RESEARCH PAPER PROGRESS REPORT DUE MAR. 7, 11:59PM ON CANVAS

13. Theory and Empirics of the New Globalization (Mar. 8)

Baldwin, chapters 6–7 (pp. 179–219)

14. Policy Implications of the New Globalization (Mar. 10)

Baldwin, chapters 8–9 (pp. 225–279)

15. From the World Trade Organization to Regional Trade Agreements (Mar. 15)

* Richard Baldwin, “The World Trade Organization and the Future of Multilateralism,” *Journal of Economic Perspectives* 30(1) (Winter 2016): pp. 95–116.

* 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 (2015): 1–25.

* Hiroki Takeuchi, “Is the Liberal International Order Dead? Global Value Chains and the CPTPP.”

16. Foreign Economic Policy Making in Action: CPTPP and USMCA for Mexico (Mar. 17)

[Guest Speaker: Hon. Francisco de la Torre, Consul General of Mexico in Dallas]

Memo Assignment 2 due Mar. 21, 11:59pm on Canvas.

In preparation for writing the second memo assignment, 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 Hamon Arts Library Center AV Collection: call number IDD00890; also available at the You Tube, <https://www.youtube.com/watch?v=SgFrBedellIA>).

17. Political Economy of Money and Finance (Mar. 22)

* Joshua Aizenman, “The Impossible Trinity (aka the Policy Trilemma),” UC Santa Cruz Working Paper Series (May 2010). (<https://escholarship.org/uc/item/9k29n6qn>)

* Jeffrey A. Frieden, “Globalization and Exchange Rate Policy,” in Ernesto Zedillo, ed., *The Future of Globalization: Explorations in Light of Recent Turbulence* (New York: Routledge, 2008): pp. 344–357.

* Jeffrey A. Frieden, “The Governance of International Finance,” *Annual Review of Political Science* 19 (2016): pp. 33–48.

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

18. Political Economy of Migration (Mar. 24)

[Guest Speaker: Dr. James Hollifield, SMU]

* Phillip L. Martin, “Economic Aspects of Migration,” in Caroline B. Brettell and James F. Hollifield, eds., *Migration Theory: Talking Across Disciplines*, third edition (New York: Routledge, 2015): pp. 90–114.

* Gary P. Freeman and Alan K. Kessler, “Political Economy and Migration Policy,” *Journal of Ethnic and Minority Studies* 34(4) (May 2008): pp. 655–678.

* Giovanni Facchini, Anna Maria Mayda, and Prachi Mishra, “Do Interest Groups Affect U.S. Immigration Policy?” *Journal of International Economics* 85(1) (September 2011): pp. 114–128.

THE SECOND TAKE-HOME MIDTERM DUE MAR. 28, 11:59PM ON CANVAS

III. Development and the Backlash to Globalization

19. The Oil Curse (1): Causes (Mar. 29)

Ross, chapters 1–2 (pp. 1–62)

20–21. The Oil Curse (2): Consequences (Mar. 31 & Apr. 5)

Ross, chapters 3–5 (pp. 63–187)

22. The Oil Curse (3): Wealth and Curse (Apr. 7)

[Guest Speaker: Dr. Michael Ross, UCLA]

Ross, chapters 6–7 (pp. 189–253)

Memo Assignment 3 due Apr. 11, 11:59pm on Canvas.

23. Political Economy of Development (Apr. 12)

* Andre Gunder Frank, “The Development of Underdevelopment,” *Monthly Review* 18(4) (September 1966): pp. 17–31.

* Stephan Haggard, *Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries* (Ithaca, NY: Cornell University Press, 1990): 23–48.

* Branko Milanovic, *Global Inequality: A New Approach for the Age of Globalization* (Cambridge, MA: Belknap Press of Harvard University Press, 2016): pp. 10–45.

In preparation for 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 Hamon Arts Library Center AV Collection: call number IDD00890; also available at the You Tube, https://www.youtube.com/watch?v=s2Ks3_O1i74) by Apr. 12.

Recommended Films: **“Mardi Gras: Made in China”** (available at the Hamon Arts Library Center AV Collection: call number IDD02113; **“China Blue”** (available at the Hamon Arts Library Center AV Collection: call number IDD04489).

24. Political Economy of the Global Environment (Apr. 14)

* Jeffrey A. Frankel, “The Environment and Globalization,” NBER Working Paper Series, Working Paper 10090 (November 2003). (<https://www.nber.org/papers/w10090>)

* Robert O. Keohane and David G. Victor, “Cooperation and Discord in Global Climate Policy,” *Nature Climate Change* 6 (June 2016): pp. 570–575.

* Joshua Busby, “Warming World: Why Climate Change Matters More than Anything Else,” *Foreign Affairs* 97(4) (July/August 2018): pp. 49–55.

Recommended Film: **“An Inconvenient Truth: A Global Warning”** (available at the Hamon Arts Library Center AV Collection: call number IDD 02942).

RESEARCH PAPER FIRST DRAFT DUE APR. 18, 11:59PM ON CANVAS

25. Failure to Adjust (1): How to Confront the Competition (Apr. 19)

Alden, chapters 1–3 (pp. 1–78)

26. Failure to Adjust (2): Why Measures Do Not Work (Apr. 21)

Alden, chapters 4–6 (pp. 79–152)

27. Failure to Adjust (3): How to Compete in the Global Economy (Apr. 26)

[Guest Speaker: Mr. Edward Alden, Council on Foreign Relations]

Alden, chapters 7–8 (pp. 153–202)

28. Review (Apr. 28)

RESEARCH PAPER FINAL DRAFT DUE MAY 2, 11:59PM ON CANVAS.

TAKE-HOME FINAL DUE MAY 10, 11:59PM ON CANVAS