

International Political Economy

U6233

Summer 2005

Columbia University

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Picker Center

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This course serves as an introduction to the politics of international economic relations. It examines the principal conceptual approaches in the field of international political economy and basic elements of its key substantive issue areas, namely, international monetary relations, trade, and north-south relations. In addition, we analyze several contemporary issues, such as the impact of globalization, strategic trade policy, and structural adjustment.

The assignments for this course are a take-home midterm exam and a ten-page policy paper or take-home final exam. Each assignment counts for 40% of your grade. Class participation (and attendance) accounts for the remaining 20%.

The following books should be considered for purchase:

Eichengreen, Barry. *Globalizing Capital*. Princeton University Press, 1996.

Fishlow, Albert and Karen Parker, eds. *Growing Apart: Causes and Consequences of Global Wage Inequality*. Council on Foreign Relations, 1999.

Wolf, Martin. *Why Globalization Works*. Yale University Press, 2004.

Additional readings listed in the syllabus are available online (follow the links indicated) or through the course reader (these readings are indicated with an asterisk).

READING ASSIGNMENTS AND CLASS SCHEDULE

I. Theories Of International Political Economy

Week 1 Introduction: Three Models of Political Economy and the Dilemmas of Collective Action

Oye, Kenneth. "Explaining Cooperation Under Anarchy."

<http://www.jstor.org/view/00438871/di971241/97p0002b/0?currentResult=00438871%2bdi971241%2b97p0002b%2b0%2cABAAAA&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3D%2522explaining%2Bcooperation%2Bunder%2Banarchy%2522%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00438871%26node.Political+Science%3D1>

Krasner, Stephen. "State Power and the Structure of International Trade."

<http://www.jstor.org/view/00438871/di971203/97p01115/0?currentResult=00438871%2bdi971203%2b97p01115%2b0%2cFF7FF9CF&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dstate%2Bpower%2Band%2Bthe%2Bstructure%2Bof%2Binternational%2Btrade%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00438871%26node.Political+Science%3D1>

Milner, Helen. "International Political Economy: Beyond Hegemonic Stability." *Foreign Policy*, 1998.

<http://www.jstor.org/view/00157228/ap040110/04a00080/0?currentResult=00157228%2bap040110%2b04a00080%2b0%2cFF1F&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dinternational%2Bpolitical%2Beconomy%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00157228%26node.Political+Science%3D1>

*Keohane, Robert. *After Hegemony*. Princeton, 1984. Chaps. 4 and 6.

Week 2 "Domestic Structures" and "Transnational Actors"

Ikenberry, G. J., D. Lake, and M. Mastanduno. "Approaches to Explaining American Foreign Economic Policy."

<http://www.jstor.org/view/00208183/dm980261/98p0170q/0?currentResult=00208183%2b98p0170q%2b0%2cFF7F&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dapproaches%2Bto%2Bexplaining%2Bamerican%2Bforeign%2Beconomic%2Bpolicy%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00208183%26node.Political+Science%3D1>

Gourevitch. "International Trade, Domestic Coalitions, and Liberty."

<http://www.jstor.org/view/00221953/ap010022/01a00040/0?currentResult=00221953%2bap010022%2b01a00040%2b0%2cBFFFBBBF03&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dinternational%2Btrade%252C%2Bdomestic%2Bcoalitions%252C%2Band%2Bliberty%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00221953%26node.History%3D1>

*Katzstein, Peter. "Domestic Structures and Strategies of Foreign Economic Policy."

Frieden, Jeffry. "Invested Interests: The Politics of National Economic Policies in a World of Global Finance."

<http://www.jstor.org/view/00208183/dm980276/98p0059u/0?currentResult=00208183%2b0059u%2b0%2cFFFFFF0F&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dthe%2Bpolitics%2Bof%2Bnational%2Beconomic%2Bpolicies%2Bin%2Ba%2Bworld%2Bof%2Bglobal%2Bfinance%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00208183%26node.Political+Science%3D1>

II. The International Monetary System

Week 3 The Basics of International Monetary System and its Historical Roots

Eichengreen. *Globalizing Capital*. Introduction and Chaps. 1-3.

Week 4 The Post World War II International Monetary System

Eichengreen. *Globalizing Capital*. Chaps. 4-6.

Assignment: Take-home midterm exam due the following week

III. States, Markets, and Trade

Weeks 5 and 6 States, Markets and Trade

*Krugman, Paul. "Targeted Industrial Policies: Theory and Evidence."

Coughlin et al. "Protectionist Trade Policies." Federal Reserve Bank of Saint Louis (1988).

http://research.stlouisfed.org/publications/review/88/01/Protectionist_Jan_Feb1988.pdf

*Brander, James. "Rationales for Strategic Trade and Industrial Policy." In Krugman, ed., *Strategic Trade Policy and the New International Economics*. MIT, 1987.

*Tyson. *Who's Bashing Whom?* Institute for International Economics, 1993. Chap. 7.

*Krugman, Paul. *Pop Internationalism*. Chap. 1.

Mansfield, E. and H. Milner. "The New Wave of Regionalism." *International Organization*, 1999.

<http://www.jstor.org/view/00208183/di012156/01p0078a/0?currentResult=00208183%2bdi012156%2b01p0078a%2b0%2cFFFFFFEFFF&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dthe%2Bnew%2Bwave%2Bof%2Bregionalism%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00208183%26node.Political+Science%3D1>

IV. Globalization

Week 7 The Dynamics and Consequences of Globalization

Wolf, Martin. *Why Globalization Works*. Chap 8.

Andrews, David. "Capital Mobility and State Autonomy."

<http://www.jstor.org/view/00208833/di012097/01p0079v/0?currentResult=00208833%2bdi012097%2b01p0079v%2b0%2cFFFFFF07&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dcapital%2Bmobility%2Band%2Bstate%2Bautonomy%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00208833%7C03615448%7C15336689%26node.Political+Science%3D1>

*Berger. "Introduction." In Berger and Dore, eds., *National Diversity and Global Capitalism*.

*Wade. "Globalization and its Limits." In Berger and Dore, op. cit.

Pauly, L. and S. Reich. "National Structures and Multinational Corporate Behavior: Enduring Differences in the Age of Globalization."

<http://www.jstor.org/view/00208183/dm980096/98p0027j/0?currentResult=00208183%2b980096%2b98p0027j%2b0%2cFFFFFF67F&searchUrl=http%3A%2F%2Fwww.jstor.org%2Fsearch%2FResults%3Fhp%3D25%26si%3D1%26mo%3Das%26All%3Dnational%2Bstructures%2Band%2Bmultinational%2Bcorporate%2Bbehavior%26Exact%3D%26One%3D%26None%3D%26sd%3D%26ed%3D%26jt%3D%26ic%3D00208183%26node.Political+Science%3D1>

Week 8 Policy Responses to Globalization

*Rodrik. *Has Globalization Gone Too Far?* Chaps 1 and 5.

Wolf, Martin. *Why Globalization Works*. Part IV.

Fishlow, A. and Parker, K. "Introduction." In *Growing Apart*.

Blanchflower and Slaughter. "The Causes and Consequences of Changing Income Inequality." In *Growing Apart*.

Lynch. "What Can We Do? Remedies for Reducing Inequality." In *Growing Apart*.

V. The Political Economy Of North-South Relations

Week 9 North-South Relations

Summers and Thomas. "Recent Lessons of Development."

<http://proquest.umi.com/pqdweb?index=1&did=1348529&SrchMode=3&sid=1&Fmt=3&VInst=PROD&VType=PQD&RQT=309&VName=PQD&TS=1115843686&clientId=15403&aid=2#fulltext>

*Evans, Peter. *Dependent Development*. Chap. 1.

Wade, R. and F. Veneroso. "The Gathering World Slump and the Battle over Capital Controls." *New Left Review*, 1998.

<http://www.newleftreview.net/IssueI227.asp?Article=02>

Week 10 Development Strategies and Structural Adjustment

*World Bank, *World Development Report*, 1987. Chaps. 5 and 6.

*World Bank. *The East Asian Miracle*, 1993. Overview.

*Haggard, S. and R. Kaufman. "Institutions and Economic Adjustment." In Haggard and Kaufman, eds., *The Politics of Economic Adjustment*. Princeton University Press, 1993.

Pastor. "Latin America, the Debt Crisis and the IMF." *Latin American Perspectives* (1989).

<http://www.jstor.org/view/0094582x/di013070/01p0134z/0?frame=noiframe&userID=803ba556@columbia.edu/01cce4403700501771f81&dpi=3&config=jstor>

Feldstein. "Refocusing the IMF." *Foreign Affairs*, 1998.

<http://fullaccess.foreignaffairs.org/19980301faessay1372/martin-feldstein/refocusing-the-imf.html>

Assignment: Take-home final exam or policy paper due in one week.