

**Dr. Linda M. Young
POL 443 Fall 2008
International Political Economy
Tuesday & Thursday 11-12:15
Linfield 113**

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International political economy integrates perspectives from political science and economics to explore how political forces shape our domestic and the international economy and the relationship between the two. In this time of increasing economic integration, it is important for individuals to have a contextual understanding of how policy choices have been, and continue to be, shaped by history, ideology and institutions. It is equally important for individuals to have the tools to evaluate issues affecting our national economy and how international economic integration presents us with both opportunities and constraints.

Content goals of the course include:

- ❖ To understand changes in the international economy over the past sixty years;
- ❖ To analyze the role of globalization and economic interdependence in determining national policies and growth, volatility, and interdependence in our national economy;
- ❖ To understand the roles and responsibilities of our global institutions and how they have changed;
- ❖ To understand the contributions and failures of development theory in explaining the progress and setbacks experienced by developing countries;
- ❖ To examine the political economy of trade in oil and how it differs from the rest of the multilateral trading system.

All of these goals support the overarching objective of the class which is to critique the operation and consequences of the international economy in terms of your own criteria.

Equally important are goals for refining the skills of class participants. Key skills include:

- ❖ Critiquing arguments and synthesizing diverse readings into a coherent understanding of the world economy;
- ❖ Recognizing the nuances of arguments, their weaknesses and when the possibility for multiple viewpoints exists;
- ❖ Engaging in class discussion of readings, lectures and other course content;
- ❖ Working in groups to discuss difficult issues and work through questions;
- ❖ Thinking independently and creatively about questions posed in the course.

This course is a pre-requisite for POLS 444 - Globalization and Politics. Taught in the spring, **Globalization and Politics** will examine in more depth the issues presented by economic interdependence between countries. Using a variety of challenging readings, the POLS 444 will use case studies to examine free trade, its impact on workers and wages in both developed and developing countries; the privatization of water; the impact of the WTO on the availability of HIV drugs; the Doha Round negotiations on agriculture and its potential impact on US farm programs, international migration; and other timely and complex issues. Details on this course are available on the course website <http://www2.montana.edu/lmyoung/pdf-files/POLS-444-Spr-2007-syllabus.pdf>

Lecture and Reading Schedule

Readings include:

- Balaam, David N. and Micheal Veseth (2008). *Introduction to International Political Economy*. New Jersey :Pearson Education. **This is the 4th Edition and other editions have different content and chapter numbers so beware of that!!**
- Paul Collier (2007). *The Bottom Billion*. Oxford: Oxford University Press.
- readings available on the course Webct homepage. Log in at https://webct.montana.edu/webct/ticket/ticketLogin?action=print_login&request_uri=/webct/homearea/homearea%3.
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Date	Topic	Reading
Sept 2	Introduction: What is IPE? What Questions Will We Answer?	Gilpin Ch. 2 Webct
Sept 4	What is the Global Economy: Interconnection and Institutions	World Bank "Assessing Globalization" and Stiglitz: Making Globalization Work" both on Webct
Sept 9	What is the Global Economy: Interconnection and Institutions (con't)	Sylvia Ostry on Library Electronic Reserves
Sept 11	International Monetary System	Balaam and Veseth, Ch. 7 Your textbook
Sept 16	International Monetary System	Gilpin, Ch. 9 ; Library Electronic Reserves
Sept 18	<i>The Dollar and the Euro</i> Group Project #1	MacDonald, Dapice, Palley and Wallerstein, all from Yale Global, all on Webct
Sept 23	Foreign Debt and Financial Crisis: History and Overview	Balaam and Veseth, Ch. 8 Your text book
Sept 25	Foreign Debt and Debt Forgiveness	Perkins, Webct Hanlon, Webct
Sept 30	Financial Crises and the International Financial System	Delong, Library Electronic Reserves

Sept 30	<i>Extra credit 7 pm, Attend talk by Ms. Erickson</i>	Details to come
Oct 2	<i>East Asia Crises Group Project #2</i>	Stiglitz, WebcT
Oct 7	The Global Trading System	Balaam and Veseth, Ch. 6 Your text book
Oct 9	The Global Trading System	Gilpin Ch 8, Webct
Oct 14	Foreign Direct Investment	UNDP, Ch 12 Library Electronic Reserves
Oct 16	Regionalism	Hoekman & Kosteci, Ch. 10, Library Electronic Reserves
Oct 21	Regionalism	Gilpin Ch 13, WebCT
Oct 23	Midterm Exam Due: take home, NO CLASS	
Oct 28	Multinationals, Globalization and the State: Overview of MNCs	Balaam and Veseth, Ch. 17, Your textbook
Oct 30	Impacts and Issues of MNCs <i>Group Project #3</i>	Manu, WebCT
Nov 4	The WTO and Competition Policy	Homes; Evernett (separate readings), WebCT
Nov 6	International Development	Balaam and Veseth Ch 15, Your textbook
Nov 11	No class- Veteran's Day	
Nov 13	International Development	Collier Chs 1 & 3 Your other textbook
Nov 18	International Development	Collier Ch 5, Your other textbook
Nov 20	De Soto <i>Group Project #4</i>	de Soto, multiple chapters, WebCT
Nov 24	Paper Due	
Nov 25	The Resource Curse	Collier, Ch. 3 Your other textbook
Nov 27	No Class – Thanksgiving	
Dec 2	Oil: Issues of Trade, Market Structure and Power	Balaam and Veseth Ch 18 but this is not your textbook!!! Its an old edition and the chapter is

		on Library Electronic Reserves
Dec 4	Oil: Issues of Trade, Market Structure and Power	Shankleman Ch. 7, Webct
Dec 9 th	Guest Speaker	To be announced
Dec 11	Review and Conclusions	Rodrik, Ch 1, Library Electronic Reserves
Dec 16	Final Exam Due (Take home exam)	

Requirements

Students are expected to attend class regularly; to read assignments before class and be prepared discuss them during class. Lectures are designed to supplement and clarify material presented in the readings. To participate in this seminar you must commit to doing the reading and participating in class discussions and group assignments.

Grading

Concept Quizzes-20% Four or five in-class quizzes will be given on key concepts in a short answer format.

Paper – 20% Investigating and critiquing an issue in economic integration.

Midterm – 20% The mid-term will consist of essays synthesizing and evaluating the course material to date. The questions will be given out one week ahead of the midterm, is a take home exam, and will be due on October 23rd.

Group Work – 20% On four occasions work will be done in groups during class time, evaluating and critiquing the readings, and writing short essays. Peer evaluation will be used in this component of the grade, and details will be explained in the first class.

Final – 20% The final will consist of take home essays due on December 16th.

Office Hours

Come and talk to me! I encourage students to visit me in my office hours to discuss the course, clarify course content and expectations, and to discuss current issues in IPE.

Dr. Linda Young

2-134 Wilson Hall

Monday 9-11 and Wednesday 2-4 and by appointment

Unexpected Emergencies

Students who have an unexpected emergency and have to miss a deadline are encouraged to contact me as soon as possible. Written verification of the emergency is expected.

Plagiarism

Paraphrasing or quoting another's work without citing the source is a form of academic misconduct. Even inadvertent or unintentional misuse or appropriation of another's work (such as relying heavily on source material that is not expressly

acknowledged) is considered plagiarism. If you have any questions about using and citing sources, you are expected to ask for clarification. Plagiarism will be dealt with according to departmental and university policies. Papers will be submitted on line and subject to scrutiny using state of the art software to detect plagiarism.

Readings

Balaam, David N. and Michael Veseth. 2008. *Introduction to International Political Economy*. Pearson/Prentice Hall, New Jersey, **fourth edition**.

Collier, Paul. 2007. *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It*. Oxford: Oxford University Press.

Easterly, William. 2006. *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. New York: Penguin Books.

Gilpin, Robert. 2001. *Global Political Economy: Understanding the International Economic Order*. Princeton University Press, Princeton and Oxford.

Manu, Franklyn A. 2003. "Negotiating with Foreign Investors: Lessons from the Ghana-VALCO Experience." *Journal of African Business* 4(1):5-35.

Perkins, John. 2004. *Confessions of an Economic Hitman*. Berrett-Koehler Publishers, San Francisco.

Rodrik, Dani. 2007. *One Economics, Many Recipes*. Princeton: Princeton University Press.

Sachs, Jeffery D. 2005. *The End of Poverty: Economic Possibilities of Our Time*. New York: Penguin Books.

Shanklman, Jill. 2006. *Oil, Profits and Peace: Does Business Have a Role in Peacemaking?* Washington DC: US Institute of Peace.

Stiglitz, Joseph E. 2007. "Another World Is Possible" Chapter 1 in *Making Globalization Work*. New York: WW Norton and Company.

United Nations Development Program. 2003. "Trade-Related Investment Measures and Investment" in *Making Global Trade Work for People*. London: Earthscan Publications, Chapter 12.

World Bank. 2008. "Assessing Globalization." World Bank Briefing Papers. Accessed August 11, 2008 from <http://www1.worldbank.org/economicpolicy/globalization/documents/AssessingGlobalizationP1.pdf>

Other References

Baumol, William J., Robert E. Litan and Carl J. Schramm. 2007. *Good Capitalism, Bad Capitalism, and The Economics of Growth and Prosperity*. New Haven and London: Yale University Press.

Rodrik, Dani. 2003. *In Search of Prosperity: Analytic Narratives on Economic Growth*. Princeton University Press, Princeton and Oxford.