PS 371: INTERNATIONAL POLITICAL ECONOMY

Fall 2014
Monday/Wednesday 2:30-3:45
Ingraham 22

Mark Copelovitch
Associate Professor
201A North Hall
copelovitch@wisc.edu
Office hours: Tuesday 1:15-2:30 or by appt.

Mark Toukan (mtoukan@wisc.edu)
Teaching Assistant
121 North Hall

Course overview
This course examines the politics of international economic relations. It focuses on the ways in which domestic and international politics affect both national economic policymaking and developments in the world economy. The course begins with a discussion of the analytical “building blocks” of international political economy, which we can use to understand and explain the causes and effects of trends in the world economy. It then examines the rise, fall, and return of “globalization” – high levels of trade, monetary, and financial integration in the international economy – over the last 150 years. Our goal will be not only to describe this historical evolution of the world economy, but also to explain its causes and consequences. Finally, the course examines a variety of key issues in the contemporary global economy. These topics include: the role of the international financial institutions, trade and development, the current global financial crisis, and the relationship between globalization and inequality.

Prerequisites
PS103 (or IS 101), 1 course in economics (strongly recommended), and junior/senior standing. If you have not fulfilled these requirements, please speak with me before enrolling in the course.

Course requirements
Students are expected to attend all class sessions and discussion section meetings, to complete the assigned readings prior to class, and to complete all written assignments and exams on time.

Grades for this course will be based on an in-class examination, a take-home essay examination, a take-home final examination, and participation/attendance in both lectures and sections.

- In-class midterm examination (20%): An in-class exam will be given on OCTOBER 1, which will cover material from the readings and lectures.

- Take-home essay exam (25%): For this 8-page (approximate length) essay, you will answer a question distributed in class on NOVEMBER 5 and due via Dropbox on
**NOVEMBER 12.** Your essay should be based on the material from the readings and lectures, and must be double-spaced, in 12-point Times New Roman font, with 1-inch margins. A bibliography and correct citation is required. The essay is due in class – no email attachments will be accepted. Late papers will be penalized with a **full letter grade deduction** for every day of lateness (NOTE: a paper will be deemed a full day late immediately following the due date/time). Collaboration with other students is not permitted, and university regulations about plagiarism will be strictly enforced.

- **Final examination (35%):** The final exam will be a **take-home examination**, which will have three parts. The first part will consist of short-answer identification terms and will ask you to identify and discuss the significance of important concepts, events, and processes covered in the course. The second part will be a short essay on a topic related to the material covered in Part IV of the syllabus. The final part will be a longer essay asking you to discuss broader themes and questions covered over the entire semester. We will discuss more details as the exam approaches. The take-home exam will be distributed on **MONDAY, DECEMBER 15**, and due in Dropbox by **5:00 PM, FRIDAY, May 19**. Late exams will be penalized with a **full letter grade deduction** for every day of lateness (NOTE: a paper will be deemed a full day late immediately following the due date/time). Collaboration with other students is **NOT** permitted, and university regulations about plagiarism will be strictly enforced.

- **Participation and class/section attendance (20%):** Attendance at both lectures and sections is a significant part of your grade and essential for doing well in the class. Discussion sections will focus closely on the readings, and you are expected to have done them in advance and come prepared to discuss them in detail. Please note that, while topics from lecture will also be discussed, sections are not intended to be a substitute for lecture attendance (and vice versa).

**Readings**

The following books are required for the course and are available at the University Bookstore:


NOTE: Oatley’s textbook is also now available in a full-text electronic edition and a Kindle edition, at a substantially reduced cost. You may want to consider this option if cost is a significant concern. Also, older versions (3rd or 4th edition) should be available used and are fine, as well.

In addition, there are several articles available on LearnUW or online via the links in this syllabus. Reserve readings are marked with an asterisk (*). **Please note that these readings are also required and will be of equal importance as the textbooks for the written assignments.**
Students with limited background in international economics may find the following reference guides helpful:


Important notes/class policies

- Anything covered in class or in the readings is fair game for the exams. So just doing the reading on the last night before the exam means an almost certain failing grade. Come to class and do your readings carefully and on time. *Note that even readings that have not been explicitly addressed in lecture or discussion section may be covered in the exams!*

- The best way to reach me is via email at copelovitch@wisc.edu or to speak with me before/after class.

- **Attendance:** If you know that you will be absent from class for religious or other reasons that can be known in advance, please let me know. If you have to miss class due to sickness or family emergencies, please keep me informed as possible. Remember that attendance/participation is fully 20% of your grade, and unexcused/unexplained absences will be noted accordingly.

- **Slides and notes:** My policy is to post my Powerpoint slides for each week after the Thursday lecture on the Learn@UW website. *Since this means that you will have a full set of my slides to study for both exams, I put quite a bit of material on the slides.* This means that you do not need – and are unlikely to be able – to take “transcript notes” (i.e., to copy everything on the slides). *Your best strategy is to listen carefully to the lectures and take selective notes on things mentioned that are important but not necessarily on the slides already. Then, go back to review the printed slides later on as needed.* Please note, also, that the slides alone are not a substitute for attending lecture AND doing the readings. Much of the material is unlikely to make complete sense if you do not attend class.

- **Grading:** Re-evaluating grades (please read very carefully!): My policy is the following:
  o You have to wait for 48 hours after the assignment has been returned before issuing any complaints. You then have to draft a 1-2 page double-spaced memo outlining why you deserve a better grade. Please note that this memo has to be based entirely on the merit of your own work, i.e., it cannot be based on comparisons with the grades of other students.
  o Your grade will then be fully re-evaluated. This means that I may revise the grade downward as well as upward. So please be certain that you have a very specific and justifiable reason before asking us to make any changes – this is not a risk-free process!

- **Exams:** The exam schedule is set. Clear your schedules now. There will be no make-up examinations unless you can provide proper documentation that your absence is due to a) a genuine family emergency, b) illness or injury, or c) travel away from Madison for university-related (!) obligations. If an exam is missed for a valid reason, I will give you a substitute assignment. *This will be an essay of 10 pages based on the material covered in the exam and will be due two days after the date of the missed exam.*

- **Accommodations:** Students needing special accommodations to ensure full participation in this course should contact me as early as possible. All information will remain confidential. You also may contact the McBurney Disability Resource Center regarding questions about campus policies/services.

- **Cheating** and **plagiarism** are very serious offenses that will not be tolerated in the course. You will receive a failing grade for the class, and the reason for the grade will be noted in your transcript.
I. INTRODUCTION

September 3: Orientation


September 8: Globalization: Trends and Causes


- Frieden, Preface (xv-xvii)

II. UNDERSTANDING GLOBALIZATION: THEORETICAL BUILDING BLOCKS

September 10: What is International Political Economy?

- Oatley, Chapter 1 (pp. 1-20)


September 15: The Economics of International Trade

- Oatley, Chapter 3 (pp. 45-68)

**September 17: The Economics of International Money and Finance**

• Oatley, portions of Chapter 10 (pp. 202-212)


• Oatley, Chapter 2 (pp. 22-44) & 4 (pp. 69-95)


**October 1: IN-CLASS MIDTERM EXAMINATION**

**III. HISTORICAL BACKGROUND: THE RISE, FALL, AND RISE OF GLOBALIZATION**

**October 6 & 8: Rise of the Modern World Economy, 1500-1914**

• Frieden, Chapters 1-5 (pp. 1-125)

**October 13 & 15: The Interwar Era: Recovery and Collapse, 1919-1939**

• Frieden, Chapters 6-10 (pp. 127-251)

**October 20 & 22: The Postwar World and Bretton Woods, 1945-1973**

• Frieden, Chapters 11-12 (pp. 253-300) & Chapter 15 (pp. 339-360)

• Oatley, portions of Chapter 10 (pp. 212-224)

- Review Oatley, Chapter 2
- Oatley, Chapters 11-13 (pp. 225-297)

November 3 & 5: Trade, aid, and development

*TAKE-HOME ESSAY EXAMINATION: Topics handed out NOVEMBER 5; papers due in Dropbox by NOVEMBER 12, 5 PM.

- Oatley, Chapters 6 & 7 (pp. 111-157)
- Frieden, Chapter 13 (pp. 301-320), Chapters 18 & 19 (pp. 413-456)

IV. ISSUES AND PROBLEMS IN CONTEMPORARY GLOBALIZATION

November 10: International Capital Flows and Financial Crises

- Oatley, Chapters 14 & 15 (pp. 298-345)


**November 17: The Eurozone crisis**


• Matthew O’Brien, Washington Post Wonkblog, “Worse Than the 1930s: Europe’s recession is really a depression” (http://www.washingtonpost.com/blogs/wonkblog/wp/2014/08/20/worse-than-the-1930s-europes-recession-is-really-a-depression/)

**November 19: Global Financial Governance**


(http://www.cfr.org/international-organizations-and-alliances/irony-global-economic-
governance-system-worked/p29101).

November 24 & 26: Foreign Direct Investment & Multinational Corporations

• Oatley, Chapters 8 & 9 (pp. 158-201)

December 1: Globalization and Inequality

• Oatley, Chapter 16 (pp. 346-369)


December 3: Globalization and the Environment


December 8: TBD

December 10: In-class review for final exam