Course Description

This course is an introduction to international political economy, the study of how and why international economic policies are formed, and how the international economy influences domestic politics. In order to study the politics of the global economy, it is necessary to learn a significant amount of economic theory, which we will do in regular doses throughout the course. The approach of the course is a mix of history and current events. We will examine the development of the international political-economic order since the 18th century and simultaneously compare “lessons from history” to present-day issues. We will also consider the extent to which the current global order fundamentally differs from the previous period of globalization (1815-1914). Topics covered include: foreign trade, capital flows, monetary policy and exchange rates, foreign aid, and international organizations such as NAFTA, the WTO, the IMF, and the EU.

If you’re having trouble remembering all the terms we use in class, I recommend referring to Alan Deardorff’s online Glossary of International Economics, found in the “External Links” section on the class’s UBLearns site. To refresh your memory on the various economic theorems we learn in class, you can pick up any introductory textbook on international economics.

Course Requirements and Grading

Attendance is required. You must do all the reading for a particular class meeting before that class. There will be the following assignments:

- nine in-class quizzes to test your comprehension of facts and theories, which together will count for 40% of your course grade;

- a three-page essay and participation in an in-class team debate on a topic of controversy in international political economy, the purpose of which is to allow you to apply class concepts to contemporary issues (15%);

- a comprehensive, cumulative, take-home essay final exam (45%), which must meet the standard requirements of an academic paper, including citations (see section on academic integrity below).
The quizzes will consist of short-answer questions, while the final will be in essay format. For the quizzes, I have adopted a special curve, such that the new score on your quiz \( (Y) \) depends on the raw score on your quiz \( (X) \) in the following way:

- If \( X < 20 \), then \( Y = 3X \). For instance, if you get a 10/100 on your quiz, that will be converted to a 30. As usual, anything 60 and below is an F.
- If \( X \geq 20 \), then \( Y = 60 + \frac{X-20}{2} \). For instance, if you get a 50/100 on your quiz, that will be converted to a 75 (C). I use the full grading scale with pluses and minuses.

Each quiz will cover all the reading and lectures since the previous quiz, including the reading for that day. I do not allow makeups of the quizzes. Instead, your two lowest quiz grades will be dropped.

The specific rules of the in-class debates will be given at a later date. However, the general format is as follows. Teams will generally consist of three students each. Each side will take a stand for or against an assigned proposition. Each member of each team will be given an amount of time in which to give his or her arguments, followed by open rebuttal time for both teams. Each student will be graded *individually* on the basis of his or her preparation and a three-page paper that must be turned in at the same time. The three-page paper should summarize what you planned to say in the debate. At the end of each debate, the class will vote on the proposition.

The final exam will be handed out on the last day of class, December 9. Your answers will be due as hard copies at my office by 4 PM on Monday December 19. (Ignore any scheduled final exam dates on MyUB.)

Please note the cancelled classes below.

**Readings**

All readings are required. Readings not drawn from the books are available on the course’s Blackboard site in the “Course Documents” section. I have chosen the following books for the course, both of which are available at the bookstore:

- Frieden, Lake, and Broz (eds.), *International Political Economy* (5th ed.),
- Eichengreen, *Globalizing Capital* (2nd ed.).

An asterisk (*) indicates readings that are longer or more complex and are likely to require more time.

**Academic Integrity**

I have noticed that many UB students are not adequately familiar with the scope, content, and importance of academic integrity. According to UB Rules and Regulations:

The University has a responsibility to promote academic honesty and integrity and to develop procedures to deal effectively with instances of academic dishonesty. Students are responsible for the honest completion and representation of
their work, for the appropriate citation of sources, and for respect for others’ academic endeavors. By placing their name on academic work, students certify the originality of all work not otherwise identified by appropriate acknowledgments.

Academic dishonesty includes:

(a) Previously submitted work: submitting academically required material that has been previously submitted in whole or in substantial part in another course, without prior and expressed consent of the instructor;

(b) Plagiarism: copying or receiving material from a source or sources and submitting this material as one’s own without acknowledging the particular debts to the source (quotations, paraphrases, basic ideas), or otherwise representing the work of another as one’s own;

(c) Cheating: receiving information, or soliciting information, from another student or other unauthorized source, or giving information to another student, with the intent to deceive while completing an examination or individual assignment;

(d) Falsification of academic materials: fabricating laboratory materials, notes, reports, or any forms of computer data; forging an instructor’s name or initials; resubmitting an examination or assignment for reevaluation which has been altered without the instructor’s authorization; or submitting a report, paper, materials, computer data, or examination (or any considerable part thereof) prepared by any person other than the student responsible for the assignment;

(e) Misrepresentation of documents: Forgery, alteration, or misuse of any University or Official document, record, or instrument of identification.

(f) Confidential academic materials: procurement, distribution or acceptance of examinations, laboratory results without prior and expressed consent of the instructor.

(g) Selling academic assignments: No person shall, for financial consideration, or the promise or financial consideration, prepare, offer to prepare, cause to be prepared, sell or offer for sale to any person any written material which the seller knows, is informed or has reason to believe is intended for submission as a dissertation or thesis, term paper, essay, report or other written assignment by a student in a university, college, academy, school or other educational institution to such institution or to a course, seminar or degree program held by such institution.

(h) Selling computer assignments: No person shall sell or offer for sale to any person enrolled in the State University of New York any computer assignment, or any assistance in the preparation, research, or writing of a computer assignment intended for submission in fulfillment of any academic requirement.

UB guidelines currently provide the instructor with a wide range of discretion as to the penalties to pursue for any violation of academic integrity. For clear and particularly serious violations of academic integrity such as cheating, my policy, with no exceptions, is to fail the student in the course. For lesser violations such as low-degree plagiarism, severe
point deductions, up to failure of the assignment, is standard. Regarding plagiarism, please note that you must cite every idea or piece of evidence in your paper that you derived from someone else. In addition, encyclopedias such as Wikipedia and biased publications from activist organizations are not acceptable sources for scholarly research, although they may well be appropriate places to begin your research. Use primary sources such as news articles for establishing facts and refereed, published research for establishing generally accepted relationships and ideas.

**Schedule of Topics and Readings**

1. **Introduction and Basic Concepts**
   - Monday August 29: No reading.
   
   NO CLASS FRIDAY SEPTEMBER 2 OR MONDAY SEPTEMBER 5

2. **The Economics of Trade**
   - Monday September 12: Frieden, Lake, & Broz, ch. 22 (Freeman – “Are Your Wages Set in Beijing?”).

3. **Early Development (1600s-1815) and Repeal of the Corn Laws (1846)**
   - Wednesday September 14: Frieden, Lake, & Broz, ch. 3 (Sokoloff & Engerman – “History Lessons”).
   - Friday September 16: Frieden, Lake, & Broz, ch. 26 (Acemoglu – “Root Causes”).
   
   NO CLASS MONDAY SEPTEMBER 19

4. **Rise of Free Trade (1840s-1880s)**
   - Friday September 23: Frieden, Lake, & Broz, ch. 1 (Krasner – “State Power and the Structure of International Trade”). (*)

Quiz #1

Quiz #2

Quiz #3

Wednesday September 28: Frieden, Lake, & Broz, ch. 20 (Rogowski – “Commerce and Coalitions”).

5. Evolution of the Classical Gold Standard (1815-1914)
   Friday September 30: Eichengreen, ch. 2. (*)

Monday October 3: No reading. Quiz #4

Wednesday October 5: Frieden, Lake, & Broz, ch. 14 (Eichengreen – “Hegemonic Stability Theories of the International Monetary System”) (*)
   Friday October 7: Frieden, Lake, & Broz, ch. 16 (Frieden – “Globalization and Exchange Rate Policy”)
   Monday October 10: No reading (in-class video).

6. Declining British Hegemony and the Rise of Economic Nationalism (1880s-1930)
   Wednesday October 12: Frieden, Lake, & Broz, ch. 21 (Alt & Gilligan – “The Political Economy of Trading States”) (*)
   Quiz #5
   Friday October 14: No reading. Debate teams and topics announced.


7. War, Depression, and Financial Instability (1914-1945)
   Friday October 21: Eichengreen, ch. 3. (*)
   Monday October 24: No reading. Quiz #6
   Debate: Team Ricardo vs. Team Marshall


Monday October 31: Eichengreen, ch. 4. (*)

Quiz #7


   Debate: Team Huntington vs. Team Olson

   Friday November 4: Eichengreen, ch. 5.

   Monday November 7: Frieden, Lake, & Broz, ch. 18 (Schmukler – “Financial Globalization”)
   Debate: Team Keynes vs. Team Hayek

10. Multinational Corporations

   Wednesday November 9: Frieden, Lake, & Broz, ch. 9 (Caves – “The Multinational Enterprise as an Economic Organization”)
   Quiz #8

   Debate: Team Polanyi vs. Team Friedman

   Monday November 14: No reading.
   Debate: Team Schumpeter vs. Team Samuelson

   Wednesday November 16: Frieden, Lake, & Broz, ch. 11 (Elkins, Guzman, & Simmons – “Competing for Capital”) (*)

11. Protectionist and Anti-Globalization Movements Today

   Friday November 18: Frieden, Lake, & Broz, ch. 23 (Deardorff & Stern – “What You Should Know About Globalization and the World Trade Organization”)

   Monday November 21: Frieden, Lake, & Broz, ch. 30 (Schewe & Slaughter – “A New Deal for Globalization”)
   Quiz #9

   NO CLASS WEDNESDAY NOVEMBER 23 OR FRIDAY NOVEMBER 25
   (THANKSGIVING BREAK)

12. The IMF and Foreign Aid, International Organizations


13. Globalization and Social Agendas

   Friday December 2: Frieden, Lake, & Broz, ch. 12 (Drezner – “Globalization and Policy Convergence”)
   *Debate: Team Dahl vs. Team Stigler*

   Monday December 5: Frieden, Lake, & Broz, ch. 29 (Frankel – “Globalization and the Environment”)
   *Debate: Team Buchanan vs. Team Arrow*

   Friday December 9: Final exam review.