PSC6439: International Political Economy

THE GEORGE WASHINGTON UNIVERSITY
Department of Political Science
SPRING · 2013

PSC 6439: International Political Economy
Time: Thu. 5.10-7.00pm
Location: Duques 251

Professor Llewelyn Hughes
Office: Monroe 472
Office Hours: by appointment
E-mail: lhughes@gwu.edu
Telephone: 202.994.1438

[Syllabus Subject to Amendment]

Course Description
This course examines the politics of international economic relations. It focuses on how interest groups and political institutions affect economic flows between countries, and how economic flows (trade in goods and services, capital, people, GHGs) affect political outcomes. Through the semester we focus on four types of flows: 1) goods and services; 2) capital; 3) people; 4) greenhouse gasses.

Learning Outcomes
As a result of completing this course, students will:

- Understand the major theoretical frameworks used for analyzing international political economy.
- Gain analytic tools for understanding how firms and societal actors determine their policy preferences towards trade, capital, immigration, and climate change.
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- Understand the role and limitations of international institutions in bringing about cooperative outcomes in climate change and other areas of international political economy

Course Readings
There is no single textbook for the course. Instead, readings are made up of a combination of articles and books. You can purchase the books from the university bookshop, or online through Amazon.com, Barnes and Noble, or equivalent online bookstores.


Blackboard
Readings will be made available for download through BLACKBOARD. We will also use the Blackboard system for submitting assessed work.
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<th>Date</th>
<th>Topic</th>
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<tr>
<td>17 Jan.</td>
<td>Foundations – What is International Political Economy?</td>
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<tr>
<td>24 Jan.</td>
<td>Trade: Demand for Openness and Protection</td>
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<td>31 Jan.</td>
<td>Trade: International Organizations and Openness</td>
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<td>7 Feb.</td>
<td>Trade: Systemic Supply of Openness</td>
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<td>14 Feb.</td>
<td>Trade: National Security and Restraints on Trade</td>
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<td>21 Feb.</td>
<td>Finance: International Capital Mobility</td>
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<td>28 Feb.</td>
<td>Finance: The Political Effects of Financial Openness</td>
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<td>7 Mar.</td>
<td>Finance: FDI &amp; Multinational Corporations</td>
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<td>21 Mar.</td>
<td>Immigration: Migration and Domestic Politics</td>
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<td>28 Mar.</td>
<td>Climate: Institutions &amp; Externalities</td>
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<td>4 Apr.</td>
<td>Climate: Domestic Interests</td>
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<td>11 Apr.</td>
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<td>18 Apr.</td>
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<td>14 May</td>
<td>Final Research Paper Due</td>
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Course Assessment
1. Class Participation
Active participation in class is crucial to the success of the semester. This includes completing all the readings and coming to class prepared to discuss them. Reflecting this, participation makes up 20% of your final grade.

2. Analytic Papers
You are required to write two analytic papers during the semester, drawn from sections II, III, IV, or V of the course. You are not required to do research outside the assigned readings, but are welcome to do so. You are also welcome to consult with me for additional references.

Papers must be 2,000 words +/- 10% (i.e. no shorter than 1,800 words and no longer than 2,200 words), excluding footnotes/endnotes. I do not mind which citation style you choose but you must be consistent. (Style makes up part of the grade for the paper.) Each paper is worth 20% of your final grade, meaning the analytic papers together are worth 40% of your final grade.

The papers are due in class the week after the last class of the relevant section. See the table below for the relevant dates. They should be submitted through Blackboard using the Safe Assign function by midnight on the relevant date. Safe Assign time stamps the papers. Safe Assign also searches a database of millions of papers, including those previously submitted to this course, for evidence of plagiarism. See the note below on how I handle problems with plagiarism.

The questions are:

Section II: Trade
What is the best explanation for the problems facing the Doha multilateral trade round? Given your analysis, and your assessment of US interests, what strategy would you propose the US government adopt in response?

Section III: Finance
What is the most plausible explanation governments reduced the barriers to financial flows over the last two decades? What is the likelihood of significant
restrictions over capital flows being reintroduced? Are some areas more likely to be reregulated than others? If so, why?

*Section IV: Immigration*
National rules governing immigration remain more limiting than for goods and services, and in comparison with previous periods. How can we explain this outcome?

*Section V: Climate Change*
International cooperation in climate change has proven far more difficult to achieve than trade and investment. Why? Given your analysis, what is the best solution for promoting further cooperation?

### 3. Group Project
Students are required to complete a group project, which has two components: 1) research paper 2) group presentation.

In the project you are expected to work in groups of 4-5. You have freedom to choose a topic for the group project, but it should focus on an important problem of international cooperation in international political economy. The problem can be global or regional in scope. It can also be focused on a specific issue area. Regardless of the topic, the research paper should include the following information:

- A description of the outcome you are interested in explaining.
- An explanation for why you think this outcome has obtained.
- An overview of the most important actors, and how you understand their interests. Make sure you justify why you think these are the most important actors (i.e. the effect of domestic, or international institutions? economic power? something else?), and why they take the position towards the issue.
- Consideration of potential criticisms or alternative explanations for the outcome you are interested in, and why you think these are less persuasive.
- A proposal for what you would do to solve/improve outcomes, along with why you think this would work.
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The research paper should be no longer than 5,000 words +/-10%, excluding footnotes/endnotes. Your group will present your findings to the rest of the class in the final two weeks of class. You should be prepared to answer questions at this time.

In order to help you make progress on the project, your group is required to submit a proposal to me including the following information: 1) who is in your group; 2) the outcome you are interested in explaining; 3) your tentative explanation for why this outcome has obtained; 4) possible alternative explanations; 5) a list of potential sources. A printed copy of the proposal is due in class on February 14. The proposal should be no longer than three pages in length, excluding the list of sources.

Together, the final group project is worth 40% of your final grade. Ten percent of this grade is made up of the proposal.

The grade breakdown is as follows:

<table>
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<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class Participation</td>
<td>20%</td>
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<tr>
<td>Analytic/Research Paper(s)</td>
<td>40%</td>
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<tr>
<td>Final Group Project</td>
<td>40%</td>
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<tr>
<td>(Proposal)</td>
<td>(10%)</td>
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- I use the following scale for grading:
  A (93-100); A- (90-92); B+ (87-89); B (83-86); B- (80-82); C+ (77-79); C (73-76); C- (70-72); D (60-69); F (0-59).
- If you would like me to re-grade an assignment, you must submit a written request explaining why you believe you did not receive the proper grade. I reserve the right to raise or lower your grade when re-grading an assignment.


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Class Policies
Attendance Policy
The readings and seminars are complementary and participation is a significant component of your grade. It is therefore in your interest to keep up with the readings, attend seminar regularly, and participate actively.

Academic Integrity
The GW Code of Academic Integrity states that “Academic dishonesty is defined as cheating of any kind, including misrepresentation of one’s own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information.”

For the remainder of the code, see: http://www.gwu.edu/~ntegrity/code.html

Students who have been identified as breaking the code will automatically receive zero marks for the relevant course component. Students identified as breaking the code more than once receive an automatic fail for the course. Claiming ignorance about how or when to cite sources is not an excuse for academic dishonesty.

Writing
Writing assignments constitute a major component of the final grade. I place great emphasis on clarity of exposition. I therefore urge you to make use of the resources available at The Writing Center (http://www.gwu.edu/~gwriter/). It can assist with essay planning and organization, use of citations, and other aspects of paper writing.

Late Work
Grading is spread throughout the semester so that students can choose the best time to submit material, given this and other commitments. Work handed in late will be penalized 1/3 of a grade for each day it is late. Work that is more than one week late will not be graded and the student will receive no marks for that section of the course.

I also realize that students can at times face unavoidable circumstances that
force them to delay submitting a requirement on time. I am willing to work with students to ensure material is submitted, but only if they consult with me as early as possible to work out an alternative arrangement.

Support for Students Outside the Classroom

Disability Support Services (DSS)
Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Marvin Center, Suite 242, to establish eligibility and to coordinate reasonable accommodations. For additional information please refer to: http://gwired.gwu.edu/dss

University Counseling Center (UCC) – 202-994-5300
The University Counseling Center (UCC) offers 24/7 assistance and referral to address students’ personal, social, career, and study skills problems. Services for students include:
• crisis and emergency health consultations
• confidential assessment, counseling services (individual and small group), and referrals

For additional information please refer to:
http://gwired.gwu.edu/counsel/counselingservices/academicsupportservices

Security
In the case of emergency, if at all possible, the class should shelter in place. If the building that the class is in is affected, follow the evacuation procedures for the building. After evacuation, seek shelter at a predetermined rendezvous location.
Seminars

Part I  Foundations

Week 1  Course Introduction (1/17)

Learning Goals: Understand course contents and expectations; identify the key normative questions asked about the relationship between government and markets. Formulate a view on the policy implications of these arguments for government intervention.


Part II  Goods and Services

Week 2  Trade: Demand for Openness and Protection (1/24)

Learning Goals: identify the distributive effects of trade openness; understand how individuals, firms, and others form opinions about trade policy; develop a position regarding what should be done to compensate workers who lose out through greater trade openness.

Basic Models
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**Extensions**


**Recommended**


**Week 3 Trade: International Organizations and Openness (1/31)**

Learning Goals: Identify the role of the GATT/WTO in promoting trade openness; specify the mechanisms through which international organizations such as the GATT/WTO might promote trade liberalization.

Week 4  
**Trade: Systemic Supply of Openness (2/7)**

Learning Goals: Analyze the role of the major powers in promoting trade openness; understand how the rise of China as an economic and military power may affect trade openness.

- Stephen Cohen & Brad De Long. *What Happens When Other Countries Have All the Money?* Whole Book.

*Debate*

Week 5  
**Market Failure and the Restraints on Trade (2/14)**

Learning Goals: What are the arguments for for restraining trade in certain types of goods and services? Develop a position on whether certain economic sectors, or actors, should be treated differently in global trade and investment on national security grounds; understand the national security implications of open markets.

*Application 1*

*Application 2*
Part III       Capital Markets

Week 6          International Capital Mobility (2/21)

Learning Goals: This week we begin to think about a crucial question in international political economy: the liberalization of capital markets. The 1980s and the 1990s saw capital markets liberalized across the developed and the developing world. We are seeking to understand why countries chose to liberalize their capital markets, and what is the likelihood is that this process will be reversed.


Debate
- Thomas Oatley, Debates in International Political Economy, Chapter 10.

Recommended
Week 7  The Political Effects of Financial Openness (2/28)

Learning Goals: Identify the economic and social effects of increased capital flows on developed and developing countries.

Developed Countries

Developing Countries

Debate
• Thomas Oatley, Debates in International Political Economy, Chapter 8.

Week 8  Foreign Direct Investment & Multinational Corporations (3/7)

Learning Goals: Multinational corporations (MNCs) trading and investing across national borders are an important source of foreign direct investment. Develop a view on how we can best characterize the relationship between MNCs and host governments, and understand what the effects of MNC investments on development and growth are.

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Debate
• Thomas Oatley, Debates in International Political Economy, Chapter 7.

Part IV  People

Week 9  Immigration and Domestic Politics (3/21)

Learning Goals: Labor is an input into economic processes, but people are not the same as primary or intermediate goods, or capital. This makes the politics of labor movement (i.e. immigration) more complicated than for other inputs. This week and next week we seek to understand the politics of immigration, and its effects on development.


Debate
• Thomas Oatley, *Debates in International Political Economy*, Chapter 4.

Part V Climate Change

Week 10 Climate I: Institutions & Externalities (3/28)

Learning Goals: Learn what the first and second order distributive implications of climate change are; identify the factors that increase/decrease the likelihood of collective action to combat climate change.

• Archer and Rahmstorf, *The Climate Crisis*, 1-15; 125-190.

Debate
• Thomas Oatley, *Debates in International Political Economy*, Chapter 6.

Week 11 Domestic Interests & Climate Change (4/4)

Learning Goals: Understand how to domestic interests and institutions affect the likelihood of climate change policies being introduced.

• Lawrence J. Broz, and Daniel Maliniak. 2010. “Malapportionment,


Week 12 The Promise and Peril of International Cooperation (4/11)

Learning Goals: use the tools we have learned throughout the course to explain why climate change negotiations are fraught with difficulties, and what the best institutional response might be. Further details to come...


Week 13 Group Presentations (4/18)

Week 14 Group Presentations (4/25)