

INTA 3301
International Political Economy
Fall 2015

MWF 10:05 – 10:55

LOCATION: Bunger-Henry 311

Dr. Alasdair Young

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Core attributes fulfilled

Social Science and Global Perspectives General Education requirements

International Affairs core course

Course description

This course introduces the subject of international political economy. In particular, it aims to equip you with the analytical tools necessary to examine critically the relationship between increasingly globalized markets and largely national politics. Toward this end it will introduce different understandings of the appropriate relationship between state and market and how these are manifest in the world. It will also present ways of understanding the interactions between domestic politics and international economics. These building blocks will be used to analyze four distinct, but interrelated issue areas at the heart of international political economy: trade, finance, development and the environment. The course will conclude by reflecting on the nature of globalization and its implications for state autonomy.

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Intended learning outcomes

By the end of this course, students will:

- demonstrate the ability to describe the social, political, and economic forces that influence social behaviors associated with domestic and international economic policy;
- demonstrate the ability to describe the social, political, and economic forces that influence the global economic system;
- be able to use their knowledge of international to analyze and address economic issues of immediate international concern (Problem solving in international affairs)
 - demonstrate an understanding of the key terms of economic policy and its analysis;
 - characterize the main intellectual traditions in International Political Economy;
 - evaluate the preferences and power resources of major actors in international political economy; and
 - analyze, interpret and explain challenges and developments in the world economy;
- become more aware of the diversity of cultural and ethical systems in the world (Cultural and ethical awareness)
 - identify the key features of the major forms of state-market relations found in the world;
- be able to work effectively in small groups to produce policy-relevant analysis in a timely fashion (Teamworking skills)
- able to express their arguments clearly and effectively (Effective communications skills)

Course materials

This course is supported by a text book:

Oatley, Thomas (2012), *International Political Economy*, 5th edition, Pearson. (available at Engineers' Bookstore)

We will also make extensive use of other resources. These will either be available on the web (denoted by **w**), through the GT library (**l**) or on t-square (**t**).

To access electronic journal articles through the library website:

- click on 'eJournals' on the left-hand side of the library homepage (under 'research tools');
- type the name of the journal in the search box;
- select the database option that includes the appropriate issue of the journal;
- browse the journal to the appropriate volume and issue.

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Course requirements

Assignment	Date due	Maximum points possible	Share of total
Country background briefing	9/4	200	10
Mid-term exam	10/5	400	20
Group presentations (4, better 3 will count)	10/16, 10/30, 11/9, 11/20	600	30
Final exam	12/7	600	30
Class participation	continuous	200	10
TOTAL		2000	100

Late assignments will NOT be accepted, except for medical or personal emergencies upon verification.

Presentations MUST be emailed to the instructor by 9 am on the day of the due date.

Extra-credit assignment (50 points for a serious effort) (up to 2 assignments may be submitted)

Write a reflective summary (500 words max) of an approved public talk. Due by the next class.

Grading

Grade	Points	Descriptors
A	20 19 18	Exceptionally good performance demonstrating a superior understanding of the subject matter, a foundation of extensive knowledge, and a skillful use of concepts and/or materials.
B	17 16 15	Good performance demonstrating capacity to use the appropriate concepts, a good understanding of the subject matter, and an ability to handle the problems and materials encountered in the subject.
C	14 13 12	Adequate performance demonstrating an adequate understanding of the subject matter, an ability to handle relatively simple problems.
D	11 10 9	Minimally acceptable performance demonstrating at least partial familiarity with the subject matter and some capacity to deal with relatively simple problems, but also demonstrating serious deficiencies.
F	<8	Did not demonstrate familiarity with the subject matter, nor the capacity to deal with simple problems in a manner recognizable to the consensus of mainstream academic practitioners within the field.

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Grade Change Policy

Simple computational or clerical errors should be brought to my attention immediately. Legitimate requests for grade changes are welcome and encouraged. You should, however, resist the temptation to file a frivolous request just hoping to “get lucky”. Approach a grade change request as if arguing a legal case: you should have strong and convincing arguments and evidence to support your request. Be aware that appeals to the practices of other professors generally do not constitute good argument or evidence. Note also that grade changes requests can result in re-grades either up or down (or left unchanged). That is, if the greater scrutiny demanded by a grade change request reveals your assignment to deserve a lower grade than previously awarded, and then the lower grade may be assigned.

Attendance policy

Attendance is required. For every three unexcused absences the student’s class participation grade will be lowered one full letter grade.

- Absences for medical or personal emergencies will be excused upon verification by the instructor. Absences for school athletics will be excused only if they are in accordance with the schedules approved and circulated by the Student Academic & Financial Affairs Committee for Travel or the Associate Athletic Director (Academic Services). Absences due to military service will be handled on a case-by-case basis and subject to verification.
- In order to get the most out of the course and to be able to participate effectively in class, you are expected at a minimum to read and reflect upon required readings before class. You should also read daily a quality newspaper (*Financial Times*, *New York Times*, *Wall Street Journal* or *Washington Post*) and the *Economist* (weekly).
- Course participants will treat each other with respect. Constructive questioning and criticism are welcome, even encouraged. Personal attacks and insults are not. The rule of thumb here is that critical comments and questions should be maturely phrased in a manner that encourages constructive and open debate. They should **not** be phrased as insults, threats, or in a manner that shuts down discussion.
- **All telecommunications devices are to be switched off during class.**
- **Computers and tablets are not to be used in class without express permission.**
- **No food in class**

Special Accommodations

Students requesting academic accommodations based on a documented disability are required to register with the Access Disabled Assistance Program for Tech Students (ADAPTS). Please obtain a form from the ADAPTS office and turn it in to me during office hours or in class in the beginning of the semester. (<http://www.adapts.gatech.edu>).

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Academic misconduct

According to the Georgia Tech honor code,¹ academic misconduct is any act that does or could improperly distort Student grades or other Student academic records. Such acts include:

- Possessing, using or exchanging improperly acquired written or verbal information in the preparation of any essay, laboratory report, examination, or other assignment included in an academic course;
- Substitution for, or unauthorized collaboration with, a Student in the commission of academic requirements;
- Submission of material that is wholly or substantially identical to that created or published by another person or persons, without adequate credit notations indicating authorship (plagiarism).

Course overview

8/17	Introduction	Pub quiz and surveys
8/19	Key ends and means of economic policies	Economic policy article
Section I IDEAS, IDEOLOGIES AND POLICIES		
8/21	Micro-economic ideas I: International	
8/24	Micro-economic ideas II: Domestic (varieties of capitalism)	
8/26	Micro-economic ideas III: Market failures	
8/28	Country back-ground sheet guidance	Country selection
8/31	Macro-economic ideas I: Keynesianism	
9/2	Macro-economic ideas II: Monetarism	
9/4	Social justice: Redistribution and the welfare state	Country background briefing
9/7	No class – Labor Day	
9/9	Marxian ideas and policies	
Section II DOMESTIC AND INTERNATIONAL POLICY-MAKING		
9/11	Of preferences and policy	
9/14	Institutions and influence	
9/16	Interdependence	
9/18	Case study: sanctions against Russia	
9/21	International cooperation	
9/23	International institutional design	
9/25	Case studies: G7; IMF; WTO; AIIB	
9/28	International institutions and state behavior	
9/30	Case study: WTO dispute settlement	
10/2	Mid-term review	
10/5	Mid-term	

¹ <http://www.osi.gatech.edu/plugins/content/index.php?id=46>

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Section III ISSUES AND POLICIES		
Trade		
10/7	Trade policy in the 21 st century	
10/9	Regional economic integration	Allocate US trade politics roles
10/12	No class – Student recess	
10/14	Group discussions: U.S. trade politics	
10/16	Student presentations: U.S. trade politics	
10/19	Changing politics of trade	
Finance		
10/21	Currencies and exchange rate regimes	
10/23	Financial crises	
10/26	Sovereign debt crises and the Eurozone crises	Allocate Greek crisis roles
10/28	Group discussions: Greek sovereign debt crisis	
10/30	Student presentations: Greek sovereign debt crisis	
11/2	Politics of debt	
Development		
11/4	What is development?	Students in expert groups
11/6	Group discussions: Development perspectives	
11/9	Student presentations: Development perspectives	
11/11	Politics of development	
Environment		
11/13	International environmental cooperation	
11/16	Climate change: Science and Politics	Allocate Paris roles
11/18	Group discussions: Climate change positions	
11/20	Student presentations: Climate change positions	
11/23	Prospects for Paris	
11/25	No class	
11/27	No class - Thanksgiving	
Section IV REVIEW		
11/30	Globalization I: What is globalization?	
12/2	Globalization II: So What?	
12/4	Review session	
EXAM		
12/7	Final exam 11:30-2:20	

Detailed course outline

8/18 Introduction

This class will introduce what international political economy is as a subject and as a field of study. The class will also introduce the course, setting out the aims and content, as well as the expectations and requirements. Students' subject knowledge will be gently explored through a 'pub quiz.' Students will also be encouraged to reflect upon their own economic policy beliefs through a class survey.

8/19 Ends and means of economic policies

During this class we will set the scene for the course by discussing the objectives of economic policy. As part of this discussion we will explore the distinction between normative (appropriate ends) and positivist (effective means) claims.

Assignment

Select an article on economic policy from the *Economist*, *Financial Times*, *New York Times*, *Washington Post*, or *Wall Street Journal*. Identify the ends and means discussed. Be prepared to discuss it in class.

I. IDEAS IDEOLOGIES AND POLICIES

Different people value different economic outcomes – e.g., efficiency and equality – differently. Moreover, there are different understandings about what policies are better for achieving those ends. This section of the course introduces the key normative and causal ideas that inform understandings of the appropriate relationship between state and market.

8/21 Micro-economic ideas I: International

Micro-economic ideas concern how markets should function. Within capitalist systems there are pronounced differences regarding the extent to which the government should intervene in domestic and international markets and how much competition there should be. This class will explore the classical debate in IPE between mercantilism and liberalism.

Reading

Oatley, Chapter 1

8/24 Micro-economic ideas II: Domestic

This class explores the debate about the appropriate role of the state within capitalist economies considering *dirigisme*, ordo-liberalism and neo-liberalism.

Reading

Schmidt, V. A. (2002), *The Futures of European Capitalism*, Oxford University Press, pp. 112-18 (t).

8/26 Micro-economic ideas III: Market failures

It is widely recognized that there are some socially desirable outcomes that markets provide poorly and some socially undesirable outcomes that markets are prone to produce. These are

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known as market failures and require policy interventions to address them. There are a variety of different ways that governments might seek to address even the same market failure. These different choices can have implications for international economic exchange.

Reading

Kleiman, M. A. R. and Teles, S. M. (2006), 'Market and Non-Market Failures,' in M. Moran and R. E. Goodin (eds), *The Oxford Handbook of Public Policy*, Oxford University Press, Section 3 (pp. 627-30, 32). (t)

8/26 Guidance on the country briefing

In this session we will go over the types of information sought in the country briefing, where you might look to find it and how it should be integrated into class sessions. In the process you will be introduced to key sources of economic data and as well as be introduced to how to interpret it. **Students will choose their 'expert country,'** although choice may be restricted in order to ensure an even distribution of expertise. Students who are absent will have a country assigned to them.

8/31 Macro-economic ideas and policy I: Keynesianism and fiscal policy

Macro-economic policies aim to influence the overall level of growth in an economy and thus affect the levels of unemployment and inflation. This class introduces the idea of trying to influence aggregate demand. It also introduces Keynesian ideas and examines fiscal policy. The class will explore the centrality of fiscal policy and austerity in policy debates in the US and elsewhere concerning the response to the 2008 global financial crisis and its aftermath.

Reading

Oatley, 250-55.

9/2 Macro-economic ideas and policy II: Monetarism and monetary policy

Monetary policy pursues very different objectives in different countries. This class introduces the range of objectives, but focuses on the use of monetary policy as an instrument of macro-economic policy, which is how it is used in the U.S. Monetarists consider active government intervention in the economy to be less desirable than Keynesians do. Rather they prioritize price stability over a short-term boost to growth. If a short-term economic boost is desirable, they consider monetary policy to be a more effective tool than fiscal policy. The aftermath of the 2008 global financial crisis has revealed the limits of some traditional monetary policy tools and prompted use of some new ones.

Reading

Oatley; 255-72 and 274-93.

Mark Blyth on Austerity. Youtube (<https://www.youtube.com/watch?v=go2bVGi0ReE>) (w)

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9/4 Social justice and the welfare state

The market is widely regarded as being the most efficient means of generating aggregate wealth. The resulting distribution of wealth, however, may be regarded as inequitable. Income inequality has become a hot political topic in the U.S. in the past few years. Fiscal policy can be an important tool for redistributing wealth. This class will explore different redistributive policies and introduce the 'worlds of welfare states'.

Country briefing due

Reading

Politizane, 'Wealth Inequality in America', 2013. 6:34 available at:

http://www.youtube.com/watch?feature=player_embedded&v=QPKKQnijnsM (w)

Vinik, D. (2014), 'Pikettymania Must Stop: A Plea for Calm in the Debate Over "Capital"', *New Republic*, 27 May, Available at: <http://www.newrepublic.com/article/117914/thomas-piketys-capital-overstated-liberals-and-conservatives> (w)

Stefton, T. (2006), 'Distributive and Redistributive Policy,' in M. Moran and R. E. Goodin (eds), *The Oxford Handbook of Public Policy*, Oxford University Press, 607-21. (t)

9/7 NO CLASS – LABOR DAY

9/9 Marxist ideas and policies

Although capitalist ideas are dominant in the West and in much of the world, Marxism influenced the economic development of major economies in the 20th century – most notably China and the Soviet Union. Further, ideas associated with Marxism also underpin many contemporary critiques of capitalism and globalization. This class will introduce the Marxist critique of capitalism and its understanding of the critical link between economics and politics. It will also introduce the neo-Gramscian concept of 'hegemony.' The economic system inspired by Marxism – communism – replaces market allocation with central planning by the state. This class presents the classical Soviet planning model and the pathologies that have caused some nominally communist governments to move towards the market. There are aspects of capitalist economies that have the character of planning.

Reading

Balaam, D. N. and Dillman, B. (2011), *Introduction to International Political Economy*, Pearson, pp. 85-99 (t).

Oatley 152-4

Economist 'Special Report: State Capitalism' 21 Jan. 2012 (l)

II. DOMESTIC AND INTERNATIONAL POLICY-MAKING

The previous section of the course introduced the ideas and values that underpin economic policy decisions and identified some of the ways in which these ideas and values are manifested in policy. This section of the course introduces how ideas and values translate into policy choices both domestically and internationally.

9/11 Of preferences and policy

Most approaches to IPE assume that individuals (and firms and governments/states) act in their self-interest and that the preferences and mobilization of these self-interested actors shape economic policy. There, however, other approaches that stress the extent to which policy preferences also reflect principled beliefs and identities. While it is widely accepted that societal interests are important in shaping domestic and international economic policy there are debates about whether governments have independent policy preferences or simply respond to societal demands.

Reading

Oatley, pp. 69-80; 86-7 90-1; 107-9.

Lake, D. A. (2006), 'International Political Economy: A Maturing Interdiscipline,' in B. R. Weingast and D. A. Wittman (eds), *The Oxford Handbook of Political Economy*, Oxford University Press, 763-4 (t)

Cox, R. W. (1981/1986), 'Social Forces, States and World Orders: Beyond International Relations Theory,' in R. O. Keohane (ed.), *Neo-Realism and Its Critics*, Columbia University Press, 234-6. (t)

Risse, T. (2002), 'Constructivism and International Institutions: Towards Conversations across Paradigms,' in I. Katznelson and H. V. Milner, *Political Science: State of the Discipline*, W. W. Norton, 598-604. (t)

9/14 Institutions and influence

Political institutions play a critical role in aggregating societal interests, and thus can affect the relative influence of different societal actors. They also determine the conditions under which governments have more or less autonomy. In addition, political institutions can determine where authority for a particular policy lies.

Reading

Lake, D. A. (2006), 'International Political Economy: A Maturing Interdiscipline,' in B. R. Weingast and D. A. Wittman (eds), *The Oxford Handbook of Political Economy*, Oxford University Press, 764-6. (t)

Oatley, pp. 81-6; 95-7

9/16 Interdependence and power

Interdependence is one of the critical concepts in IPE. It refers to the extent to which events or decisions in one economy affect other economies. As such it lies at the heart of much of the discussion of globalization. Interdependence is often asymmetrical – one party is more affected than another. As a result interdependence is a critical source of power in international political economy.

Reading

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Keohane, R. O. and Nye, J. S. (2001), *Power and Interdependence*, 3rd ed, Longman, pp. 7-17. (t)

Strange, S. (1988), *States and Markets: An Introduction to International Political Economy*, Pinter, Ch 2. (t)

9/18 Case study: Sanctions against Russia

This class uses the imposition of sanctions by the U.S., EU and others against Russia in response to its aggression in Ukraine to illustrate the nature of interdependence and how it relates to power. The class will highlight the extent and nature of interdependence between Russia and the U.S., Russia and the EU, and Russia and Ukraine. It will also examine the economic and political impacts of the sanctions.

Reading

BBC "Russia and Sanctions" available at: <http://www.bbc.com/news/world-europe-26672800> (w)

World Bank, *Russia Economic Report*, 33, April 2015, "In Focus: The Economic Impact of Sanctions" pp. 33-42. Available from <https://www.worldbank.org/en/country/russia/publication/russia-economic-report-33>. (w)

9/21 International cooperation

In the absence of an authoritative hierarchy, policy-making among states is profoundly different than that within them. This class explores ways of understanding how states take collective decisions. International cooperation is difficult to achieve for a variety of reasons, including the transaction costs of reaching an agreement and the problem of defection (cheating). Interdependence is an important source of power in international cooperation.

Reading

Oatley, 53-8.

Lake, D. A. (2006), 'International Political Economy: A Maturing Interdiscipline,' in B. R. Weingast and D. A. Wittman (eds), *The Oxford Handbook of Political Economy*, Oxford University Press, 766-8. (t)

Moravcsik, A. (1993), 'Introduction: Integrating International and Domestic Theories of International Bargaining,' in P. B. Evans, H. K. Jacobson and R. D. Putnam (eds), *Double-Edged Diplomacy: International Bargaining and Domestic Politics*, University of California Press, 23-32. (t)

9/23 International institutional design

International institutions can help to address the obstacles to cooperation. This class will explore what factors shape the international institutions created to facilitate cooperation.

Reading

Oatley, 58-62.

Keohane, R. O. (1998), 'International Institutions: Can Interdependence Work?' *Foreign Policy*, Spring, 82-96. (l)

Pollack, M. A. (2003), *The Engines of European Integration: Delegation, Agency and Agenda Setting in the EU*, Oxford University Press, 20-34. (t)

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9/25 Case studies: G7; IMF; WTO; AIIB

This class uses four very different international economic institutions to illustrate aspects of international institutional design. They differ in their forms; how established they are and the extent to which their role and/or structures have changed in response to changing demands and to the underlying balance of power.

Reading

G7: University of Toronto, G8 Information Center, "What is the G8?" Available at: http://www.g8.utoronto.ca/what_is_g8.html (w)

IMF: Oatley, 310-12; "Important Milestone Reached to Reinforce IMF Legitimacy," *IMF Survey*, 3 March 2011. Available at: <http://www.imf.org/external/pubs/ft/survey/so/2011/NEW030411A.htm> (w)

WTO: Oatley, 22-8

AIIB: *Economist*, "Following the Money," 17 March 2015. Available at: <http://www.economist.com/news/asia/21646629-development-finance-helps-china-win-friends-and-influence-american-allies-following-money> (w)

9/28 International institutions and state behavior

Although one of purposes of international institutions is to ensure that participants adhere to their obligations, there is a lively debate in International Relations about whether international institutions actually cause states to do (not do) what they otherwise would not (would). This class explores the ways in which international institutions might affect state behavior.

Reading

Martin, L. L. and Simmons, B. A. (2013), 'International Organizations and Institutions,' in W. E. Carlsnaes, T. Risse, and B. A. Simmons (eds), *Handbook of International Relations*, 2nd edn, Sage, pp. 336-41. (t)

9/30 Case-study: WTO dispute settlement

One of the most novel and controversial features of the WTO is its binding dispute settlement system. The controversy hinges on the extent to which enforceable international trade rules cause governments to do things they otherwise would not or not do things they otherwise would. This discussion will be highlighted by case studies of pivotal rulings and will focus on how the EU has modified its policies in response to adverse rulings.

Reading

Oatley, pp. 63-6; 358-67;

WTO, 'Understanding the WTO: Dispute Settlement: A Unique Contribution' at: http://www.wto.org/english/thewto_e/whatis_e/tif_e/disp1_e.htm (w)

10/2 Mid-term review

10/5 Mid-term exam

The mid-term exam will cover the first two sections of the course (everything to date), including the associated readings. The exam will combine short-answer, multiple-choice and (very) short essays. Questions will be aimed at eliciting synthesis across several classes, rather than the straight regurgitation of facts.

III ISSUES AND POLICIES

TRADE

10/7 Trade policy in the 21st century

The nature of trade and of trade policy since the end of the 20th century is very different from what came before. As traditional trade barriers have fallen and as regulations have proliferated, regulatory barriers to trade have increased in significance. As countries have liberalized their domestic economies foreign direct investment (FDI) and trade in services have increased dramatically. In addition, there has been a proliferation of transnational production networks and global value chains. This class will survey the primary trade policy issues in the early 21st Century.

Allocate U.S. trade politics roles

Reading

WTO (2012), *World Trade Report 2012: Trade and public policies: A closer look at non-tariff measures in the 21st century*, pp. 6-15. Available at:

http://www.wto.org/english/res_e/booksp_e/anrep_e/world_trade_report12_e.pdf (w)

WTO (2013), *World Trade Report 2013: Factors Shaping the Future of World Trade*, pp. 55-7; 69-75; 78-80. Available from: https://www.wto.org/english/res_e/publications_e/wtr13_e.htm (w)

Elms, D. K. and Low, P. (2013) (eds), *Global Value Chains in a Changing World* (World Trade Organization), 'Forward' (P. Lamy) and 'Preface: Governance through Partnership in a Changing World' (V. K. Fung), pp. xv-xxiii. (t)

10/9 Regional economic integration

A distinctive feature of trade policy in the 21st century has been the proliferation of efforts at closer integration among select countries. This class examines the incentives for such agreements and how economic integration is pursued. It highlights the spectrum for preferential trade agreements that exist. This class will also take a closer look at the European Union, the world's largest, best established and most ambitious regional integration agreement.

Allocate US trade politics roles

Reading

Oatley pp. 36-43.

WTO (2013), *World Trade Report 2013: Factors Shaping the Future of World Trade*, pp. 75-6. Available at: http://www.wto.org/english/res_e/booksp_e/world_trade_report13_e.pdf (w)

Cohen, T. H. (2012), *Global Political Economy*, 6th edn., Pearson, pp. 222-36. (t)

10/12 NO CLASS – STUDENT RECESS

GROUP PRESENTATION 1: U.S. TRADE POLITICS

The U.S. is currently engaged in negotiating two major preferential trade negotiations – the Transpacific Partnership (TPP) with 11 other countries, including Canada, Japan and Mexico – and the Transatlantic Trade and Investment Partnership (TTIP) with the 28 members of the European Union. These agreements are the largest and most ambitious the U.S. has ever

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undertaken. TTIP in particular aims to break new ground. These agreements present opportunities and threats to different societal groups within the U.S. The mobilization of these groups suggests that a new pattern of trade politics may be emerging.

Each group will be assigned to one (representative) U.S. interest group. Each student group will analyze the position of its interest group with respect to both agreements, noting similarities and differences across the agreements.

10/14 Group discussions: U.S. trade politics

Student groups will meet in class to discuss their interest group's positions on the two agreements. Students are expected to have read the relevant position papers prior to class and be prepared to discuss them with their groups. On the basis of the discussion, each group should prepare its presentation for the next class.

Reading

Relevant positions papers from assigned interest group.

10/16 Student presentations: U.S. trade politics

10/19 Changing politics of trade

Informed by the student presentations, this class will explore how the politics of trade have changed in the U.S. and what this implies about existing understandings of trade policy and the prospects for trade policy.

FINANCE

10/21 Currencies and exchange rate regimes

If goods and services go one way in international trade, money needs to go the other. Both parts of this exchange comprise a country's balance of payments. Different states or groups of states have different currencies. There are different ways that these currencies might relate to each other, known as exchange rate systems. The nature of the exchange rate system (combined with the regulation of capital flows) has implications for the effectiveness of macro-economic policy tools. This class will introduce the different exchange rate systems and explore how they affect macro-economic policy instruments.

Reading

Oatley, Ch. 202-34; 241-7.

10/23 Financial crises

Although international capital is a useful source of finance, it can present problems. The rapid and extensive removal of capital from a country ('capital flight') can be destabilizing. There are also possible problems of 'contagion;' the spread of financial problems from one country to another. Until recently financial crises were primarily a developing country problem, but lately they have affected developed economies. This class explores the causes of financial crises, how they might be averted and how governments respond to them.

Reading

Oatley, 323-38; 234-41.

10/26 Sovereign debt crises and the Eurozone crises

As we discussed earlier, governments borrow money to cover the gap between their revenues and expenditures. So long as capital markets are confident they will be repaid, this is not a problem. If governments are unable to repay their debts or if markets lose confidence in their ability to do so, the state will experience a debt crisis. This class introduces the key features and challenges associated with sovereign debt crises, as well as the various responses that have been adopted to them. This class will focus on the sovereign debt crises in the Eurozone countries since the 2008 global financial crisis, with a particular emphasis on the case of Greece.

Allocate Greek crisis roles

Reading

Oatley, pp 298-310; 312-21.

The Economist, 'Special Report: Europe and Its Currency', November 12 2011: Sections on 'staring into the abyss' and 'A very short history' (w)

GROUP PRESENTATION 2: Greek sovereign debt crisis

During the summer of 2015 the protracted Greek sovereign debt crisis came to a head with the Greek government's failure to make a loan repayment to the IMF, a referendum rejecting the terms of a bailout and a last-minute deal. This crisis has highlighted the divisiveness of addressing sovereign debt crises both within and among governments and international institutions.

10/28 Group discussions: Greek sovereign debt crisis

Student groups will meet in class to discuss their government's/institution's perspective on the Greek sovereign debt crisis. Students are expected to have researched their role's position prior to class and be prepared to discuss them with their groups. On the basis of the discussion, each group should prepare its presentation for the next class.

Reading

Economist, "Briefing: The Greek Crisis," 11 July 2015. (I)

Economist, "In Depth: The Greek Crisis." Available at: <http://www.economist.com/greekcrisis>. (w)

Individual research

10/30 Student presentations: The Greek debt crisis

11/2 The politics of debt

In the light of the student presentations, this class will explore the distributional implications of debt crises – within states, between states and among private and public actors – and how these implications shape the charged politics of managing sovereign debt crises.

DEVELOPMENT

11/4 What is development?

In 2000 the United Nations adopted its Millennium Development Goals (MDGs) aimed at reducing global poverty. In 2005 the G-8 Summit at Gleneagles and the UN 60th Anniversary conference highlighted development as a pressing challenge in international relations. World

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leaders are due to adopt a new set of goals that build upon the MDGs in September. This class introduces the why underdevelopment matters and presents different ways of understanding and pursuing development.

Students will be in their country expert groups

Reading

Philips, N. (2014), "Globalization and Development," in J. Ravenhill (ed.), *Global Political Economy*, 4th edn. Oxford University Press, 344-69. (t)

GROUP PRESENTATION 3: Development perspectives

Different countries understand what development is in different ways. They can even disagree about which countries should be considered developing countries. They also have very different views of who is responsible for underdevelopment (and thus for addressing it) and what the best ways of realizing development are.

11/6 Group discussions: Development perspectives

Student groups will meet in class to discuss their expert country government's perspective on international development. Students are expected to have researched their government's view of the issue prior to class and be prepared to discuss it with their groups. On the basis of the discussion, each group should prepare its presentation for the next class.

Research

Expert country's perspective on international development

11/9 Student presentations: Development perspectives

11/11 Politics of development

In the light of the student presentations, this class will discuss how the ends and means and responsibility for development are contested within and between countries.

ENVIRONMENT

11/13 International environmental cooperation

Environmental harm is a side-effect of economic activity. Efforts to mitigate environmental harm, therefore, can have distributional implications within and between countries. This class focuses on environmental problems that span national borders, specifies the problem characteristics associated with different types of environmental harm and explains how multilateral environmental agreements (MEAs) are negotiated. Along the way it will introduce the major MEAs in force in the world.

Reading

Balaam, D. N. and Dillman, B. (2011), *Introduction to International Political Economy*, 5th edn, Pearson, pp. 507-12. (t)

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11/16 Climate change: Science and politics

This class will introduce that state of the science associated with climate change and discuss the politics of the efforts to date to address climate change.

Allocate climate change roles

Reading

Balaam, D. N. and Dillman, B. (2011), *Introduction to International Political Economy*, 5th edn, Pearson, pp. 512-20. (t)

IPCC (2014), "Climate Change 2014: Synthesis Report: Summary for Policymakers," Available at: http://www.ipcc.ch/pdf/assessment-report/ar5/syr/AR5_SYR_FINAL_SPM.pdf (w).

GROUP PRESENTATION 4: CLIMATE CHANGE POSITIONS

Starting November 30 the parties to the United Nations Framework Convention on Climate Change will meet in Paris in an effort to agree a successor to the Kyoto Protocol, billed as a "Universal Climate Agreement."

11/18 Group discussions: Climate change

Student groups will meet in class to discuss their government's negotiating position for the Paris conference. Students are expected to have researched their government's position prior to class and be prepared to discuss it with their groups. One the basis of the discussion, each group should prepare its presentation for the next class.

Research

Country's position for the Paris conference

Consult your country's Intended Nationally Determined Contribution. Available at: <http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx>. (w).

11/20 Student presentations: Climate change positions

11/23 Prospects for Paris

In the light of the student presentations and on the eve of the conference, this class will discuss the prospects for reaching an agreement and whether any such agreement is likely to be sufficiently ambitious to address the challenge of climate change.

11/25 NO CLASS

11/27 NO CLASS: THANKSGIVING

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IV WRAP UP

11/30 Globalization I: What is it?

The term 'globalization' is much used, but it can mean very different things to different people. This class explores some of the most common of these understandings and suggests a common meaning in the context of this course.

Reading

Keohane, R. O. and Nye, J. S. (2000), 'Globalization: What's New? What's Not? (and So What?),' *Foreign Policy*, Spring, 104-119. (I)

12/2 Globalization II: So what?

A central concern about globalization is the extent to which it has transformed economic policy-making. There is a lively debate about how much globalization constrains the state and how much it empowers which domestic actors. This class will discuss these debates as a way of drawing together the conceptual strands and empirical issues covered in the course.

Reading

Hay, C. (2014), "Globalization's Impact on States," in J. Ravenhill (ed.), *Global Political Economy*, 4th edn. Oxford University Press, 255-81. (t)

12/4 Revision session

I will be available during the class hour to answer substantive questions and clarify material covered during the course. This will be a student-led session.