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 different aspects of the international economy – trade, international finance and migration – followed by discussions of how these different aspects affect individual people, the environment and development. Along the way, we will focus on which groups have power in the global economy and how they use this power.

Requirements
- The main requirement is a final paper or senior essay if you choose to write your senior essay in the class. To help you all write better papers and learn more about the research process, the assignments break up the final paper into smaller assignments. You are expected to incorporate the feedback from the earlier assignments into the final paper.
  - Question for research (10% of grade) due in class January 26th
    - 2 double-spaced pages
    - What question do you want to address?
    - Why is this an important question to address?
  - Literature Review (15% of grade) due in class February 16th
    - 3 double-spaced pages
    - Find and summarize relevant research on your question
  - Draft of your argument (15% of grade) due in class March 2nd
    - 5 double-spaced pages
    - Discuss your argument and how it differs from those in the literature
- Final Paper (40% of grade)/ Senior Essay due April 20th by 4PM
  - 12-15 double-spaced pages if you are not writing a senior essay.
  - If you are writing your senior essay in this class, see senior essay instructions for page length and other details.
  - Paper should incorporate the previous assignments as well as testing of the argument (to be discussed in further detail later)
• Participation (20% of grade)
  o Every student must attend class on a weekly basis. Only active participation
    will receive a high mark. Students who show up but do not contribute to
    class discussion will be given a C for their participation grade. This is not to
    penalize introverts, but to help you learn how to participate constructively in
    a group setting. Almost all careers have some amount of meetings/ group
    interactions and this is a safe place to practice engaging in a group setting.
  o Similarly, students who miss class without a Dean’s Excuse will be marked
    down. 3 or 4 unexcused absences will mean that the student can earn no
    higher than a C for participation; 5 unexcused absences will lead to a grade
    no higher than D; and 6 or more unexcused absences will result in students
    failing the course.

Students with disabilities
Students with disabilities will be fully included in this course. Students who may need an
academic accommodation based on the impact of a disability must initiate the request with
the Resource Office on Disabilities. The Resource Office on Disabilities is located at 35
Broadway, Room 222, 203-432-2334, http://yalecollege.yale.edu/content/resource-office-
disabilities.

Readings
Main Texts
Frieden, Jeffry A., and David A. Lake. International Political Economy: Perspectives on Global
Power and Wealth. (Boston: Bedford/St. Martin’s, 2000.) 4th or 5th ed. [Frieden & Lake]

NOTE: The library has an electronic copy of the 4th edition that you can access on
campus.

Thomas Oatley. International Political Economy: Interests and Institutions in the Global

NOTE: This book is somewhat expensive and there is no ebook that the library can
purchase. The library has purchased two copies and put them on reserve at Bass.

Other readings
All other readings (marked with an *) can be found under the Course Reserves tab of
Classsv2.

Computer use in class
Laptops will not be permitted in class. If you have a pressing reason why you must use a
laptop, you may email me and I will allow laptops on a case by case basis. E-readers (iPads,
Kindles, etc.) are permitted.

Academic Integrity
From the Yale College Undergraduate Regulations: “Yale regards cheating as a serious
offense, for which the standard penalty is two semesters of suspension.” Please see the
Regulations for more about what counts as cheating on exams and plagiarism on papers (http://yalecollege.yale.edu/content/undergraduate-regulations).

You must document all of your source material. If you take any text from somebody else, you must make it clear the text is being quoted and where the text comes from. You must also cite any sources from which you obtain numbers, ideas, or other material. If you have any questions about what does or does not constitute plagiarism, ask! Further, citing your work does not detract from it; it makes your work better because you show that your point is supported by an expert in the field. Please see the Writing Center for more details http://writing.yalecollege.yale.edu/advice-students/using-sources/understanding-and-avoiding-plagiarism.

Further, all work should be original to this class – you may not use papers written for other classes without prior approval.

I will use online tools to check for plagiarism.

**Final policies, notes, etc.**

*Contacting the professor:* Email is the best way to reach me. I will try to respond in a timely manner, but understand that I may not answer email between 9PM and 9AM on weekdays and may not be available on the weekends.

*How to find my office:* Enter through the main door of ISPS and go through the next set of doors. Continue through the common room and then turn right. Go left down the hallway at Pam Lamonaca's desk. Go all the way back and up the stairs. Turn left and left again, walk straight down the hallway and my office is on the left.

Finally, the syllabus is a guide and may be amended; most likely some material may be cut or abridged.

**Schedule**

**PART I: INTRODUCTION**

January 12: Trends and Causes of Globalization; Russia: A Case Study in the Use of Economic Power and its limits
- Russia: Case Study
  - [http://www.vox.com/2014/12/16/7401401/ruble-collapse-interest-rates](http://www.vox.com/2014/12/16/7401401/ruble-collapse-interest-rates)
- Trends and Causes of Globalization


PART II: EXPLAINING FOREIGN ECONOMIC POLICY

January 16: Theoretical Building Blocks of Trade, Migration and Money and Finance
- Oatley, Chapter 3 & 10
- Freeman, Richard B. “Are your wages set in Beijing” (In Frieden & Lake).
- (*) Peters, Margaret “Trade and Migration” In The Oxford Handbook on the Politics of International Trade
- Cohen, Benjamin J. “The Triad and the Unholy Trinity: Problems of International Monetary Cooperation.” (In Frieden & Lake)
- Background reading (recommended, not required)
  - (*) Frieden, Lake and Schultz World Politics: Interests, Interactions Institutions. Chapters 7-9. This is a text book and should make fairly quick reading.

January 26: Power and the International Economy
- Oatley, Chapter 2 & 5
- Krasner, Stephen D. “State Power and the Structure of International Trade.” (In Frieden & Lake.)
- Lake, David A. “British and American Hegemony Compared: Lessons for the Current Era of Decline.” (In Frieden & Lake)
- Eichengreen, Barry. “Hegemonic Stability Theories of the International Monetary System.” (In Frieden & Lake)

February 2: The Three I’s: Domestic Interests, Institutions and Ideas
PART III: EXPLAINING THE GLOBAL ECONOMY

February 9: Interest Groups and Trade: Who wins, who loses, who controls policy?
- Ronald Rogowski. “Commerce and Coalitions: How Trade Affects Domestic Political Alignments” (In Frieden & Lake)
- Alt and Gilligan “The Political Economy of Trading States” (In Frieden & Lake)

February 16: Trade Agreements: Why do we have the WTO? Does it Work?
- (*) John H. Barton et al. 2006. The Evolution of the Trade Regime: Politics, Law and Economics of the GATT/WTO. Chapters 1 & 2
- Ronald W. Cox “Explaining Business Support for Regional Trade Agreements” (In Frieden & Lake)

- Oatley Chapters 12 & 13
- Jeffry Frieden. “Exchange Rate Politics” (In Frieden & Lake)
- Lawrence Broz “The Domestic Politics of International Monetary Order: The Gold Standard.” (In Frieden & Lake)

March 2: Global Financial Flows: Where do investors place their money? Where do MNCs invest? Which countries get to borrow on international markets?
- Oatley Ch. 14 & 15
- (*) Michael Tomz. Reputation and International Cooperation: Sovereign Debt across Three Centuries. Chapter 1

• (*) Massey, Douglas S. et al. 1993 “Theories of International Migration”

March 30: Multinational Corporations: Forces for Good or Evil?

• Oatley Chapters 8 & 9
• Susan Strange “States, Firms and Diplomacy” (In Frieden & Lake)
• Richard E. Caves “The Multinational Enterprise as an Economic Organization” (In Frieden & Lake)
• David Fieldhouse “’A New Imperial System’? The Role of Multinational Corporations Reconsidered.” (In Frieden & Lake)

April 6: Individual Preferences over the Global Economy: Why do we hate Globalization?


April 13: Trade, Money, Power and the Environment: Can we get an agreement on Climate Change? How were past environmental agreement passed?

• Alison Butler. “Environmental Protection and Free Trade: Are They Mutually Exclusive.” (In Frieden & Lake)

April 29: Globalization and Development: Is trade good for the developing world? How do financial flows affect LDCs? Is emigration good or bad for LDCs?
  • Oatley Ch. 16
  • Dani Rodrik. “Sense and Nonsense in the Globalization Debate” (In Frieden & Lake)
  • Joseph E. Stiglitz and Lyn Squire. “International Development: Is It Possible” (In Frieden & Lake)
  • Jeffrey A. Williamson. “Globalization and Inequality, Past and Present.” (In Frieden & Lake)