

# **I 204 International Political Economy**

**Fall 2006**

**Dr. CHEY Hyoung-kyu**  
**[hkchey@gmail.com](mailto:hkchey@gmail.com)**

**Classroom: to be arranged**

**Class Hours: Monday 9:00-12:00 am**

## 1.1. Course Description and Objectives

### Course Description and Objectives

This course aims to introduce students to various approaches to the study of international political economy (IPE), and to address important historical and contemporary empirical issues. The first part of the course introduces students to the main theoretical concepts in and methodological approaches to political economy, emphasizing the overlap between international and comparative approaches. After surveying the main schools of thought in the subject, it examines more recent theoretical developments, including the comparative and domestic approaches that have become increasingly prominent in the literature. The second and third parts of the course address the political and economic history of the international political economy since the Industrial Revolution. The issues covered in this part include particular events such as the 1930s economic depression, the question of economic development, the construction and evolution of international economic regimes and institutions, and issues related to 'globalization'.

Previous background in international relations, international economics, comparative political and history are surely helpful but are not requirements. Students with no previous background in the subject should read Frieden and Lake, *International Political Economy* (2000) and Gilpin, *Global Political Economy* (2001) within the first two weeks of the course. A further list of introductory and overview books is provided here.

### Brief Course Description and Core Syllabus

There are two main themes in the course that are introduced in the lectures, and dealt with in more detail in the seminars and associated readings:

- What are the political causes of the evolving structure of the international economy?
- What are the implications of this evolving international economic structure for national policy choice and for domestic politics?

As noted above, the course is divided into three main components:

1. The first part introduces students to the main perspectives, theoretical approaches, and methodological issues in IPE.
2. The second part focuses on the historical development of the international political economy since the Industrial Revolution.
3. The third part focuses upon contemporary issues and debates in the subject, grouped around the organizing theme of 'globalization'.

The emphasis of the course is not upon the technical aspects of international economics or economy theory, but rather upon the political and institutional context in which they operate. Although an economics background is not required for this course, students will find it necessary to be acquainted with some basic concepts in economics. The latest edition of Krugman & Obstfeld, *International Economics: Theory and Policy*, is especially useful for students who have limited background in economics. Note, however, that the emphasis of the course is firmly upon the political aspects of economic outcomes, institutions, and policy choices. You are not expected to master the material in Krugman & Obstfeld.

## **Aims and Objectives:**

The course has the following aims:

- To provide students with an advanced background in the competing international and comparative political economy approaches to the subject
- To provide an historical overview of the development of the world economy since the Industrial Revolution, and to use this empirical material to discuss the central debates in the subject
- To deepen understanding of political issues and debates surrounding the contemporary world economy, with particular emphasis on the causes and implications of globalization.

The objectives of this course are to promote a critical and informed understanding of the literature in the field, and to allow students to develop this understanding and to articulate it concisely in both seminar discussions and written essays.

## **1.2. Teaching Methods**

### **Lectures**

Lectures will be provided during the first parts of all classes. The themes of these lectures are outlined briefly under the appropriate headings. They are intended as an introduction to the issues and the literature that is discussed in seminars, and are not a substitute for individual study.

### **Seminars**

During the second half of class two students provide short introductions to two of the questions listed under the topics. These should be of 15 to 20 minutes maximum, to allow time for general discussion. Seminars provide an opportunity to explore particular issues in more depth than is possible in lectures.

### **Independent Study**

A third, but perhaps most important element of the course is that students are expected to engage in independent study, using the reading list below and following the advice of the lecturer. Students are expected to read the most recommended literature, and as much of the recommended literature, marked by ‘\*’, so as to facilitate seminar discussions. Note that seminar presentations and essays will usually require substantial reading beyond the introductory material. However, the length of the reading list derives in part from my wish to cater to students wishing to undertake further research beyond this course.

## **1.3. Course requirements – Presentations and Essays**

### **Course Requirements – Presentations and Essays**

Seminar Presentations:

Students are expected to lead at least two seminar discussions. They provide a one-page summary of the main points of their presentations to other members of the seminar. Note that in

no circumstances should these be longer than 20 minutes. With two presentations, this will allow close to a full hour for general discussion.

Essays:

Students must write a minimum of two essays of a maximum 2,000 words in length during this course. Please do not exceed the word limit: it is part of the learning exercise that you demonstrate you are able to provide a clear and concise answer within it. Essay topics may be chosen from the list of sample essay questions (see attached), and should be on different topics to those covered in presentations in class. I encourage you to be critical and to experiment.

- The first by the end of 8<sup>th</sup> week
- The second by the end of the last week

### **Course assessment**

Students' performance will be assessed based on their presentations, class participation, and two essays.

The exact method of course assessment will be announced soon.

## **1.4. Course Reading**

### **Course Reading**

You should not be intimidated by the length of the reading list. Some of the books cover the same ground. The longer reading list is intended to provide help for further research. There are two fairly good recent texts available (Oatley, *International Political Economy*, 2004, and Ravenhill, *Global Political Economy*, 2005) and one good collection of readings (Frieden and Lake, *International Political Economy*). You should consult these as introductions to most topics. Gilpin's text, *Global Political Economy* (2001) is a comprehensive text from a particular perspective. Another good collection is C. Roe Goddard, et. al., *International Political Economy*, 2nd ed., (2003). However, note that for each topic you are expected at a minimum to become familiar with the *required* readings in each area. Note also that you will be expected to go beyond these readings when you prepare class presentations and essays.

## **1.5. Course Core Texts**

- \*\* Essential
- \* Highly recommended
- \*\* Bhagwati, Jagdish (1998) *A Stream of Windows*.
- Deane, Phyllis (1989) *The State and the Economic System*.
- Dicken, Peter (latest edition) *Global Shift*.
- \* Eichengreen, Barry (1996) *Globalizing Capital*, Princeton, NJ, Princeton University Press.
- \*\* Frieden, J. and D. Lake (various editions: 2000, 4th ed, most recent) *International Political Economy*.
- \* Garrett, G. (1998) *Partisan Politics in the Global Economy*.

- \* Gilpin, Robert (1987) *Political Economy of International Relations*. A standard, if dated text.
- \*\* Gilpin, Robert (2001) *Global Political Economy*, a comprehensive updated text.  
Goddard, C. Roe, et. al. (2003, 2nd ed.) *International Political Economy*.
- \*\* Held, David et al. (1999) *Global Transformations*. A helpful overview of globalization and the main debates.
- \*\* International Monetary Fund. *World Economic Outlook 2000*, ch. V [Global Economic Prospects and Policies the World Economy in the Twentieth Century: Striking Developments and Policy Lessons].
- \* Irwin, Douglas A. (1996) *Against the Tide: an intellectual history of free trade*.
- \* Kenen, Peter B. (ed) (1994) *Managing the World Economy: Fifty Years After Bretton Woods*.
- \* Keohane, R. and H. Milner (1996) *Internationalization and Domestic Politics*.
- \* Katzenstein, P., R. Keohane, and S. Krasner (eds) (Autumn 1998) *International Organization*, 50th Anniversary edition. [republished as *Exploration and Contestation in the Study of World Politics* (MIT 1999, paperback)].  
Kenwood, A. G. and A. L. Lougheed (1999, 4th ed) *The Growth of the International Economy 1820 - 2000*.
- \*\* Kitschelt, H., P. Lange, G. Marks and J. Stephens (eds) (1999) *Continuity and Change in Contemporary Capitalism*. An excellent collection of work in comparative political economy (mainly of the advanced industrial countries).  
Krugman, P. and M. Obstfeld (latest edition) *International Economics: Theory and Policy*. [good non-technical introduction, with case studies]
- \* Landes, David S. (1999) *The wealth and poverty of nations: why some are so rich and some so poor*.
- \* Maddison, Angus (1995) *Monitoring the world economy, 1820-1992*.
- \*\* Oatley, Thomas. *International Political Economy* (2004).
- \*\* Ravenhill, John (ed.). *Global Political Economy* (2005).  
Rodrik, Dani (1997) *Has Globalisation Gone Too Far?*
- \* Strange, Susan (1988) *States and Markets*.  
Viner, Jacob (1991) *Essays on the Intellectual History of Economics*.
- \* Weiss, Linda (2003) *States in the Global Economy: Bringing Domestic Institutions Back In*
- \* Woods, N. (2000) *The Political Economy of Globalization*.

### **Major journals of International Political Economy**

International Organization; International Affairs (London); World Politics; The World Economy; International Studies Quarterly; American Political Science Review; Review of International Political Economy (RIPE); Journal of Economic Perspectives; World Development; Journal of

Common Market Studies; New Political Economy.

## 1.6. Additional Web Resources

The Economics Glossary (<http://www.bized.ac.uk/glossary/econglos.htm>)

### International Institutions

The [Asian Development Bank \(ABD\)](#) is a multilateral development finance institution dedicated to reducing poverty in Asia and the Pacific.

A service of the Asian Development Bank is the [Asia Recovery Information Center's Asia Economic Monitor](#). This web site provides a quarterly update on the economic growth, business sector reforms, and social developments underway in East Asia.

The [Bank of International Settlements \(BIS\)](#) describes itself as an international organization to foster cooperation among central banks and other agencies in pursuit of monetary and financial stability. This remit includes the Basel Capital Accord (organized under the Basel Committee on Banking Supervision) and the BIS is an authoritative source for statistics on international finance.

The [Financial Stability Forum \(FSF\)](#) was established to promote international financial stability.

The [International Monetary Fund \(IMF\)](#) was established to promote international monetary cooperation, foster economic growth and high levels of employment; and provide temporary financial assistance to countries to help ease balance of payments adjustment.

The [International Organization of Securities Commissions \(IOSCO\)](#) provides a forum for national agencies to establish standards for international securities transactions and markets.

The [Organisation for Economic Co-operation and Development \(OECD\)](#) describes itself as an international organization helping governments tackle the economic, social and governance challenges of a globalized economy.

The [United Nations Conference on Trade and Development \(UNCTAD\)](#) is the focal point within the United Nations for trade and development and related issues of finance, technology, investment and sustainable development.

The [World Bank](#) is a source of development assistance and declares that its primary focus is to help the poorest people and the poorest countries.

The [World Trade Organization \(WTO\)](#) is the global international organization dealing with the rules of trade between nations through treaty agreements.

### Government Resources

The Bureau of Economic Analysis, United States Department of Commerce, produces data and publications concerning U.S. international trade and investment.

## **Academics**

Nouriel Roubini's Global Macroeconomic and Financial Policy Site - very good on globalization of financial markets, and the Asia crisis; with links to current news items.

The Official Paul Krugman Web Page at MIT. There is also his new website at Princeton which contains a variety of other materials, particularly his Op-Ed pieces.

J. Bradford DeLong is Professor of Economics, at the University of California at Berkeley. His website provides a variety of information and links to other sources on macroeconomics, political economy and the information economy.

Robert J. Franzese, Jr. is an Associate Professor in the Department of Political Science at the University of Michigan. This website provides links to his publications and working papers, and the data sets supporting them.

Barry Eichengreen is George C. Pardee and Helen N. Pardee Professor of Economics and Political Science at the University of California, Berkeley. This website provides links to some of his publications and the courses he teaches at Berkeley.

## **Research Institutions**

The Harvard Institute for International Development (HIID) at Harvard University was dissolved in June 2000. The website is no longer active, however it maintains links to the past publications of HIID, the Consulting Assistance for Economic Reform (CAER II) project and the Equity and Growth through Economic Research (EAGER) project.

The National Bureau of Economic Research (NBER) is a private, nonprofit, nonpartisan research organization for economic research. Many of the papers resulting from NBER research will later find publication in academic journals and texts.

The Centre for Economic Policy Research (CEPR) is a private, nonprofit, nonpartisan research organization for economic research.

## 1.7. Guidance for Writing Essays

### Writing Academic Essays

For some of you, the writing of academic essays will be something that you have not done for some time. For others, it provides you with an idea about the kind of essays expected at the master's level.

#### 1.1 Choose your question carefully

Generally, choose questions from the list of sample essay questions or seminar questions. If you wish to choose your own, note that essays that answer a question are almost always better than those which attempt to cover a topic. 'Is Globalization dangerous?' is better than 'Globalization in the 21st Century'. Make sure that you will be able to answer your question. That means you should consider the word limit and available material/data when choosing your question. Relatively narrowly focused essays are often better than broad ranging, but necessarily superficial work. Often a sub-title can help to limit the scope of your essay. For example, 'Does financial globalization undermine democratic politics? The case of the Thai crisis of 1997-8.'

#### 1.2 Answer the question directly

Make every effort to state explicitly which issues and areas you are going to exclude from your essay. You should say why these are being excluded. Define key terms that you use. This is particularly important when terms may have ambiguous or multiple meanings (e.g.: globalization, financial crises). There is seldom a correct answer to a question. In many cases we only know if someone was correct in retrospect. Rather than being judged on whether you are right, you will be judged on how well you make your case. This includes how well you deal with alternative lines of argument in the literature. The Economist editorials are often both very well argued and (in retrospect) completely wrong.

#### 1.3 Devise a clear essay structure

The structure of the essay should be clear, coherent and briefly previewed in the introduction of the essay. The structure should reflect your answer to the essay question. That is, you should construct an argument, with supporting evidence, that is reflected in the structure of your essay. Use headings and sub-headings to organize your essay. One trick that many academics use - give each paragraph a 'sub-sub-heading'. This forces you to create an outline of the essay. You can then drop the paragraph headings for final draft.

#### 1.4 How to begin?

Consider how different prominent authors or major schools of thought might respond to the question. These should then be identified in the essay. Identify which of these views (or ones of your own) you think is correct, but be sure to assess the main alternatives to your own argument.

#### 1.5 Use of evidence

Use appropriate evidence to assess the quality of competing arguments. Evidence (for or against) your own argument should be systematic and not anecdotal. Anecdotes are not generally convincing and generally just take up space that could be much better used by presenting systematic data, which may be of a qualitative or quantitative kind (or both). Quoting secondary sources or lectures is not evidence. It is not appropriate to say that X is related to Y because person Z said it was. If Z uses evidence, then report that! Also, pay careful attention to the kinds of statistical and case evidence you provide in your essay. This needs among other things to be appropriate to the particular question or theory with which you are dealing. Read

John Odell, 'Case Study Methods in International Political Economy', *International Studies Perspectives*, 2001 (2): 161-176, for a good discussion.

### 1.6 Sources

Identify key possible sources (academic literature, reports, empirical material). Cite literature where necessary in text. However, remember quoting an expert is only evidence of what the expert wrote. To save space, use 'Harvard' citations (e.g. Sampson 2001: 230-45) in the text and full versions in the bibliography. In the bibliography, the citations must be complete. Use footnotes only sparingly. These are not for making key points or expanding on points, but rather should be used only to qualify minor points. This is why we require that footnotes should be included in the word count.

### 1.7 Assessment

The essays will be assessed across three major factors: Presentation, Content and evidence of Critical Judgment

- **Presentation:** I will be looking for clarity of expression, consistency of purpose and argument, an explicit and coherent structure, a clear conclusion and general literacy. Make sure that you check your syntax and citations.
- **Content:** I will assess the relevancy of the answer you provided, on the assumption that you will have covered the main relevant literature. You will need to show me evidence of wider reading and the arguments will have to be developed in a clear and cogent fashion. The conclusions should be supported by the evidence you report, including evidence that may contradict your line of argument.
- **Critical Judgment:** Here we will be looking for depth of interpretation. Is your analysis superficial and uncritical? Did you thoroughly and critically analyze the issues addressed and show an independence of judgment about others' positions?

## 1.8. Sample Essay Questions

1. Does the persistence of 'mercantilist' foreign economic policies owe anything to mercantilist doctrine?
2. Why was dependence theory more influential in Latin America and Africa than in East Asia in the 20<sup>th</sup> century?
3. How convincing is the theory that the successful examples of economic growth in Europe and subsequently elsewhere are explained primarily by domestic political institutions?
4. Was Britain's attempt to reassert international economic leadership in the 1920s bound to fail?
5. How significant in practice were the concessions that the British obtained from the Americans in the Bretton Woods agreement of 1944?
6. Has international economic legalism gone too far? If so, why?
7. 'Paul Volcker, not Ronald Reagan and Margaret Thatcher, killed the New International Economic Order'. Discuss.
9. 'The argument that international financial markets do not greatly constrain economic policies may not matter for the simple reason that governments believe that markets powerfully constrain them.' Discuss.
10. How good is the evidence for the claim that foreign economic policies are primarily shaped by the international structure of security alliances?
11. Do ideas have causal power in the international political economy?
12. Is the concept of imperialism relevant to the analysis of the contemporary international political economy?
13. What explains the shift in US foreign economic policy between the 1920s and the 1940s?
14. At what point, if ever, in the post-1945 period did American hegemony become exploitative?
15. In the contemporary era, should we speak of 'global' rather than 'international' political economy? If so, why?
16. Does globalization have systematically different effects on state capacity in developing and developed countries? If so, why?
17. Are the major international economic institutions global public goods?
18. How much damage have recent developing country economic crises done to the Washington Consensus?

## 2. Outline of Course Lectures

No.	Topic
	PART I: APPROACHES AND CONCEPTS IN INTERNATIONAL POLITICAL ECONOMY
1	Introduction: Political economy, international relations and economics
2	The Mercantilism-Liberalism debate
3	Marxism, dependency and the world economy
4	Theories of hegemonic stability and regimes
5	Domestic politics approaches
6	Methodological debates
	PART II: THE EVOLUTION OF THE INTERNATIONAL POLITICAL ECONOMY SINCE THE INDUSTRIAL REVOLUTION
7	Industrialization and the wealth of nations
8	The pre-1914 system
9	The interwar crisis
10	The post-1945 international economic order
11	The evolution of monetary and trade regimes after 1971
	PART III: GLOBALIZATION AND CONTEMPORARY ISSUES IN THE INTERNATIONAL POLITICAL ECONOMY
12	Globalization and the state
13	Global economic institutions
14	Global capital markets
15	The International Political Economy of Security

### **Topic 1: Part I – Approaches and concepts in international political economy: Introduction: Political Economy, International Relations and Economics**

What are the origins of political economy? Why did IPE emerge in the early 1970s? What is the relation of IPE to International Relations and Economics, and how has this relationship changed over time?

**INTRODUCTORY READING:** Oatley 2004. ch. 2

#### **REQUIRED READING:**

Katzenstein, Keohane and Krasner (1998) 'Introduction' to 50th Anniversary edition *International Organization*(52:4): 645-685.

Krasner, S. D. (1994) 'International Political Economy: Abiding Discord', *Review of International Political Economy*, (1:1): 13-20.

### RECOMMENDED READING:

Barnett, M. and Raymond Duval. (2005) "Power in International Politics", *International Organization*, Vol. 59, Winter, pp. 39-7

Barry B. (2002) 'Capitalists rule OK? Some puzzles about power', *Politics, Philosophy & Economics* (1:2): 155-184.

Cox, R. (1981) 'Social Forces, States and World Order', *Millennium*.

\* Frieden, J and D Lake eds (2000, 4th ed) *International Political Economy* especially 'Introduction'.

Gilpin, Robert (1987) *The Political Economy of International Relations*.

Keohane and Milner (1997) *Internationalization and Domestic Politics*

Krugman, Paul (1996) *Pop Internationalism*.

Lindblom, C. (1977) *Politics and Markets: the world's political and economic systems*.

\* Milner, Helen V. (1998) "Rationalizing Politics: The Emerging Synthesis of International, American and Comparative Politics", *International Organization* 52:4.

Murphy, C and R Tooze (1991) *The New International Political Economy*.

\* 'Political Economy and Economics', *The New Palgrave: The World of Economics*, 556-562; and/or Gourevitch, Peter. 'Political economy', in J. Krieger (ed.), *The Oxford Companion to Politics of the World* (1993), 715-19.

\* Robbins, Lionel (1981) 'Economics and Political Economy', *American Economic Review*, or ch.1 of *Politics and Economics: Papers in Political Economy* [\*also in D.M. Hausman, ed., *The Philosophy of Economics* (1994), in which there are many useful readings from Mill, Weber, Knight, Marx, etc.]

Schumpeter, Joseph A. (1994) *History of Economic Analysis*, part I.

\* Strange, Susan (1988) *States and Markets*.

Tooze, Roger (1984) "In Search of International Political Economy" *Political Studies*, XXXII.

### SEMINAR QUESTIONS:

1. To what extent should IPE draw upon classical approaches to political economy?
2. How does IPE differ from international relations and international economics?
3. Why is there no generally accepted theory of IPE?

### Topic 2: Part I – Approaches and concepts in international political economy: The Mercantilism-Liberalism Debate

Mercantilism and the emergence of the modern states-system. The laissez faire critique of the 18th and 19th centuries and its domestic and international roots. Links with the 20th and 21st century debates.

### REQUIRED READING:

Krasner, S. D. (1976) 'State Power and the Structure of International Trade', *World Politics*, (28:3): 317-347.

Viner, J. (1948) 'Power Versus Plenty as Objectives of Foreign Policy in the Seventeenth and Eighteenth Centuries', *World Politics* (1:1):1-29.

Walter, Andrew (1996) 'Adam Smith and the liberal tradition in international relations', *Review of International Studies* (22:1): 5-28.

### **RECOMMENDED READING:**

- \* Carr, E. C. (2nd ed. 1946) *The Twenty Years' Crisis, 1919 - 1939*.
- \* Coleman, D. C. (1969) *Revisions in Mercantilism*.
- \* Deane, P. (1989) *The State and the Economic System*.
- \* Earle, Edward M. (1986) 'Adam Smith, Alexander Hamilton, Friedrich List: The Economic Foundations of Military Power', in Peter Paret, et al. (eds.) *Makers of Modern Strategy*.
- Ferguson, Niall (2003) *Empire*
- Hayek, F. A. (1944) *The Road to Serfdom* (especially chapter XV).
- Heckscher, E (rev. ed. 1994) *Mercantilism*.
- Howe, A. (1997) *Free Trade and Liberal England, 1846-1946*.
- Hume, D. (1955) *Writings on Economics*. (especially 'Of Commerce', 'Of Money', 'Of the Balance of Trade' and 'Of the Jealousy of Trade')
- \* Irwin, D. A. (1996) *Against the Tide: an intellectual history of free trade*.
- Keynes, J. M. (1933) 'Notes on National Self-sufficiency', *Yale Review*, 22.
- Kindleberger, C., 'The Rise of Free Trade in Western Europe', in Frieden and Lake.
- List, F. (1885) *The National System of Political Economy*.
- Mandelbaum, Michael (2002) *The ideas that conquered the world: peace, democracy, and free markets in the twenty-first century*.
- Robbins, L. C. (1971) *Money, Trade, and International Relations*, ch.10-11.
- Ropke, W. (1959) *International Economic Order and Economic Integration*.
- Sally, R. (1998) *Classical Liberalism and international economic order: studies in theory and intellectual history*.
- Schumpeter, Joseph A. (1994) *History of Economic Analysis*, part II, ch.7, part III, ch.1-7.
- Sen, Gautam (1984) *The Military Origins of Industrialisation and International Trade Rivalry*, 2<sup>nd</sup> edition.
- Smith, Adam (1853) *An Inquiry into the Nature and Causes of the Wealth of Nations* (Book IV)
- Tilly, Charles (1990) *Coercion, capital, and European states, A.D.990-1990*.
- \* Viner, Jacob 'Power versus Plenty....' and 'Adam Smith and Laissez-Faire', both reprinted in his *The Long View and the Short* (1958); or *Essays on the intellectual history of economics*.
- \* Wilson, C. (1967) *Mercantilism*.

### **SEMINAR QUESTIONS:**

1. Was mercantilism a rational policy for its time? Can it be 'benign' (Gilpin)?
2. To what extent did Smith, Ricardo and the classical economists depart from the assumptions of mercantilism?
3. To what extent are the old debates between Mercantilism and Liberalism relevant to IPE today?

### **Topic 3: Part I – Approaches and concepts in international political economy: Marxism, dependency and the world economy**

The impact of Marxian political economy on the analysis of society and the economy. Its particular relevance to the study of world political economy and the problems of economic change. Dependency and other radical approaches to the study of international political economy. The relevance of dependency theories to understanding the relationship between development and the international economy.

#### **REQUIRED READING:**

Cain, P. J. (1978) 'J. A. Hobson, Cobdenism, and the Radical Theory of Economic Imperialism, 1898-1914', *Economic History Review* (31:4): 565-584.

Lall, S. (1975) 'Is Dependence a Useful Concept in Analyzing Underdevelopment?', *World Development* (3:11): 799-810.

Marx and Engels, (1848) *The Communist Manifesto*, and Marx, (1859) preface to *A Contribution to a Critique of Political Economy*

#### **RECOMMENDED READING:**

Brenner, R. (1977) 'The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism', *New Left Review*, No 104.

Brewer, A. (1990) *A Marxist Theories of Imperialism*.

Cohen, B. (1974) *A Question of Imperialism*.

Desai, M. (2002) *Marx's Revenge: the resurgence of capitalism and the death of statist socialism*.

Evans, P. (1987) 'Class, State and Dependence in East Asia: Some Lessons for Latin Americanists', in F. Deyo (ed), *The Political Economy of the New Asian Industrialism*.

\* Evans, Peter (1979) *Dependent development : the alliance of multinational, state and local capital in Brazil*. and *Embedded Autonomy* (1995)

Fieldhouse, D. K. (1999) *The West and the Third World : trade, colonialism, dependence, and development*.

\* Haggard, S. (1990) *Pathways from the Periphery*.

\* Lenin, V. I. *Imperialism, the Highest Stage of Capitalism*.

\* Palma, G. G. (1981) in Dudley Seers (ed) *Dependency Theory: a critical reassessment*.

Schumpeter, J. A. (1981) *History of Economic Analysis*, part III.

Wallerstein, I. (1980) *The Modern World System*.

Warren, B. (1980) *Imperialism, Pioneer of Capitalism*.

#### **SEMINAR QUESTIONS:**

1. Are Marxist theories of imperialism convincing?
2. What is the relationship between classical Marxism and post-war varieties of neo-Marxism? Do they have different approaches to the world economy?
3. What is dependency theory? Has it been invalidated by empirical evidence?

### **Topic 4: Part I – Approaches and concepts in international political economy: Theories of hegemonic stability and regimes**

The theory of hegemonic stability and its variants. Theories of international regimes: do regimes matter and how?

**INTRODUCTORY READING:** Ravenhill 2005, ch. 2

**REQUIRED READING:**

Hasenclever, A., P. Mayer and V. Rittberger (1996) 'Interests, power knowledge: the study of international regimes,' *Mershon International Studies Review* (40:2): 177-228.

Lake, D. A. (1993) 'Leadership, Hegemony, And The International Economy - Naked Emperor Or Tattered Monarch With Potential?', *International Studies Quarterly* (37:4): 459-489.

Milner, Helen (1992) 'International theories of cooperation among nations,' *World Politics* (44:3): 466-496.

**RECOMMENDED READING:**

\* Adsera, A., and C. Boix (2002) 'Trade, Democracy and the Size of the Public Sector: The Political Underpinnings of Openness', *International Organization* (56:2): 229-262.

Gilpin, R. (1981) *War and Change in World Politics*.

Gowa, J. (1994) *Allies, Adversaries, and International Trade*.

Grieco, J. (1990) *Cooperation Among Nations* ; and chapter in Baldwin (ed) (1993) *Neorealism and Neoliberalism*.

\* Haas, P. (1992) 'Knowledge, Power and International Policy Coordination', Special edition of *International Organization* (46:1) [especially the articles by Haas, 'Banning Chlorofluorocarbons: Epistemic Community Efforts to Protect Stratospheric Ozone' (pp. 187-224) and Ikenberry, 'A World Economy Restored: Expert Consensus and the Anglo-American Postwar Settlement' (pp. 289-321)].

Haggard, S. and B. Simmons (1987) 'Theories of international regimes', *International Organization*(41:3): 491-517.

\* Hasenclever, A., P. Mayer and V. Rittberger (1997) *Theories of International Regimes*.

Keohane, R. (1984) *After Hegemony*.

Keohane, R. and J. Nye (1977/89) *Power and Interdependence and Transnational Relations and World Politics* (1971).

\* Krasner and Webb (1989) 'Hegemonic stability theory: an empirical assessment', *Review of International Studies* 15: 183-198.

Krasner, S. in Frieden and Lake, Ch.1.

\* Krasner, S. (1983) *International Regimes*.

\* Lake, D. (1993) 'Leadership, hegemony and the international economy', *International Studies Quarterly*(37:4): 459-489.

Levy, M. O. Young and M. Zurn (1995) 'The study of international regimes', *European Journal of International Relations* 1(3).

\* Milner, H. (1992) 'International theories of cooperation among nations: strengths and weaknesses', *World Politics* (44:3): 466-496.

Snidal, D. (1985) 'The limits of hegemonic stability theory', *International Organization*.(39:4): 579-614.

Strange, S. (1987) 'The persistent myth of lost hegemony', *International Organization*(41:4):

551-574.

\* Walter (1996) 'The US and Western Europe: the theory of hegemonic stability', in N. Woods (ed.) *Explaining International Relations After 1945*.

#### **SEMINAR QUESTIONS:**

1. Are the main criticisms of the theory of hegemonic stability convincing?
2. Assess the contribution of the literature on international regimes to our understanding of international cooperation.
3. How convincing are neorealist approaches to international cooperation?

#### **Topic 5: Part I – Approaches and concepts in international political economy: Domestic political approaches**

Theoretical approaches to understanding the role of domestic politics in national economic policy and outcomes in IPE.

**INTRODUCTORY READING:** Milner, 'Rationalizing Politics' (IO 1998)

#### **REQUIRED READING:**

Ikenberry, Lake and Mastanduno (1988) 'Introduction' to special edition of *International Organization*, 'Approaches to Explaining American Foreign Economic Policy' (42:1):1-14.

Putnam, Robert (1988) 'Diplomacy and domestic politics: the logic of two-level games' *International Organization* (42:3): 427-460.

Simmons, Beth (1996) 'Rulers of the Game: Central Bank Independence during the Interwar Years' *International Organization* (50:3): 407-443.

#### **RECOMMENDED READING:**

Mark Blyth, "Structures do not Come with an Instruction Sheet: Interests, Ideas and Progress in Political Science" *Perspectives on Politics* 1 (4), December 2003 pp. 695-703.

Evans, Peter B., Harold K. Jacobson, Robert D. Putnam (Ed) (1993) *Double-edged diplomacy: international bargaining and domestic politics*.

\* Frieden, Jeffrey. 'Exchange rate politics', in Frieden and Lake.

\* Garrett, G. (1998) *Partisan Politics in the Global Economy*.

Gourevitch, Peter (1978) 'The Second Image Reversed', *International Organization*, 32(4) and ;*Politics in Hard Times: Comparative Responses to International Economic Crises* (1986), ch.1-2.

Hall, (1986) *Governing the Economy*.

\* Hall, Peter A. (1999) 'The political economy of Europe', in H. Kitschelt et al. (eds), *Continuity and Change in Contemporary Capitalism*.

\* Milner (1998) 'Rationalizing Politics: The Emerging Synthesis of International, American, and Comparative Politics', *International Organization* (52:4): 759-786.

Katzenstein, Peter (ed.) (1978) *Between Power and Plenty* .

Katzenstein, Peter (1985) *Small States in World Markets*.

Keohane and Milner (1996) *Internationalization and Domestic Politics*, ch.1-3.

Milner, H. (1997) *Interests, institutions, and information*.

Polanyi, K. (1944; reprinted 1957)*The Great Transformation*.

Richards, John (1999) 'Toward a Positive Theory of International Institutions: Regulating International Aviation Markets', *International Organization*, (53:1): 1-37.

\* Rogowski, Ronald (1989) *Commerce and Coalitions: How Trade Affects Domestic Political Alignments*.

Ruggie, J.G. (1991) 'Embedded Liberalism Revisited', in E. Adler & B. Crawford (eds.), *Progress in Postwar International Relations*.

Ruggie, J.G. (1983) 'International regimes, transactions, and change: embedded liberalism in the postwar economic order', in Krasner ed., *International Regimes*; or chapter in Baldwin (ed), *Neorealism and Neoliberalism* (1993)

Shonfield, A. (1965) *Modern Capitalism*

Simmons, B. (1994) *Who Adjusts?*

Zysman, J. (1983) *Governments, Markets and Growth*.

### **SEMINAR QUESTIONS:**

1. How useful is Putnam's concept of the 'two-level game' in understanding international economic bargaining?
2. Outline the main interest-based approaches to theorizing in political economy. What are their strengths and weaknesses?
3. What role do domestic institutions play in determining economic outcomes and policy choices?

### **Topic 6: Part I – Approaches and concepts in international political economy: Methodological debates**

Why have rational choice approaches to political economy become more influential in recent years? What are their strengths and shortcomings? Are there clear methodological alternatives? What is the role of quantification in political economy? How should we account for the role of domestic politics in IPE? How well have economics and IR accounted for domestic factors? What is the role of ideas and ideology?

**INTRODUCTORY READING:** Katzenstein, Keohane and Krasner, 'International Organization and the Study of World Politics,' *International Organization*, 52(4):645 - 685.

### **REQUIRED READING:**

Blyth, Mark (1997) "'Any More Bright Ideas?'" The Ideational Turn of Comparative Political Economy', *Comparative Politics* (29:2): 229-250.

Eichengreen, Barry (1998) 'Dental Hygiene and Nuclear War', *International Organization* (52:4): 993-1012.

Milner, Helen (1998) 'Rationalizing Politics: The emerging synthesis of International, American and Comparative Politics' *International Organization* (52:4): 759-786.

### **RECOMMENDED READING:**

'Power', in I. McLean (ed.) (1996) *The Concise Oxford Dictionary of Politics*.

Abdelal, Rawi (2001) *National purpose in the world economy: post-Soviet states in comparative perspective*.

Axelrod, R. (1984) *The Evolution of Cooperation*.

Babb, Sarah (2001) *Managing Mexico: Economists from Nationalism to Neoliberalism*.

- \* Baldwin, David (1979) 'Power Analysis and World Politics: New Trends versus Old Tendencies', *World Politics* (31):161-194; and *Paradoxes of Power* (1989).
- \* Blaug, Rosenberg and McCloskey (1994 edn) chapters 20-22 in D.M. Hausman (ed.), *The Philosophy of Economics: An Anthology*.
- Barnett, M. and Raymond Duval. (2005) "Power in International Politics", *International Organization*, Vol. 59, Winter, pp. 39-7
- Blyth, Mark (2002) *Great Transformations*.
- Blyth, Mark (2003) 'From Comparative Capitalism to Economic Constructivism: The Cornell Series in Political Economy', *New Political Economy* (8:2): 263 - 274.
- Cox, R. (1987) *Production, Power and World Order*.
- Elster, Jon (1989) *Solomonic judgements : Studies in the limitations of rationality*
- Fearon, James and Alexander Wendt (2002) 'Rationalism vs. Constructivism: A Skeptical View' in Carlsnaes, Risse and Simmons, eds. *Handbook of International Relations*, pp. 52-72.
- Goldstein, J. and R. Keohane (1993) *Ideas and Foreign Policy*.
- \* Hall, Peter (1997) 'The role of interests, institutions and ideas in the comparative political economy of the advanced industrial states', in M.I. Lichbach and Alan S. Zuckerman (eds), *Comparative Politics: Rationality, Culture and Structure*.
- \* Keohane, Robert (1988) 'International Institutions: Two Approaches' *International Studies Quarterly* (32:4): 379-396.
- Keohane and Nye (1977/89) *Power and Interdependence*, ch.1-3.
- Knight, Frank. (1956) *On the History and Method of Economics*, ch.1 [also in Hausman 1994]
- McNamara, Kathleen R. (1998) *The currency of ideas: monetary politics in the European Union*.
- Milner, H. (1997) *Interests, institutions, and information*
- Moravcsik, A. (1999) 'A New Statecraft? Supranational Entrepreneurs and International Cooperation', *International Organization* (53:2): 267-306.
- Murphy and Tooze (1991)*The New International Political Economy*.
- Woods, N. (ed) (1996) *Explaining International Relations Since 1945*, part I
- \* North, D. (1990) *Institutions, Institutional Change and Economic Performance*, ch.2-3.
- \* Odell, John (2001) 'Case Study Methods in International Political Economy', *International Studies Perspectives* (2:2): 161-176.
- Olson, M. (1971) *The Logic of Collective Action*.
- Phelps, Edmund S. (1985) *Political Economy: An Introductory Text*.
- Schelling, T. (1984)'What is Game Theory?', in his *Choice and Consequence*.
- Strange, in Frieden and Lake, ch.4.
- The New Palgrave: The World of Economics*, entries on 'collective action' (Olson) and 'constitutional economics' (Buchanan): 134-142.
- Waltz, K. N. (1979) *The Theory of International Politics*, ch.2-4 (on reductionist and systemic theories)

#### **SEMINAR QUESTIONS:**

1. What are the major outstanding methodological differences, if any, between IPE, economics and international relations?
2. What are the strengths and weaknesses of rational choice approaches in social science,

- and IPE in particular?
3. How do ideas and ideologies affect outcomes in the IPE?
  4. What are the advantages and disadvantages of qualitative (case study) vs. quantitative studies in IPE?

**Topic 7: Part II – The evolution of the international political economy since the Industrial Revolution:  
Industrialization and the wealth of nations**

The rise of Europe, and more broadly the West, to primacy during the past half millennium. The socio-economic and institutional factors responsible for the transformation of the West. The Industrial Revolution and imperial conquest. The ‘West and the Rest’ debate: the underlying causes of the wealth and poverty of nations.

**REQUIRED READING:**

- Easterlin, Richard A. (1981) 'Why Isn't the Whole World Developed?' *Journal of Economic History* (41:1): 1-19.
- Landes, D. S. (1990) 'Why are We So Rich and They So Poor?', *American Economic Review* (80:2): 1-13.
- Olson, Mancur. 1993. "Dictatorship, Democracy, and Development." *American Political Science Review* 87(3), September, 567-576.

**RECOMMENDED READING:**

- \* Acemoglu, Daron, Simon Johnson, James A. Robinson, and Yunyong Thaicharoen (2002) 'Institutional Causes, Macroeconomic Symptoms: Volatility, Crises and Growth', C.E.P.R. Discussion Papers 3575.
- \* Aston, T.H. and C.H. E. Philipin (1985) (eds.) *The Brenner Debate*, (Chapters 1, 6-8 & 10, esp).
- \* Bagchi, Amiya (1982) *The Political Economy of Underdevelopment* (Chapters 1-4).
- Beaud, Michel (1983) *A History of Capitalism 1500-1980*.
- \* Black, Jeremy (1998) *War and the World* (Chapters 3-6).
- Casson, Mark ; Godley, Andrew, (eds.), *Studies in Economic Ethics and Philosophy* (Heidelberg and New York, Springer, 2000)
- Chang, Ha-Joon (2002) *Kicking away the Ladder*.
- Cippola, Carlo M. (1993) *Before the Industrial Revolution*.
- Cippola, Carlo M. (1965) *Guns and Sails in the Early Phase of European Expansion*.
- Curtin, Philip D. (1984) *Cross-Cultural Trade in World History*, (Chapters 1-3 & 6-9).
- Elvin, Mark (1973) *The Pattern of the Chinese Past*, (Chapters 6-13 & 16-18)
- Lake, D. A. (1987) 'Review Essay: Power and the Third World: Toward a Realist Political Economy of North-South Relations', *International Studies Quarterly* (31:2): 217-234.
- Luigi Guiso, Paola Sapienza and Luigi Zingales (2003) 'People's opium? Religion and economic attitudes', *Journal of Monetary Economics* (50:1): 225-282.
- Hall, John (1985) *Powers and Liberties*.
- Howe, Christopher (1995) *The Origins of Japanese Trade Supremacy*.
- \*International Monetary Fund (2005) 'Building Institutions'

IMF (1999) 'Institutions for High Quality Growth'

Jones, E. L. (1987) *The European Miracle*.

\* Keefer, Philip (March 2004) 'What Does Political Economy Tell Us about Economic Development—and Vice Versa?' *World Bank Working Paper No. 3250*

\* Lal, Deepak (1998) *Unintended consequences : the impact of factor endowments, culture, and politics on long run economic performance*.

\* Landes, David (1999) *The Wealth and Poverty of Nations*.

\* Lewis, Bernard (1970) "The Arabs in Eclipse" and "Some Reflections on the Decline of the Ottoman Empire", in Carlo M. Cipolla, *The Economic Decline of Empires*.

\* North, Douglass C. and Robert Paul Thomas (1973) *The Rise of the Western World*.

\* North, Douglass C. (1990) *Institutions, Institutional Change and Economic Performance*.

Potts, Lydia (1990) *The World Labour Market*.

Robinson, James A. 2001. "When is a State Predatory?" Working paper, Harvard University

Rosenberg, Nathan and L. E. Birdzell (1985) *How the West grew rich: the economic transformation of the industrial world..*

Shleifer, Andrei and Robert W. Vishny. 1998. *The Grabbing Hand: Government Pathologies and Their Cures*. Cambridge, MA: Harvard University Press.

Williams, Eric (1944) *Capitalism and Slavery*.

#### **SEMINAR QUESTIONS:**

1. What factors made industrial revolution and subsequent economic take-off more likely in Europe than elsewhere?
2. What role does culture play in the divergence between the West and the Rest since early modernity? Are economic and political factors more important?
3. Did imperial conquest hinder or promote development outside the West?

#### **Topic 8: Part II – The evolution of the international political economy since the Industrial Revolution: The Pre-1914 System**

British hegemony and the pre-1914 world economy. The rise of economic interdependence and the path to war. The operation of the international gold standard and the role of the state.

**INTRODUCTORY READING:** Robert O'Brien and Marc Williams, *Global Political Economy* (2004), ch. 3.

#### **REQUIRED READING:**

Bibliographic details

Bordo, Michael D., Barry Eichengreen and Jongwoo Kim (1998) 'Was there Really an Earlier Period of Financial Integration Comparable to Today', NBER Working Paper 6738 (pp. 1-68).

Rowe, David M. (1999) 'World Economic Expansion and National Security in Pre-World War I Europe', *International Organization* (53:2): 195-231.

Walter, Andrew (1993) *World Power and World Money*, ch. 4.

#### **RECOMMENDED READING:**

Bairoch, P. (1993) *Economics and World History*.

Bloomfield, Arthur (1963) 'Short Term Capital Movements under the pre-1914 Gold Standard', *Princeton Studies in International Finance*, (31).

\* Broz, Lawrence (2000) 'The domestic politics of international monetary order: The gold standard', in Frieden and Lake.

\* de Cecco, Marcello (1974) *Money and Empire*, ch.6.

\* Eichengreen (1996) *Globalizing Capital*, ch.2.

Feis, Herbert (1964) *Europe: The World's Banker, 1870-1914*.

Gowa, Joanne. *Allies, Adversaries and International Trade* (1994).

Hayek, F.A. (ed.) (1970) *Capitalism and the Historians*.

\* Hobsbawm, E. J. (1989) *The Age of Empire 1875-1914*(Chapters 2&3, esp.).

Howe, A. (1997) *Free Trade and Liberal England, 1846-1946*.

Kemp, Tom (1985) *Industrialization in Nineteenth Century Europe*.

\* McKeown, Timothy J. (1983) 'Hegemonic stability theory and 19th-century tariff levels in Europe', *International Organization*(37): 73-91.

O'Brien, Patrick & Geoff Pigman (1992) 'British hegemony, free trade and the nineteenth century international economy', *Review of International Studies*(18): 89-113

Polanyi, K. (1944; reprinted 1957) *The Great Transformation*

\* Pollard, Sidney (1981) *Peaceful Conquest: the industrialization of Europe 1760-1970*, (Chapters 2-7).

\* Rogowski, R. (1990) *Commerce and Coalitions*.

#### **SEMINAR QUESTIONS:**

1. What explains the different patterns of trade policy opening in the main countries of 19th century Europe?
2. What explains the emergence of the international gold standard in the late 19th century?
3. Why didn't international economic interdependence prevent World War I?

#### **Topic 9: Part II – The evolution of the international political economy since the Industrial Revolution: The Interwar crisis**

The key historical events of the interwar period and the causes of the crisis. Main contending explanations, political and economic, of the depression and collapse of the interwar world economy.

**INTRODUCTORY READING:** Eichengreen, *Globalizing Capital*, ch.3.

#### **REQUIRED READING:**

Eichengreen, Barry and Peter Temin (1997) 'The Gold Standard and the Great Depression,' NBER Working Paper No. w6060.

Frieden, J. (1988) 'Sectoral Conflict and Foreign Economic Policy, 1914-1940,' *International Organization*(42:1): 59-90.

Horowitz, Shale 'Reversing Globalization: Trade Policy Consequences Of World War I,' *European Journal of International Relations* 10:1 (2004).

#### **RECOMMENDED READING:**

- Block, F. (1977) *The Origins of the International Economic Disorder*, ch 2.
- Calomiris, Charles W. (1993) 'Financial Factors in the Great Depression', *Journal of Economic Perspectives*(7:2): 61-85.
- Clarke, Stephen, (1977) 'The Reconstruction of the International Monetary System: The Attempts of 1922 and 1933', *Princeton Studies in International Finance*(33).
- \* Eichengreen, Barry, (1992) *Golden Fetters: The Gold Standard and the Great Depression, 1919-39*, and his *Globalizing Capital* (1996), ch.3.
- Frieden, J. and D. Lake (2000) *International Political Economy* chs 1-2.
- \* Gourevitch, P. (1986) *Politics in Hard Times*, ch.4.
- \* Kindleberger, C. (1987) *The World in Depression, 1929-1939*.
- Maddison, A. (1982) *Phases of Capitalist Development*.
- Pauly, L. (1997) *Who Elected the Bankers?* Chs 3-4
- Robbins, L. (1937) *Economic Planning and International Order*
- Saint-Etienne, Christian (1984) *The Great Depression 1929-1938*.
- \* Simmons, B. (1994) *Who Adjusts?*
- \* Temin, P. (1976) *Did Monetary Forces Cause the Great Depression?*
- Viner, J. (1951) *International Economics*.

#### **SEMINAR QUESTIONS:**

1. Was World War I a watershed in international economic relations?
2. How compelling is Frieden's explanation of US economic policy in the 1920s and 1930s?
3. Outline Eichengreen's and Simmons' explanation of the causes of the Great Depression. What are their strengths and weaknesses?

#### **Topic 10: Part II – The evolution of the international political economy since the Industrial Revolution:**

##### **The post-1945 international economic order**

The construction of the postwar international order and its associated institutions. Contending analyses and explanations. The effect of the Cold War on the shape of the world economy.

**INTRODUCTORY READING:** Walter, A. (1996) 'The US and Western Europe: The Theory of Hegemonic Stability,' in N. Woods (ed.), *Explaining International Relations After 1945*.

#### **REQUIRED READING:**

Ikenberry, John (1992) 'A World Economy Restored: Expert Consensus and the Anglo-American Postwar Settlement', *International Organization* (46:1): 289-321.

Ruggie, J. G. (1982) 'International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order', *International Organization* (36:2): 379-415.

Milner, H. (1997) *Interests, institutions, and information*, Chapter 5.

'The following article by John Odell also has useful material on the domestic (US) political process in the negotiation and ratification of Bretton Woods: "From London to Bretton Woods: Sources of Change in Bargaining Strategies and Outcomes," *Journal of Public Policy*, (July-December 1988): 287-316.

### **RECOMMENDED READING:**

- Baldwin, R. E. (1989) *Trade Policy in a Changing World Economy*, ch.2-3.
- Calleo, D. and B. Rowland (1973) *America and the World Political Economy*.
- \* Culbert, Jay (1987) 'Wartime Anglo-American talks and the making of the GATT', *The World Economy*, (10:4).
- Dam, K. (1982) *The Rules of the Game*.
- \* Diebold, W. (1952) *The End of the ITO*.
- Dormael, Van (1978) *Bretton Woods: Birth of a Monetary System*.
- Evans, J. (1971) *The Kennedy Round in US Trade Policy*.
- \* Gardner, R. (1980) *Sterling-Dollar Diplomacy in Current Perspective*.
- Gilpin, R. (1977) 'Economic Interdependence and Economic Security in Historical Perspective', in K. Knorr and F. Trager (ed.), *Economic Issues and National Security*.
- Jackson, John H. (1969) *World Trade and the Law of the GATT*, pp.1-57.
- James, Harold (1996) *International Monetary Cooperation Since Bretton Woods*, ch.1-3.
- Kapstein, Ethan B. (1999) chapter in I. Kaul et al, *Global Public Goods*.
- Maier, Charles S. (1987) 'The Two Postwar Eras and the Conditions for Stability in Twentieth-Century Europe', in Maier (ed.), *In Search of Stability: Explorations in Historical Political Economy*.
- Mastanduno, M. (1998) 'Economics and Security in Statecraft and Scholarship', *International Organization* (52:4): 825-854.
- Nau, H. (1990) *The Myth of America's Decline*, part II.
- \* Odell, John (2000) *Negotiating the World Economy*, [good on ITO failure]
- Pauly, L. (1997) *Who Elected the Bankers?* ch 5.
- Preeg, E. (1970) *Traders and Diplomats*.
- Robbins, L. (1971) *Money, Trade, and International Relations*.
- Ruggie, J.G. (1992) 'Multilateralism: the anatomy of an institution', *International Organization* (46:3): 561-598.
- Skidelsky, Robert (2001) *John Maynard Keynes: Fighting for Britain, 1937-1946*.
- Strange, S. (1988) *States and Markets*, ch.2.
- Treverton, Gregory (1984) 'Economics and Security in the Atlantic Alliance', *Survival* (26:6).
- \* Walter, A. (1996) 'The US and Western Europe: The Theory of Hegemonic Stability', in N. Woods (ed.), *Explaining International Relations After 1945*.

### **SEMINAR QUESTIONS:**

1. To what extent was the 'embedded liberal' consensus reflected in Bretton Woods and the GATT in the 1940s?
2. Did the Cold War reduce or increase the influence of the US over the foreign economic policies of its major allies?
3. Why did the ITO fail, and what were the consequences?

### **Topic 11: Part II – The evolution of the international political economy since the Industrial Revolution: The evolution of monetary and trade regimes after 1971**

The breakdown of the Bretton Woods system and its explanation. The emergence of an international monetary 'non-system'. The "new protectionism" and difficulties in international trading relations. Attempts at regime reform.

**INTRODUCTORY READING:** Kenen, P. *Managing the World Economy Fifty Years After Bretton Woods*. IIE, 1994.

**REQUIRED READING:**

Barsky, Robert, and Lutz Kilian (2001). "Do We Really Know That Oil Caused the Great Stagflation? A Monetary Alternative," in Ben Bernanke and Kenneth Rogoff, eds., *NBER Macroeconomics Annual*, Cambridge, Mass.: MIT Press for NBER, pp. 137-82. Also available as NBER Working Paper 8389.

This paper argues that the oil shocks of the 1970s -- and the 'commodity power' that followed from these -- were not exogenous but related to monetary policy choices, particularly in the US.

Navola, Pietro (1986) 'The new protectionism: US trade policy in an historical perspective,' *Political Science Quarterly* (101:4): 577-600.

Walter, Andrew (1993) *World Power and World Money*, ch. 6.

**RECOMMENDED READING:**

Baldwin, R. E. (1989) *US Trade Policy in a Changing World Economy* passim.

\* Bhagwati, J. (1988) *Protectionism* ch.3-4.

\* Eichengreen, B. (1996) *Globalizing Capital*, ch.4.

Gilbert, M. (1980) *The Quest for World Monetary Order*.

\* Gowa, J. (1983) *Closing the gold window : domestic politics and the end of Bretton Woods*.

\* Grilli, E. & Sassoon, E. (eds.) (1990) *The New Protectionist Wave*.

\* Henning, C. Randall. (1994) *Currencies and politics in the United States, Germany, and Japan*.

\* James, Harold (1996) *International Monetary Cooperation Since Bretton Woods* ch. 7-9.

Koesteki, M. and B. Hoekman (1995) *The Political Economy of the World Trading System*.

Lieberman, S. (1988) *The Economic and Political Roots of the New Protectionism*.

\* Milner, Helen V. (1988) *Resisting protectionism: global industries and the politics of international trade*.

Odell, J. (1982) *US International Monetary Policy*.

Oxfam Briefing Paper 55, 'Spotlight on Subsidies - Cereal Injustice Under the CAP in Britain' (January 2004).

Romer, Christina D. and David H. Romer (2002) *The Evolution of Economic Understanding and Postwar Stabilization Policy*, NBER Working Paper 9274

Salvatore, Dominic (ed) (1993) *Protectionism and World Welfare*, ch.2-4.

Triffin, R. (1961) *Gold and the Dollar Crisis*.

Winham, G. (1986) *International Trade and the Tokyo Round Negotiation*.

**SEMINAR QUESTIONS:**

1. What explains the declining political support for the Bretton Woods system in the US, France, and West Germany?

2. How new was the 'new protectionism'?
3. Compared to Bretton Woods, why did political support for the GATT remain relatively strong?

**Topic 12: Part III – Globalization and contemporary issues in the international political economy:  
Globalization and the state**

How different is globalization theory from interdependence theories, and what are its major claims? Contending interpretations of globalization in the modern world economy. Comparisons with previous eras of international economic integration. Implications for state and non-state actors.

**INTRODUCTORY READING:** Chapter 9: 'Globalization, Governance and the Nation-State', in Hirst/Thompson, *Globalization in Question*, 2nd ed., 2000.

**REQUIRED READING:**

Bordo, Michael, Barry Eichengreen and Douglas Irwin (1999) 'Is globalization today really different than globalisation a hundred years ago?' NBER Working Paper 7195.

Evans, Peter B. (1997) 'The Eclipse of the State? Reflections on Stateness in an Era of Globalization'. *World Politics* (50:1): 62-87.

Garrett, Geoffrey. 2004. 'The Three Worlds of Globalization.'

**RECOMMENDED READING:**

Bairoch, Paul and Richard Kozul-Wright (1998) "Globalisation myths: some reflections on integration, industrialisation and growth in the world economy," in R. Kozul-Wright and R. Rowthorn eds., *Transnational Corporations and the Global Economy*.

Barber, Benjamin R. (2000) 'Can democracy survive globalisation?', *Government and Opposition* (35:3): 275-301.

Beeson, Mark. 2003. "Sovereignty under siege: globalisation and the state in Southeast Asia." *Third World Quarterly* 24(2): 357-374.

Boyce, James K. (2004) 'Green and Brown? Globalization and the Environment' *Oxford Review of Economic Policy*(20:1): 105-128.

Boyer, Robert and Daniel Drache (eds) (1996) *States against Markets: The Limits of Globalisation*

Dowrick, Steve and Jane Golley (2004) 'Trade Openness and Growth: Who Benefits?' *Oxford Review of Economic Policy* (20:1): 38-56.

V. Hadiz and R. Robison, 'Neo-liberal Reforms and Illiberal Consolidations: The Indonesian Paradox,' *Journal of Development Studies*, 41(2), February 2005: 220-241

Helliwell, J and Schembri, L (2005) 'Borders, Common Currencies, Trade, and Welfare: What Can We Learn From The Evidence'

Garrett, Geoffrey, 'Global Markets and National Politics: Collision Course or Virtuous Circle?', *International Organization*, 52(4), 1998.

Glyn, Andrew (2004) 'The Assessment: How Far has Globalization Gone?' *Oxford Review of Economic Policy*(20:1): 1-14.

Gugler, Klaus, Dennis C. Mueller, and B. Burcin Yurtoglu (2004) 'Corporate Governance and Globalization' *Oxford Review of Economic Policy* (20:1): 129-156.

- \* Henderson, David (1998) *The Changing Fortunes of Economic Liberalism: Yesterday, Today and Tomorrow*, Institute of Economic Affairs.
- Henderson, David (1999) "The changing international economic order: rival visions for the coming Millennium," *International Finance* (2:3): 449-470.
- Hirst, Paul and Graham Thompson (1996) *Globalisation in Question*.
- \* International Monetary Fund (2000) 'The World Economy in the Twentieth Century: Striking Developments and Policy Lessons'
- \* IMF Working Paper No. 03/86: 'International Financial Integration', April 2003.
- \* IMF (May 1997) *World Economic Outlook*, ch.3-5, and annex.
- Journal of Economic Perspectives* (1998) (12:4). Symposium on Globalisation (articles by Rodrik, Feenstra, Obstfeld and Williamson).
- Kapstein, Ethan B. 2000. "Winners and losers in the global economy." *International Organization* 54(2): 359-384.
- Kaul, Inge, Isabelle Grunberg and Marc Stern eds. (1998) *Global Public Goods: International Cooperation in the 21st Century*.
- Keohane, Robert and Joseph Nye (2001, 3<sup>rd</sup>ed) *Power and Interdependence*.
- Krugman, Paul (1996) *Pop Internationalism*.
- Krugman, Paul (1998) *The Accidental Theorist*, part III.
- Mosley, Layna (2000). 'Room to Move: International Financial Markets and National Welfare States,' *International Organization*, 54/4, Autumn 2000: 737-73.
- Navarro, Vicente, John Schmitt and Javier Astudillo (2004) 'Is globalisation undermining the welfare state?' *Cambridge Journal of Economics* (28):133-152.
- O'Rourke, K. and J.G. Williamson (1999) *Globalisation and History: The Evolution of the 19th Century Atlantic Economy*.
- Ohmae, Kenichi (1990) *The Borderless World*.
- \* Rodrik, Dani (1997) *Has Globalisation Gone too Far?* Washington DC: Institute for International Economics.
- Rudra, Nita (2002), 'Globalization and the Decline of the Welfare State in Less-Developed Countries,' *International Organization*, 56(2).
- \* Sally, Razeen (2000) "Globalisation and policy response: three perspectives," *Government and Opposition* (35:2).
- Scholte, J. A. (1997) "Global capitalism and the state", *International Affairs*, (73:3): 427-452.
- Singh, Ajit and Ann Zammit (2004) 'Labour Standards and the 'Race to the Bottom': Rethinking Globalization and Workers' Rights from Developmental and Solidaristic Perspectives' *Oxford Review of Economic Policy* (20:1): 85-104.
- Stiglitz, Joseph E. (2004) 'Capital-market Liberalization, Globalization, and the IMF' *Oxford Review of Economic Policy* (20:1): 57-71.
- \* Strange, Susan (1996) *The Retreat of the State*.
- Summers, Laurence (1999) "Reflections on managing global integration," *Journal of Economic Perspectives*, 13:2.
- Sutcliffe, Bob (2004) 'World Inequality and Globalization' *Oxford Review of Economic Policy* (20:1): 15-37.
- \* Weiss, Linda (2003) *States in the Global Economy: Bringing Domestic Institutions Back In*

Wolf, Martin (2004) 'Globalization and Global Economic Governance' *Oxford Review of Economic Policy* (20:1): 72-84.

#### **SEMINAR QUESTIONS:**

1. Is there a clear distinction between theories of interdependence and theories of globalization?
2. To what extent does the global market constrain the ability of the state to achieve 'operational sovereignty'?
3. How did globalization evolve and how can it be seen in historical perspective?

### **Topic 13: Part III – Globalization and contemporary issues in the international political economy: Global economic institutions**

The evolution of the major global economic institutions since the mid-20th century. Most of the focus of this lecture (as in the literature) is on the IMF, World Bank, and WTO. We address the debate over the role that international institutions play in the global political economy before answering a number of questions: How open and accountable are global economic institutions (GEIs)? Do they mediate or reflect power? Who dominates them? What role do dominant economic ideas play in such institutions? Has there been a shift to excessive legalization in recent years? If so, why?

**INTRODUCTORY READING:** Woods, N. (2000) *The Political Economy of Globalization*, ch.8.

#### **REQUIRED READING:**

Goldstein, Judith and Lisa Martin (2000) 'Legalization, Trade Liberalization, and Domestic Politics: A Cautionary Note' *International Organization* (54:3): 603-632. A special edition on 'Legalization and World Politics' (see also the introductory and concluding articles by Miles Kahler et al.) .

Hoekman, Bernard, et. al. (2002) *The World Trade Organization*.

Woods, N. (2003) 'The United States and the International Financial Institutions: power and influence within the World Bank and the IMF' in Foot, MacFarlane & Mastanduno (eds.), *US Hegemony and International Organizations*.

#### **RECOMMENDED READING:**

*The Cato Journal* (Winter 1999) Vol. 19, No. 3, special issue 'The Future of the WTO'

Genschel, Philipp, and Thomas Plümpert (1997) "Regulatory competition and international co-operation." *Journal of European Public Policy*(4:4): 626 - 642.

\* Howse, R. and Nicolaidis, K. (2001) "Legitimacy and Global Governance: Why Constitutionalizing the WTO is a Step too Far" in R. Porter, P. Sauve, A. Subramanian and A. Zampetti (eds.) *Equity, Efficiency and Legitimacy: The Multilateral System at the Millennium* [and comments by Charnowitz].

Hudec, Robert (1999) *Essays on the Nature of International Trade Law*.

Jackson, John H. (1998) 'Dispute settlement and the WTO', *Journal of International Economic Law* (1:3): 329-351.

Jackson, John H. (1969) *World Trade and the Law of the GATT*.

- Jackson, John H. (1997) *The World Trading System*.
- Kahler, M. (1995) *International Institutions and the Political Economy of Integration* [for a broad overview]
- Kim, H. C. (1999) 'The WTO dispute settlement mechanism: a primer', *Journal of International Economic Law* (2:3): 457-476.
- Krueger, Anne O. (ed.) (2000) *The WTO as an International Organization*.
- Kwa, Aileen. (2003). *Power Politics in the WTO*. Focus on the Global South.
- \* 'MAI provisions and proposals: an analysis of the April 1998 text', Public Citizen (<http://www.citizen.org/>)
- Majone, G. (1998) 'Understanding regulatory growth in the EC', in D. Hine and H. Kassim (eds) *Beyond the Market*.
- Picciotto, Sol (2003) 'Private rights vs public standards in the WTO', *Review of International Political Economy* (10: 3): 377 - 405.
- 'Regulatory Competition' special issue (2000) *Journal of International Economic Law*, 3(2).
- Ruggie, John (ed). 1993. *Multilateralism matters : the theory and praxis of an institutional form*.
- Slaughter, Anne-Marie, *A New World Order* (Princeton, 2004).
- \* Tumlrir, Jan (1985) *Protectionism*.
- Vogel, David (1995) *Trading Up: Consumer and Environmental Regulation in a Global Economy* (Cambridge, MA: Harvard University Press).
- \* Vogel, Steven K. (1996) *Freer Markets, More Rules: Regulatory Reform in Advanced Industrial Countries*.
- \* Woods, N. (2000) *The Political Economy of Globalization*, ch.8.

#### **SEMINAR QUESTIONS:**

1. Which states dominate the international financial institutions and the WTO?
2. Is multilateralism as a core principle of international economic organization dead?
3. What are the political costs and benefits of strong international economic law?

#### **Topic 14: Part III – Globalization and contemporary issues in the international political economy:**

##### **Global capital markets**

Financial integration: how should it be measured? Financial integration, national sovereignty, and the welfare state: how can its impact be assessed? Financial crises and the politics of IMF intervention.

**INTRODUCTORY READING:** Ravenhill 2005, ch.6.

#### **REQUIRED READING:**

- Mosley, Layna (2000) 'Room to Move: International Financial Markets and National Welfare States', *International Organization* (54): 737-773.
- Rudra, Nita (2002) 'Globalization and the decline of the welfare state in less-developed countries', *International Organization* (56:2): 411-445.
- Simmons, Beth A. and Zachary Elkins (2004) 'The Globalization of Liberalization: Policy Diffusion in the International Political Economy', *American Political Science Review* (98): 171-189.

### RECOMMENDED READING:

Andrews, David (1994) 'Capital Mobility and State Autonomy: Toward a Structural Theory of International Monetary Relations', *International Studies Quarterly* (38:2): 193-218.

Barry B. (2002) 'Capitalists rule OK? Some puzzles about power', *Politics, Philosophy & Economics* (1:2): 155-184.

\* Cohen and Garrett chapters (2000) in N. Woods (ed.), *The Political Economy of Globalization*.

Cohen, B. (1996) 'Phoenix Risen: The Resurrection of Global Finance', *World Politics* (48:2): 268-296.

Cooper, R. (1968) *The Economics of Interdependence*, and *Can Nations Agree?* (1989).

Dobson, W. (1991) *Economic Policy Coordination*.

Eichengreen, B. (1985) 'International policy coordination in historical perspective', in W. Buiter and R. Marston (eds) *International Economic Policy Coordination*.

\* Frieden and Lake, ch.15-18.

Funabashi, Y. (1989) *Managing the Dollar: From the Plaza to the Louvre*.

Garrett, G. (1998) *Partisan Politics in the World Economy*.

\* Garrett, Geoffrey (2000) 'The Causes of Globalization', Leitner Working Paper 2000-02.

\* Garrett, Geoffrey (2001) 'The Distributive Consequences of Globalization', Leitner Working Paper 2001-02.

Haggard and Maxfield (1996) in Keohane and Milner (eds) *Internationalization and domestic politics*.

\* Hays, Jude (2003) 'Globalisation and Capital Taxation in Consensus and Majoritarian Democracies' *World Politics* (56:1): 79-113.

V. Hadiz and R. Robison, 'Neo-liberal Reforms and Illiberal Consolidations: The Indonesian Paradox,' *Journal of Development Studies*, 41(2), February 2005: 220-241

\* Helleiner, Eric (1992) 'States and the future of global finance', *Review of International Studies* (18).

Kahler, M. (1993) "Bargaining with the IMF: Two-Level Strategies and Developing Countries", Evans, P. et al. (eds.), *Double-Edged Diplomacy*, Chap.12.

Kapstein, E. B. (1994) *Governing the Global Economy: International Finance and the State*.

Kenen, P. (1988) *Managing Exchange Rates*.

\* Kitschelt, H. et al (eds) (1999) *Continuity and Change in Contemporary Capitalism*, chapter by Beth Simmons: "The internationalization of capital" [the Introduction and Conclusion, and chapter by Peter Hall are also worth reading].

McKinsey 2005 Global Capital Market Report [document requires (free) registration]

Mosley, Layne (2003) *Global Capital and National Governments*.

Navarro, Vincente, John Schmitt and Javier Astudillo. 'Is globalisation undermining the welfare state?' *Cambridge Journal of Economics* 28 (2004) pp133-152.

Pauly, Louis B. (1997) *Who Elected the Bankers?* chs 6-7.

Putnam, R. and Bayne, N. (1987) *Hanging Together*.

Rudra, N & Haggard, S. (2005). 'Globalization, Democracy, and Effective Welfare Spending in the Developed World.' *Comparative Political Studies*, 38:9, pp. 1015 - 1049.

Ruggie, J.G. (1995) 'At Home Abroad, Abroad at Home', *Millennium* (24): 507-26.

Strange, S. (1996) *The Retreat of the State*.

Underhill, G. (ed.) (1997) *The New World Order in International Finance*.

Walter, A. (1993) *World Power and World Money*, ch. 7.

Webb, M.C. (1994) *The Political Economy of Policy Coordination*.

#### **SEMINAR QUESTIONS:**

1. How do we know how integrated are international capital markets? How can it be measured?
2. How can we measure the consequences of financial integration for national economic policies?
3. Is Pauly's description of the IMF as a political buffer between debtor and creditor nations accurate?

#### **Topic 15: Part III – Globalization and contemporary issues in the international political economy:**

##### **The International Political Economy of Security**

International security and international political economy are often discussed separately and developments in each seen through the lenses of different disciplines. This topic seeks to shed light on how the two aspects of international relations relate to each other. How does economic stability, growth, sustainable development or environmental goals contribute to security? Is there such a thing as economic security and what is its relative importance compared to political/military security? How are economic instruments used in the pursuit of political/military security?

**INTRODUCTORY READING:** Cable, V. 'What is International Economic Security?' *International Affairs* 71:2 (1995)

#### **REQUIRED READING:**

Buzan, B., O. Weaver and J. de Wilde, *Security: A New Framework for Analysis* (1998), Chapter 5.

Kahler, Miles. 2004. "Economic Security in an Era of Globalization: Definition and Provision," *The Pacific Review*, 17, 4 [2004]

Nye, J. 'Collective Economic Security' *International Affairs* 50:4 (1974)

Mastandano, M. 'Economics and Security in Statecraft and Scholarship' *International Organization* 52:4 (Fall 1998), p825.

#### **RECOMMENDED READING:**

Cable, V. 'What is International Economic Security?' *International Affairs* 71:2 (1995)

Cupitt, Richard and S. Grillot. 'COCOM is Dead, Long Live COCOM: Persistence and Change in Multilateral Security Institutions', *British Journal of Political Science* 27:3 (July 1997) 361-389

Drezner, Daniel W. *The Sanctions Paradox: Economic Statecraft and International Relations* (1999)

Elliot, K. A., 'The Sanctions Glass: Half Full or Completely Empty?' *International Security* 23:1 (Summer 1998), pp50-65

Ferguson, Niall. 'Public Finance and National Security: The Domestic Origins of the First World

War Revisited'. *Past and Present*. 142 (1994) pp 141 - 168

Ferguson, Niall. 'Sinking Globalization' *Foreign Affairs*. 84: 2 (2005) pp64 - 77

Liberman, P. 'Trading with the Enemy: Security and Relative Economic Gains' *International Security* 21:1 (Summer 1996)

Moran, T., 'An Economics Agenda for Neorealists' *International Security* 18:2 (Autumn 1993)

Katzenstein, P. et al 'Japan's National Security: Structures, Norms and Policies' *International Security* 17:4 (Spring 1993) pp84-118.

Kirshner, J. 'Political Economy in Security Studies after the Cold War' *Review of International Political Economy* 5:1 (January 1998), p64.

Krapels, E. N., 'The Commanding Heights: International Oil in a Changing World' *International Affairs* 69:1 (1993), pp71-88.

Kupchan, Charles A. 'After Pax Americana: Benign power, Regional integration and the Sources of a Stable Multipolarity' *International Security* 23:2 (Autumn 1998), pp40-79

Levy, Marc L. 'Is the Environment a National Security Issue' *International Security* 20:2 (Autumn 1995) pp35 - 62

Moran, Theodore H. 'The Globalization of America's Defense Industries: Managing the Threat of Foreign Dependence' *International Security* 15:1 (Summer 1990), pp57-99

Pape, R. 'Why Economic Sanctions Do Not Work' *International Security* 22:2 (Autumn 1997), pp90-136

Taylor, T. 'West European Security and Defence Cooperation: Maastricht and Beyond' *International Affairs* 70:1 (January 1994) 1-16

Van Scherpenberg, Jens 'Transatlantic Competition and the European Defence Industry: a New look at the Trade Defence Linkage' *International Affairs* 73:1 (January 1997), pp99-122.

Zysman, J. 'US Power, Trade and Technology' *International Affairs* 67:1 (January 1991), pp 81-106.

#### **Seminar Questions:**

1. What is economic security in the post Cold War era?
2. How are economic instruments used in the pursuit of international security?
3. How does economic globalization affect the probability of global conflict?