

**PSCI 6309: International Political Economy**  
Fall 2022  
**Course Syllabus**

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**Course Information**

Course Number/Section	PSCI 6309
Course Title	International Political Economy
Term	Fall 2022
Time/Location	Wednesdays at 4pm in CB3 1.310

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**Professor Contact Information**

Professor	Clint Peinhardt
Office Phone	972-883-4955
Email Address	<a href="mailto:clint.peinhardt@utdallas.edu">clint.peinhardt@utdallas.edu</a> ***Email is preferred contact method
Office Location	GR 2.804
Online Office Hours	TBD via MS Teams
Other Information	

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**Course Pre-requisites, Co-requisites, and/or Other Restrictions**

All students in this course should have already taken PSCI 6319 (Proseminar in International Relations) or should have instructor permission. Additionally, those who have had or are currently taking a research design course will be much better positioned for the research paper requirement.

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**Course Description**

Many divide the study of international relations into high politics (guns) and low (butter). IPE is the latter, perhaps best characterized as the politics of foreign economic policy. Our readings primarily explore the politics of international trade, production, and finance. As such, they require the integration of a substantial amount of knowledge from multiple literatures. This course is designed to serve as a high-level introduction to current research topics, which means that historically important work may be treated superficially.

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**Student Learning Objectives/Outcomes**

This graduate seminar is designed to equip participants to read, understand, and critique the political science literature on globalization and foreign economic policy. The primary purpose is to train students to understand, critique, and ultimately contribute to research programs related to economic globalization, including both its causes and its effects. The required readings convey a sense of the state of work on a given research question; through individual writing assignments and class discussions, students should

develop critical perspectives on these literatures, and should begin to find opportunities for new contributions of original research. Additionally, weekly discussions require all students to restate major findings and to communicate critical ideas in conference-style presentations and to develop better academic writing skills through class assignments.

### Required Textbooks and Materials

Most of our reading material is available electronically through the library's electronic journals. Those unavailable are marked with an asterisk and will be made available via university reserves instead. Additionally, students should secure access to the following book:

- Frieden, J.A., 2016. *Currency Politics: The Political Economy of Exchange Rate Policy*. Princeton University Press.

### Suggested Course Materials

If you have not had been exposed to international economics before, you may want to consider buying an undergraduate textbook such as Oatley's, Ravenhill, or Kucik, Hallerberg, and Mukherjee. If you want a more precise economic treatment of international economics, the classic textbook is Krugman, Obstfeld, and Melitz's *International Economics*. Older editions of either may be available for cheaper and would be good reference material for the foreseeable future.

### Assignments & Academic Calendar

WEEK/ DATES	TOPIC/LECTURE	READING	ASSESSMENT / ACTIVITY	DUE DATE
Week 1/ Aug. 24	Introductions & Background	None	Choose articles to review	In class
Week 2/ Aug. 31	Domestic Political Cleavages & Individual Attitudes toward Trade	See below	Reviews as assigned each week	
Week 3/ Sept. 7	Domestic Institutions & the Formation of Trade Policy	See below		
Week 4/ Sept. 14	The World Trade Organization	See below		
Week 5/ Sept. 21	Preferential Trade Agreements	See below		

WEEK/ DATES	TOPIC/LECTURE	READING	ASSESSMENT / ACTIVITY	DUE DATE
Week 6/ Sept. 28	Multinational Corporations & Foreign Direct Investment	See below	Deadline for initial thoughts on topic for final paper	
Week 7/ Oct. 5	Investment Treaties and Investor-State Dispute Settlement	See below		
Week 8/ Oct. 12	Impossible Trinity & Rise of Capital Mobility	See below		
Week 9/ Oct. 19	Globalization, Risk, and Compensation	None		
Week 10/ Oct. 26	Exchange Rate Regimes and Currency Crises	See below	Review of Frieden book	Midnight, Oct. 25
Week 11/ Nov. 2	Sovereign Debt & Financial Crises	See below		
Week 12/ Nov. 9	The International Monetary Fund	See below		
Week 13/ Nov. 16	Backlash against Globalization	See below		
Week 14/ Nov. 30	Presentations	See below	Slides to Professor	Midnight, Nov. 29
Week 15/ Dec. 7	Presentations	See below	Slides to Professor	Midnight, Dec. 6
	Final papers due		Turnitin on Elearning	Midnight, Dec. 13

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### Grading Policy

Devoted class participation is essential for this course's success; as such, students' final grades will depend in large part (20%) on their preparation, participation in class discussion, and general contribution to the course's intellectual climate.

Additionally, 50% of each student's grade will be based on reviews. Each student will write a total of five reviews, four of which will cover one article and should be preferably two but no more than three pages (doublespaced, 12 point font, 1 inch margins). Students will find a sample reviewer questionnaire on eLearning that addresses the questions to be answered. Everyone will write during the week in which we read the Frieden book. Reviews should be emailed to the instructor by 12:01 am the day of the class (that's 1 minute after midnight). Additionally, each student will review one chapter in *Open International Political Economy*, an open access textbook that UTD undergraduate students have written. Those reviews will be provided to the next batch of IPE undergraduates in the spring term.

The remainder of the course (30%) grade will be comprised of the composition and presentation of a final paper. For fast-track or Master's students, the final paper will be a bibliographic essay, with more information to follow. Ph.D. students can choose between writing a research design or a replication. Whatever the final project, students will present their work to the class during the final two class periods in a simulated conference environment. Deadlines for components of the paper are listed on the syllabus.

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### **Course & Instructor Policies**

Attendance is expected at all classes. Students who are unable to attend due to illness or any other reason, should contact the professor prior to the class to receive an excused absence. Each class will begin with a brief summary from each student of his or her thoughts and impressions of the week's readings. Where necessary or requested, the instructor will provide contextual and/or supplementary material in class, but generally the bulk of time in class will be spent discussing the readings for the week with the goal of understanding strengths and weaknesses of each reading and each literature. As such, students are expected to demonstrate knowledge of the readings and should be able to summarize strengths and weaknesses of each.

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### **Class Materials**

The instructor may provide class materials that will be made available to all students registered for this class as they are intended to supplement the classroom experience. These materials may be downloaded during the course, however, these materials are for registered students' use only. Classroom materials may not be reproduced or shared with those not in class, or uploaded to other online environments except to implement an approved Office of Student AccessAbility accommodation. Failure to comply with these University requirements is a violation of the [Student Code of Conduct](#).

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### **Class Attendance**

The University's attendance policy requirement is that individual faculty set their course attendance requirements. Regular and punctual class attendance is expected. Students who fail to attend class regularly are inviting scholastic difficulty. In some courses,

instructors may have special attendance requirements; these should be made known to students during the first week of classes.

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### **Class Participation**

Regular class participation is expected. Students who fail to participate in class regularly are inviting scholastic difficulty. A portion of the grade for this course is directly tied to your participation in this class. It also includes engaging in group or other activities during class that solicit your feedback on homework assignments, readings, or materials covered in the lectures (and/or labs). Class participation is documented by faculty. Successful participation is defined as consistently adhering to University requirements, as presented in this syllabus. Failure to comply with these University requirements is a violation of the [Student Code of Conduct](#).

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### **Class Recordings**

Students are expected to follow appropriate University policies and maintain the security of passwords used to access recorded lectures. Unless the Office of Student AccessAbility has approved the student to record the instruction, students are expressly prohibited from recording any part of this course. Recordings may not be published, reproduced, or shared with those not in the class, or uploaded to other online environments except to implement an approved Office of Student AccessAbility accommodation. Failure to comply with these University requirements is a violation of the [Student Code of Conduct](#).

***NOTE: if the instructor records any part of the course, then the instructor will need to add the following syllabus statement:***

The instructor may record meetings of this course. These recordings will be made available to all students registered for this class if the intent is to supplement the classroom experience. If the instructor or a UTD school/department/office plans any other uses for the recordings, consent of the students identifiable in the recordings is required prior to such use unless an exception is allowed by law.

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### **Comet Creed**

*This creed was voted on by the UT Dallas student body in 2014. It is a standard that Comets choose to live by and encourage others to do the same:*

*“As a Comet, I pledge honesty, integrity, and service in all that I do.”*

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### **Academic Support Resources**

The information contained in the following link lists the University’s academic support resources for all students.

Please see <http://go.utdallas.edu/academic-support-resources>.

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## **UT Dallas Syllabus Policies and Procedures**

The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus. Please review the catalog sections regarding the [credit/no credit](#) or [pass/fail](#) grading option and withdrawal from class.

Please go to <http://go.utdallas.edu/syllabus-policies> for these policies.

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*The descriptions and timelines contained in this syllabus are subject to change at the discretion of the Professor.*

## Readings

**Note: A few journals are abbreviated due to their proliferation in the following list. IO=International Organization; ISQ=International Studies Quarterly; AJPS=American Journal of Political Science; APSR=American Political Science Review. Any article preceded by # should be available via library reserves.**

### **Week 2: Domestic Political Cleavages and Individual Attitudes toward Trade**

#### **Hiscox 2014 in Ravenhill's Global Political Economy**

- Kim, I. S. 2017. Political cleavages within industry: firm-level lobbying for trade liberalization. *APSR*, 111(1), 1-20.
- Mansfield, Edward D., and Diana C. Mutz. 2009. Support for Free Trade: Self-Interest, Sociotropic Politics, and Out-group Anxiety. *IO* 63(03), 425-57.
- Rho, S., & Tomz, M. 2017. Why Don't Trade Preferences Reflect Economic Self-Interest? *IO*, 71(S1), S85-S108.

#### **Guisinger Ch. 3 or 4 or Honeker (forthcoming) RIPE**

- Betz, T., Pond, A., 2019. The Absence of Consumer Interests in Trade Policy. *The Journal of Politics* 81, 585–600. <https://doi.org/10.1086/701493>

### **Week 3: Domestic Institutions and the Formation of Trade Policy**

- Bailey, M.A., Goldstein, J. and Weingast, B.R., 1997. The institutional roots of American trade policy: Politics, coalitions, and international trade. *World Politics*, 49(3), pp.309-338. *Take your time with this one*
- Mansfield, Edward, Helen V. Milner, and Peter Rosendorff. 2000. Free to Trade: Democracies, Autocracies, and International Trade. *APSR* 94(2), 305-21.
- Kono, Daniel Y. 2006. Optimal Obfuscation: Democracy and Trade Policy Transparency. *APSR* 100(3), 369-84.
- Ehrlich, S.D., 2007. Access to protection: Domestic institutions and trade policy in democracies. *International Organization*, 61(3), pp.571-605.
- Goldstein, Judith, and Robert Gulotty. 2014. America and Trade Liberalization: The Limits of Institutional Reform. *IO* 68(2), 263-295.

### **Week 4: The World Trade Organization – cancelled due to weather**

- Davis, Christina L. 2012. *Why Adjudicate? Enforcing Trade Rules in the WTO*. Princeton, NJ: Princeton University Press.

### **Week 5: PTAs – cancelled due to weather**

#### **Deadline for initial thoughts on topic for final paper**

- Kim, S.Y. 2015. Deep Integration and Regional Trade Agreements. In Martin, L. (ed) *The Oxford Handbook for the Political Economy of International Trade*. Oxford University Press. Pp. 360-379.
- Manger, M.S. and Shadlen, K.C., 2014. Political trade dependence and North–South trade agreements. *ISQ*, 58(1), pp.79-91.
- Baccini, L., Dür, A. and Elsig, M., 2015. The Politics of trade agreement design: revisiting the depth–flexibility Nexus. *ISQ*, 59(4), pp.765-775.

- Lechner, L., 2016. The domestic battle over the design of non-trade issues in preferential trade agreements. *Review of International Political Economy*, 23(5), pp.840-871.
- Peinhardt, C., Kim, A.A. and Pavon-Harr, V., 2019. Deforestation and the United States–Peru Trade Promotion Agreement. *Global Environmental Politics*, 19(1), pp.53-76.

### **Week 6: Foreign Direct Investment and Multi-National Corporations**

- Büthe, T. and H.V. Milner. 2008. The politics of foreign direct investment into developing countries: increasing FDI through international trade agreements? *AJPS*, 52(4), pp.741-762.
- Moon, C., 2015. Foreign direct investment, commitment institutions, and time horizon: How some autocrats do better than others. *ISQ*, 59(2), pp.344-356.
- Arel-Bundock, V. 2017. The Political Determinants of Foreign Direct Investment: A Firm-Level Analysis. *International Interactions*, 43(3), 424-452.
- Li, Q., Owen, E. and Mitchell, A., 2018. Why do democracies attract more or less foreign direct investment? A metaregression analysis. *International Studies Quarterly*, 62(3), pp.494-504.
- Beazer, Q.H. and Blake, D.J., 2018. The conditional nature of political risk: How home institutions influence the location of foreign direct investment. *AJPS*, 62(2), pp.470-485.

### **Week 7: Investment Treaties and Investor-State Dispute Settlement**

- Jandhyala, Srividya, Witold J. Henisz, and Edward Mansfield. 2011. Three Waves of BITs: The Global Diffusion of Foreign Investment Policy. *Journal of Conflict Resolution* 55 (6), 1047-73.
- Allee, Todd, and Clint Peinhardt. 2011. Contingent Credibility: The Impact of Investment Treaty Violations on Foreign Direct Investment. *IO* 65 (3), 401-32.
- Poulsen, Lauge, and Emma Aisbett. 2013. When the claim hits: Bilateral investment treaties and bounded rational learning. *World Politics* 65(2), 273-313.
- Wellhausen, Rachel. 2015. Investor-state disputes: when can governments break contracts? *Journal of Conflict Resolution* 59(2), 239-261.
- Pelc, K.J., 2017. What Explains the Low Success Rate of Investor-State Disputes?. *IO*, 71(3). 559-583.
- Betz, T., Pond, A., Yin, W., 2021. [Investment agreements and the fragmentation of firms across countries](#). *Rev Int Organ* 16, 755–791.

### **Week 8: The Impossible Trinity and the Rise of Capital Mobility**

#### **Deadline for selecting topic for final paper**

- Lukauskas, A. and S. Minushkin. 2000. Explaining styles of financial market opening in Chile, Mexico, South Korea, and Turkey. *ISQ* 44, 695-723.
- Mosley, Layna. 2000. Room to Move: International Financial Markets and National Welfare States. *IO* 54 (4), 737-73.
- Simmons, B., and Z. Elkins. 2004. The Globalization of Liberalization: Policy Diffusion in the International Political Economy. *APSR* 98(1), 171-90.

- Brooks, Sarah M., and Marcus J. Kurtz. 2007. Capital, Trade, and the Political Economies of Reform. *American Journal of Political Science* 51(4), 703-20.
- Karcher, Sebastian, and David A. Steinberg. 2013. Assessing the Causes of Capital Account Liberalization: How Measurement Matters. *ISQ* 57(1), 128-137.
- Pond, A., 2018. Financial liberalization: Stable autocracies and constrained democracies. *Comparative Political Studies*, 51(1), pp.105-135.

## **Week 9: Spring Break**

### **Week 10: Globalization, Risk, and Compensation**

- Ruggie, John Gerard. 1982. International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order. *IO* 36 (2),379-415.
- Rodrik, Dani. 1998. Why do more open economies have bigger government? *Journal of Political Economy* 106,997-1032.
- Hays, Jude C., Sean D. Ehrlich, and Clint Peinhardt. 2005. Government Spending and Public Support for Trade in the OECD. *IO* 59 (2),473-94. [MORE, SEE NEXT PAGE]
- Wibbels, Erik. 2006. Dependency Revisited: International Markets, Business Cycles, and Social Spending in the Developing World. *IO* 60 (2),433-68.
- Walter, Stefanie. 2010. Globalization and the welfare state: Testing the microfoundations of the compensation hypothesis. *International Studies Quarterly*, 54(2), 403-426.
- Goodman, Sara Wallace, and Thomas Pepinsky. The Exclusionary Foundations of Embedded Liberalism. forthcoming *IO*.

### **Week 11: Exchange Rate Regimes and Currency Crises**

- Broz, J. Lawrence, and Jeffrey. A. Frieden. 2006. The Political Economy of Exchange Rates. In *The Oxford Handbook of Political Economy*, edited by Barry R. Weingast and Donald Wittman, 587-97. Oxford: Oxford University Press.
- Leblang, D, and W Bernhard. 2000. The Politics of Speculative Attacks in Industrial Democracies. *IO* 54 (2), 291-324
- Leblang, David A., and Shanker Satyanath. 2006. Institutions, Expectations, and Currency Crises. *IO* 60(1), 245-62.
- Singer, David Andrew. 2010. Migrant Remittances and Exchange Rate Regimes in the Developing World. *American Political Science Review* 104 (2),307-23.
- Dreher, Axel, and Stefanie Walter. 2010. Does the IMF Help or Hurt? The Effect of IMF Programs on the Likelihood and Outcome of Currency Crises. *World Development* 38(1), 1-18.
- Egan, P.J., 2016. The Political Economy of Exchange Rates in an Era of Global Production Chains. *International Interactions*, 43(3), pp.507-536.

### **Week 12: Sovereign Debt and Financial Crises**

- Panizza, Ugo, Federico Sturzenegger, and Jeromin Zettelmeyer. 2009. The Economics and Law of Sovereign Debt and Default. *Journal of Economic Literature* 47 (3),651-98.

- Schultz, Kenneth, and Barry R. Weingast. 2003. The Democratic Advantage: Institutional Foundations of Financial Power in International Competition. *IO* 57(1), 3-42.
- Beaulieu, E., Cox, G.W. and Saiegh, S., 2012. Sovereign debt and regime type: Reconsidering the democratic advantage. *IO*, 66(04), pp.709-738.
- Ballard-Rosa, C., 2016. Hungry for change: Urban bias and autocratic sovereign default. *IO*, 70(02), pp.313-346.
- Cox, Gary, and S. Saiegh. Forthcoming. Executive Constraint and Sovereign Debt: Quasi-Experimental Evidence From Argentina During the Baring Crisis. *CPS* 51(11), 1504—1525.

### **Week 13: The International Monetary Fund**

- Thacker, S. C. (1999). The high politics of IMF lending. *World Politics*, 52(1), 38-75.
- Stone, R. W. (2004). The political economy of IMF lending in Africa. *American Political Science Review*, 98(4), 577-591.
- Copelovitch, M. S. (2010). Master or servant? Common agency and the political economy of IMF lending. *ISQ*, 54(1), 49-77.
- Chwieroth, J. M. (2015). [Professional ties that bind: how normative orientations shape IMF conditionality](#). *Review of International Political Economy*, 22(4), 757–787.
- Kentikelenis, A. E., Stubbs, T. H., & King, L. P. (2016). [IMF conditionality and development policy space](#), 1985–2014. *Review of International Political Economy*, 23(4), 543–582.
- Rickard, Stephanie J. and Caraway, Teri L. (2018) International demands for austerity: examining the impact of the IMF on the public sector. *Review of International Organizations*. ISSN 1559-7431

## **Week 14: Immigration/Backlash against Globalization**

### **Deadline for paper outline/draft of final presentation.**

- Walter, S., 2021. [The Backlash Against Globalization](#). Annual Review of Political Science 24, 421–442.
- Bisbee, J., Mosley, L., Pepinsky, T.B., Rosendorff, B.P., 2020. [Decompensating domestically: the political economy of anti-globalism](#). Journal of European Public Policy 27, 1090–1102.
- Steiner, N.D., Harms, P., 2021. [Trade shocks and the nationalist backlash in political attitudes: panel data evidence from Great Britain](#). Journal of European Public Policy 0, 1–20.
- Mansfield, E.D., Milner, H.V., Rudra, N., 2021. [The Globalization Backlash: Exploring New Perspectives](#). Comparative Political Studies 54, 2267–2285.
- Rudra, N., Nooruddin, I., Bonifai, N.W., 2021. [Globalization Backlash in Developing Countries: Broadening the Research Agenda](#). Comparative Political Studies 54, 2416–2441.

## **Weeks 15 and 16: Presentations**