

# International Political Economy (PSCI 4356) Course Syllabus

## DRAFT

The University of Texas at Dallas – Fall 2013  
Mon & Wed 11:30-12:45 pm in JSOM 2.901

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### Professor Contact Information

Clint Peinhardt, Ph.D.  
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972-883-4955  
Green Hall 3.524  
Office Hours Thur 10-11:30 am & by appointment

### Teaching Assistant:

Hours by Appointment

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

Students in this course should have taken either Global Politics (PSCI 4329), International Relations (PSCI 3328), or international economics (ECON4360/4382). Either the basic theories about international politics (anarchy v. cooperation, levels of analysis, etc.) or the basic theories about international economics (factor v. sector theories of trade, relationship between exchange rates and monetary policy) should be already familiar. Students should also know (or quickly learn) how to find articles via the library databases.

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### Course Description

This course will present an overview of academic work that examines the interaction between politics and economics at the broadest level possible: the international system. An entire subdiscipline of political science, international political economy, exists solely to study this topic, and so the course will naturally refer primarily to this literature. That body of work draws from international relations, comparative politics, and international economics, blending previous work in an attempt to understand the complex world economy. Our focus on the international system, however, will not discount the possibility that important global phenomena have their roots in the domestic politics of individual countries. We will frequently discuss the domestic politics of countries to search for explanations of global political economic interactions.

Understanding such a complicated subject naturally requires insight from multiple disciplines, even beyond political science and economics. Economic theory plays a large role in this course, because it is often a good starting point to understand who wins and who loses from current economic outcomes. We will review important theories in both international politics and international economics during this course.

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### Student Learning Objectives/Outcomes

At the end of the course, students will have greater insight into the relationship between international politics and economics. Students will be better able to evaluate current events and others' arguments critically from both historical and theoretical stances. Additionally, via writing

assignments and in-class discussion, students will produce better political and economic arguments, complete with supporting evidence.

### Required Textbooks and Materials

The required text for this course is *International Political Economy: Interests and Institutions in the Global Economy* (Fifth Edition) by Thomas Oatley (2012, Pearson and Longman). ISBN 978-0-205-06063-4. Alternatively, students may purchase the previous (Fourth Edition) of the same book.

### Suggested Course Materials

I recommend subscribing to (or regularly reading) *The Economist*, *The Financial Times*, or other news magazines with considerable and reliable coverage of international political and economic events, since I will frequently refer to such events in class. The history lectures will be drawn primarily from *Power and Plenty* by Ronald Findlay and Kevin O'Rourke (2007, Princeton), but its purchase is not necessary.

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### Assignments & Academic Calendar – Readings from Electronic Reserves unless noted

#### Section I – Historical and Theoretical Framework

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|---------|---|
| Aug. 26 | Introductions, History of International Political Economy |
| Aug. 28 | Theoretical Framework – Oatley Ch. 1                      |

#### Section II – Trade Politics

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|-----------------|--|
| Sep. 2          | No Class Due to Labor Day  |
| Sep. 4          | The WTO and the World Trading System – Oatley Ch. 2  |
| Sep. 9          | The Doha Round – Schwab 2011   |
| Sep. 11         | Theories of International Trade – Oatley Ch. 3   |
| Sep. 16         | Trade Politics: Society & State – Oatley Ch. 4   |
| <b>Sept. 12</b> | <b>Last day to drop without a “W”</b>  |
| Sep.18          | Individual Attitudes toward Trade Policy– <b>Writing Assignment #1 Due</b><br>Pick one: Hiscox 2006 or Hainmueller & Hiscox 2006 |
| Sep.23          | Trade Politics: State & Institutions – Oatley Ch. 5  |
| Sep. 25         | Video & Discussion: US Saipan & Core Labor Standards   |
| Sep. 30         | Trade & Development I: ISI – Oatley Ch. 6  |
| Oct. 2          | Trade & Development II: Liberalization – Oatley Ch. 7  |

Oct. 7 Preferential Trade Agreements – Carpenter 2009

**Oct. 9 Midterm Examination**

*Section III – The Politics of Money & International Finance*

Oct. 14 Multinational Corporations I – Oatley Ch. 8

Oct. 16 Multinational Corporations II – Oatley Ch. 9

Oct. 21 Tax Competition– **Writing Assignment #2 Due**  
Pick One: Swank '06 or Wibbels & Arce '03

Oct. 23 International Investment Arbitration – Allee and Peinhardt 2011

**Oct. Midterm grades available online**

Oct. 28 The International Monetary System under Bretton Woods – Oatley Ch. 10

Oct. 30 The IMS after Bretton Woods – Oatley Ch. 11

**Oct. Last day to withdraw with WP/WF**

Nov. 4-6 Political Economy of Exchange Rates - Oatley Ch. 12 & 13

Nov. 11 Sovereign Debt – Tomz '07, Ch. 2 \*

Nov. 13 Crisis I: the 1982 Debt Crisis – Oatley Ch. 14

Nov. 18 Crisis II: the 1990s Crises in Mexico, Asia, & Beyond – Oatley Ch. 15

Nov. 20 Crisis III: the 2007 crisis and the Euro crisis  
Reading TBA

**Nov. 25-30 FALL BREAK/THANKSGIVING HOLIDAY**

*Section IV – Selected Other Topics in International Political Economy*

Dec. 2 The Resource Curse – Haber and Menaldo 2011

Dec. 4 Globalization & Global Governance – Oatley Ch. 16  
**Writing Assignment #3 due at beginning of class**

Dec. 9 TBA Special Topic #1 – will be drawn from IPES papers

Dec. 11 TBA Special Topic #2 – will be drawn from IPES papers

**Dec. 15 8am FINAL EXAM**

**Full Citations of Readings - those marked with asterisk (\*) are available via electronic reserves, The URL for this page is XXX and the password will be given in class and via elearning.**

Allee, Todd, and Clint Peinhardt. 2011. Contingent Credibility: The Impact of Investment Treaty Violations on Foreign Direct Investment. *International Organization* 65:401-32.

\* Carpenter, Theresa. 2009. A Historical Perspective on Regionalism. In *Multilateralizing Regionalism*, edited by Richard Baldwin, and Patrick Low. New York: Cambridge University Press.

Haber, Stephen, and Victor Menaldo. 2011. Do Natural Resources Fuel Authoritarianism? A Reappraisal of the Resource Curse. *American Political Science Review* 105 (1):1-26.

Hainmueller, J., and M. Hiscox. 2006. Learning to Love Globalization: Education and Individual Attitudes Toward International Trade. *International Organization* 60(2): 469.

Hiscox, M. J. 2006. Through a Glass and Darkly: Attitudes Toward International Trade and the Curious Effects of Issue Framing. *International Organization* 60(3): 755.

\* Peinhardt, Clint. 2010. "International Finance." In *World at Risk: A Global Issues Sourcebook*, 146-64. Washington, DC: CQ Press.

Reinhart, Carmen, and Kenneth Rogoff. 2008. Is the 2007 US Sub-Prime Financial Crisis So Different? An International Historical Comparison. *American Economic Review* 98 (2):339-44.

Reinhart, Carmen, and Kenneth Rogoff. 2009. The Aftermath of Financial Crises. *American Economic Review* 99 (2):466-72.

Schwab, Susan C. 2011. After Doha. *Foreign Affairs* 90 (3).

Swank, D. 2006. Tax Policy in an Era of Internationalization: Explaining the Spread of Neoliberalism. *International Organization* 60(4): 847-882.

\* Tomz, Michael. 2007. *Reputation and International Cooperation: Sovereign Debt across Three Centuries*. Princeton: Princeton University Press.

Wibbels, E. and M. Arce. 2003. Globalization, Taxation, and Burden-Shifting in Latin America. *International Organization* 57(1): 111.

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### **Grading Policy**

Students who participate in class discussions will show their effort in the course and will receive higher participation grades (on average – after all, you can speak up too much). Additionally, students will write at least three short papers (2-4 pages, double-spaced 10-12 point font, 1 inch margins). A midterm exam will cover the introductory and trade sections of the course, while a final exam will cover the finance and special topics sections. For both exams, students will receive a study guide to help focus on the right course material.

Grades will be tabulated as follows:

Class Attendance & Participation	20%
Midterm Exam	25%
Writing Assignments	30%
Final Exam	25%

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### **Course & Instructor Policies**

Students should inform the professor via email of any necessary absences, and should provide documentation if the absence is to be excused. All students are expected to take the exams when offered, unless prior arrangements are made with the professor. Writing assignments are due when class begins, and late papers will be penalized 1 letter grade for each day overdue.

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

*These descriptions and timelines are subject to change at the discretion of the Professor.*