

MWF 12:15 – 1:20 p.m.

MC 326

International Political Economy

This course has two basic objectives. The first is to introduce the main theoretical perspectives of International Political Economy (IPE), a subfield of International Relations (IR). The second is to place these perspectives into historical and comparative frameworks in order to explore the dynamics and evolution of international trade and development.

Building on the observation that political and economic interdependence has increased greatly over the past fifty years, we will examine *how* this has occurred with a focus on the structural changes in the international economy and the consequences of this for national economies. Most importantly, we will seek to diagnose the inherent tension and mutual interplay between an international system organized politically into sovereign nation-states and territorial boundaries but economically into a “borderless” world economy which is eroding the differences among national economies and undermining the policy autonomy of national governments.

Thus, a central theme running through this course is an examination of the politics of the “deeper” integration of national economies and the governance of a world economy. Finally, we will conclude by considering whether and how governments – developed and developing – can manage the dilemmas placed on national policies and attempts at international cooperation in a rapidly changing and “turbulent” external environment.

Readings

Required Text:

Gilpin, Robert (2001) *Global Political Economy: Understanding the International Economic Order* (Princeton, NJ: Princeton University Press).

Luttwak, Edward (1999/2000) *Turbo Capitalism: Winners and Losers in the Global Economy* (Harper Perennial).

Vogel, Steven (1996) *Freer Markets, More Rules: Regulatory Reform in Advanced Industrial Countries* (Ithaca, NY: Cornell University Press).

Palan, Ronen (2003) *The Offshore World: Sovereign Markets, Virtual Places, and Noman Millionaires* (Ithaca, NY: Cornell University Press).

There are also a small number of additional required readings marked below with an asterisk (*). These readings are available in electronic format.

Highly Recommended:

An important supplement to the weekly readings is to follow current developments and to discuss these events in class as they arise. To facilitate this exchange of ideas and discussion, students taking the class are strongly urged to read a daily newspaper with good international coverage such as the *Financial Times*, the *New York Times*, or the *Wall Street Journal*.

For students who have not had prior exposure to international economics and would like some additional background, an excellent primer is Todd Buchholz's (1999) *New Ideas From Dead Economists: An Introduction to Modern Economic Thought*. Revised Edition (New York: Penguin).

Office Hours and Contact Information

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Monday, Wednesday 11:00-12:00
 Or by appointment

Course Requirements

You are responsible for all readings listed on the syllabus. Attendance is mandatory. It is important to keep up with the weekly reading assignments since lectures and class discussion will assume familiarity with them. I will periodically call on people to answer questions, so coming to class prepared and ready to discuss IPE will be a benefit to you.

There are 2 in-class exams and a cumulative final. The exam format will be a combination of short answer and essay questions.

In addition, each student will produce an original research paper, approximately 8-12 pages in length, on a topic related to the themes of the course. See the attached appendix which explains how to meet the course's WAC requirements (in particular, please note point 3). Additional information about the paper and advice on selecting a topic will be provided in class.

Exam 1	20%
Exam 2	20%
Final Exam	35%
Research Paper	25%

Important Dates:

Exam 1	Feb. 27
Exam 2	Apr. 14
Research Paper (all deadlines are in-class or earlier)	
1 paragraph proposal	Feb. 25
Rough draft	Mar. 26
Final revised paper	Apr. 21
Final Exam	May 5, 1:00-3:00 p.m.

Please check these dates carefully. If you cannot make any of these exam dates or paper deadlines, I recommend you do not take this course. No early exams will be given under any circumstances. Make-up exams will only be given in exceptional circumstances; in all cases, students must have a valid excuse and written documentation (doctor's note, etc.) AND I should be notified PRIOR to the exam. Make-up exams will be given at my convenience and any missed exam must be taken within ONE WEEK of the original exam or a zero for that exam will be recorded. An essay format will be used for all make-up exams.

Early/late paper policy: Early papers are always welcome. I will read and provide feedback on late proposals or rough drafts – but you will not earn any credit towards your paper grade if you miss the deadline (deduct 5 points from your final paper grade if you miss the proposal deadline and 10 points if you miss the rough draft deadline). **Late final revised papers will be accepted, but late penalties apply; for each calendar date late, deduct 15 points out of 100;** if you consider this late assessment severe, I agree, so please be sure to turn your papers in on time or early. To be considered “on time,” papers are due in typed, hard copy form in class the day of the deadline. No e-mail papers will be accepted.

Please note, I do not provide information about grades by e-mail or phone.

Finally, my policy on academic dishonesty is simple: zero tolerance. Cheating on exams or plagiarizing material (regardless of source -- this means internet sources too!) will result in a zero for that assignment. The University's policy on academic dishonesty can be found in the student code of conduct; a particularly relevant passage you should be familiar with reads as follows:

Academic honesty is essential to maintain the integrity of the University as an institution and to foster an environment conducive to the pursuit of knowledge. The Cleveland State University Academic Community values honesty and integrity and holds its members to high standards of ethical conduct. Academic dishonesty is, therefore, unacceptable, and students must be prepared to accept the appropriate sanctions for any dishonest academic behavior...Academic misconduct refers to any fraudulent actions or behaviors that affect the evaluation of a student's academic performance or record of academic progress. It includes:

Cheating -- Fraudulent acquisition and/or submission of another's intellectual property. This includes but is

not limited to the unauthorized giving or receiving of a copy of examination questions, the use of unauthorized or fabricated sources in carrying out assignments, and copying the examination answers of others.

Plagiarism -- Stealing and/or using the ideas or writings of another in a paper or report and claiming them as your own. This includes but is not limited to the use, by paraphrase or direct quotation, of the work of another person without full and clear acknowledgment.

Please read the definition of plagiarism carefully. “I didn’t know how to cite things” is not a valid defense for failing to give **full and clear acknowledgment** of the ideas or writings of someone else. If there is any reason to think your research paper does not provide full and clear acknowledgement, I will require you to submit an electronic version of your paper to me so that I may systematically check it at turnit.com. More information about the research paper and how to cite things will be provided in class.

Course Outline

1. Introduction. The Nature of Political Economy and Increasing World Economic Integration. Is the world economy today a “new economic order”? Are we witnessing a rebirth of the 1870s, the 1930s, or something altogether ‘new under the sun’? How and why are markets and states “inextricably intertwined”? What is globalization and how is it occurring?

Gilpin, preface and chapter 1.

Luttwak, preface and chapter 1.

Vogel, introduction.

Palan, preface and introduction.

2. Theories (“Ideologies”) of International Political Economy (IPE). What is the study of Political Economy? What are the main ideologies of IPE? Classifying diverse research traditions such as: national autonomy, regime theory, hegemonic stability, “governance” approaches, and new economic theory. What are the key differences between these approaches? The dynamics and mechanisms of structural change.

Gilpin chapters 2-6.

3. The Postwar International Economic Order. The design of the “Bretton Woods System” (BWS). How the Great Depression and WWII were critical junctures: The lesson: avoid the nasty 1930s and make way for welfare states! The development of a “managed” world economy, the golden age of the Bretton Woods system and welfare capitalism, and the role of American hegemony.

Gilpin, chapters 8-10.

Luttwak, chapter 2.

Exam 1, Wed, FEBRUARY 27

4. Why the Postwar Order Did Not Last. The atrophy of Bretton Woods in the 1970s. A more egoistic version of American hegemony: benign neglect and the gold-dollar standard. The “reemergence” of globalization. Why the 1970s did not come to resemble the 1930s. Winners and losers in the new era of “globalization.” Structural unemployment, the “Western malaise,” and the outsourcing debate.

*Matusow, A. (1998) *Nixon's Economy: Booms, Busts, Dollars and Votes* (Lawrence, KS: University Press of Kansas), chapters 5-6.

Luttwak, chapter 3.

Vogel, chapters 1-2.

5. National Systems of Political Economy – Are There Varieties of Capitalism and Can They Survive the New Era of Globalization? The institutional and cultural foundations of American, German, and Japanese versions of capitalism. What explains the continued divergence of capitalist models? Does one system outperform the others? Does globalization and “deeper integration” of national systems lead to convergence of types?

Gilpin, chapter 7.

Luttwak, chapters 5-6.

Vogel, chapters 3-10.

6. The “New” Multinationalism. The increasing importance of Multinational Corporations (MNCs) as actors in IPE. The role of FDI in increasing integration of national economies. New age of “global production networks.” International Corporate Alliances (ICAs) and the “end of geography” thesis. How does the new “globalization” era affect the strategic behavior of firms?

Gilpin, chapter 11.

Luttwak, chapter 4.

7. Developmental Strategies and Future Prospects for Less Developed Countries.

Uneven growth and the spread of the world economy. The rise of “Newly Industrialized Countries” (NICs). Does economic integration hold the key for developing countries to “catch-up” with the developed world? Do international institutions such as the World Bank and World Trade Organization help or hurt development?

Gilpin, chapter 12.

8. Globalization and State Sovereignty. How “footloose” capital, offshore markets, tax havens, export processing zones (EPZs), e-commerce, and the like are affecting IR notions of sovereignty and what this means for nation-states. Are markets becoming more powerful than states? Does the offshore economy help create a world of rival capitalist states? Who wins, who loses?

Palan, chapters 1-conclusion.

Exam 2, Mon, APRIL 14

9. Economic Nationalism, Regionalism, and Shifts in “Relative Power.” The “next generation” of economic nationalism and challenge of “deeper integration” among advanced industrial states. Is the US hegemon in decline? Are China and India a rising threat to advanced industrial economies? What does the quality of economic competition today imply for continued globalization? Is regionalism a “stumbling block” or “building block” for a more integrated and cooperative international system? What does the explosion of regional agreements (now more than 200 in force) mean for IPE?

Luttwak, chapters 7-8.

Gilpin, chapter 13.

Final Revised Research Paper due by Mon, APRIL 21 – in class

10. A Post-Modern World Economy? The World Economy of the Early 21st Century. Forecasting the adaptability of welfare capitalism in the new age of globalization. What is the future for the contemporary international economic order? The prospects and pitfalls of global free trade. What does the future hold for the nation-state? The capacity for national governments to manage economic change. National diversity and international convergence revisited.

Gilpin, chapters 14-15.

Luttwak, chapters 10-appendix.

Vogel, chapter 11.

Final exam, Mon., MAY 5, 1:00-3:00 p.m.

**Appendix:
Writing Across the Curriculum**

Cleveland State University, MC 321

Director, Prof. Mary Murray, m.murray@csuohio.edu, 216-687-6982

The WAC Requirements

A Course meets the WAC requirement when the following criteria are met:

1. Students must be required to write a minimum of 2,000 words in writing assignments.
2. The required writing must be in at least two separate assignments or drafts. The instructor should give feedback to assist the student in preping subsequent papers or drafts of papers. This must include feedback on the writing. It should not consist entirely of mechanical correction of punctuation and grammar.
3. In order to receive a C or better in this course, the student must write at a satisfactory skill level (C or better). If the student's writing is weak, but shows understanding of the course material, the student may be assigned a D, in which case WAC credit will not be received for the course.
4. Maximum enrollment for this course is 35 or 45 with a graduate assistant.

WAC Workshops for Your Students

Writing workshops on a wide variety of topics are available by calling the Director at extension 6982. Popular topics include Structuring a Research Paper, Focusing Your Paper, Internet Research and more.

Writing Center Services for Your Students

The Writing Center located at MC 321 is a free service for students, staff and faculty. Here are some of the services we provide:

- * 30-minute tutorials (students call 687-6981 to schedule)
- * drop-in help
- * 2-credit hour courses (English 105/106--tutorials + workshops)
- * a wide variety of style manuals (APA, MLA, Turabian, and so on)
- * a wide selection of writing textbooks and readers
- * computers for Internet research and for composing.

Our staff consists mostly of graduate teaching assistants from the English department who enjoy working with students.