

UNIVERSITY OF TORONTO
DEPARTMENT OF POLITICAL SCIENCE
Fall 2010

International Political Economy (POL 370 H 1 F)

Lecture: Wednesday, 12-2PM in Sidney Smith 2108
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This course introduces a dynamic field of study that bridges international relations, comparative politics, and international economics. It provides a context for evaluating the theory and practice of politics at the core of the contemporary global economy.

A grounding in international relations (POL 108 or 208 or equivalent), as well as familiarity with basic principles of economics (ECO 100 or 105 or equivalent), is required. The course is organized in the lecture format around required readings, attendance at the lectures, a term test, and an essay.

Grading and dates: term test (40%; in class on October 27); essay (45%; due on November 24); attendance (15%). Essays (maximum 3,000 words) will take the form of a comparative assessment of two or three books that present contrasting views on an important theme in IPE. Essays may be handed in before the deadline; after the deadline passes, a penalty of five points (out of one hundred) per day will be applied. Students are strongly advised to retain copies of their essays until the marked essays have been returned. Please note that plagiarism is a serious academic offence and will be dealt with accordingly. For further clarification and information, see the University of Toronto's policy on plagiarism at <http://www.utoronto.ca/writing/plagsep.html>.

The following paperback book includes most required readings and is available for purchase in the University Bookstore:

Axel Hülsemeyer, ed. *International Political Economy: A Reader*. Oxford University Press, 2010.

For additional background of direct relevance to the course, recommended but not required, three books have been placed on short-term reserve at the Trinity College Library:

John Ravenhill, ed. *Global Political Economy*, 2nd edition. Oxford University Press, 2008.

William Coleman and Louis Pauly, eds., *Global Ordering: Institutions and Autonomy in a Changing World*. Vancouver: University of British Columbia Press, 2008; and

Edgar Grande and Louis Pauly, eds. *Complex Sovereignty: Reconstituting Political Authority in the Twenty-First Century*. Toronto: University of Toronto Press, 2005.

Course readings and additional references are listed below. Those preceded by an asterisk are required.

September 15: Course Overview

September 22: Traditional Perspectives I

*Hülsemeyer, pp. 1-46.

Ravenhill, Chapter 1.

David A. Lake, "International Political Economy: A Maturing Interdiscipline," in *The Oxford Handbook of Political Economy*, Weingast and Wittman, eds. New York: Oxford University Press, 2006: 757-777.

<http://dss.ucsd.edu/~dlake/documents/LakeOxfordHandbookofPEproofs.pdf>

Robert Gilpin, *Global Political Economy*.

Susan Strange, *States and Markets*.

Benjamin J. Cohen, *International Political Economy: An Intellectual History*.

Jeffrey Frieden and David Lake, eds., *International Political Economy*, 4th ed.

Joseph Grieco and John Ikenberry, *State Power and World Markets*.

Richard Stubbs and Geoffrey Underhill, eds., *Political Economy and the Changing Global Order*, 3rd ed.

Jeffrey Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century*.

September 29: Traditional Perspectives II

* Hülsemeyer, pp. 46-124.

Ravenhill, Chapter 2.

Coleman and Pauly, Chapters 1, 2.

Robert Keohane and Joseph Nye, *Power and Interdependence*.

Hedley Bull, *The Anarchical Society*.

Robert Keohane, ed., *Neorealism and Its Critics*.

David Baldwin, ed., *Neorealism and Neoliberalism*.

Robert Cox, *Production, Power, and World Order*.

Immanuel Wallerstein, *The Capitalist World Economy*.

Fred Block, *Origins of International Economic Disorder*.

Stephen Gill, *Power and Resistance in the New Global Order*.

Steven Krasner, ed. *International Regimes*.

Herman Schwartz, *States Versus Markets*.

Stephen Gill and David Law, *The Global Political Economy*.

Paul Krugman, *The Return of Depression Economics*.

October 6: Regions in the Global Economy

* Hülsemeyer, pp. 349-485.

Ravenhill, Chapter 6.

Grande and Pauly, Chapters 7, 8.

Coleman and Pauly, Chapters 10, 11, 12, 13.

Peter Katzenstein, *A World of Regions*.

Andrew Moravcsik, *The Choice for Europe*.

Jeffrey Harrop, *The Political Economy of Integration in the European Community*.

Louis Pauly, "Financial Crisis Management in Europe and Beyond," *Contributions to Political Economy*, vol. 27, no. 1, July 2008, pp. 73-89.

October 13: Critical and Constructivist Perspectives

* Hülsemeyer, pp. 125-160.

- Rawi Abdelal, "Constructivism as an Approach to International Political Economy." In *Handbook of International Political Economy*, edited by Mark Blyth, 57-71. London: Routledge, 2009.
- Abdelal and Blyth, *Constructing the International Economy*, 2010.
- Mark Blyth, *Great Transformations: Economic Ideas and Institutional Changes in the Twentieth Century*, 2002.
- Neil Fligstein, "The Political and Economic Sociology of International Economic Arrangements" in Smelser Neil et Richard Swedberg (eds) *Handbook of Economic Sociology*, 2005.
- John Ruggie, *Constructing the World Polity*.
- Timothy Sinclair, "Reinventing authority: Embedded knowledge networks and the new global finance," *Environment and Planning C: Government and Policy* 18: 487-502.
- Alexander Wendt, *Social Theory of International Politics*.

October 20: International Politics of Trade

* Hülsemeyer, pp. 161-206.

- Ravenhill, Chapter 5.
- Coleman and Pauly, Chapters 3, 4, 7.
- Helen V. Milner, "International Trade," in Carlsnaes, Risse, and Simmons, *Handbook of International Relations*, 2002, Chapter 23.
- James E. Alt et al., "The Political Economy of International Trade: Enduring Puzzles and an Agenda for Inquiry," *Comparative Political Studies* 29:6, December 1996, pp. 689-717.
- Edward D. Mansfield and Helen V. Milner, "The New Wave of Regionalism," *International Organization* 53:3, Summer 1999, pp. 589-627.
- B. Peter Rosendorff and Helen V. Milner, "The Optimal Design of International Trade Institutions: Uncertainty and Escape," *International Organization* 55:4, 2001, pp. 829-858.
- Sylvia Ostry, *The Post-War Trading System*.
- Gilbert Winham, *The Evolution of International Trade Agreements*.
- Helen Milner, *Resisting Protectionism*.
- Paul Krugman, *Geography and Trade*.
- Kenneth Dam, *The GATT: Law and International Economic Organization*.
- Ronald Rogowski, *Commerce and Coalitions*.
- Michael Hiscox, *International Trade and Political Conflict*.

October 27: TERM TEST

November 3: International Politics of Money and Finance

* Hülsemeyer, pp. 207-249.

- Ravenhill, Chapter 7 and 8.
- Coleman and Pauly, Chapter 2.
- Louis Pauly, "The Institutional Legacy of Bretton Woods," in *Orderly Change*, edited by David Andrews, Ithaca, NY: Cornell University Press, 2008, pp. 189-210.
- Louis Pauly, "Monetary Statecraft in Follower States (The Different Paths of Canada and Austria)," in *International Monetary Power*, edited by David Andrews, Ithaca, NY: Cornell University Press, 2006, pp. 184-207.
- Benjamin J. Cohen, "International Finance," in Carlsnaes, Risse, and Simmons, *Handbook of International Relations*, 2002, Chapter 22.

Rawi Abdelal, *Capital Rules*.
Leonard Seabrooke, *The Social Sources of Financial Power*.
Andrew Baker, *The Group of Seven: Finance Ministries, Central Banks and Global Financial Governance*
David M. Andrews, "Capital Mobility and State Autonomy: Toward a Structural Theory of International Monetary Relations," *International Studies Quarterly* 38:2, 1994, 193-218.
Jonathan Kirshner, "The Study of Money," *World Politics* 52:3, April 2000, 407-436.
Beth Simmons, "The Legalization of International Monetary Affairs," *International Organization* 54:3, Summer 2000, 189-218.
Benjamin J. Cohen, *The Future of Money*.
David Andrews et al., eds. *Governing the World's Money*.
Benjamin J. Cohen, *The Geography of Money*.
Louis Pauly, *Who Elected the Bankers? Surveillance and Control in the World Economy*.
C. Randall Henning, *Currencies and Politics*.
Kathleen McNamara, *The Currency of Ideas*.
Beth Simmons, *Who Adjusts?*
Marcello de Cecco, "Origins of the Postwar Payments System," *Cambridge Journal of Economics*, vol. 3, 1979, pp. 49-61.
Richard Cooper, *The International Monetary System*.
Kenneth Dam, *The Rules of the Game*.
Jonathan Kirshner, ed., *Monetary Orders*.
Layna Mosley, *Global Capital and National Governments*.
Eric Helleiner, *States and the Reemergence of Global Finance*.
Ralph Bryant, *Turbulent Waters*.
Ethan Kapstein, *Governing the Global Economy*.
Andrew Walter, *World Power and World Money*.
Ngairé Woods, *The Globalizers*.
Jeffrey Frieden, "Invested Interests: The Politics of National Economic Policies in a World of Global Finance," *International Organization* 45:4, Autumn 1991, 425-451.
Louis Pauly, *Opening Financial Markets*.
Charles Kindleberger, *Manias, Crashes, and Panics*.
Barry Eichengreen, *Globalizing Capital*.
Hyman Minsky, *Stabilizing an Unstable Economy*.
Robert Shiller, *The Subprime Solution: How Today's Global Financial Crisis Happened*.
Herman Schwartz, *Subprime Nation: American Power, Global Capital, and the Housing Bubble*.

November 10: Globalization in Principle and Practice

* Hülsemeyer, pp. 281-348.

Ravenhill, Chapters 3, 4, 9, 10.
Grande and Pauly, Chapter 1, 2.
Coleman and Pauly, Chapter 9.

Simmons, Beth, Frank Dobbin and Geoffrey Garrett. "Introduction: The International Diffusion of Liberalism." *International Organization* 60, no. 4, October 2006, pp.781-810.
Robert Keohane, *After Hegemony*.
Oliver Williamson, *Markets and Hierarchies*.
Kenneth Oye, ed., *Cooperation Under Anarchy*.
Stephen Krasner, *Sovereignty: Organized Hypocrisy*.
Hendrik Spruyt, *The Sovereign State and its Competitors*.
Thomas Biersteker and Cynthia Weber, ed. *State Sovereignty as a Social Construct*.
Daniel Philpott, *Revolutions in Sovereignty*.
Peter Katzenstein, ed., *Between Power and Plenty*.
Peter Gourevitch, "The Second Image Reversed: The International Sources of Domestic Politics," *International Organization*, vol. 32, Autumn 1978.

David Lake, *Hierarchy in International Relations*.
 Andrew Moravcsik, "A Liberal Theory of International Politics," *International Organization*, 51:4 Autumn 1997, pp. 513-553.
 Karl Polanyi, *The Great Transformation*.
 Stephen Krasner, *Sovereignty: Organized Hypocrisy*.
 John Gerard Ruggie, "Territoriality and Beyond," *International Organization*, 47:1, 1993.
 Jan-Aart Scholte, *Globalization*.
 John Zysman, *Governments, Markets and Growth*.
 Nicholas Greenwood Onuf, *World of Our Making*.
 Ernst-Otto Czempiel and James Rosenau, eds., *Governance Without Government*.
 David Held, *Democracy and the Global Order*.
 Margaret Keck and Kathryn Sikkink, *Activists Beyond Borders*.
 Robert Keohane and Helen Milner, eds., *Internationalization and Domestic Politics*.
 Paul Hirst and Grahame Thompson, *Globalization in Question*.
 Suzanne Berger and Ronald Dore, eds. *National Diversity and Global Capitalism*.
 Peter Katzenstein, *Small States in World Markets*.
 E. Czempiel and J. Rosenau, *Global Changes and Theoretical Challenges*.
 Steven K. Vogel, *Freer Markets, More Rules*.
 Geoffrey Garrett, *Partisan Politics in the Global Economy*.
 Linda Weiss, *The Myth of the Powerless State*.
 Ronen Palan, *The Offshore World*.
 James Rosenau, *Distant Proximities*.
 Joseph Stiglitz, *Globalization and its Discontents*.
 David Held, *Global Transformations*.

November 17: International Production and its Implications

* Hülsemeyer, pp. 250-280.

Ravenhill, Chapter 11.
 Coleman and Pauly, Chapters 7, 8.

Robert Gilpin, *U.S. Power and the Multinational Corporation*.
 Richard Barnett and John Cavanagh, *Global Dreams: Imperial Corporations and the New World Order*.
 Paul Doremus et al., *The Myth of the Global Corporation*.
 Craig Murphy, *International Organization and Industrial Change*.
 John Dunning, *The Globalization of Business*.
 John Stopford and Susan Strange, *Rival States and Rival Firms*.
 Raymond Vernon, *Storm over the Multinationals*.
 Robert Cox, *Power, Production, and World Order*.
 Jonathan Crystal, *Unwanted Company: Foreign Investment in American Industries*.
 Sylvia Ostry and Richard Nelson, *Techno-Nationalism and Techno-Globalism*.
 Winfried Ruigrok and Rob van Tulder, *The Logic of International Restructuring*.
 Adam Segal, *Digital Dragon: High Technology Enterprises in China*.
 Michael Gerlach, *Alliance Capitalism*.
 William Greider, *One World, Ready or Not*.
 Ronald Deibert, *Parchment, Printing, and Hypermedia: Communication in World Order*.

November 24: ESSAY DEADLINE

Globalization and Development

* Hülsemeyer, pp. 487-543.

Ravenhill, Chapters 12, 13.
 Coleman and Pauly, Chapters 13.

Robert Wade, *Governing the Market*.
 John Ruggie, ed., *The Antinomies of Interdependence*.
 Frederic Mishkin, *The Next Great Globalization*.
 Stephen Krasner, *Structural Conflict*.
 Stephan Haggard, *Pathways from the Periphery*.
 Peter Evans, *Dependent Development*.
 Robin Broad, *Unequal Alliance*.
 James Vreeland, *The IMF and Economic Development*.
 Sylvia Maxfield, *Governing Capital*.
 Rawi Abdelal, *National Purpose in The World Economy*.
 Wang Hui, *China's New Order*.

December 1: The Natural Environment and the Challenge of Global Governance

* Hülsemeyer, pp. 544-573.

Ravenhill, Chapter 14.
 Grande and Pauly, 11, 12.
 Coleman and Pauly, Chapters 5, 6, 14.

Michael N. Barnett and Martha Finnemore, "The Politics, Power, and Pathologies of International Organizations," *International Organization* 53:4, Autumn 1999, pp. 699-732.
 Miles Kahler and David Lake, eds., *Governance in a Global Economy*.
 Jacqueline Best, *The Limits of Transparency*
 Steven Bernstein, Jutta Brunée, et al., *A Globally Integrated Climate Policy for Canada*.
 Matthew Hoffmann, *Ozone Depletion and Climate Change: Constructing a Global Response*.
 Steven Bernstein, *The Compromise of Liberal Environmentalism*.
 Michael Barnett and Martha Finnemore, *Rules for the World*.
 Barry Buzan, *From International to World Society?*
 Yale Ferguson and Richard Mansbach, *Remapping Global Politics*.
 Anne-Marie Slaughter, *A New World Order*.
 Michael Barnett and Raymond Duvall, eds., *Power in Global Governance*.
 Rodney Bruce Hall and Thomas J. Biersteker, eds. *The Emergence of Private Authority in Global Governance*.
 Steven Bernstein and Louis Pauly, eds., *Global Liberalism and Political Order*.
 Kal Raustiala and Anne-Marie Slaughter, "International Law, International Relations and Compliance," in Carlsnaes, Risse, and Simmons, *Handbook of International Relations*, 28.
 James D. Fearon, "Bargaining, Enforcement, and International Cooperation," *International Organization* 52:2, Spring 1998, pp. 269-305.
 Alastair Iain Johnston, *Social States: China in International Institutions, 1980-2000*.
 G. John Ikenberry, *After Victory*.
 Michael Th. Greven and Louis W. Pauly, eds. *Democracy Beyond the State?*
 Claire Cutler, *Private Power and Global Authority*.
 Andrew Hurrell, *On Global Order: Power, Values and the Constitution of International Society*.
 Emanuel Adler and Beverly Crawford, *Progress in Postwar International Relations*.
 Ernst Haas, *When Knowledge Is Power*.
 Ernst Haas, *Nationalism, Liberalism and Progress*.