

**UNIVERSITY OF TORONTO
DEPARTMENT OF POLITICAL SCIENCE
FALL 2023**

POL 361 H1 F GLOBAL POLITICAL ECONOMY I: HISTORY AND THEORY

Lecture: Thursday, 11AM-1PM

Instructor: Louis Pauly louis.pauly@utoronto.ca; www.munkschool.utoronto.ca/pauly

Office hours: Normally on Wednesday, 2-4:30PM, Sidney Smith 3060

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Themes: This course focuses on the evolution of key aspects of world economic governance, including institutions and policy practices in such arenas as trade, money, finance, investment, migration, energy, climate, health, and development. Historical and theoretical frameworks for understanding continuity and change in efforts to address problems requiring collective action on a global scale are introduced. Student course work will concentrate on specific problems being addressed or needing soon to be addressed at the system level.

EXCLUSION: POL370H1; POL370Y1

PREREQUISITE: 1.0 POL credit; ECO100Y1 or ECO105Y1

RECOMMENDED PREPARATION: POL 208Y

Assignments, grading and dates:

First Quiz (5%); Essay Prospectus (5%, 250 words maximum); Second Quiz (10%); Essay Annotated Bibliography (20%; 700 words maximum); Third Quiz (10%); Completed Essay (40%; 2500 words); Fourth Quiz (10%). Dates and deadlines are listed below.

The first hour of each weekly session will be devoted to a lecture based on assigned readings. The second hour will focus on discussion and debate, occasionally with a guest speaker.

Course assignments and off-line general communications will be coordinated and managed on a dedicated Quercus site open to all registered students. Quizzes and essay assignments will be graded on a scale of 0-100 points and then weighted as specified above in the calculation of the final grade. The penalty for unexcused lateness in handing in written assignments will be 5 points for each late day. Quizzes must be completed on the days indicated below. No make-up quizzes will be available.

Students are expected to attend all lectures and class discussions in person. Lectures and discussions will not be recorded. Power Point slides for each week will be left on-line until the end of the term. Students should take their own notes for future reference. If a class is missed because of illness, arrangements should be made with a classmate to share notes. Quizzes will be based on required readings *and* the content of lectures and discussions. Weekly attendance is therefore mandatory.

The instructor will hold office hours in person, with weekly sign-up sheets available on Quercus. He should be your first point of contact for advice and guidance. Outside of those hours, email contacts with the instructor or the TA should normally be limited to Wednesday afternoon.

The essay will focus on one particular aspect of the contemporary global economy that poses a collective action problem and governance challenge for existing political authorities. Each student will choose a specific problem as the focal point for her/his essay. The essay will describe the nature of that challenge, the historical development of the underlying policy problem, and the current condition of any governance arrangements aiming to tackle it. On this basis, it will specify the most useful theoretical approach to understand the core political dilemma facing policy-makers. It will then speculate on how that dilemma might be overcome or managed more effectively in the future. In the end, all essays will be expected to include explicit references to at least three specific class lectures. Any formatting style is acceptable, as long as it is used consistently.

The essay prospectus will provide a one-page outline of the essay in its early planning phase. The annotated bibliography will generally comprise and briefly summarize 5-10 principal articles and/or books to be used as key reference sources for the final essay.

There will be four short, multiple-choice quizzes throughout the semester. They will be based on required readings and lectures, and they will be administered online through Quercus. Each quiz will be available for 24 hours (from 12AM to 11:59PM) only on the dates listed below. You will have one hour to complete the quiz once you sign-on to the site, so choose a convenient time within that 24-hour period. Do NOT open the quiz if you do not intend to complete it within one hour.

Academic Integrity: Academic integrity is fundamental to learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the U of T degree that you earn will be valued as a true indication of your individual academic achievement, and will continue to receive the respect and recognition it deserves. Familiarize yourself with the University of Toronto's [Code of Behavior on Academic Matters](#). It is the rule book for academic behavior here, and you are expected to know the rules. Potential offences include, but are not limited to:

In papers and assignments

- a) Using someone else's ideas or words without appropriate acknowledgement.
- b) Copying material word-for-word from a source (including lecture and study group notes) and not placing the words within quotation marks.
- c) Submitting your own work in more than one course without the permission of the instructor.
- d) Making up sources or facts.
- e) Including references to sources that you did not use.
- f) Obtaining or providing unauthorized assistance on any assignment, including working in groups or assignments that are supposed to be individual work, and having someone rewrite or add material to your work while editing it.
- g) Lending your work to a classmate who submits it as his/her own.

Misrepresentation:

- a) Falsifying or altering any documentation required by the University, including doctor's notes.
- b) Falsifying institutional documents or grades.

The University of Toronto treats cases of academic misconduct very seriously. All suspected cases of academic dishonesty will be investigated following the procedures outlined in the Code. The consequences for academic misconduct can be severe, including a failure in the course and a notation on your transcript. If you have any questions about what is or is not permitted in this course, please do not hesitate to contact the instructor. If you have questions about appropriate research and citation methods, seek out additional information from the instructor, or from other available campus resources like the U of T Writing Website. *If you are experiencing personal challenges that are having an impact on your academic work, please speak to the instructor or seek the advice of your college registrar.* (Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com website.)

Generative AI technology is difficult to avoid, and its implications are being widely debated. The fact that it is currently being used by some for less than noble purposes is already clear. The use of generative AI technology for the final composition of work submitted to meet the requirements of this course is strictly prohibited and will be considered a violation of the Code by the instructor. The text of all component parts of essays, including footnotes, should be drafted and edited by you without assistance. Quiz questions should be answered by you. The use of generative AI technology remains difficult to hide. Why risk receiving a grade of zero on an assignment? Why prevent yourself from developing skills that will help you succeed in your future life? Do your own learning.

Accessibility Services: Students with diverse learning styles and needs are welcome in this course. In particular, if you have a disability/health consideration that may require accommodations, please feel free to approach the instructor and/or Accessibility Services at (416) 978 8060 (accessibility.utoronto.ca).

Readings and other assignments:

The following paperback book includes most required readings:

Robert O'Brien and Marc Williams, eds., *Global Political Economy*, 6th edition, Bloomsbury, 2020.

Paperback edition is available for purchase at the UofT Bookstore. Used copies may also be available, but please buy only the 6th edition. Electronic editions are also available to rent or purchase on the UofT Bookstore website.

For additional background reading of direct relevance to the course, the following books are recommended.

John Ravenhill, ed. *Global Political Economy*, 6th edition. Oxford University Press, 2020.

Adam Tooze, *Crashed: How a Decade of Financial Crises Changed the World*, New York: Viking, 2018.

Jeffrey A. Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century*. Norton, 2006.

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

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

J. Bradford DeLong, *Slouching Towards Utopia: An Economic History of the Twentieth Century*, New York: Basic Books, 2022.

Weekly assignments are listed below. Required assignments are preceded by an asterisk. Please complete them before the weekly lectures. Supplementary references are provided for those who want to pursue topics in more depth.

September 7: Course Overview

September 14: Systemic Context

* O'Brien and Williams, Introduction and Chapters 1 and 2.

*Watch Margaret MacMillan interview on *The Agenda*
<https://www.youtube.com/watch?v=DUmByAgc4YA>

Margaret MacMillan, *War: How Conflict Shaped Us* and *The War that Ended Peace*.

Christopher Clark, *The Sleepwalkers: How Europe Went to War in 1914*.

Margaret MacMillan, *Paris 1919*.

S.C.M. Paine, *The Wars for Asia; 1911-1949*.

John Keegan, *The Second World War*.

Timothy Snyder, *Bloodlands: Europe Between Hitler and Stalin*.

G. John Ikenberry, *After Victory*.

September 21: States, Markets, Class, Race, and the Foundations of Global Capitalism

* O'Brien and Williams, Chapters 3 and 4.

- * Michael C. Dawson, "Hidden in Plain Sight: A Note on Legitimation Crises and the Racial Order," *Critical Historical Studies*, Spring 2016. (Posted on our Quercus site.)
- * Nancy Fraser, "Expropriation and Exploitation in Racialized Capitalism: A Reply to Michael Dawson," *Critical Historical Studies*, Spring 2016. (Posted on our Quercus site.)
- * Fara Dabhoiwala, "Speech and Slavery in the West Indies," *New York Review of Books*, September 10, 2020. (Posted on our Quercus site.)

Adom Getachew, *Worldmaking after Empire*, 2019.
 Ravenhill, Chapter 2.
 Karl Polanyi, *The Great Transformation*.
 Susan Strange, *States and Markets*.
 Robert Cox, *Production, Power, and World Order*.
 Immanuel Wallerstein, *The Capitalist World Economy*.
 Fred Block, *Origins of International Economic Disorder*.
 Steven Krasner, ed. *International Regimes*.

September 28: Security, Identity, and Collective Action on a Shared Planet

- * O'Brien and Williams, Chapter 14.
- * Watch the videos and read the text at <https://www.history.com/topics/world-war-ii/the-holocaust>
- * Garrett Hardin, "The Tragedy of the Commons," *Science* Vol. 162, 1968, 1243-1248. (Posted on our Quercus site.)

Stephen Mark Gardiner, "The Real Tragedy of the Commons," *Philosophy & Public Affairs*, 30/4, Fall 2001, 387-416
 Ravenhill, Chapters 1 and 3.
 Coleman and Pauly, Chapters 1 and 2.
 Robert Gilpin, *The Political Economy of International Relations*.
 Robert Keohane and Joseph Nye, *Power and Interdependence*.
 Hedley Bull, *The Anarchical Society*.
 Mancur Olson, *The Logic of Collective Action*. Cambridge: Harvard University Press, 1965: 5-52.
 Elinor Ostrom, *Governing the commons: The evolution of institutions for collective action*. Cambridge: Cambridge University Press, 1990.
 Amos Tversky and Daniel Kahneman, "Rational Choice and the Framing of Decisions," *The Journal of Business* vol. 59:4, 1986, S251-S278.

September 29: FIRST QUIZ

October 5: Global Economic Order after 1945

- * O'Brien and Williams, Chapter 5.

*Adam Tooze, “War at the End of History?” (Posted on our Quercus site.)

*Lucan Way, “The Rebirth of the Liberal International Order?” (Posted on our Quercus site.)

*Henry Farrell and Abraham Newman, “Weaponized Interdependence: How Global Economic Networks Shape State Coercion,” *International Security*, 2019. (Posted on our Quercus site.)

Ravenhill, Chapter 4.

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

John Mearsheimer, *The Great Delusion: Liberal Dreams and International Realities*, New Haven, Yale University Press, 2018.

Steven Pinker, *The Better Angels of Our Nature*, Penguin, 2012.

Kathryn Lavelle, *The Challenges of Multilateralism*, Yale 2020.

October 6: ESSAY PROSPECTUS DUE ON-LINE BY 11:59PM

October 12: The Global Trading System

* O’Brien and Williams, Chapter 6.

* Scan articles on Trade and Investment Disputes: <http://hermancorp.net/>

* Martin Wolf, “Policy Errors of the 1970s Echo in Our Times.” (Posted on our Quercus site.)

Ravenhill Chapters 5 and 6.

Helen V. Milner, “International Trade,” in *Handbook of International Relations*, Carlsnaes, Risse and Simmons eds., Los Angeles: Sage, 2013: Chapter 29.

Amrita Narlikar, *Poverty Narratives and Power Paradoxes in International Trade Negotiations and Beyond*, Cambridge, 2020.

Eric Helleiner, *The Neomercantilists: A Global Intellectual History*, Ithaca: Cornell University Press, 2021.

October 19: The Politics of Global Finance

* O’Brien and Williams, Chapter 8.

* Louis Pauly, “Managing Financial Emergencies in an Integrating World,” *Globalizations*, vol. 6, no. 3, September 2009, pp. 353–364. (Posted on our Quercus site.)

* William White, “Post Crisis Financial Regulation and the Pursuit of Financial Stability,” and “If Something Cannot Go On Forever, It Will Stop.” (Papers posted on our Quercus site.)

*Watch *Inside Job* or *The Big Short*, both films available for streaming via the UofT Library website.

Ravenhill, Chapters 7 and 8.

Susan Strange, “Finance, Information and Power” *Review of International Studies* vol.

16:3, 1990, 259-274.

Benjamin Cohen, "The Macrofoundations of Monetary Power," in *International Monetary Power*, Andrews ed., Ithaca: Cornell University Press, 2006: 31-50.

Barbara Stallings, "The Globalization of Capital Flows: Who Benefits?," *The Annals of the American Academy of Political and Social Sciences*, Vol. 610, 2007, 202-216.

Carla Norlöf, "Key Currency Competition: The Euro versus the Dollar," *Cooperation and Conflict* vol. 44:4, 2009, 420-442.

October 20: SECOND QUIZ

October 26: Economic Development and Environmental Change

* O'Brien and Williams, Chapters 11 and 12.

* Steven Bernstein and Matthew Hoffmann, "Why Action on Climate Change Gets Stuck," *The Conversation*. (Posted on our Quercus site.)

Ravenhill, Chapters 13 and 14.

John Williamson, "The Washington Consensus as Policy Prescription for Development," Institute for International Economics, 2004. Available at:

<http://www.iie.com/publications/papers/williamson0204.pdf>

Jacqueline Best, *Governing Failure: Provisional Expertise and the Transformation of Development Finance*, Cambridge: Cambridge University Press, 2014.

Steven Bernstein, *The Compromise of Liberal Environmentalism*, New York: Columbia University Press, 2001.

Graeme Auld, Stefan Renckens and Benjamin Cashore, "Transnational Private Governance between the Logics of Empowerment and Control," *Regulation & Governance*, vol. 9: 2015, 108-124.

October 27: ANNOTATED BIBLIOGRAPHY DUE ON-LINE BY 11:59PM

November 2: Industrial Production and Global Order

* O'Brien and Williams, Chapter 7 and 9.

* John Gerard Ruggie, "Multinationals as global institutions: Power, authority, and relative autonomy," *Regulation & Governance*, vol. 12: 2018, 317-333. (Posted on our Quercus site.)

Ravenhill, Chapter 11.

Paul Doremus, et al., *The Myth of the Global Corporation*, Princeton: Princeton University Press, 1998.

Nathan M. Jensen, "Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment," *International Organization*, vol. 57:3, 2003, 587-616.

November 16: Identity and institutions: efficiency, justice, and legitimacy

* O'Brien and Williams, Chapters 10.

*Jacqui True, "The Global Governance of Gender." (Posted on our Quercus site.)

Ravenhill, Chapter 9.

Cynthia Enloe, *Bananas, Beaches, and Bases: Making Feminist Sense of International Politics*.

J. Ann Tickner, *Gendering World Politics: Issues and Approaches in the Post-Cold War Era*.

Francis Fukuyama, *Identity: The Demand for Dignity and the Politics of Resentment*.

Thomas Nagel, "The Problem of Global Justice," *Philosophy and Public Affairs* vol. 33:2, 2005, 113-147.

Steven Bernstein and William Coleman, eds. *Unsettled Legitimacy: Political Community, Power, and Authority in a Global Era*.

Tim Dunne and Christian Reus-Smit, eds., *The Globalization of International Society*.

David Held and Pietro Maffettone, eds., *Global Political Theory*.

November 17: THIRD QUIZ

November 23: The Challenge of Global Economic Governance

* O'Brien and Williams, Chapter 15.

* Margaret Pearson, Meg Rithmire, and Kellee S. Tsai, "Party-State Capitalism in China," *Current History*, September 2021. (Posted on our Quercus site.)

* Listen to conversation with Martin Wolf on Apple Podcasts:

<https://podcasts.apple.com/ca/podcast/the-ezra-klein-show/id1548604447?i=1000623031651>

Ravenhill, Chapter 10.

Ernst B. Haas, *The Uniting of Europe and Beyond the Nation State*.

Andrew Hurrell, *On Global Order: Power, Values, and the Constitution of International Society*.

Miles Kahler and David Lake, eds., *Governance in a Global Economy*.

Robert O. Keohane, *After Hegemony*.

Jonathan Fenby, *The History of Modern China: The Fall and Rise of a Great Power*, 3rd edition.

John Gerard Ruggie, *Constructing the World Polity*.

Sophie Meunier and Karen Alter. "The Politics of International Regime Complexity," *Perspectives on Politics*, vol. 7, no. 1, 2009, 13-24.

Tana Johnson, *Organizational Progeny*.

Kenneth W. Abbott, et al., eds., *International Organizations as Orchestrators*.

Charles Roger, *The Origins of Informality*.

Henry Farrell and Abraham L. Newman, "Domestic Institutions beyond the Nation-State: Charting the New Interdependence Approach," *World Politics*, vol. 66, no. 2, April 2014, 331-363.

- Tanja A. Börzel and Thomas Risse, eds. *The Oxford Handbook of Comparative Regionalism*.
- Markus Brunnermeier, Harold James, and Jean-Pierre Landau, *The Euro and the Battle of Ideas*.
- C. Randall Henning, *Tangled Governance: International Regime Complexity, the Troika, and the Euro Crisis*.
- Patricia Clavin, *Securing the Global Economy: The Reinvention of the League of Nations*, Oxford, 2013.

November 30: Imperfect Knowledge and the Collaborative Management of Global Risks

- * O'Brien and Williams, Chapter 13.
- * Ron Deibert and Louis Pauly "Mutual Entanglement and Complex Sovereignty in Cyberspace," Chapter 5 in *Data Politics: Worlds, Subjects, Rights*, edited by Didier Bigo, Engin Isin, and Evelyn Ruppert, Abingdon, UK: Routledge, 2019, 81-99. (Posted on our Quercus site.)
- * Farrell and Newman, "The Folly of Decoupling From China: It Isn't Just Perilous—It's Impossible," *Foreign Affairs*, June 3, 2020. (Posted on our Quercus site.)
- * Ian Goldin, "Rethinking Global Resilience," *Finance & Development*, September 2020. (Posted on our Quercus site.)

Mark Mazower, *Governing the World: The History of an Idea*, 2012.

Louis Pauly, "Governing Global Risks":

http://munkschool.utoronto.ca/pauly/selected_publications/Pauly%20WZB%20Paper%20May%2023%202014.pdf

Dieter Ernst and David Hart, "Governing the Global Knowledge Economy":

<http://www.eastwestcenter.org/publications/governing-global-knowledge-economy-mind-gap>

Ulrich Beck, *World at Risk*, Cambridge: Polity, 2009.

G. John Ikenberry, *A World Safe for Democracy*, Princeton, 2020.

Henry Farrell and Abraham Newman, *Underground Empire: How America Weaponized the World Economy*, New York: Henry Holt, 2023.

December 1: COMPLETE ESSAY DUE ON-LINE BY 11:59PM

December 6: FOURTH QUIZ