PSC/IR 274 International Political Economy

Instructor: Shu Yu  
Office Hours: Wednesday, 16:00-17:00 and by appointment  
Class Location: MEL-218  
Class Lectures: MW 9:00-10:15 AM  
Email: s.yu@rug.nl  
Website: https://sites.google.com/site/shuyuhp/

Course Description:

This course explores the interaction between politics and economics at the international level as well as between the international and domestic levels, involving various actors such as governments, interest groups, and multinational corporations. As an interdisciplinary field related to both international politics and international economics, international political economy examines the management and openness of the international economy, the determinants of foreign economic policy-making on topics such as trade, foreign exchange, capital controls, the politics of economic development, the effects of domestic political competition on international trade and capital flows, the determinants of regional integration, as well as the spread or containment of international financial crises. Students are expected to complete oral and written assignments which are designed to help them develop their problem solving, writing and presentation skills.

Required Text:


Suggested Text:


Course requirements:

For this course, it is essential to complete the required reading. Discussion will be a big portion of each session, and students will be expected to discuss the readings for the day listed on the syllabus. There will be 7-8 debate sessions where the students will form 2 teams (pro vs against) to discuss current IPE issues or hot IPE topics. Each session will take about 20-25 mins. Those topics will be chosen from news on Wall Street Journal/Financial Times or topics on the Economist. The topic will be announced one week before the scheduled debate. The first debate is scheduled on Sept 15, and the topic is Is globalization in trouble?. There will be a midterm exam on Wednesday, October 15, a final exam, and a short (3-page) paper, due at 5:00 pm on Wednesday, November 19. Grading will be as follows: 50% final exam, 20% midterm, 10% paper, 10% debate and 10% class participation.

Course Outline and Reading Assignment:¹

Introduction

Sept 3: Introduction

¹Suggested readings are denoted with *. They can be skipped. When listed papers are technically difficult, the students only need to scan through them to get the general idea. Other reading materials may be added or dropped later.
• Syllabus

Sept 8: What is international political economy?
  • Oatley-Chapter 1.

International Trade

Sept 10: The WTO and the world trade system
  • Oatley- Chapter 2.

Sept 15-17: The political economy of international trade cooperation (Debate)
  • Oatley-Chapter 3

Sept 22-24: Two Approaches to the Politics of Trade (Debate)
  • Oatley-Chapter 4-5

Sept 29: Trade Policy: Factors, Sectors and Voters

Oct 1: Trade Policy: Formation of US trade policy

Oct 6-8: Trade and Development (Debate)
  • Oatley, Chapter 6-7

Oct 15: Mid-term
International Finance

Oct 20-22: The International Monetary System: Part I (Debate)

- Oatley, Chapter 10
- * Eichengreen, Chapter 1-3

Oct 27-29: The International Monetary System: Part II

- Oatley, Chapter 11
- * Eichengreen, Chapter 4-5

Nov 3-5: Monetary and Exchange-Rate Policies (Debate)

- Oatley, Chapter 12-13

Nov 10-12: Developing Countries and International Finance (Debate)

- Required reading materials will be provided online.

Nov 17: New investors: China’s investment in Africa


Nov 19-24: IMF and World Bank


Nov 26: No Class

Other Topics

Dec 1: Washington Consensus and Beijing Consensus (Debate)


Dec 3-8: Political Economy of Multinational Corporations (MNCs) and the Internationalization of Production

- Oatley, Chapter 8-9

Dec 10: Review