PS 371: INTERNATIONAL POLITICAL ECONOMY

Summer 2017

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Course overview
This course examines the politics of international economic relations. It focuses on the ways in which domestic and international politics affect both national economic policymaking and developments in the world economy. The course begins with a discussion of the analytical “building blocks” of international political economy, which we can use to understand and explain the causes and effects of trends in the world economy. It then examines the rise, fall, and return of “globalization” – high levels of trade, monetary, and financial integration in the international economy – over the last 150 years. Our goal will be not only to describe this historical evolution of the world economy, but also to explain its causes and consequences. Finally, the course examines a variety of key issues in the contemporary global economy. These topics include: the role of the international financial institutions, trade and development, financial crises, Brexit, the rise of populist nationalism, and the relationship between globalization and inequality.

Prerequisites
PS103 (or IS 101), 1 course in economics (strongly recommended), and junior/senior standing. If you have not fulfilled these requirements, please speak with me before enrolling in the course.

Class format
This class is an ONLINE CLASS, with all lectures, discussions, and course material delivered via the Canvas course website. All of the instruction and material (lecture slides/audio, readings, assignments, discussion groups, “office hours”) will be provided online. Please take time the first week of the course to familiarize yourself with the Canvas site. It will be essential for completing the course successfully.

Lectures
As you will see from the syllabus, you will be expected to view approximately THREE lectures per week, along with required readings. You will do this on your own time, and you will be able to work a few sessions ahead, but you will NOT be able to leave everything until the last minute and then cover the entire course in a limited period of time. In other words, while we will not be meeting physically, you will be expected to complete the lectures “as if” you were taking a regularly scheduled, in-person course.
Discussion groups/office hours
In addition to the lectures, my teaching assistant, Mark Toukan, will be conducting online discussion groups each week. These will take the form of online “chat rooms” via the Canvas site. Each week, Mark and I will post questions related to the lectures and readings, in order to get discussion started. We will then reply to your responses, keep discussion going, and answer questions that you might have. This is a really unique and nice feature of the online format, as it allows us to get discussion going on the class material, but also to have it branch out to cover current events, topics that arise in the news, as well as topics that relate to your own professional experience. **NOTE: in order to help generate discussion, you will NOT be able to view others’ responses to the discussion questions until you have provided at least one response of your own.**

In addition to the discussion groups, Mark will be holding virtual “office hours” at scheduled times each week. He will be in touch with you on scheduling. We will also be available for limited in-person meetings at certain points this summer, for those of you in Madison.

Finally, I will attempt to organize at least one “live” video session via WisLine to discuss course topics and material during the summer.

Course requirements
Students are expected to view all online lectures, to participate actively in the online discussion groups, to complete the assigned readings prior to class, and to complete all written assignments and exams on time.

Grades for this course will be based on two midterm exam/essays, a final examination, and participation in the online discussion groups.

- **First midterm examination (25%):** An exam will be distributed on **JULY 10**, which will cover material from the readings and lectures. It will be due on **JULY 17 by 11:59 PM**. Late papers will be penalized with a **full letter grade deduction** for every day of lateness (NOTE: a paper will be deemed a full day late immediately following the due date/time). Collaboration with other students is not permitted, and university regulations about plagiarism will be strictly enforced.

- **Second midterm (essay) exam (25%):** For this 8-page (approximate length) essay, you will answer a question distributed on **JULY 24** and due on **JULY 31 by 11:59 PM**. Your essay should be based on the material from the readings and lectures, and must be double-spaced, in 12-point Times New Roman font, with 1-inch margins. A bibliography and correct citation is required. Late papers will be penalized with a **full letter grade deduction** for every day of lateness (NOTE: a paper will be deemed a full day late immediately following the due date/time). Collaboration with other students is not permitted, and university regulations about plagiarism will be strictly enforced.

- **Final examination (35%):** The final exam will be a similar in format to the first midterm exam. It will have three parts. The first part will consist of short-answer identification terms and will ask you to identify and discuss the significance of important concepts,
events, and processes covered in the course. The second part will be a short essay on a topic related to the material covered in Part IV of the syllabus. The final part will be a longer essay asking you to discuss broader themes and questions covered over the entire semester. We will discuss more details as the exam approaches. The exam will be distributed on AUGUST 9, and due by AUGUST 13 at 11:59 PM. Late exams will be penalized with a full letter grade deduction for every day of lateness (NOTE: a paper will be deemed a full day late immediately following the due date/time). Collaboration with other students is NOT permitted, and university regulations about plagiarism will be strictly enforced.

- **Participation (15%)**: Viewing of lectures and participation in the online discussion groups is a significant part of your grade and essential for doing well in the class. Discussion groups will focus closely on the readings and on clarifying points from lectures.

### Readings

The following books are required for the course and are available at the University Bookstore and via online sellers:


**NOTE: PDF files of most of the assigned portions of these books are available on the Canvas site.**

In addition, there are several articles available on the Canvas website or online via the links in this syllabus. Reserve readings are marked with an asterisk (*). **Please note that these readings are also required and will be of equal importance as the textbooks for the written assignments.**

Students with limited background in international economics may find the following reference guides helpful:


Important notes/class policies

- Anything covered in lectures or in the readings is fair game for the exams. So just doing the reading on the last night before the exam means an almost certain failing grade. View lectures and do your readings carefully and on time. *Note that even readings on the syllabus that have not been explicitly addressed in lecture or discussion groups may be covered in the exams!*

- The best way to reach me is via email at copelovitch@wisc.edu.

- **“Attendance”:** If you know that you will be unable to view the week’s lectures or participate in the online discussion sections for religious or other reasons that can be known in advance, please let me know. If you have to miss a significant portion of time, due to sickness, family emergencies, or active-duty military service, please keep me informed as possible. We can make arrangements, in exceptional circumstances, for you to access materials in advance of the scheduled calendar.

- **Slides and notes:** The Canvas site contains full copies of my lecture slides (Powerpoint) in tandem with the audio recordings of the lectures. Since this means that you will have a full set of my slides to study for the exams, I put quite a bit of material on the slides. This means that you do not need – and are unlikely to be able – to take “transcript notes” (i.e., to copy everything on the slides) as you listen to the lectures. **Your best strategy is to listen carefully to the lectures and take selective notes on things mentioned that are important but not necessarily on the slides already. Then, go back to review the printed slides later on as needed.** Please note, also, that the slides alone are not a substitute for listening to the lectures AND doing the readings. Much of the material is unlikely to make complete sense if you do not complete listening to the lectures.

- **Grading:** Re-evaluating grades (please read very carefully!): My policy is the following:
  - You have to wait for 48 hours after the assignment has been returned before issuing any complaints. You then have to draft a 1-2 page double-spaced memo outlining why you deserve a better grade. Please note that this memo has to be based entirely on the merit of your own work, i.e., it cannot be based on comparisons with the grades of other students.
  - Your grade will then be fully re-evaluated. This means that I may revise the grade downward as well as upward. So please be certain that you have a very specific and justifiable reason before asking us to make any changes – this is not a risk-free process!

- **Exams:** The exam schedule is set. Clear your schedules now. There will be no make-up examinations unless you can provide proper documentation that your absence is due to a) a genuine family emergency, b) illness or injury, or c) travel away from Madison for university-related or military-related obligations. If an exam is missed for a valid reason, I will give you a substitute assignment. **This will be an essay of 10 pages based on the material covered in the exam and will be due two days after the date of the missed exam.**

- **Accommodations:** Students needing special accommodations to ensure full participation in this course should contact me as early as possible. All information will remain confidential. You also may contact the McBurney Disability Resource Center regarding questions about campus policies/services.

- **Cheating and plagiarism** are very serious offenses that will not be tolerated in the course. You will receive a failing grade for the class, and the reason for the grade will be noted in your transcript.
I. INTRODUCTION

MODULE 1

June 19 & June 21: Introduction

- Frieden, Preface (xv-xvii)


June 23: Trends in Globalization


II. UNDERSTANDING GLOBALIZATION: THEORETICAL BUILDING BLOCKS

MODULE 2

June 26: What is International Political Economy?

- Oatley, Chapter 1 (pp. 1-20)


June 28: The Economics of International Trade

- Oatley, Chapter 3 (pp. 45-68)


MODULES 3 & 4

June 30: The Economics of International Money and Finance

- Oatley, portions of Chapter 10 (pp. 202-212)


July 3: The Politics of Globalization: Domestic Interests and Collection Action

- Oatley, Chapter 2 (pp. 22-44) & 4 (pp. 69-95)


July 5 & 7: The Politics of Globalization: Domestic Institutions and International Politics


III. Historical Background: The Rise, Fall, and Rise of Globalization

Module 5

July 10: Rise of the Modern World Economy, 1500-1850

- Frieden, Chapters 1-5 (pp. 1-125)

First Midterm Midterm Examination Distributed, July 10 – Due July 17

July 12: The “Golden Age” of Laissez-Faire, 1870-1914

Module 6


- Frieden, Chapters 6-10 (pp. 127-251)

Module 7


- Frieden, Chapters 11-12 (pp. 253-300) & Chapter 15 (pp. 339-360)
- Oatley, portions of Chapter 10 (pp. 212-224)

Module 8

July 24 & 26: Trade, Money, and Finance since Bretton Woods

- Review Oatley, Chapter 2
- Oatley, Chapters 11-13 (pp. 225-297)
SECOND MIDTERM MIDTERM EXAM DISTRIBUTED, JULY 24 – DUE JULY 31

MODULE 9

July 28 & 31: Trade, aid, and development

- Oatley, Chapters 6 & 7 (pp. 111-157)
- Frieden, Chapter 13 (pp. 301-320), Chapters 18 & 19 (pp. 413-456)

IV. ISSUES AND PROBLEMS IN CONTEMPORARY GLOBALIZATION

MODULE 10

August 2: Capital Flows, Financial Crises, and the International Financial Institutions

- Oatley, Chapters 14 & 15 (pp. 298-345)
August 4: The Global Financial Crisis, the Great Recession, and the long recovery, 2007-17


**MODULE 11**

August 7: Europe in Crisis, 2010-2017


- Matthew O’Brien, Washington Post Wonkblog, “Worse Than the 1930s: Europe’s recession is really a depression” (http://www.washingtonpost.com/blogs/wonkblog/wp/2014/08/20/worse-than-the-1930s-europes-recession-is-really-a-depression/)


**MODULE 12**

August 9: Foreign Direct Investment and Multinational Corporations

- Oatley, Chapters 8 & 9 (pp. 158-201)


**FINAL EXAM DISTRIBUTED AUGUST 9 – DUE AUGUST 13**
MODULE 13

August 11: Globalization, Inequality, and the Environment (2 lectures)

- Oatley, Chapter 16 (pp. 346-369)
