

IR 229: International Political Economy
Wednesdays 2:00-4:40PM
Gavett 208

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Course Introduction

This course examines issues in international political economy to gain understanding into how domestic and international political factors shape patterns of interaction in areas of trade, finance, and investment. We will also attempt to gain a balanced perspective on some of the more contentious issues in IPE, such as: who are the winners and losers of globalization? Does the global economy provide a level playing field for all countries? Why are some countries persistently mired in underdevelopment?

Exams

There will be two midterm exams given in class. The first midterm exam is scheduled for October 16th, and the second midterm exam is scheduled for December 11th. Both exams are non-cumulative. Each exam will contain short-answer questions and long essay questions. The questions will be based on material from the readings, lectures and class discussions. If you have a legitimate reason for not being able to take an exam on a scheduled date, please let me know as soon as possible. Make-up exams will be given only under exceptional circumstances. Also, please keep returned exams in your possession until you receive your final course grade. I will not consider questions or protests about grades unless you do so.

Course Schedule

September 4th: Course Introduction

September 11th: Theories of Trade (Liberalism vs. Mercantilism)

American

Economic Review 83(2): 23-26

Project Syndicate. January 9th, 2013.

<<http://www.project-syndicate.org/commentary/the-return-of-mercantilism-by-dani-rodrik>>

Project

Syndicate. December 31, 2012. <<http://www.project-syndicate.org/commentary/why-china-s-growth-model-will-fail-by-daron-acemoglu-and-james-a-robinson>>

International Tax & Business Lawyer 1: 1-46

Most economists are committed to the idea of economic liberalism. Do you think mercantilist policies still have some value in the current global economy? Can liberalist and mercantilist policies co-exist?

September 18th: Trade Policy Preferences of Individuals

Mayda, Ann

Why Are Some People (and Countries)

European Economic Review 49:1393-1430.

Hainmueller, Jens and Michael J. Hiscox. 2006.

October 30th: Financial Liberalization and Financial Crises

813. *American Journal of Political Science* 41(3): 771-

the Capital Myth: The Difference Between Trade in Widgets
Foreign Affairs 77(3): 7-12.

World Politics 46(1): 50-82.

Radelet, Steven, Jeffrey D. Sachs, Richard N. Cooper, Barry P. Bosworth
Asian *Brookings Papers on Economic
Activity*, 1998(1): 1-90.

Was financial liberalization an inevitable development as many people argue? Do you think there will be an expansion of financial liberalization in the future, or a reversal? How are financial crises precipitated, and do you think that enough is being done to guard against them?

November 6th: International Organizations

In the Shadow of Law or Power? Consensus-Based
Bargaining and Outcomes in the GATT/WTO *International Organization* 56(2): 339-374.

Reinhardt, Eric and Marc Busch. Developing Countries and GATT/WTO Dispute Settlement. *Journal of World Trade* 37(4): 719-735.

The Political Economy of IMF Lending in Africa *American Political Science Review* 98(4): 577-591.

Smith, Alastair. Why International Organizations Will Continue to Fail Their Development Goals *Perspective on Politics* 3(3): 565-567.

Do you think international organizations are effective in promoting cooperation, economic development, and trade/financial liberalization between countries? Do you think they promote a fair and level playing field, or systematically advantage some countries over others? Do you think it is possible to improve the performance of international organizations? How might this be done?

Acemoglu, Daron, Simon Johnson, and James Robinson. 2002. "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income." *Quarterly Journal of Economics* 117 (4): 1231-1294.

Easterly, William and Ross Levine. 2002. "Tropics, Germs and Crops: How Endowments Affect Economic Growth." Working Paper 9106.

Sachs, Jeffrey. 2001. "Development and Geography." Working Paper 8119.

Sachs, Jeffrey and Andrew Warner. 2001. "The Cold War and Economic Growth." *European Economic Review* 45: 827-838.

Easterly, William. 2003. "Can Foreign Aid Buy Growth?" *Journal of Economic Perspectives* 17(3): 23-48.

One of the ongoing arguments in the IPE literature is whether underdevelopment in certain regions of the world is due to geography and natural resource endowments, or suboptimal institutions. Which perspective do you find more persuasive? Do you think foreign aid can be effective in promoting economic growth in developing countries?

Feldman, David. 2001. "The Role of Geography in Economic Development." *Foreign Policy* 107: 19-37.

Keohane, Robert. 2001. "The Role of Institutions in Economic Development." *Foreign Policy* 118: 104-119.

Bordo, Michael, Barry Eichengreen, and Douglas Irwin. 1999. "Is Globalization Really Different than Globalization a Hundred Years Ago?" Working Paper 7195.

Wallerstein, Immanuel. 1974. "The Modern World-System." *Comparative Political Studies*. 33(6/7): 941-991.

Globalization has its proponents and detractors. Which side do you find more persuasive, if at all? How integrated do you think the world is today? Do you think globalization should be continued at its current pace?

