

GVPT: 407
International Political Economy
Key Hall 0103
Tu., Th. 8:00-9:15 AM,

Fall 2009
Bart Kaminski
Office: Tydings 3114N
Office Hrs; T/Th 11:00 – 12:15
or by appointment
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Snapshot

This is an **introductory** course, providing a bird's eye-view of major issues and approaches to IPE (International Political Economy). The course begins with discussion of IPE theoretical perspectives and challenges of globalization. Then, the emphasis shifts to issues related to global management pertaining to finance, production and trade. The last part of the course focuses on strategies of responding to globalization and seeks to explain why some countries have fared better than others. The objective of the course is to provide a solid foundation for discussing problems often described in IR as 'low politics'.

Grades will be determined by two quizzes (contributing each up to 25 percent to the final grade), an assigned essay of around 3,000 words (up to 20 percent, class presentation (5 percent), and a final examination (25 percent). Students are expected to follow current developments in international politics and economics (I would strongly recommend to read regularly *The Economist* and/or *Business Week*).

Required Readings:

Cohn, Theodore H. *Global Political Economy: Theory and Practice*. (Fourth Edition) Longman, 2008. [hereafter TC]

Collier, Paul. *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It*, Oxford University Press, 2007 [hereafter PC]

Sachs, Jeffrey. *The End of Poverty: Economic Possibilities for Our Time*, Penguin Books, 2005 [hereafter JS]

Organizational matters

1. The topic of a final paper should be cleared with me by the end of March. Final paper is due May 3 (5 points out of 100 will be deducted per day for a paper submitted after the due date).
2. Inform me within the first two weeks of class if there is a conflict between the course schedule and any religious obligations, so we can make alternative arrangements ahead of time.
3. Grade of a student who fails to show up for the term examination without a valid medical excuse will be automatically lowered by 10 percent.
4. Inform me within the first two weeks of class of any physical or learning disability, so that I can accommodate your needs.
5. If at any time you find you are experiencing difficulties in keeping up with the academic demands of this course, you should take advantage of the campus Learning Assistance Service in 2201 Shoemaker, 314-7693. They can help you with time management, reading, note-taking, and exam preparation skills. They also offer a variety of one-credit courses, services for students with disabilities, and other academic support.
6. All students must read and understand the university's policy regarding cheating. The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. This Code sets standards for academic integrity for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be

aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit <http://www.shc.umd.edu>

7. Your participation in the evaluation of courses through CourseEvalUM is a responsibility you hold as a student member of our academic community. Your feedback is confidential and important to the improvement of teaching and learning at the University as well as to the tenure and promotion process. CourseEvalUM will be open for you to complete your evaluations for fall semester courses between Tuesday, December 1 and Sunday, December 13. You can go directly to the website (www.courseevalum.umd.edu) to complete your evaluations starting December 1. By completing all of your evaluations each semester, you will have the privilege of accessing the summary reports for thousands of courses online at Testudo.

Outline of Class Topics (weekly)

Week 1: September 1-3

1. Introduction. IPE at the intersection of international economics and international political relations. Radical perspective on IPE
TC: Chapters 1 and 5

Week 2: September 8-10

2. Contending IPE perspectives (ideologies): realist and liberal perspectives
TC: Chapters 3 and 4

Week 3: September 15-17

3. Strengths and weaknesses of various perspectives. Globalization and IPE perspectives. Which perspective offers the best explanation of processes in contemporary international economy?
TC: Reread Part II; JS: Chapters 1 and 2; Harold James. 1999. "Is Liberalization Reversible?" *Finance & Development*, December, available at <http://www.imf.org/external/pubs/ft/fandd/1999/12/james.htm>;

Week 4: September 22-24

4. Economic Borders: their meaning and implications. Great Depression and reversal of globalization.

Week 5: September 29-October 1

5. Does the Global Economy have to be managed? Bretton Woods World Economic Order. Hegemonic Stability Theory revisited.
TC: Chs. 2 and 6 (122-128); Jeffrey Sachs. 1998. "Unlocking the Mysteries of Globalization." *Foreign Policy*, Spring, available at bss.sfsu.edu/jmoss/resources/635_pdf/No_03_Sachs.pdf; Niall Ferguson. 2004. "A World without Power." *Foreign Policy*, July/August 2004; Niall Ferguson. 2003. "Hegemony or Empire?" *Foreign Affairs*, September/October.

Week 6: October 6-8

Quiz #1 October 6

6. International Monetary Fund and international money management: The evolution of the international monetary regime. IMF: organization and objectives.
TC, Ch. 6; Milner, R.O., "International Political Economy: Beyond Hegemonic Stability." *Foreign Policy*, Spring 1998; K. Devesh. "The IMF: A Cure or a Curse?" *Foreign Policy*, Summer 1998; See also <http://www.imf.org/external/>; <http://www.worldbank.org> and <http://www.wto.or>.

Week 7/8: October 13-15 and October 20-22

7. Globalization of capital and international financial instabilities.
8. The evolving role of the IMF and the World Financial Crises. Third World Debt Crisis and the "Silent Revolution." The current "Wall Street" crisis.
TC: Ch. 7: Boughton, James, 2002. "Globalization and the Silent Revolution of the 1980s" *Finance & Development* at <http://www.imf.org/external/pubs/ft/fandd/2002/03/bought.htm>

Week 9: October 27-29

9. Introduction to politics of trade: free trade and protectionism Political economy of foreign trade policy. The case for and against free trade.
Please read the description of the WTO and its objectives at <http://www.wto.org>;

Week 10: November 3-5

10. Why are multilateral arrangements needed? World Trade Organization: institution and negotiating forum. Regionalism as a response to globalization. EU, NAFTA, Mercosur.
TC, Ch. 8 and 9.

Week 11: November 10-12

Quiz #2: November 12

11. Foreign investment. Internationalization of production. MNCs as agents of globalization. Development economics and checklist for differential diagnosis
TC, Ch. 10; JS, Ch. 4.

Week 12: November 17-19

12. Rich and Poor in the World Economy. The development traps
TC, Ch. 11; PC, Part 2; JS, Ch. 3, 10.

Week 13: November 24

13. Ingredients of success. The East Asian "miracle" and China's and India's soaring growth.
JS, Ch. 8, 10; John Page "The East Asian Miracle: Building a Basis for Growth," *Finance & Development*, March 1994, vol. 31, no.1 (can be downloaded from the IMF website)

Week 14: December 1-3

14. Ingredients of a failed development strategy: The collapse of central planning. Marginalization.
JS, Ch. 6, 7; PC, Parts 2 and 4; "Issues in Socialist Economy Reform" by Stanley Fischer and Alan Gelb; A. Bio-Tchané and B. Christensen. 2006. "Right Time for Africa." *Finance & Development*, December, <http://www.imf.org/external/pubs/ft/fandd/2006/12/index.htm>; "Issues in Socialist Economy Reform" by Stanley Fischer and Alan Gelb

Week 15: December 8-10

15. Review for the Final Examination
TC, Ch. 12

WRITING ASSIGNMENT DUE! (December 8—each day after the deadline 5% of 100% inescapably lost!)

Final Examination: December 18 at 10:30 AM