



**EC/PO 350 INTERNATIONAL POLITICAL ECONOMY & THE NEW WORLD ORDER**  
**IES Abroad Paris BIA**

**DESCRIPTION:**

Combining knowledge from both political science and economics, IPE contributes to our understanding of the international economy. Why do some countries adopt protectionist policies while others embrace free trade? What explains the different regulations imposed on the flow of the different factors of production across countries and different periods of time? What role do domestic and international factors play in the international monetary and financial order? More generally, what are the causes and consequences of capital mobility? What—if anything—differentiates “globalization” today from earlier periods of economic openness? Does development aid help or harm developing countries? What impact does foreign direct investment by multinational corporations have on states? This course will focus on the politics of trade, money, and finance, but will also look at some development, regional integration and black market issues. It examines the role of states, international institutions, and other factors in the world economic system, including key actors like the European Union and the United States in the world economy, but also considers major non-Western advanced industrialized countries as well as a number of developing countries in the Global South.

**CREDIT:** 3 credits

**CONTACT HOURS:** 45 hours

**LANGUAGE OF INSTRUCTION:** English

**PREREQUISITES:**

This is **NOT** a course in international economics. This class requires 2 previous courses in Economics – preferably in Introduction to Macroeconomics and Introduction to Microeconomics. A background in Politics is recommended.

**METHOD OF PRESENTATION:**

This class will be an interactive seminar based on

- Class lectures by the professor
- Class discussions and analyses of class readings
- Case studies
- Presentations by students of their WTO Documents
- WTO Simulations
- Moodle forums and readings

**REQUIRED WORK AND FORM OF ASSESSMENT:**

- Course participation 10%
- Midterm Written Exam 30%
- Final Exam 30%
- WTO Project 30%

- 1) Midterm and Final Exams will be based both on class lectures and discussions as well as your readings and the films required for the class. They will ask of you to both analyse and reconstitute the information you have gone over.

You are asked to organize your ideas, and to back up your arguments (which requires using examples from class and readings). Thus both the content and methodology arguments are graded. Good answers include a strong thesis statement and a strong use of examples to back up your arguments.

2) WTO SIMULATION:

Two Physical Documents (country strategy and proposal) will be due in Week 4 and Week 9

The WTO Instruction bulletin is posted on moodle (please refer to it often). A moodle forum dedicated to the simulation will be where we exchange.

The simulation itself will take place the final course in week 12.

3) Course Participation:

Lectures and assigned readings are designed to complement each other, and the readings for each class should be done in advance since this will allow you to get more out of lecture. You should read each item on the list closely and come to class each week prepared to discuss them in detail.

These questions may help you prepare for the discussion:

- (1) What outcome(s) is the author seeking to explain?
- (2) What is this author(s) main argument?
- (3) Where does this reading fit into the literature and how does it seek to contribute?
- (4) What is the nature of this reading's empirical research design and findings? What are paper's strengths and weaknesses?

This class is based on discussion of materials and topics and cannot function properly without you and your ideas. Class participation includes:

- Asking questions and or commenting on the weekly readings and topics of the day
- Responding to questions on the readings, on class discussions
- Presentation of your simulation and personal work to the class

For your own benefit I have provided below a grill of how you are graded on participation.

Grading Rubric for Student Participation (Developed by Sam Viroslav, IES Abroad San Jose)	
<b>A</b>	<b>Excellent participation</b>  Student's contributions reflect an active reading of assigned bibliography. Skillfully synthesizes the main ideas of the readings and raises questions about the applications and implications of the material. Demonstrates, through questions and comments, that he or she has been capable of relating the main ideas in the readings to the other information discussed in the course, and with his or her own life experience. Makes informed judgments about the readings and other ideas discussed in class, providing evidence and reasons. Respectfully states his/her reactions about other classmates' opinions. Is capable of contributing to the inquiry spiral with other questions. Student gets fully involved in the completion of the class activities.
<b>B</b>	<b>Very good participation</b>  Student's contributions show that the assigned materials are usually read. Most of the time the main ideas are identified, even though sometimes it seems that applications and implications of the information read were not properly reflected upon. The student is able to construct over others' contributions, but sometimes seems to interrupt the shared construction to go over tangents. He/she is respectful of others' ideas. Regularly involved in the activities but occasionally loses concentration or energy.
<b>C</b>	<b>Regular participation</b>  The participant evidences a regular reading of the bibliography, but in a superficial way. He/she tries to construct over others' ideas, but commonly provides comments that indicate lack of preparation about the material. Frequently, contributions are shallow or unarticulated with the discussion in hand.
<b>F</b>	<b>Insufficient participation</b>  Consistently, the participant reads in a shallow way or does not read at all. Does not participate in an informed way, and shows lack of interest in constructing over others' ideas.

## LEARNING OUTCOMES

- Demonstrate an understanding of the interaction between political and economic phenomena on an international and global scale particularly institutions
- Compare and assess current policy and historical developments
- Improve skills in critical thinking and writing
- Identify and analyze major issues in international economics given theoretical frameworks
- Express clear and well-structured arguments on these topics
- Develop confidence and clarity as a public speaker and presenter
- Apprehend different, non-American perspectives on international politics and economics

## ATTENDANCE POLICY

Attendance is mandatory for all IES Abroad Paris BIA courses, including internship placements, course-related trips and/or field studies. Failure to adhere to these rules will negatively impact your final grade. Any exams, quizzes, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented illness with a doctor's note. Medical documentation must be presented to the academic office within two days of your return to class. If not rescheduled, they will be graded as 0.

There will be no grade penalty for:

- 1 absence for courses meeting once a week (3-hour courses).
- 2 absences for courses meeting twice a week (1.5-hour courses).

If you miss class in excess of what is outlined above, your final grade will be lowered by one third of a letter grade for each additional absence. For example: If you receive a final grade of an A- in a course meeting once a week (3-hour course), 2 absences = B+, 3 absences = B, ... etc.

Punctuality is very important in all IES Abroad Paris BIA courses and being tardy to class is disruptive for the faculty members as well as your fellow classmates. Being more than 15 minutes late repeatedly (4 times) will count as an absence.

Students who miss more than 25% of class time will receive a failing grade (F). This is calculated as:

- 3 absences in a course meeting once a week (3-hour courses)
- 6 absences in a course meeting twice a week (1.5-hour courses)

#### CONTENT:

Week	Content	Assignments
<b>Week 1</b>	<p><b>PART I THEORIES &amp; INSTITUTIONS</b></p> <p><b>Introduction: International Political Economy</b></p> <ul style="list-style-type: none"> <li>• Presenting the class, expectations, grading, assignments, syllabus. <ul style="list-style-type: none"> <li>○ The Simulation Rule Book</li> <li>○ Exam Tips</li> <li>○ Individual feedback session</li> </ul> </li> </ul>	<p>Readings:</p> <ul style="list-style-type: none"> <li>• John Ravenhill, "The Study of Global Political Economy," Chap. 1, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017</li> </ul>
<b>Week 2</b>	<p><b>Theoretical Traditions &amp; Institutions in IPE</b></p> <ul style="list-style-type: none"> <li>• The Big 3: Liberalism, Realism, Marxism</li> <li>• Alternative Theories (e.g. Feminism)</li> <li>• International Institutions (game theory)</li> </ul>	<p>Readings:</p> <ul style="list-style-type: none"> <li>• Matthew Watson, "The Nineteenth-Century Roots of Theoretical Traditions in Global Political Economy," Chap. 2, and</li> <li>• Vinod Aggarwal and Cédric Dupont, "Cooperation and Conflict in the Global Political Economy," Chap. 3, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017</li> </ul>

<b>Week 3</b>	<b>The State and Democracy in IPE</b> <ul style="list-style-type: none"> <li>Is democracy a necessary condition for economic growth?</li> <li>Does Globalization weaken the state? What is the relationship to democracy?</li> <li>Case studies of non-Western regions</li> </ul>	Readings: <ul style="list-style-type: none"> <li>Colin Hay, "Globalization's Impact on States," Chap. 11, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017,</li> <li>Barry Eichengreen, "Democracy and Globalization" Working Paper 1245, <a href="http://www.nber.org/papers/w12450">http://www.nber.org/papers/w12450</a></li> </ul>
<b>Week 4</b>	<b>PART II GLOBAL FINANCIAL SYSTEM</b>  <b>IMF and the International Monetary System</b> <ul style="list-style-type: none"> <li>Bretton Woods</li> <li>The IMF</li> <li>Dollar 'seigniorage'</li> <li>Euro &amp; CFA Franc</li> <li><i>Individual meetings with each group to discuss, re-evaluate strategy papers and project for simulation</i></li> </ul>	<b>WTO STRATEGY PAPERS DUE</b>  Readings: <ul style="list-style-type: none"> <li>Eric Helleiner, "The Evolution of the International Monetary and Financial System," Chap. 8, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press 2017.</li> <li>Douglas Yates, "Paradoxes of Predation in Francophone Africa," <i>International Journal of Political Economy</i>, 47(2), 2018: 130-150</li> </ul>
<b>Week 5</b>	<b>Financial Markets and Instability</b> <ul style="list-style-type: none"> <li>Financial crises in comparative perspective</li> <li>Subprime crisis</li> <li>Case Study Iceland</li> </ul>	Readings: <ul style="list-style-type: none"> <li>Louis Pauly, "The Political Economy of Global Financial Crises," Chap. 9, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press 2017.</li> <li>Bernhard, W., L. Broz, and W. Clark. 2002. "The Political Economy of Monetary Institutions." <i>International Organization</i> 56(4): 693-723.</li> </ul>
<b>Week 6</b>	<b>PART III GLOBAL TRADE REGIME</b>  Midterm and Workshop <ul style="list-style-type: none"> <li><b>Midterm Exam</b> (2h)</li> <li>Workshop on WTO Simulation (1h)</li> <li>Prepare table theme</li> </ul>	

<b>Week 7</b>	<b>Regional Integration and Global Trade</b> <ul style="list-style-type: none"> <li>European Union as an “Unidentified Political Object”</li> <li>Mercosur</li> <li>Diversity of regional organisations in Africa and Asia</li> <li>United States-Mexico-Canada Agreement (USMCA) of 2018</li> </ul>	<p>Readings:</p> <ul style="list-style-type: none"> <li>John Ravenhill, “Regional Trade Agreements”, Chap. 6, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017</li> </ul>
<b>Week 8</b>	<p>WTO and the Multilateral World Trade System</p> <ul style="list-style-type: none"> <li>GATT to WTO</li> <li>Arbitration Panel</li> <li>Challenges to the multilateral system (Trump/MAGA)</li> </ul>	<p>Readings:</p> <ul style="list-style-type: none"> <li>Anne Capling and Silke Trommer, “The Evolution of the Global Trade Regime,” Chap. 5, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017</li> <li>Kirby, “USMCA, Trump’s new NAFTA deal, explained in 500 words,” <a href="https://www.vox.com/2018/10/3/17930092/usmca-mexico-nafta-trump-trade-deal-explained">https://www.vox.com/2018/10/3/17930092/usmca-mexico-nafta-trump-trade-deal-explained</a></li> </ul>
<b>Week 9</b>	<p><b>PART IV GLOBALIZATION DEVELOPMENT AND THEIR CONSEQUENCES</b></p> <p><b>Developing countries, Foreign Direct Investment and Multinational Corporations</b></p> <ul style="list-style-type: none"> <li>Trends in FDI</li> <li>Developing Countries</li> <li>Multinational Corporations</li> <li><i>Peer discussion and evaluation between WTO Groups</i></li> <li><i>Individual Feedback Sessions per Group (continued week 10 if necessary)</i></li> </ul>	<p>WTO PROPOSAL DUE FOR COUNTRIES</p> <p>Readings:</p> <ul style="list-style-type: none"> <li>Eric Thun “The Globalization of Production”, Chap. 7, in Ravenhill, <i>Global Political Economy</i>, Oxford University Press, 2017</li> <li>Douglas Yates, “Multinational Corporations and Nationalization,” in Yates, <i>The Scramble for African Oil: Oppression, Corruption and War for Control of Africa's Natural Resources</i> (London: Pluto, 2012): 35-56.</li> </ul>

<b>Week 10</b>	<b>Developing countries, the Resource Curse and natural resources in the global economy</b> <ul style="list-style-type: none"> <li>The Resource Curse in Comparison</li> <li>The Theory of the Rentier State</li> </ul>	Readings: <ul style="list-style-type: none"> <li>Douglas Yates, "The Rise and Fall of Oil-Rentier States in Africa," in Grant, Compaoré</li> <li>Mitchell, <i>New Approaches to the Governance of Natural Resources: Insights from Africa</i> (London: Palgrave MacMillan, 2015): 45-64.</li> </ul>
<b>Week 11</b>	<b>Illicit International Political Economy</b> <ul style="list-style-type: none"> <li>Black markets and the criminal economy</li> <li>"Dark side" of globalization</li> <li>Money Laundering and Trafficking in the global economy</li> <li>EXAM REVIEW</li> <li>FINAL INDIVIDUAL FEEDBACK SESSIONS AS NECESSARY</li> </ul>	Readings: <ul style="list-style-type: none"> <li>OECD, <i>Money Laundering and Terrorist Financing Handbook for Tax Examiners and Tax Auditors</i> (Paris, 2019) available for free download at <a href="http://www.oecd.org/tax/crime/money-laundering-and-terrorist-financing-awareness-handbook-for-tax-examiners-and-tax-auditors.pdf">http://www.oecd.org/tax/crime/money-laundering-and-terrorist-financing-awareness-handbook-for-tax-examiners-and-tax-auditors.pdf</a></li> </ul>
<b>Week 12</b>	<b>WTO SIMULATION</b>	<ul style="list-style-type: none"> <li>Bring to class your proposals in paper format, your arguments and your energy!</li> </ul>
<b>Week 13</b>	<b>Final Exam</b>	

#### REQUIRED READINGS

- Eichengreen, B.2006. "DEMOCRACY AND GLOBALIZATION" ,[National Bureau of Economic Research](http://www.nber.org/papers/w12450), Working Paper 1245, <http://www.nber.org/papers/w12450>.
- OECD, *Money Laundering and Terrorist Financing Handbook for Tax Examiners and Tax Auditors* (Paris: 2019) <http://www.oecd.org/tax/crime/money-laundering-and-terrorist-financing-awareness-handbook-for-tax-examiners-and-tax-auditors.pdf>
- Ravenhill, John. *Global Political Economy*, 5th ed. Oxford University Press, 2017.

#### RECOMMENDED READINGS

- Collier, Paul. *The Bottom Billion*. New York: Oxford University Press, 2007.
- Friedman, Thomas. *The Lexus and the Olive Tree: Understanding Globalization*, New York: Harper Collins, 2000.
- Sachs, Jeffrey, *The End of Poverty: Economic Possibilities for Our Time*. New York: Penguin Press, 2005.
- Stiglitz, Joseph *The Stiglitz Report: Reforming the International Monetary and Financial Systems in the Wake of the Global Crisis*. New York: The New Press, 2010.

- Strange, Susan. *States and Markets*, London: Bloomsbury Academic, [1998] 2015.
- Wallerstein, Immanuel "The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis," *Comparative Studies in Society and History* (16) 4, September 1975.

#### Web Sites

- The Brookings Institute [www.brookings.edu](http://www.brookings.edu) (the working papers and publications)
- The OECD <http://www.oecd.org/>
- The WTO <http://www.wto.org/>
- The IMF <http://www.imf.org>
- The World Bank <http://www.worldbank.org>
- Department for International Development (DFID) <http://www.dfid.gov.uk/>
- United Nations Development Program <http://www.undp.org>
- The Official Paul Krugman Web Page <http://web.mit.edu/Krugman/>
- Working papers can also be obtained from: the Centre for the Study of Globalization and Regionalization at Warwick <http://www.warwick.ac.uk/csgr>
- Linking the WTO to the Poverty Reduction Agenda project website:  
[www.gapresearch.org/governance/wto.html](http://www.gapresearch.org/governance/wto.html)