POLI 245: INTERNATIONAL POLITICAL ECONOMY

The purpose of this graduate seminar is to examine recent research in international political economy and gain insight into how domestic and international politics shape foreign economic policies and the collective policy choices of international organizations. Our substantive domain covers policies toward four types of cross-border flows: the flow of goods (national and international trade policies), the flow of capital (capital controls, financial regulations, exchange-rate policies, international bailouts), the flow and location of production (foreign direct investment policies), and the flow of pollutants (environmental policies).

This is a specialized graduate seminar with article-length readings covering the four topic areas described above. The seminar emphasizes current theoretical debates but also aims to expose students to the chief methods by which scholars acquire knowledge of the subject. We sample from economics and political science and look for gains from interdisciplinary exchange. As a practical matter, we begin each week by identifying the welfare and distributional implications of alternative public policies toward the world economy. We then examine how voters, interest groups, political parties, politicians, and bureaucrats interact within political institutions to shape policy outcomes.

REQUIREMENTS
Grades in the course will be based on the following items:

Participation (25%) Students will read all items on the list closely and come to seminar 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?

Discussion leaders: While all students are expected to come prepared each week, two or three students will be assigned to introduce and lead each session. In the past, students have found it useful to coordinate their presentations and use handouts or slides to convey their main points.

Critical Review Paper (30%) Students will prepare a critical review paper on a research question derived from any weekly topic heading (e.g. "Trade and Democracy"). This paper will be between 5-7 double-spaced pages and must emphasize your own ideas. Please do not write a purely sequential literature review of the separate works covered on the list. The thrust must be clearly articulating your own original critique and synthesis of the set of readings. What is the
central research question driving research in this area of the field? What are the conceptual, theoretical, and empirical flaws plaguing research in this area and how would you go about correcting those flaws?

Due Date: Week 5 at the beginning of class.

Original Idea Paper (45%) You will prepare a 13-16 page paper containing an original idea that could serve as the key insight for a potentially publishable work. Your "new idea" may be a theoretical contribution, an improvement in research design, or an empirical innovation. Regardless of the nature of your contribution, all papers need a clear motivation from a critique of the existing literature. You may co-author this particular paper assignment with one other student in the seminar. Co-authored papers will be graded jointly but I will expect a higher level of elaboration and quality in the final project.

Due Date: Monday of finals week by 5:00 pm. A preliminary one-page proposal is due the third week of class at the beginning of class.

All late work will be penalized at the rate of 1/3 letter grade per day, including weekend days.

WEEK 1: BACKGROUND AND HISTORY


WEEK 2: INTERNATIONAL POLITICAL ECONOMY


WEEK 3: TRADE POLICY--FACTORS AND SECTORS, VOTERS AND POLITICIANS (Note: one-page proposal for the "Original Idea" paper is due)


WEEK 4: TRADE AND DEMOCRACY


WEEK 5: TRADE POLICYMAKING INSTITUTIONS
(Note: the "Critical Review" paper is due)


WEEK 6: INTERNATIONAL CAPITAL MOBILITY
(NOTE: the first reading provide background on capital flows and capital controls; please read/skim as necessary)


**WEEK 7: CAPITAL MOBILITY AND MACROECONOMIC POLICY**


**WEEK 8: INTERNATIONAL MONETARY SYSTEMS AND EXCHANGE RATE REGIMES**


**WEEK 9: FOREIGN DIRECT INVESTMENT**


**WEEK 10: NEW TOPICS IN IPE**


Monday, June 7: "Original Idea" paper due by 5:00 pm