Politics of the World Economy
University of Mississippi
Political Science
Fall 2008

Contact Information
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Course Introduction:

In this course, we will explore the intersection of international economics and international politics. Our discussion will cover the major theoretical approaches to international political economy as well as many of the empirical issues. We will begin with the economic rationale for international trade and financial relations, followed by an exploration of the political history of trade liberalization and its consequences. The next section of the course will explore the international financial system. The financial crises of the late 1990s will be examined in depth with particular attention given to the role of international financial institutions such as the World Bank and the International Monetary Fund. To conclude, we will examine the phenomenon of globalization.

Expectations:

• Come to class. I know that seems like an obvious one, but it’s important nonetheless. You will have a tough time passing this course without attending it. Class attendance is not mandatory, but as Woody Allen pointed out 80% of success comes from showing up, and so it will likely be in this class. In addition, participation is a portion of your grade, and it is difficult to participate when you are not in class.

• Be prepared to engage the material. The reading load isn’t overwhelming, so make an effort to keep up and come to class ready to discuss what you’ve read. Beyond your own participation, please be respectful of your classmates and their ideas.

• Students are strongly encouraged to keep up with current events in international economics such as global trade talks, EU expansion, impending financial crises in
emerging markets. Good sources for this information include *The New York Times*, *The Wall Street Journal*, *The Financial Times*, or *The Economist*. Current events will often come up in lecture as examples and may be used in exam questions.

**Readings:**

The readings for this course will be drawn from several sources. One books will be required for this course, and it is available at the university bookstore:


Other materials will be handed out in class or will be available online via Blackboard.

**Course Requirements:**

The requirements for this course include two exams, a research paper, and solid class participation. These elements are weighted as follows:

- Midterm 25%
- Final 35%
- Research Paper 30%
- Participation 10%

**Exams:** The midterm will be given in class on October 16th. This exam will cover material from the assigned readings, lectures, and class discussion. The final exam will be a cumulative exam, but greater weight will be placed on material covered in the second half of the course.

**Research Papers:** An 8-10 page paper is due on November 20th. This paper should address a well-defined question about international political economy. A one page statement of that question and your primary hypothesis concerning that question is due October 23rd. After that date, any topic changes must be cleared with the instructor. Further guidance about the paper will be provided in class.

**Late assignments:** All work for the course must be handed in on time. Late papers will be penalized one full letter grade for each day past the deadline. If papers will be unavoidably late due to illness or other serious impediment to school work, please alert me as soon as possible and an extension may be offered at my discretion. No makeup exams will be offered, unless unusual circumstances such as serious illness, university sanctioned events, or extreme family crisis arise. A letter from the college office will go a long way toward convincing me that you truly need a make up exam.
**Academic Integrity:** Students will be expected to adhere to the university honor code for all assignments. Work handed in by any student should be solely the work of that student – end of story. If you draw on the ideas of others, please cite them. Failure to do some will result in a failing grade in the course.

**Course Outline**

**August 26:** Course Introduction

**August 28:** What is IPE?
   - Oatley, Chapter 1.

**September 2:** Why Do States Trade?
   - Oatley, pp. 47-60.

**September 4:** Why Do States Limit Trade?
   - Oatley, pp. 60-71.

**September 9:** Domestic Politics and Trade
   - Oatley, Chapter 4.

**September 11:** Domestic Politics and Trade
   - Oatley, Chapter 4.

**September 16:** Trade and the State
   - Oatley, Chapter 5.

**September 18:** Trade and Democracy

September 23: Trade and International Institutions
- Oatley, 22-40

September 25: Trade and International Institutions
- Oatley, 40-45, 86-87.

September 30 & October 2: Trade Agreement Simulation
- Readings TBA

October 7: Trade and Development
- Oatley, Chapter 6.

October 9: Trade and Development
- Oatley, Chapter 7.

October 14: Catch up & Exam Review

October 16: Midterm Exam

October 21: The Role of MNCs
- Oatley, Chapter 8.

October 23: Regulating MNCs
- Oatley, Chapter 9.
- Paper Topics Due

October 28: The International Monetary System

October 30: History of the International Monetary System
- Oatley, 225-236.
November 4: The International Monetary System Today
  • Oatley, Chapter 11.

November 6: Exchange Rate Politics
  • Oatley, Chapter 12.

November 11: Developing Countries & the International Financial System
  • Oatley, Chapter 14.

November 13: Developing Country Debt
  • Oatley, Chapter 15.

November 18: Challenges for the Global South
  • Oatley, Chapter 16.

November 20: Economic Coercion
  • Research Papers Due

November 24-28 –Thanksgiving Break

December 2: The Politics of Foreign Aid
  • Radelet, Steven. 2006. “A Primer on Foreign Aid.”

December 4: Exam Review
  **** Final Exam – December 11, 8AM ****