

Barnard College
Columbia University
Political Science V 3633

Fall 2002
Mon Wed 2:40-3:55pm
903 Altschul Hall

“International Political Economy: Theories, Approaches and Debates”

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Office Hours: Tuesdays 2:00- 4:00pm and by appointment.

PREQUISITES: Political Science V 1601; an introductory course in Economics is highly recommended.

This course provides an analytical introduction to major topics in the study of international political economy and international relations. We will begin by studying how scholars from various theoretical and philosophical persuasions think about the relationship between international power and wealth. Then, we will apply these concepts and arguments to the issues of international trade, money and finance, and economy and security.

The next part of the course will survey relations between advanced industrial countries and the developing world (North-South relations). We will examine the role of the multinational corporation, debate the origins of international development and underdevelopment, and scrutinize the politics of the IMF and its “structural adjustment” policies.

During the final weeks we will focus on current debates in international political economy, including the causes and political consequences of globalization, and the political economy of post-Communist economic reforms.

NOTE: Students who have taken the Junior Colloquium with the same title cannot take this class.

REQUIREMENTS: Given the course’s broad scope, it is essential that students keep up with the weekly reading assignments, especially since the readings are designed as building-blocks for understanding topics in subsequent weeks. The lectures will complement, not substitute for, the weekly readings and regular class attendance is imperative. Students are encouraged to seek help from the instructor and teaching assistants during office hours. In addition, students are required to complete an in-class mid-term exam (October 16), a final paper (8-10 pages) and a cumulative final exam.

GRADING: Grades will be calculated as follows: Midterm (30%), paper (30%) and final exam (40%).

READINGS: The following books are required and are available for purchase at the Columbia University bookstore:

Theodore Cohn, Global Political Economy: Theory and Practice. 2nd edition. New York: Longman, 2003.

Robert Keohane. After Hegemony. Princeton: Princeton University Press, 1984.

Robert Bates. Markets and States in Tropical Africa. Berkeley: University of California Press, 1981.

Jonathan Kirshner, Currency and Coercion: the Political Economy of International Monetary Power (Princeton: Princeton University Press, 1995)

Jeffrey Sachs. Poland's Jump to the Market Economy. Cambridge, Mass.: MIT Press, 1994.

The following books are only recommended (we will read less than half of each), but are widely assigned in other political science classes. They are also available on reserve.

Mancur Olson. The Logic of Collective Action: Public Goods and the Theory of Groups. Cambridge, Mass: Harvard University, 1971.

Charles Kindleberger, The World in Depression (Berkeley: University of California Press, 1986 edition [1973]).

The rest of the readings are available on Library Reserve at Barnard College. Readings are also available on-line through the noted electronic database on Columbia University's LibraryWeb (ie. **JSTOR, Proquest**). Students are encouraged to download and keep personal copies of these readings.

I. Introduction

Class 1 (Sept. 4): *Course Overview and Introduction*

Class 2 (Sept. 9) *The Theories of IPE: Realism, Liberalism and Marxism*

Theodore Cohn, Global Political Economy, Chapters 1-5.

II. Analytical Perspectives on the International Political Economy

Class 3 and 4 (Sept. 11, 16): Hegemonic Stability Theory and Declinism

Public Goods, Cooperation and the "Collective Action" Problem

Mancur Olson, The Logic of Collective Action: Public Goods and the Theory of Groups. (Cambridge, Mass: Harvard University, 1971), pp. 1-22, 33-65.

The Theory of "Hegemonic Stability" and Decline

Charles Kindleberger, The World in Depression (Berkeley: University of California Press, 1973), Chapters 1, 14.

Stephen Krasner "State Power and the Structure of the International Trading System",

World Politics Vol. 28:3 (April 1976), pp. 317-43. Available on-line through **JSTOR**
Robert Keohane, After Hegemony. (Princeton: Princeton U. Press, 1984), Chapter 3.

Class 5 and 6 (September 18, 23): *International Cooperation and the Dynamics of Regimes*

Robert Keohane, After Hegemony, Chapters 4 and 6. Skim case studies.

Susan Strange, "Cave! Hic Dragones: A Critique of Regime Analysis," International Organization Vol. 36:2 (Spring 1982), pp. 479-496. **JSTOR**

Joseph Grieco, "Anarchy and the Limits of Cooperation: A Realist Critique of the Newest Liberal Institutionalism," International Organization Vol. 42:3 (Summer 1988), pp. 485-507. **JSTOR**

Michael N. Barnett and Martha Finnemore, "The Politics, Power, and Pathologies of International Organizations," *International Organization* Vol. 53: 4 (Autumn 1999), pp. 699-732. **EBSCO**

Class 6 and 7 (Sept. 25, 30): *Domestic Actors and the International Economy*

The Influence of Private Firms on Foreign Economic Policy

Susan Strange, "States, Firms, and Diplomacy," International Affairs Vol. 68:1 (January 1992), pp. 1-15. **JSTOR**

Ronald Cox, "Explaining Business Support for Regional Trade Agreements," in Ronald Cox ed. Business and the State in International Relations (Boulder: Westview Press, 1996).

State vs. Societal Pressures on Trade Policy: The Case of U.S. Trade Policy

Helen Milner, "Resisting the Protectionist Temptation," International Organization Vol. 41:4, (Autumn 1987), pp. 639-665. **JSTOR**

Judith Goldstein, "Ideas, Institutions, and American Trade Policy," International Organization Vol. 42:1 (Winter 1988), pp. 179-217. **JSTOR**

III. Perspectives Applied: International Trade, Money and Security

Class 8 and 9 (October 2, 7): *The Politics of International Trade*

Liberal, Nationalists and the Debate over Competitiveness

Theodore Cohn, Global Political Economy, Chapters 8 and 9.

James Brander, "Rationales for Strategic Trade and Industrial Policy," in Krugman ed., Strategic Trade Policy and the New Economics (Cambridge, Mass.: MIT Press, 1987).

Paul Krugman, "Competitiveness: A Dangerous Obsession," Foreign Affairs Vol. 73:2 (March/April 1994), pp. 28-44. **Proquest**

Clyde Prestowitz, et. al. "The Fight Over Competitiveness: A Zero-sum Debate?" , Foreign Affairs Vol. 73:4 (July/August 1994), pp. 186-203 (rebuttals to Krugman; Krugman's Response). **Proquest**

The Politics of the WTO

Jagdish Bhagwati, "After Seattle: Free Trade and the WTO," International Affairs Vol. 77:1 (Jan. 2001), pp. 15-29. **EBSCO**

Ken Conca, "The WTO and the Undermining of Global Environmental Governance," Review of International Political Economy Vol. 7:3 (Autumn 2000), pp. 484-494. **EBSCO**

Class 10 and 11 (October 9, 14): *The Politics of International Monetary Systems*

What is an International Monetary System? A Historical Overview

Theodore Cohn, Global Political Economy, Chapter 6.

John Ruggie, "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order," International Organization Vol. 36: 2, (Spring 1982). **JSTOR**

The Politics of the Euro

Kate McNamara, The Currency of Ideas: Monetary Politics in the European Union (Ithaca: Cornell University Press, 1999), pp. 43-71.

Sheri Berman and Kathleen McNamara. "Bank on Democracy: Why Central Banks Need Public Oversight," Foreign Affairs Vol. 78:2 (Mar/Apr 1999), pp. 2-8. **EBSCO**
TBA Article/Analysis of Euro's first year.

Class 12 (October 16): **IN-CLASS MID-TERM EXAMINATION**

Class 13 (October 21): *Economic Imperatives, Imperialism and War*

Vladimir Lenin, Imperialism: the Highest Stage of Capitalism (1932). Read the introduction and skim the rest.

James Kurth. "The Political Consequences of the Product Cycle: Industrial History and Political Outcomes," International Organization Vol. 33: 1 (1979), pp. 1-33. **JSTOR**

Jeffrey Frieden. "International Investment and Colonial Control: A New Interpretation," International Organization Vol. 48:1 (Autumn 1994), pp. 559-93. **JSTOR**

Class 14 and 15 (October 23 and 28): *Economic Statecraft and the Sanctions Debate*

Jonathan Kirshner, *Currency and Coercion: the Political Economy of International Monetary Power* (Princeton: Princeton University Press, 1995), Selections.

Robert Pape, "Why Economic Sanctions do not Work," International Security, Vol. 22:2 (Fall 1997), pp. 90-136. **JSTOR**

David Baldwin, "The Sanctions Debate and the Logic of Choice," International Security Vol. 24:3 (Winter 1999/2000), pp. 80-107. **EBSCO**

Lisa Martin, "Institutions and Cooperation: Sanctions During the Falkland Islands Conflict,"

International Security Vol.16:4 (Spring 1992), pp. 143-178. **JSTOR**

IV. North-South Issues

Class 16 (October 30) *Overview of the North-South Debate and the Politics of MNCs*

The Nature of North- South Relations

Stephen Krasner, Structural Conflict: The Third World Against Global Liberalism (Berkeley: U. of California,1985), Chapter 1 (pp. 3-31).

The Multinational Corporation and Investment

Theodore Cohn, Global Political Economy, Chapter 10.

Deborah Spar, "The Spotlight and the Bottom Line," *Foreign Affairs* Vol. 77, No. 2 (March/April 1998), pp. 7-12. **Proquest**

No Class Monday, November 4th (Academic Holiday)

Class 17 (November 6): *Development and Dependency*

Theodore Cohn, Global Political Economy, Chapter 11.

Robert Bates, Markets and States in Tropical Africa (Berkeley: University of California Press, 1979), pp. 1-30, 81-132. Skim 31-80.

Theotonio dos Santos, "The Structure of Dependence," The American Economic Review, Vol. 60 (1970), pp. 231-236. **JSTOR**

Kiren Aziz Chaudhry, "The Myths of the Market and the Common History of Late Developers," Politics and Society Vol. 21:3 (September 1993), pp. 245-274. Only available at Barnard reserves.

Class 18 and 19 (November 11, 13): *The East Asian "Miracle" and the Asian Financial Crisis*

Explaining East Asia's Developmental Success

Robert Wade, "East Asia's Economic Success: Conflicting Perspectives, Partial Insights, Shaky Evidence," World Politics Vol. 44: 2, pp. 270-320. **JSTOR**

Paul Krugman, "The Myth of Asia's Miracle," Foreign Affairs Vol. 73: 6 (Nov/ Dec1994), pp. 62-78. **Proquest**

The East Asian Financial Crisis: Crony Capitalism or Panicked Investors?

Robert Wade, "The Asian Debt-and-Development Crisis of 1997: Causes and Consequences," World Development Vol. 26: 8 (Aug. 1998), pp. 1535-53. **ScienceDirect**

Class 20 and 21 (November 18, 20): *Debt, The IMF, the World Bank and Foreign Aid*

Theodore Cohn, Global Political Economy, Chapter 10.

Charles Lipson, "The International Organization of Third World Debt," International Organization Vol. 35:4 (Autumn 1981), pp. 603-631. **JSTOR**

Devesh Kapur, "The IMF: A Cure or a Curse," Foreign Policy, no. 111 (Summer 1998), pp. 114-129. **Proquest**

DISTRIBUTION OF FINAL PAPER TOPICS: DUE IN CLASS DECEMBER 4

V. Current Issues and Debates

Class 22 and Class 23 (November 25, December 2): *The Politics of Economic Globalization*

ALL PAPERS DUE AT THE BEGINNING CLASS ON Monday!

Robert Keohane and Helen Milner, editors. Internationalization and Domestic Politics. (New York: Cambridge, 1996), pp. 3-24.

Benjamin Cohen. "Phoenix Risen: the Resurrection of Global Finance," World Politics Vol. 48 (January 1996), pp. 268-296. **JSTOR**

Dani Rodrik, "Sense and Nonsense in the Globalization Debate," Foreign Policy No. 107 (1997), pp. 19-37. **Proquest**

Linda Weiss. "Globalization and the Myth of the Powerless State," New Left Review no. 224 (July/August 1997), pp. 3-27.

No Class November 27: Wednesday before Thanksgiving.

Class 24 (December 4): Post-Communist Economic Reforms

Jeffrey Sachs, Poland's Jump to the Market Economy (Cambridge, Mass.: MIT, 1994).

Alexander Cooley, "International Aid to the Former Soviet States: Agent of Reform or Guardian of the Status Quo?" Problems of Post-Communism Vol. 47:4 (July/August 2000), pp. 34-44.

Class 25 (December 9): *Course Review and Final Exam Preparation*

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