Political Science 265 deals with the politics of international economic relations. Given the rising importance of economic issues in world affairs, with the potential for both conflict and cooperation among developed and developing states, the question of how to address these issues will take center stage in the international arena of the 1990s. Although the substance of the issues are economic, the decisions made are political. This course is designed to break through the artificial barriers set between world politics and international economics, in an attempt to present a unified whole.

Before going further, a caveat is in order. This is NOT a course in international economics, however a background in economics is extremely helpful in understanding the substantive issues. The premise of this course is that choices over economic strategy are inherently political, and are the preserve of study for the political scientist as well as the economist.

COURSE OBJECTIVES AND STRUCTURE

In evaluating the politics behind the alternatives chosen, it is important to outline the three subfields of the emergent discipline of international political economics. They are: 1) international trade policy; 2) international monetary relations; and 3) economic development strategy. We will attempt to provide an overview of major politico-economic developments since the mid-19th century, with special attention given to the role that economic challenge and conflict has had on the evolution of the international system and state domestic politics.

We will further attempt to provide a framework for analysis that social scientists in the field can use in studying important politico-economic developments in the future.

The theoretical orientation of the course is historical-structural, with emphasis the "reversed second image" impact of changes in international system structure on the domestic state politics. By this, I am saying that the expansion or contraction of the world economy conditions the choices presented to domestic political actors. This is not to say that structure determines political action, but it raises or lowers the opportunity costs of economic openness or closure. Furthermore, one cannot hope to explain world economic expansion or contraction without understanding economic developments in time and space. The role of changes in "leading sector" technology and "uneven development" among states are important in this regard.

It is vital to keep up with the assigned readings in the course. Some lectures will closely parallel and clarify the readings, others will introduce new material designed to make larger points and draw inferences that cannot be appreciated if you have not seen the literature. Students are expected to keep abreast of major events in international economic relations. The Economist, The Wall Street Journal, and The New York Times are excellent sources. There are also a number of scholarly journals dealing with international political economy and international economic issues.

ASSIGNMENTS

There will be four exams, each consisting of a six-to-seven-page essay, and two abstracts of data-based journal articles to be divided as follows:

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<tr>
<th>Assignment</th>
<th>Percentage</th>
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<tr>
<td>Exams (take-home; four 6-7-page essays - 19% each)</td>
<td>76%</td>
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<tr>
<td>Class participation</td>
<td>18%</td>
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<tr>
<td>Abstracts (two; one-to-two pages apiece on IPE-related topic)</td>
<td>6%</td>
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The essay questions I for the exams will be distributed at least five days prior to the due date and will cover material currently being discussed. Exams will always be due by 5PM of the due date. All late exam essays are subject to a one-third-grade deduction penalty per day (e.g., a "B+") paper shall receive a "B" if one day late, a "B-" if two days late, and so on).

As part of the class participation portion of the grade, student volunteers will give brief outlines of the class readings (e.g., if three readings are assigned for a class, there will be three reviewers - one for each reading). All students should come to class with three to five questions, based on the topic of the readings, which will serve as points of departure in class discussions. Vigorous discussion is an important part of your grade.

TEXT BOOKS

Books used for the course, in addition to journal articles and chapters in the coursepack, are:


COURSE OUTLINE

I. Introduction to the Politics of Global Economic Relations

January 17

"[Globalization] Schools Brief" series, *The Economist* (Oct. 18, 25; Nov. 1, 8, 22; Dec. 6, 1997)


II. Perspectives of International Political Economy

January 19


III. Development of the World Economy

January 21


Exam I - Theoretical perspectives of IPE and uneven growth (due by January 25)

A. Political Economy of Trade

January 26

Gourevitch, Politics in Hard Times: Comparative Responses to International Economic Crises (1986): 71-123.


January 28


January 30/31


February 2


Exam II - Politics of Free Trade and Protection (due by February 12)

B. International Monetary and Macroeconomic Relations
February 4


February 9


February 11


February 16


February 18


**Exam III** - International Monetary System: in search of stability (due by March 1)
February 23

Krugman, "Currency Crises" (1997)

www.stern.nyu.edu/-nroubini/asia/AsiaHomepage.html


February 25


Driscoll, "What Is the International Monetary Fund?" (1998): 1-10,


III. The Global South in the World Economy


March 2


March 4


**Exam IV** - Currency crises and development strategies of the Global South (due by March 15)