

**IR6620: International Political Economy (W-E)**  
Term 3, 2012-2013: January 7 – March 10, 2013 3 Credit Hours  
Location: Misawa AB, Education Center  
Class Meeting Times: 0900-1800 - January 12-13; February 9-10

Instructor: Clifton W. Sherrill  
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Office Hours: By appointment

**Course Description**

An examination of the interrelationships between international politics and economics covering theories of International Political Economy (IPE), states and markets, trade, foreign investment, international monetary affairs, foreign aid, state development strategies, and globalization.

**Course Objectives**

After taking this course, the student should understand basic macro-economic ideas including the fundamentals of free market economics, arguments for and against free trade, variations on free trade, why economists support free trade yet politicians resort to protectionism, how fiscal and monetary policies are used by states, the nature of exchange rates, the roles and effects of international financial institutions, definitions of and strategies for development, and how globalization affects economics. In addition, the student should be able to explain standard IPE theories and the values that underlie the differing positions on IPE internationally.

**Required Texts**

- Robert Gilpin, Global Political Economy: Understanding the International Economic Order (Princeton, NJ: Princeton University Press, 2001) ISBN: 9780691086774
- Thomas L. Friedman, The World is Flat: A Brief History of the Twenty-First Century (New York, NY: Farrar, Straus and Giroux, 2007) ISBN: 9780312425074

Additional assigned readings will be available electronically through TROY library databases.

**Course Requirements**

Students are expected to keep up with the readings and to participate in class discussion. Students should obtain a TROY e-mail account and check it regularly as this will be the means of providing notice of assignment changes, class cancellations, or other matters outside of class.

*A. Exams*

There will be two exams in this course. The midterm will count for 30% of the course grade. The final exam will count for 40% of the course grade. Exams will include material covered in the readings and material discussed in class. Exams will be take-home exams and will consist of short answer and essay questions.

*B. Papers*

There will be a single analytical paper accounting for 30% of the semester grade. Students will have the option of completing either 1) a formal research paper presenting a theory and testing hypotheses via an appropriate research design on a topic of the student's choice (to be approved by

the instructor); or 2) completing a thorough literature review centered on one of the following topics: a) the desirability of free trade for the United States; b) the structural health of the current Chinese national economy; c) developmental models for sub-Saharan African states; or d) the impact and efficacy of the International Monetary Fund. Detailed instructions, including phased assignment due dates, will be provided in separate paper instructions. Students will present their topics in leading class discussions on February 10. Late assignments will be assessed a 20 point penalty.

### *C. Attendance*

Regular attendance is imperative for understanding the subject as well as for maximizing your chances to succeed on the exams. By university policy, TROY's coordinator must be notified of students who miss more than 25% of classes. Attendance will be taken in compliance with College policy.

### **Grading Policy**

90 - 100 A	70 - 79 C	0 - 59 F
80 - 89 B	60 - 69 D	

### **Americans with Disabilities Act**

Troy University supports Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, which insure that post-secondary students with disabilities have equal access to all academic programs, physical access to all buildings, facilities and events, and are not discriminated against on the basis of disability. Eligible students, with appropriate documentation, will be provided equal opportunity to demonstrate their academic skills and potential through the provision of academic adaptations and reasonable accommodations. Further information, including appropriate contact information, can be found at the following link:

**<http://www.troy.edu/humanresources/ADAPolicy2003.htm>**

### **Academic Honesty**

By their enrollment, students are responsible for following the "Standards of Conduct" as they apply in the Troy University Pacific Region. It is the student's responsibility to be familiar with these guidelines and to comply therewith. Cheating or plagiarism will result in an F for the course, will be reported to appropriate officials, and may subject the student to further discipline from the University. The instructor uses on-line software to help detect plagiarism. Please note that no assignment prepared for or submitted in a different course may be used in this course without prior approval of the instructor.

### **Library Resources**

Students can access online information resources through Troy Library Services home page at <https://www.library.troy.edu> These resources include a variety of full text databases that provide complete article texts from thousands of journals, magazines and newspapers. Among the most helpful databases are JSTOR, Academic Search Complete, and Lexis-Nexis. Remote access is available via the student's Troy User ID and Password. Specific help for Global Campus students, including a dedicated librarian, is available at <https://www.uclibrary.troy.edu/>

*1/7 – 1/13: Week 1 Introduction to International Political Economy*

Introduction, Overview, Terminology

- Gilpin, Chapters 1-4
- Katzenstein, Peter J., Robert O. Koehane, and Stephen D. Krasner, “International Organization and the Study of World Politics,” International Organization 52, no. 4 (Autumn 1998): 645-685. (Available in JSTOR).

Saturday 1/12

- Introduction
- Free Market Economics
- Theories & Systems

Sunday 1/13

- Free Trade
- Protectionism
- Fair Trade
- Exchange Rates
- Capital Controls

*1/14 – 1/20: Week 2 Theoretical Underpinnings and National Systems*

- Gilpin, Chapters 5-7
- A. Cooper Drury, Jonathan Kriekhaus, and Michael Lusztig, “Corruption, Democracy, and Economic Growth,” International Political Science Review 27, no.2 (April 2006): 121-36. (Available in JSTOR)

*1/21 – 1/27: Week 3 The Trading System*

- Gilpin, Chapter 8
- Paul Krugman, “The Narrow and Broad Arguments for Free Trade,” American Economic Review 82, no. 3 (May 1993): 362-66. (Available in JSTOR Economics)
- Richard Rosecrance and Peter Thompson, “Trade, Foreign Investment, and Security,” Annual Review of Political Science 6, no. 1 (2003): 377-98. (Available in Academic One Search)
- Helen Milner, “The Political Economy of International Trade,” Annual Review of Political Science 2, no. 1 (1999): 91-114. (Available in Academic One Search)

*1/28 – 2/3: Week 4 The Monetary and Financial System*

- Gilpin, Chapters 9-10
- Christopher J. Neely “An Introduction to Capital Controls.” Federal Reserve Bank of St. Louis Review 81, no. 6 (1999): 13-30. Available at <<http://research.stlouisfed.org/publications/review/99/11/9911cn.pdf>>
- J. Lawrence Broz and Jeffrey A. Frieden, “The Political Economy of International Monetary Relations,” Annual Review of Political Science 4, no. 1 (2001): 317-343. (Available in Academic One Search)

*2/4 – 2/10: Week 5 Development*

- **MIDTERM EXAM**
- Gilpin, Chapters 11-12

Saturday 2/9

- Development
- FDI and Foreign Aid
- Democracy & Development
- Freedom as Development

Sunday 2/10

- Student Presentations
- International Institutions
- Regionalism
- Globalization

*2/11 – 2/17: Week 6 Development*

- Stephen Kosack and Jennifer Tobin. “Funding Self-Sustaining Development: The Role of Aid, FDI and Government in Economic Success.” International Organization 60, no. 1 (2006): 205-243.
- E. Borensztein, J. De Gregorio and J-W. Lee. “How does foreign direct investment affect economic growth?” Journal of International Economics 45, no. 1 (1998): 115-135
- Student Papers

*2/18 – 2/24: Week 7 International Institutions*

- John Gerard Ruggie, “International regimes, transactions, and change: embedded liberalism in the postwar economic order.” International Organization 36, no. 2 (1982) :379-415
- Vreeland, James Raymond. “The Politics of IMF Conditional Lending.” World Economics 8, no. 3 (2007): 185-93.
- Nooruddin, Irfan and Joel W. Simmons. “The Politics of Hard Choices: IMF Programs and Government Spending.” International Organization 60, no. 4 (2006): 1001-1033.

*2/25 – 3/3: Week 8 Regionalism & Globalization*

- Gilpin, Ch. 13-15
- Friedman, The World is Flat (all)

*3-4 – 3/10: Week 9 Conclusion*

- **FINAL EXAM**

Note: The above schedule, readings and procedures in this course are subject to change.