International Political Economy
POL S 459, Spring 2014
Oldfather Hall 208, TTh 12:30–1:45 PM

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Office Hours: TTh 3:00 – 4:00 pm and by appointment

Course Description

This course examines the politics of international economic relations and globalization. We will ask and answer questions such as, “Why do governments adopt the economic policies they do?”, “Why do states manage to cooperate economically in some cases but not others?”, and “Why do governments promote or oppose globalization under different circumstances?” Broadly, we will study international trade policy and protectionism, foreign investment and multinational corporations, exchange rate regimes and capital mobility, financial crises and stabilization in developing countries, and regional economic integration. For each topic, we will consider theoretical explanations along with historical and contemporary examples.

Requirements

The final grade will be composed as follows:

Attendance and Participation (20%) Attendance is mandatory. This means that I expect you to be present at every seminar over the course of the term. You have three unexcused absences before your grade will be affected. Each additional absence will result in your attendance grade being lowered by one third for each absence (e.g. A to A- or C+ to C). Additional absences due to illness or personal emergency will require documentation, such as a note from a doctor. Chronic tardiness will also be noted. I also expect every student to contribute to discussion regularly and actively. Please remember that good participation does not simply mean stating your opinions, but rather making claims that can be substantiated with evidence from the readings or real world events. At the same time, do not be afraid to speak up. This is new material for everyone, and we will make a few mistake. There is no such thing as a dumb question. Your participation grade will reflect the level of your effort, not the number of “right” answers you provide.
Four in-class quizzes (10%) Over the course of the semester I will administer 6 short quizzes at the beginning of class that cover the day’s reading assignment. Each quiz will have 3 questions on the readings. These quizzes are designed to be easy. No trick questions. If you have done the assigned reading you should be able to get a 100% on the quiz most of the time. I will give 6 quizzes and only count the highest 4. There is no make-up quiz.

Group Presentations (10%) In order to foster cooperative learning and an in-depth study of a particular topic of interest, students will be responsible for participating in a group presentation on an issue in IPE. Each group will consist of 3-4 students and the presentation should last about 20-25 minutes. Presentation topics and guidelines will be announced during the course.

Two Midterm (40%) and Final Exams (20%) The midterm and final exams will be closed book exams featuring a combination of multiple choice, short answer and a short essay. These exams will require you to know the assigned readings and the concepts covered as well as be able to synthesize the material. The exam schedule is set. Clear your schedules now. There will be no make-up examinations unless you can provide proper documentation that your absence is due to a) a genuine family emergency, b) illness or injury, or c) travel away from Lincoln for university–related (!) obligations. More information on the exams will be made available during the course.

Additional Information

Learning Assistance Students with disabilities are encouraged to contact the instructor for a confidential discussion of their individual needs for academic accommodation. It is the policy of the University of Nebraska–Lincoln to provide flexible and individualized accommodation to students with documented disabilities that may affect their ability to fully participate in course activities or to meet course requirements. To receive accommodation services, students must be registered with the Services for Students with Disabilities (SSD) office, 132 Canfield Administration, 472–3787 voice or TTY.

Academic Honesty Cheating is very serious offense that will not be tolerated in the course. You will receive a failing grade for the class. The examinations are closed book; you are not allowed to use any notes or books when taking them. You should bring several pens to the exams in case one fails. You may write the examinations in pencil, but if you do so you forfeit your right to contest your grade. Please refer to the Student Handbook, the University’s Code of Conduct and the Office of Undergraduate Studies’ document on academic integrity for the University’s policies on plagiarism, cheating and other forms of academic dishonesty.
Grade Appeal If you wish to contest a grade, send me a written appeal no sooner than 24 hours and no later than one week after receiving your grade. Note that when I re-evaluate a grade, I may take off points for other omissions, weaknesses, or errors.

Required Readings

There is one required textbook for the course: Thomas Oatley, *International Political Economy: Interests and Institutions in the Global Economy*, 5th ed. (New York: Longman, 2012). It is available for purchase at the University Bookstore or online. A number of additional readings are also required; you can access them here (http://goo.gl/RgNXJU). Students are expected to have completed the reading by the day for which it has been assigned. Both the textbook and remaining items are equally vital, and will provide material for the exams.

I suggest that you keep up with current events by reading the main international economics stories of the day/week in either the New York Times, the Financial Times, or the Economist. We will frequently discuss current economic events in class; details about such events could also be useful on your exams, at least as an option.

Important Dates

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Midterm Exam 1</td>
<td>February 20</td>
</tr>
<tr>
<td>Midterm Exam 2</td>
<td>March 20</td>
</tr>
<tr>
<td>Final Exam</td>
<td>May 9</td>
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Course Outline

January 14. Introduction to the course

- No assigned readings.

Part I: International Trade

January 16. Economies of Trade

- Oatley 46–53.

January 21. Domestic Distributive Politics of Trade I

- Oatley, 69–79.


**January 23. Domestic Distributive Politics of Trade II**


**January 28. Trade and Protectionism**

• Oatley, 58–62, 79–80


**January 30. Domestic institutions, political regimes and trade policy.**

• Oatley, 81–87.

• Hiscox, Michael J. “The Domestic Sources of Foreign Economic Policies,” 65–72.


**February 4. “Strategic trade” and competitiveness.**

• Oatley, Chp 5.


- “Merci, Y’all,” The Economist (February 24, 2005).

February 11. International institutions and trade.

- Oately, 53–67.

February 13. WTO and Regional trade agreements.

- Oately, Chp. 2.

February 18. In-class Review for Midterm Examination

February 20. Midterm Examination 1

Part II: International Investment

February 25. Multinational corporations (MNCs).

- Oately, Chp. 8.

February 27. Politics of FDI

- Oatley, Chp. 9.
- “When an Investment Becomes an Argument,” Financial Times (February 12, 2006), 12.

March 4. Attracting investment


• Oatley, 199–200.


• “Least Favoured Nation” in *The Economist* August 3rd, 2006

**Part III: International Monetary Systems**

March 6. Introduction to the International Monetary Systems

• Oatley, 202 –241

March 11. The political economy of exchange rate choices. Domestic and international determinants.

• Oatley, Chp. 12.


March 13. A State Centered Approach to the Monetary System and Exchange Rates

• Oatley Chp. 13

March 18. In-class Review for Midterm Examination

**March 20. Midterm Examination II**

March 25. Monetary Union and the Euro
• Oatley, 241–247.


March 27. The Financial Crisis of 2008

• Frontline: The Warning or

• Frontline: Inside the Meltdown

March 29. Latin American Debt Crisis & Asian crisis

• Oatley, Chp. 14 & Chp. 15

April 3. Midwest Political Science Association Conference: No class

April 8. The political economy of financial crises: Conditionality & the International Monetary Fund (IMF).


Part IV: Topics in International Political Economy

April 10. Trade and developing nations (ISI)

• Oatley, Chp. 6

April 15. Trade and economic reform

• Oatley, Chp. 7

April 17. Development and Foreign Aid


April 22. Globalization and Inequality

• Oatley, Chp. 16.


April 25. Presentations 1

April 29. Presentations 2

May 1. Presentations 3 & In-class Review for Final Examination

May 9. Final Exam 10 AM

This syllabus is subject to modification by the instructor should alternative measures appear more appropriate and efficient.