

INR-6705
Spring 2008
Thursday, 5:00-7:45 p.m.

Seminar in International Political Economy

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Introduction—Major Themes

The study of international political economy (IPE) bridges important gaps in the field of political science. By reflecting on the intersection between economic and political structures of power, IPE undertakes an inquiry that explores the changing relationship between the multinational corporation and the nation-state, the limits and possibilities of state sovereignty in an age of globalization, and the structures of power that contribute to poverty and inequality. At their best, the theoretical approaches that have long shaped IPE, including liberalism, realism and Marxism/historical structuralism, borrow eclectically from a range of disciplines such as political science, international relations, sociology, economics and history. The tapestry of approaches that have converged around IPE allow students to make connections between social, economic and political aspects of the global economy that are often kept separate in other areas of academia.

In this course, we will explore a wide range of theoretical approaches across three primary issue areas. These issue areas include the political economy of globalization, the relationship between the multinational corporation and the nation-state, and the politics of development. An intellectual overview of the costs, benefits and consequences of globalization is the thread that connects these various issue areas. An ongoing theoretical concern is the political economy of the relationship between the state and the modern corporation. Liberals see the market as a separate sphere of global activity with its own bylaws of supply and demand, from which states and societies have to adjust or risk losing competitive advantage to their more efficient counterparts. Realists argue that the demise of the state has been much exaggerated by liberals, and that the most powerful states remain the primary agents in the global economy that shape the direction, pace and scope of much of the international movement of goods and services. Historical structuralists critically explore the intersecting power relationships between the nation-state and the modern corporation, suggesting that intra- and inter-class interest blocs both cooperate and compete with one another over the rules and regulations governing globalization, and that this competition is reflected in the political economy of state relations in the global system.

Seminar Format

This seminar is designed to provide students with a broad survey of works in the field of IPE that have helped shape contemporary debates across a range of issue areas. Toward that end, I have chosen the approach of assigning approximately one book per week to highlight contemporary scholarly debates surrounding the issue area under discussion. Four books are assigned as an overview of the political economy of globalization; another four books are assigned to cover the political economy of global production and the multinational corporation, and a final three books address the political economy of development.

Students are expected to complete all assigned readings prior to each class discussion, and recommended readings are also encouraged. The instructor will provide a brief overview of the theoretical literature surrounding a particular reading at the beginning of each class session, but such an introduction will be short, as the purpose of the introductory remarks will be to build a bridge toward extensive class discussion of the assignment. We will always begin by working through the arguments of the author in an attempt to flesh out the essence of that argument, followed by a critical engagement with the material. Discussion grades will be awarded based on the quality and consistency of student contributions each week.

In addition to class preparation and discussion, students are required to complete three essays (each 8-10 pages in length) that critically analyze and assess the readings assigned over the previous 3 to 4 weeks, and to provide an oral presentation of their essays to the rest of the class on the date that the essay is due. In the essays, students will answer particular questions posed by the instructor (and listed in the course content portion of the syllabus). The best essays should have both critical and theoretical engagement with the material. Each of these three essays should follow standard scholarly form, with citations, footnotes or endnotes and a bibliography.

Grade Distribution

The following grade distribution will be used:

Discussion/Participation:	100 points
1 st Essay Exam:	100 points
2 nd Essay Exam:	100 points
Final Essay Exam:	100 points
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Total:	400 points

A=93% of total points; A- = 90-92%; B+ = 88-89%; B = 83-87%; B- = 80-82%; C+ = 78-79%; C = 73-77%; C- = 70-72%; D+ = 68-69%; D = 63-67%; D- = 60-62%; F = 59% or below.

Course Readings

The following books are required for this course and are available at the University Book Store.

Damon Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy. Cambridge University Press, 2005.

William Baumol, Robert Litan, and Carl Schramm, Good Capitalism, Bad Capitalism. Yale University Press, 2007.

Robert Brenner, The Economics of Global Turbulence. Verso Press, 2006.

Andrew Glyn, Capitalism Unleashed. Oxford University Press, 2006.

Peter Gourevitch and James Shinn, Political Power and Corporate Control. Princeton University Press, 2007.

David Harvey, A Brief History of Neoliberalism. Oxford University Press, 2006.

William Robinson, A Theory of Global Capitalism. Johns Hopkins University Press, 2004.

Ellen Rosen, Making Sweatshops. University of California Press, 2002.

Amartya Sen, Development as Freedom. Anchor Press, 2000.

Joseph Stiglitz, Making Globalization Work. W.W. Norton, 2006.

Course Outline

January 10: Introduction to Course

January 17: The Globalization of Finance

Required:

Andrew Glyn, Capitalism Unleashed, chapter 3, (students who desire more basic background in the themes introduced in the course should read all of Glyn).

Andrew Walter, "Understanding Financial Globalization," May 22, 2002, Conference Paper (available on google, very good introduction to different theoretical approaches to financial globalization).

Recommended:

John Ruggie. "International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order." International Organization, 36, 2, Spring 1982, 379-415.

Jeffrey Frieden, "Invested Interests: The Politics of National Economic Policies in a World of Global Finance." International Organization, 45, 4, Autumn 1991, 425-51.

Robert Wade, "The Fight Over Capital Flows." Foreign Policy, 113, Winter 1998-1999, 41-54.

Stephan Haggard and Sylvia Maxfield. "The Political Economy of Financial Internationalization in the Developing World." International Organization, 50, 1, Winter 1996, 35-68.

January 24: The Historical Architecture of Neoliberalism

Required: David Harvey, A Brief History of Neoliberalism, all.

Recommended:

Dani Rodrik, "After Neoliberalism: What?" Harvard University research paper, 2002 (available on google).

Nicola Phillips. "Globalization and the Paradox of State Power: Perspectives from Latin America," Center for the Study of Globalization and Regionalization, Working Paper No. 16, 1998 (available on google).

January 31: Divergent Capitalisms

Required: William Baumol, Robert Litan, Carl Schramm, Good Capitalism, Bad Capitalism, especially first four chapters, skim rest.

Recommended:

Christian Weller, Robert Scott and Adam Hersh, "The Unremarkable Record of Liberalized Trade," Economic Policy Institute Briefing Paper, October 2001 (available on google).

Arthur Alderson and Francois Nielson, "Globalization and the Great U-Turn: Income Inequality Trends in 16 OECD Countries," Conference Paper, American Sociological Association, 2001 (available on google).

Feb. 7: A Theory of Global Capitalism

Required: William Robinson, *A Theory of Global Capitalism*, all.

Feb. 14: First Paper Due

Discuss the competing theoretical models introduced in the previous four weeks. In your answer, focus on how Robinson and Harvey differ from Baumol in their understanding of the politics of globalization? Use one of the theorists (of your choosing) to develop a critique of what is lacking in the other approaches.

Feb. 21: The Politics of Global Production

Required: Ellen Rosen, *Making Sweatshops*, especially pps. 1-128 (skim rest); and Stiglitz, 187-210.

Recommended:

John Miller, “Why Economists Are Wrong About Sweatshops and the Anti-Sweatshop Movement,” *Challenge*, Jan./Feb. 2003 (available on google).

Michael Yates, “Poverty and Inequality in the Global Economy,” *Monthly Review*, February 2004 (available on google).

Emma Aisbett, “Globalization, Poverty and Inequality: Are the Criticisms Vague, Vested or Valid?” Conference Paper, 2004 (available on google).

Feb. 28: A Theory of Global Restructuring

Required: Robert Brenner, *The Economics of Global Turbulence*, especially pps. 1-40 and 239-343, skim rest.

March 6: The Structural Power of the Multinational Corporation

Peter Gourevitch and James Shinn, *Political Power and Corporate Control*, all

March 13: 2nd Paper Due

Use the readings of the previous three weeks to discuss the political power of the multinational corporation. How do the different levels of analysis provided by the authors allow us to view the corporation from different vantage points? Use the various levels of analysis provided by the authors to develop a theoretical framework for understanding the political power of the multinational corporation.

March 20: Spring Break

March 27: The Politics of Development, Part 1

William Easterly, White Man's Burden, especially 3-268, skim rest.

April 3: The Politics of Development, Part II

Sen, Development as Freedom, especially chapters 1-6 (skim rest) and Stiglitz, pp. 3-59.

April 10: The Politics of Development, Part III

Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, pps. 1-172, skim rest.

April 17: Final Paper Due

Discuss the theoretical frameworks used in the previous three weeks to understand the politics of development. What are the different levels of analysis used by Easterly, Sen and Acemoglu? Can we combine the insights of the authors to develop a framework for understanding development? Why or why not?