

MICHIGAN STATE UNIVERSITY
James Madison College

Professor Graham

Office: 358 S. Case Hall

Office Hours: Tues., 1:30-4:00pm

Wed., 1:30-2:30pm

or by appointment

phone: 353-3372 or

355-3277 (Center for European
and Russian/Eurasian Studies)

MC 221: International Relations II:
The Politics of International
Economic Relations
Spring Semester, 2006
Section 3

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Scope and Objectives of the Course

MC 221 is the second semester of a year-long introduction to the study of international relations. It builds upon the concepts and theories covered in MC 220 and examines alternative perspectives, ideologies and theories of international political economy. It will include coverage of: the politics of international trade, monetary and investment relations; technology development and transfer; transnational corporations, international organizations and international regimes; theories of social change, modernization and development; natural resource and international environmental constraints; and economic relations among industrialized countries and between industrialized and developing countries.

A second but nonetheless important objective of the course is to develop skills in analyzing problems and formulating policy responses. The goal is to provide structured opportunities to refine written and oral expression skills developed in the first year program at the College, with an eye toward the challenges and demands of upper division Madison courses.

Course Requirements

1) Readings - The main requirement of the course is to complete the listed readings from the following required texts:

**Oatley, Thomas, International Political Economy: Interests and Institutions.
NY: Pearson/Longman, 2006 (Second Edition)**

**Landes, David S. The Wealth and Poverty of Nations: Why Some are so Rich and
Some So Poor. NY: W.W. Norton, 1999**

**Marx, Karl and Friedrich Engels, The Communist Manifesto. London: Penguin
Books, 1967 or 2002**

**Prestowitz, Clyde. Three Billion New Capitalists: The Great Shift of Wealth and
Power to the East. NY: Basic Books, 2005**

In addition, a few additional articles and chapters are available **On Reserve** at the Madison College library.

Students are expected to read the assigned material prior to the session of class for which the readings are listed.

Students who are uncomfortable with their current preparation in basic economics may wish to read the following volume which is available in area bookstores:

Robert Heilbroner and Lester Thurow, Economics Explained. NY: Touchstone/Simon & Schuster, 1994.

2) There will be a theory quiz, a written midterm and a final examination based on the readings and the class lectures and discussions.

3) Country Position Paper and Quiz - Each student in the class will be required to write a position paper of 10-12 pages on the general economic disposition/philosophy, foreign economic policy and international trade goals, interests and resulting policy stands of one country selected during the first session of the course. A brief quiz on the country's leadership, type of government, economic capabilities and constraints and regional commitments will take place on Wednesday, February 15. Students should be able to find the required information for this quiz in The World Factbook which is available in hard copy in the library and on the Internet, as well as in a number of other Internet and library reference sources that we shall review in class. The first (good) draft of the position paper is due on or before Wednesday, April 12. Students will then play the role of central decision makers for their countries in a simulation of a WTO International Trade and Development Conference on April 17 and 19. The final draft of the paper will be due on the last day of class, Wednesday April 26. Conversations with the instructor about the paper and readings are encouraged both during office hours (at both 358 S. Case and 304 International Center) and during extra sessions scheduled at key points during the term.

4) Group Work and Panels - Students enrolled in MC 221 will operate in cooperative learning groups for an important portion of their class time. These groups will vary in membership during the duration of the course and will address important theoretical and enduring policy issues. At key points in the course, Oral Panel Presentations will be made by the groups in order to inform the whole class on their assessments and conclusions on important controversies and issues.

Determinants of Grades:

Midterm Examination	-	25%
Final Examination	-	25%
Quizzes	-	10%
Country Position Paper	-	25%
Classroom Discussion and Group Participation	-	15%

Honors Credit

Students enrolled in MC 221 may receive honors credit for the course. To receive honors credit, a student must participate in an additional honors seminar/reading group on the challenge of globalization in international economic relations. Students will meet weekly with “like-minded” students, probably including students from other sections of MC 221 or MC 241 “Politics and Markets” at a mutually convenient time and will read and discuss the following books:

Jagdish Bhagwati, In Defense of Globalization. NY: Oxford University Press, 2004

Thomas L. Friedman, The World Is Flat: A Brief History of the Twenty-First Century. NY: Farrar, Straus and Giroux, 2005

Each member of the group will then write a 5-7 page analytical paper, critiquing the key readings and discussing his or her own conception of the future of the world economy and the challenges entailed therein for U.S. foreign economic policy in the 21st Century. These papers will then serve as a basis for a wider discussion of future scenarios in the final general sessions of MC 221 on April 24 and 26.

No student whose cumulative grade is less than 3.5 in MC 221 will be eligible for honors credit.

Academic Dishonesty

MC 221 will be conducted according to the college's policies on academic honesty/dishonesty. If you need clarification on these policies, please speak with the instructor or the College's Director of Academic Affairs. Do keep in mind that “The Faculty Assembled (of James Madison College) recommend that in cases involving proven academic dishonesty, the student should receive, as a minimum, a 0.0 in the course and that a record of the circumstances, sanctions, and any appeal, be placed in the student’s confidential file.”

Topics and Assignments

I. Introduction and Overview

1: Monday, January 9 - Course Introduction

II. Theories, Perspectives and Ideologies

2: Wednesday, January 11 - A Review of Realism and Liberal Institutionalism

Required Reading:

Review your notes and readings from MC 220.
and read

John Mearsheimer, "The False Promise of International
Institutions" (On Reserve)

3: Monday, January 16 – Martin Luther King Holiday

NO CLASS

4: Wednesday, January 18 - Mercantilism and Economic Nationalism

Required Reading:

Oatley, Thomas, International Political Economy: Interests and
Institutions pp. 1-16

David Landes, The Wealth and Poverty of
Nations, pp. xvii-98

5: Monday, January 23 - Economic Liberalism

IPE Theory Quiz Due

Required Reading:

Landes, pp. 99-199

6: Wednesday, January 25 - Marx and Structuralism

Required Reading:

Marx and Engels, The Communist Manifesto,
(Gareth Jones Introduction, pp. 3-187 (2002
edition) or A.J.P. Taylor Introduction,
pp. 7-47 (1967 edition)

7: Monday, January 30 - Marx and Structuralism (Cont.)

Required Reading:

Marx and Engels, The Communist Manifesto,
(pp. 218-258, 2002 edition or 78-121, 1967 ed.)

8: Wednesday, February 1 - The State and the Market

Required Reading:
Landes, pp. 200-230

III. The History of International Economic Relations

9. Monday, February 6 – The 19th Century

Required Reading:
Landes, pp.231-291

Recommended Reading:
Andre Gunder Frank, ReORIENT: Global Economy
in the Asian Age esp. Ch. 4 & 6 ON RESERVE

10: Wednesday, February 8 - The Early 20th Century

Required Reading:
Landes, pp. 292-391

11: Monday, February 13 - The Post-World War II Trade
System

Required Reading:
Oatley, pp. 17-41
Landes, pp. 392-441

IV. International Economic Organizations/Institutions

12: Wednesday, February 15 – The Post War Trade System: The General Agreement on
Tariffs and Trade → WTO

Required Reading:
Oatley, , pp., 42-67
Landes, pp. 442-531

Country Quiz

13: Monday, February 20 - The Post-World War II
Financial System, esp. the IMF

Required Reading:
Oatley, pp. 214-258

14: Wednesday, February 22 - Exchange Rates and Domestic Politics

Required Reading:
Oatley, pp. 259-306

15: Monday, February 27 - The World Bank

Required Reading:
Oatley, pp. 307-357
Landes, pp. 465-511

16: Wednesday, March 1— **MIDTERM EXAMINATION**

SPRING BREAK - March 6-10

V. The Politics of Economic Relations Among Industrialized Countries

17: Monday, March 13 - The European Community and Union

Required Reading:
Oatley (review Chapter 3-5)

18: Wednesday, March 15 - U.S. Foreign Economic Policy

Required Reading:
Oatley (review Chapter 3-5)
Prestowitz, Clyde, Three Billion New Capitalists
pp. ix-42

Recommended Reading:
Kevin Phillips, Wealth and Democracy

19: Monday, March 20- Japanese Foreign Economic Policy

Required Reading:

Oatley, pp. 137-163

Prestowitz, pp. 43-105

Review Landes, pp. 350-391

20: Wednesday, March 22 - Economic and Political Transition

Required Reading:

Prestowitz, pp. 106-149

Recommended Readings:

Anthony Giddens, The Third Way and Its Critics

ON RESERVE

VI. The Politics of Economic Relations Between Industrial
and Developing Countries

21: Monday, March 27 - Dependency and the World Economic
System

Required Reading:

Oatley, pp. 123?

Prestowitz, pp. 150-163

22: Wednesday, March 29 - Culture and Development

Required Reading:

Landes, pp. 168-185 and 512-524

Recommended Reading:

Francis Fukuyama, Trust

ON RESERVE

23: Monday, April 3 - Transnational Corporations

Required Reading:

Oatley, pp. 164-213

Recommended Reading:

Oded Shenkar, The Chinese Century (Upper Saddle River:
Wharton School Publishing, 2005) ON RESERVE

24: Wednesday, April 5 - Energy and the Environment

Required Reading:

Landes, pp. 408-415

Recommended Reading:

Daniel Yergin, The Prize: The Epic Quest for Oil, Money and Power

25: Monday, April 10 - Demography and Food

Required Reading:

World Development Report (review your country's demographic situation) ON RESERVE

Lester R. Brown, "Analyzing the Demographic Trap," State of the World 1987 ON RESERVE

26: Wednesday, April 12 - Simulation Preparation

Required Reading:

Prestowitz, pp. 164-194

Position Paper Due

Recommended Reading:

John Micklethwait and Adrian Wooldridge, A Future Perfect: The Challenge and Hidden Promise of Globalization
ON RESERVE

VII. Simulation

27: Monday, April 17 – WTO Trade and Development Conference
- Day One

Required Reading:

Simulation Handbook and Conference Rules of Procedure
WTO, World Bank and UNDP Clipping Files and
Websites (see esp. docs. on the WTO meetings in
Hong Kong, December 2005; see www.wto.org)

28: Wednesday, April 19 - Trade and Development Conference
- Day Two

Required Reading:

WTO, World Bank and UNDP Clipping Files and
Websites

Prestowitz, pp. 195-223

VIII. Summary and Conclusion

29: Monday, April 24 - The Future of the International
Economic System/Towards a Sustainable World?

Required Reading:

Prestowitz, pp. 224-253

Recommended Reading:

Oded Shenkar, The Chinese Century

Jagdish Bhagwati, In Defense of Globalization

Thomas L. Friedman, The World Is Flat

30: Wednesday, April 26 - Summary and Conclusion

Required Reading:

Prestowitz, pp. 254-278

Oatley. pp. 358-383

Recommended Reading:

Oded Shenkar, The Chinese Century

Jagdish Bhagwati, In Defense of Globalization

Thomas L. Friedman, The World Is Flat

FINAL EXAMINATION -- Monday, May 1, 3-5:00pm