International Relations II: The Politics of International Economic Relations

Course Description

MC 221 is the second semester of a year-long introduction to the study of international relations. Building upon the concepts and theories covered in MC 220, this course examines alternative approaches to international political economy (i.e., the politics of international economic relations). The goals of the course are: 1) to obtain analytical skills to understand the changing political dynamics of international economic relations; and 2) to develop problem-solving skills to analyze major problems and formulate policy responses to the major issues in the field of international political economy (IPE).

The course is organized into four parts:

I. The first section of the course provides the three principal theoretical approaches to the study of IPE: Mercantilism, Economic Liberalism, and Marxism;
II. The second section outlines the historical evolution of the core issue areas of IPE: international production and trade; money and finance; and knowledge and technology. In doing so, we also examine the three IPE approaches to each issue-area.
III. The third section focuses on North-South problems and issues.
IV. The final section addresses the major challenges that stem from the current wave of globalization.

Required Texts

- Thomas Oatley, Debates in International Political Economy (Boston: Longman, 2010).

All the required books are available for purchase at the area bookstores. They are also on reserve at the university library. All the required articles are available online (The hyperlinks to the articles are provided in the ANGEL-version of this syllabus. Many of them are available through the library website. I did my best to provide the permanent link. However, if the link does not work, please go to the library website (http://www2.lib.msu.edu/) > Choose “E-resources” under “Resources” > Type the title of the journal > Find the article by the year/issue number or search by the author’s name or the title of the article.
In addition, you are expected to follow IPE-related news in the major newspapers, including *The New York Times, The Washington Post, The Economist,* and *The Financial Times.* I will occasionally post important news articles to ANGEL, which may be discussed in class.

**Requirements**

1. **Class Participation and Attendance:** You are expected to attend every class session except in cases of illness, family emergency, or religious holidays. Missing more than three class sessions without appropriate documentation (such as a doctor’s note) will hurt your participation grade (*Students who have failed to attend at least two-thirds of the classes without due cause will receive a 0 for this course*). Each student is expected to complete the required readings BEFORE CLASS and to participate actively in class discussion. Class participation is measured by the quality of your thoughtful contributions to the class discussion.

2. **Reading Memos:** Each student is required to write **SIX one-page memos** (single-space) during the semester (You need to submit three of them before the midterm and the rest after the midterm). The memo should include a brief summary of the main arguments of the readings, your critical reactions (When there are completing arguments, discuss which argument you support and why), and two questions for class discussion at the end. Upload your memos to ANGEL by **10:00pm** the night before the class session for which the readings are assigned. This assignment will not be graded. However, *failure to submit at least six memos will hurt your participation grade severely.*

3. **Exams:** There will be two in-class exams. Both exams will test your understanding of the readings, lectures, discussions, and other class activities. Each exam will consist of ID questions (i.e., identification of key concepts, events, and people, etc), short answers, and one essay. The final exam will be cumulative, though it will be drawn largely from the second part of the course after the mid-term. *No make-up exams will be given* except in case of medical or family emergency (Appropriate documentation will be required).

4. **Small Group Presentation/Debate:** A group of about three students will be formed to give a 20-minute professional Power Point presentation. You will be assigned to address one question from the list of questions below (I will bring a sign-up sheet on January 20). Each group needs to summarize the main arguments of the chapter from the Oatley book that you are assigned to present, but each presenter is expected to do additional outside research (minimum of three scholarly sources) to defend your position. Also, you are required to submit your Power Point slides to ANGEL by **9:00pm** the day before your presentation.

   You should be prepared to answer questions related to your topic. You should not read your notes. Doing so will be severely penalized. The details of the format of the presentation will be later discussed in class.

   1) **Does Trade Hurt American Workers?** *(February 18)*
2) Should China Revalue Its Currency? (February 15)
3) Does Trade Promote Growth? (March 22)
4) Does Foreign Aid Promote Development? (March 29)
5) Do MNCs Help Developing Countries? (April 5)
6) Do Governments Need to Regulate MNCs? (April 19)

5. Research Project:

a. Proposal: You are encouraged to meet with me to discuss your research topic early in the semester. After your topic is approved by the instructor, you are required to write and submit a formal proposal of 3-4 pages (double-spaced, 12-point font) by Friday, March 18 at 4:00pm. The proposal should include your central research question, your (tentative) argument, a short literature review (your critical evaluation of what has been written about your topic; it is NOT an annotated bibliography), and a preliminary bibliography (in addition to the 3-4 pages). It should be properly cited.

b. Final Paper: The final draft should be 8-10 pages (double-spaced, 12-point font, minimum 12 titles in the reference list). There should be a separate front page with the title of the paper, your name, and your e-mail address. You should insert page numbers on every page. Writing style will be considered in grading the paper. It is due on Friday, April 22 at 4:00pm.

Grades

Every assignment must be completed to pass this course. Final grades will be based on the following criteria:

- Participation: 13%
- Proposal: 7%
- Group Presentation: 10%
- Midterm Exam: 20%
- Final Exam: 25%
- Research Paper: 25%

Key Dates

- March 3: Midterm exam
- March 18 (F): Research proposal due by 4:00pm*
- April 22 (F): Final paper due by 4:00pm*
- May 5 (Th): 12:45 – 2:45 pm: Final exam

* For each day your paper is late, your grade will be deducted by 0.5. Please submit a hard copy of your paper in my mailbox AND upload its electronic file to ANGEL by 4:00pm. When you upload your paper to ANGEL, you need to use Explorer or Firefox, because ANGEL does not support Safari or Chrome. It is your responsibility to upload your file properly.
Honors Option

Students enrolled in MC 221 may receive honors credit for the course. This semester, you can participate in any of the honors option sessions in MC 221 and MC 241 (see below). To receive honors credit, you must participate in one of the H-option seminars and present your findings at the end of the semester. I will bring a sign-up sheet during the first week. You must receive at least a grade of 3.5 in the course to receive honors credit.

<table>
<thead>
<tr>
<th>Theme</th>
<th>Professor</th>
<th>Required Texts</th>
<th>First Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media coverage of the International Political Economy</td>
<td>Axelrod</td>
<td>Newspapers assigned</td>
<td>January 28, 10am</td>
</tr>
<tr>
<td>Addressing Poverty</td>
<td>Kilinc</td>
<td>Paul Collier, <em>The Bottom Billion</em> and Jeffrey Sachs, <em>The End of Poverty</em></td>
<td></td>
</tr>
<tr>
<td>Intensive reading of Adam Smith’s The Wealth of Nations</td>
<td>Emmett</td>
<td>Adam Smith, <em>The Wealth of Nations</em></td>
<td></td>
</tr>
</tbody>
</table>

**Academic Integrity**

JMC and MSU policies on academic integrity and plagiarism will be strictly enforced in this course. Plagiarism and other forms of academic misconduct will result in the harshest penalties allowed by the University. See the JMC’s Student Handbook section, Standard and Expectations, and the MSU’s policies on plagiarism available in the following link: [http://www.msu.edu/unit/ombud/plagiarism.html](http://www.msu.edu/unit/ombud/plagiarism.html)

**Students with Disabilities**

If you have a disability that requires special testing accommodations or other classroom modifications, you need to notify both the instructor and the Resource Center for Persons with Disabilities (RCPD) ([http://www.rcpd.msu.edu/Home/](http://www.rcpd.msu.edu/Home/)). To notify the Center, call (517)353-9642. The Center is located in 120 Bessey Hall. You may be asked to provide documentation of your disability to determine the appropriateness of accommodations.

**Note:** This syllabus is subject to minor changes at the instructor’s discretion.

**Course Schedule and Reading Assignments**

**PART I: THEORETICAL APPROACHES TO IPE**

**January 11 (T): Course Overview**

- Syllabus

**January 13 (Th): What Is International Political Economy?**

- Balaam and Dillman, Ch. 1, pp. 1-27.

**January 18 (T): Why Study International Political Economy?**


**Recommended**
• Daniel W. Drezner, “The Outsourcing Bogeyman,” *Foreign Affairs* 83(3) (May/June 2004), pp. 22-34.

**January 20 (Th): International Political Economy in Historical Perspective**

• Chang, Ch. 1, pp. 19-39.

**January 25 (T): Mercantilism and Economic Nationalism**

• Balaam and Dillman, Ch. 3, pp. 56-80.
• Chang, Ch. 2, pp. 40-64.

**Recommended:**

**January 27 (Th): Economic Liberalism**

• Balaam and Dillman, Ch. 2, pp. 28-55.

**February 1 (T): Marxism and Structuralism**

• Balaam and Dillman, Ch. 4, pp. 81-105.

**PART II: ISSUE AREAS**
February 3 (Th): International Production and Trade

- Balaam and Dillman, Ch. 6, pp. 128-155.
- Chang, Ch. 3, pp. 65-83.

February 8 (Th): Free Trade vs. Protectionism

**Debate 1: Does Trade Hurt American Workers?**

- Oatley, Ch. 1, pp. 1-22.
- Oatley, Ch. 2, pp. 23-45.

February 10 (Th): International Money and Finance

- Balaam and Dillman, Ch. 7, pp. 156-182.

February 15 (T): Exchange Rate Policy

**Debate 2: Should China Revalue Its Currency?**

- Oatley, Ch. 10, pp. 225-242.

February 17 (Th): International Debt

- Balaam and Dillman, pp. 183-188 & 200-209.

February 22 (T): Financial Crises

- Balaam and Dillman, Ch. 8, pp. 188-199.
- Chang, Ch. 7, pp. 145-159.

**Recommended:**

- Oatley, Ch. 13, pp. 285-298.

February 24 (Th): The Global Financial Crisis of 2008-2010


**Recommended:**

March 1 (T): Knowledge and Technology

- Balaam and Dillman, Ch. 10, pp. 235-262.
- Chang, Ch. 6, pp. 122-144.

March 3 (Th): MIDTERM EXAM

March 8 & 10: SPRING BREAK

PART III: NORTH AND SOUTH

March 15 (T): Development Strategies

- Balaam and Dillman, Ch. 11, pp. 265-294.
- Chang, Ch. 8, pp. 160-181.

Recommended:
- Chang, Ch. 5, pp. 103-121.

March 17 (Th): CLASS CANCELLED

(I will be traveling to participate in an academic conference. The date of a make-up class will be determined by student availability).

March 18 (F): RESEARCH PROPOSAL DUE AT 4:00pm

March 22 (T): Trade and Growth

**Debate 3: Does Trade Promote Growth?**

- Oatley, Ch. 11, pp. 243-265.

Recommended:
- Chalmers Johnson on the Myth of Free Trade,”
  - [http://www.truthdig.com/arts_culture/print/20080124_chalmers_johnson_on_the_myth_of_free_trade/](http://www.truthdig.com/arts_culture/print/20080124_chalmers_johnson_on_the_myth_of_free_trade/)

March 24 (Th): Multinational Corporations (MNCs)

- Balaam and Dillman, Ch. 17, pp. 436-462.
- Chang, Ch. 4, pp. 84-102.

Recommended:
March 29 (T): MNCs and Developing Countries

Debate 4: Do MNCs Help Developing Countries?

• Oatley, Ch. 6, pp. 121-147.

Recommended:
• Oatley, Ch. 7, pp. 148-175.

March 31 (Th): Oil and Energy: Dependency and Resource Curses

• Balaam and Dillman, Ch. 19, pp. 489-506.

April 5 (T): Foreign Aid

Debate 5: Does Foreign Aid Promote Development?

• Oatley, Ch. 12, pp. 266-284.

Recommended:
• Jeffrey D. Sachs, “Foreign Aid Skeptics Thrive on Pessimism,” Los Angeles Times, May 7, 2006,
• William Easterly, “The Handouts That Feed Poverty,” Los Angeles Times, April 30, 2006,

PART IV: GLOBALIZATION AND GOVERNANCE

April 7 (Th): Globalization Debates

• Pankaj Ghemawat, “Why the World Isn’t Flat,” Foreign Policy 159 (Mar/Apr 2007), pp. 54-60.

Recommended:
• Thomas L. Friedman, “It’s a Flat World, After All,” The New York Times, April 5, 2005,
  http://www.nytimes.com/2005/04/03/magazine/03DOMINANCE.html?ei=5090&en=cc2a003cd936d374&ex=1270267200
April 12 (T): Globalization, Poverty, and Inequality


Recommended:

April 14 (Th): Governing Globalization


Recommended:

April 19 (T): MNCs and Regulation

Debate 6: Do Governments Need to Regulate MNCs?

- Oatley, Ch. 15, pp. 343-359.

Recommended:
- Oatley, Ch. 7, pp. 148-175.

April 21 (Th): Regionalism

- Balaam and Dillman, Ch. 11, pp. 295-322.

April 22 (Friday): RESEARCH PAPER DUE AT 4:00pm

April 26 (T): The WTO and Its Legitimacy

- Oatley, Ch. 14, pp. 299-342.

April 28 (Th): Reshaping the Global Economy

Recommended:


May 5 (Thursday): 12:45-2:45 pm: FINAL EXAM