Purpose

In this seminar, we will systematically examine theoretical answers to questions such as: Why do countries open their markets to international trade and why in some products more than others? Why do governments sometimes use tariffs but at other times non-tariff barriers to protect domestic producers? Why have many—but not all—countries removed restrictions on capital inflows and outflows in recent years? Why do some governments pay their debts, but not others, and with what consequence? What explains the allocation of foreign direct investment and foreign aid? What are the consequences of economic globalization, especially increased financial openness? How does such openness affect economic growth, human development, political rights, gender equality?

We will also examine more general questions, such as: What is the role of domestic and/or international political institutions in explaining international conflict and cooperation? What is the relationship between public and private authority in the international political economy? And what defines IPE as a field?

The main focus of the seminar will be the analysis of the works we read as theory: What are the assumptions? Do the hypotheses logically follow from those assumptions? Are they compelling? What is the stipulated causal mechanism? What exactly is the explanandum? What alternative explanations might there be? Etc. As part of our discussions, we will also consider how well the various theoretical arguments are supported empirically by the authors' own empirical research or otherwise—and how the research design might be improved to allow more systematic assessments of competing claims.

Prior familiarity with the central concepts and basic models of international economics, such as the notion of comparative advantage and the Ricardian and specific factors models of trade, is highly recommended. PS213 also presumes basic empirical knowledge about current political-economic issues and the history of the international political economy, including the major institutions of trade and finance, such as the GATT/WTO, IMF, and the World Bank. Students who would like to brush up on these issues should consult the recommended readings listed below the required readings for the introductory meeting of the course. PS213 is geared primarily toward graduate students in Political Science, but is open to others, including qualified undergraduates, with permission of the instructor.

Requirements

Active and thoughtful participation in the discussion—including the ability to listen—are an essential part of this seminar and will count for 30% of the grade. Students will post weekly at least one question for discussion (no later than 10pm on the day preceding class). In the interest of fairness, I may also call on students who seem not to have had an opportunity to participate equally in the discussion.

Students will write three short papers, each counting for 10% of the grade, during the course of the semester. One of the short papers should be a careful theoretical critique of a single major work based on a close reading, keeping in mind Imre Lakatos dictum that "the first stage of any serious criticism of a scientific theory is to reconstruct, improve its logical deductive articulation."

Footnote:

should address a broader issue or debate, drawing on all the pertinent required readings (usually primarily from a single week). Each student may choose his or her own topic for this paper, but the papers should focus mainly on the issues and required readings for this course. Finally, one paper must answer a prelim-type question, from a list that I will provide via the course website. The papers are due at the beginning of class for which the discussed readings are assigned (prelim-type essays at the beginning of the last class of the issue-specific section to which it applies). Each student may choose the order of the three papers, but they must be written for different weeks. At least one paper must be written by week 3 and another at the latest for week 8. The papers should be 5-8 double-spaced pages in length, following standard formatting and referencing guidelines (maximum length is 2,000 words of text incl. footnotes and 10 pages max, incl. references). Each essay should be paginated, contain an un-numbered title page (which should be the only place where your name appears), repeat the title at the top of the first page of text, and report the word count (incl. notes) at the end of the essay. Please submit them electronically and bring a stapled hard copy to class.

In addition, there will be a written exercise at the end of the course (40% of the grade), consisting of two broad questions from past qualifying exams (or very similar). Possible questions will be distributed in advance; two of those questions will be chosen at random 24 hours before the essays are due. Essays should be 4-6 double-spaced pages per question. Graduate students who want to fulfill the seminar paper requirement based on this course may write a seminar paper instead of the final written exercise, with permission of the instructor. Those who intend to exercise this option should submit a paper proposal no later than Feb.17. All written work must be done individually, but you may discuss each paper's topic and your ideas in advance with your peers, as long as they are individually acknowledged in the papers.

Readings

Many of the required readings are journal articles, which should be available to you online via Duke's electronic journal holdings or bibliographic databases (online); some other readings are on electronic reserves (e-res), and a few (including some unpublished manuscripts) are accessible via the course website (cws) with access restricted to students enrolled in the class. All books from which we read multiple chapters have been placed on physical reserve at Perkins library (*reserve); you might consider acquiring them.

Intro: Alternative Approaches to IPE (Jan. 13)


Recommen
ded: What is IPE?


Recommen
ded: Economic Theory


Recommen
ded: Economic History and Empirics


I also highly recommend a subscription to the *Financial Times* (at greatly reduced rates for students from http://news.ft.com/Education/Portal/) to keep up with current international political and economic affairs.

1. Trade I & Assessment of IPE Scholarship (Jan. 20)

*Trade I: The Politics of Foreign Economic Policy*


1a. Standards of Assessment for IPE Scholarship

*reserve King, Gary, Robert O. Keohane, and Sidney Verba. *Designing Social Inquiry: Scientific Inference in Qualitative Research*. Princeton: Princeton University Press, 1994: esp. sections 1.1, 1.2.0–1.2.3, 1.3.3, 1.3.4; 2.1.2, 2.2, 2.6, 2.7; 3 (all); 4.1, 4.3, and 4.4. [pp. 3-27, 31-33; 42f, 46-49, 55-71; 75-95, 99-114; 118-121, 122f, 128-149].


Recommended


2. Trade II: International Trade Agreements and the Domestic Politics of Trade (Jan. 27)


online Rose, Andrew. "Do We Really Know That the WTO Increases Trade?" *American Economic Review* vol.94 no.1 (March 2004): 98-114.


Recommended (Trade):

3. Trade III: The Politics of Non-Tariff Barriers (~ Feb. 3)


Recommended:


4. International Finance I: Financial Liberalization (Feb. 10)


Advanced Industrialized Countries


Developing Countries


Recommended:


5. International Finance II: Exchange Rates; Lending & Debt (Feb. 17)


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6. **International Finance III: Multinational Corporations and Foreign Direct Investment** (Feb. 24)


Recommended:


Neumayer, Eric, and Laura Spess. "Do Bilateral Investment Treaties Increase Foreign Direct Investment to Developing Countries?" World Development vol.33 no.10 (October 2005): 1567-1585.


7. The Politics of Economic Development (Mar. 3)


**Recommended:**


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**NOTE:** No class on Thursday, Mar. 10, 2011 (Spring Break).

**8. Foreign Aid (~ Mar. 17)**


**Recommended:**


9. Globalization and Its Consequences (Mar.24)

Consequences of Globalization in Developed Countries


Consequences of Globalization in Developing Countries


Recommended, Developed Countries:


There are numerous research frontiers in IPE. We have devoted entire weeks to one of them, the politics of setting standards and regulations; in other weeks, we have read works at the frontier of IPE research along with some of the classics. During the last three weeks, we will explore some of the research frontiers not covered elsewhere in the syllabus.

- **online** Green, Jessica F. "Private Standards in the Climate Regime: The Greenhouse Gas Protocol." *Business and Politics* vol.12 no.3 (October 2010).
- **online** Büthe, Tim. "Global Private Politics: A Research Agenda." *Business and Politics* vol.12 no.3 (October 2010).
Recommended:


11. Research Frontiers in IPE II: Gender, Diffusion, Migration (~Apr. 7)

Gender


Recommended:


Diffusion/Convergence


Migration and Its Consequences

Kapur, Devesh, and John McHale. "Cosmopolitanism and the 'Brain Drain'". *Ethics & International Affairs* vol.20 no.3 (Fall 2006): 305-320.


Behavioral Economics and its Implications for the Study of IPE


The Nature of IPE


**Final Written Exercise:**

*early May (specific date TBA)*