

INTERNATIONAL ECONOMIC RELATIONS POLITICAL SCIENCE 641

W 1:00-3:50 PM, Park 502

Fall semester, 2011

Instructor: Jason Sorens

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1 Course Description

This course is an introduction to political economy for political science graduate students. The focus is on international political economy, but I have also included a fair bit of work in comparative political economy, which is not otherwise taught here at the graduate level. International political economy is the study of how and why international economic policies are formed, and how international factors influence domestic policy-making, while comparative political economy examines economic policy-making in a domestic context. Prior work in economics is helpful for navigating this course, but you will also learn a good bit of economic theory as we proceed. Understanding the readings will require a facility with at least basic regression analysis in statistics, and a few of the readings will require basic knowledge of game theory as well. We will deal with important contemporary topics such as foreign trade, capital flows, monetary policy and exchange rates, issues in globalization, and international organizations and institutions such as NAFTA, GATT, the IMF, and the EU.

2 Course Requirements and Grading

Your grade in this course will depend upon class participation (35%), response papers (15%), class presentations (10%), and a final paper (40%). On Week 4, we will begin student presentations. Each student will present twice during the course of the semester. On Week 2, we will work out a schedule of presentations for the rest of the term. Response papers will be due on weeks when there are no student presentations. There are a total of five response papers due, each of which should be about 300-500 words and should represent your reaction to (commentary on or questions about) *a particular point* in that week's readings. (Don't summarize the readings.) I prefer e-mailed response papers in Microsoft Word format only, and my comments will be given through the Track Changes function. If you are unwilling to use either Microsoft Word or OpenOffice.org, free software that can read and create Word documents on any platform, you may turn in hard copies.

The final paper will be a research proposal in international political economy, roughly 10-15 pages in length. A research proposal should consist of a

theoretical statement, hypotheses, and literature review, but not an actual empirical analysis. The last class will be dedicated to presentations of your research proposal drafts, with opportunities for commentary from your colleagues and myself. The final papers will be due by Monday December 19 at 4:00 PM at my office, hard copies only.

3 Readings

All readings listed on the syllabus are required. They can all be found on the class's UBLearn website ("Course Documents").

4 Schedule of Topics and Readings

1. Introduction and Basic Theories (Aug. 31).

No readings. For reference on the economic theory you may wish to look up Lindert and Kindleberger, *International Economics*, chapters 2 & 3.

2. Theoretical and Methodological Perspectives on IPE (Sep. 7) – response papers

Garrett, Geoffrey. 2000. "The Causes of Globalization," *Comparative Political Studies* pp. 941-91.

Rogowski, Ronald. 1987. "Political Cleavages and Changing Exposure to Trade," *American Political Science Review* 81 (4): 1121-37.

Simmons, Beth and Zachary Elkins. 2004. "The Globalization of Liberalization: Policy Diffusion in the International Political Economy," *American Political Science Review* 98 (1): 171-89.

Przeworski, Adam and Michael Wallerstein. 1988. "The Structural Dependence of the State on Capital," *American Political Science Review* 82: 11-30.

3. Trade Politics (Sep. 14) – response papers

Bailey, M., Judith Goldstein, and Barry Weingast. 1997. "The Institutional Roots of American Trade Policy," *World Politics* pp. 309-38. Campus or proxy access via UBLearn link.

McGillivray, Fiona. 1997. "Party Discipline as a Determinant of the Endogenous Formation of Tariffs," *American Journal of Political Science* pp. 584-607.

O'Reilly, Robert F. 2005. "Veto Points, Veto Players, and International Trade Policy," *Comparative Political Studies* 38 (6): 652-75.

Milner, Helen V. and Keiko Kubota. 2005. "Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries," *International Organization* 59: 107-43.

4. **International Investment Politics** (Sep. 21) – presentations

Li, Quan and Dale L. Smith. 2002. “The Dilemma of Financial Liberalization: State Autonomy and Societal Demands,” *Journal of Politics* 64 (3): 764-90.

Ahlquist, John S. 2006. “Economic Policy, Institutions, and Capital Flows: Portfolio and Direct Investment Flows in Developing Countries,” *International Studies Quarterly* 50 (3): 681-704.

Singer, David Andrew. 2010. “Migrant Remittances and Exchange Rate Regimes in the Developing World,” *American Political Science Review* 104 (2): 307-23.

5. **National Politics and Global Markets (OECD)** (Sep. 28) – presentations

Frieden, Jeffrey A. 1991. “Invested Interests: The Politics of National Economic Policies in a World of Global Finance,” *International Organization* pp. 425-51.

Ruggie, John G. 1982. “International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order,” *International Organization* pp. 379-415.

Garrett, Geoffrey. 1998. “Global Markets and National Politics: Collision Course or Virtuous Circle?” *International Organization* 52 (4): 787-824.

6. **National Politics and Global Markets (Developing Countries)** (Oct. 5) – presentations

Rudra, Nita and Stephan Haggard. 2005. “Globalization, Democracy, and Effective Welfare Spending in the Developing World,” *Comparative Political Studies* 38 (9): 1015-49.

Rodrik, Dani. 1998. “Why Do More Open Economies Have Bigger Governments?” *Journal of Political Economy* 106 (5).

Wibbels, Erik and Moisés Arce. 2003. “Globalization, Taxation, and Burden-Shifting in Latin America,” *International Organization* 57 (1): 111-36.

7. **Historical Perspectives on Globalization** (Oct. 12) – response papers

Milgrom, Paul R., Douglass C. North, and Barry R. Weingast. 1990. “The Role of Institutions in the Revival of Trade: The Law Merchant, Private Judges, and the Champagne Fairs,” *Economics and Politics* 2 (1): 1-23.

Krasner, Stephen D. 1976. “State Power and the Structure of International Trade,” *World Politics* 28 (3): 317-47.

McKeown, Timothy J. 1983. “Hegemonic Stability Theory and 19th Century Tariff Levels in Europe,” *International Organization* 37 (1): 73-91.

Simmons, Beth. 1996. "Rulers of the Game," *International Organization* pp. 407-43.

8. **Macroeconomic Politics I: Political Business Cycles** (Oct. 19) – presentations

Whitten, Guy D. and Harvey D. Palmer. 1999. "Cross-National Analyses of Economic Voting," *Electoral Studies* 18: 49-67.

Franzese, Robert J., Jr. 2002. "Electoral and Partisan Cycles in Economic Policies and Outcomes," *Annual Review of Political Science* 5: 369-421.

Kayser, Mark Andreas. 2005. "Who Surfs, Who Manipulates? The Determinants of Opportunistic Election Timing and Electorally Motivated Economic Intervention," *American Political Science Review* 99 (1): 17-27.

9. **Macroeconomic Politics II: Institutions** (Oct. 26) – response papers

Clark, William Roberts and Mark Hallerberg. 2000. "Mobile Capital, Domestic Institutions, and Electorally Induced Monetary and Fiscal Policy." *American Political Science Review* pp. 323-46.

Bawn, Kathleen and Frances Rosenbluth. 2006. "Short versus Long Coalitions: Electoral Accountability and the Size of the Public Sector," *American Journal of Political Science* 50 (2): 251-65.

Sorens, Jason. 2011. "The Institutions of Fiscal Federalism." *Publius: The Journal of Federalism* 41 (2): 207-31.

10. **Interest-Group Politics** (Nov. 2) – presentations

Rueda, F. David. 2005. "Insider-Outsider Politics in Industrialized Countries: The Challenge to Social Democratic Parties," *American Political Science Review* 99 (1): 61-74.

Hellman, Joel S. 1998. "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," *World Politics* 50 (2): 203-34. Campus or proxy access through link on UBLearn.

Acemoglu, Daron and James A. Robinson. 2001. "Inefficient Redistribution," *American Political Science Review* 95 (3): 649-61.

11. **Economic Growth and Development** (Nov. 9) – presentations

Acemoglu, Daron, James Robinson and Simon Johnson. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation," *American Economic Review* 91: 1369-1401.

Haber, Stephen and Victor Menaldo. 2011. "Do Natural Resources Fuel Authoritarianism? A Reappraisal of the Resource Curse," *American Political Science Review* 105 (1): 1-26.

Ross, Michael. 2006. "Is Democracy Good for the Poor?" *American Journal of Political Science* 50 (4): 860-74.

12. **Globalization, Conflict, and Human Rights** (Nov. 16) – response papers

Sorens, Jason and William P. Ruger. 2011 (forthcoming). “Does Foreign Investment Really Reduce Repression?” *International Studies Quarterly*.

Alesina, A., Enrico Spolaore, and Romain Wacziarg. 2000. “Economic Integration and Political Disintegration,” *American Economic Review* 90 (5): 1276-96.

Hafner-Burton, Emilie M. 2005. “Trading Human Rights: How Preferential Trade Agreements Influence Government Repression,” *International Organization* 59 (Summer): 593-629.

13. **Foreign Aid and Lending** (Nov. 30) – presentations

Thacker, Strom Cronan. 1999. “The High Politics of IMF Lending,” *World Politics* 52 (1): 38-75. Campus or proxy access through link on UBLearn.

Vreeland, James Raymond. 2003. “Why do governments and the IMF enter into agreements: Statistically selected case studies,” *International Political Science Review* 24 (3): 321-43.

Remmer, Karen L. 2004. “Does Foreign Aid Promote the Expansion of Government?,” *American Journal of Political Science* 48 (1): 77-92.

14. **Student Research Presentations** (Dec. 7)