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**Course Description:** This course introduces students to the core concepts of international political economy (IPE) and is intended for incoming MACIS students with little or no prior knowledge of the topic. The primary goal of this course is for every student to acquire sufficient core knowledge of political economy in order to understand later topics in the MACIS program. IPE studies how politics shape developments in the global economy and how the global economy shapes politics. We will cover a range of topics from international trade and financial crises to foreign direct investment to development. For each topic, we will review core theories using Oatley's IPE textbook (2010 or 2012) and upload an empirical study which attempts to apply these theories. We ask students to complete core-reading assignments before each session, and actively participate in class discussions.

**Core Text:** *International Political Economy*, 4<sup>th</sup> or 5<sup>th</sup> Edition

**Author:** Thomas Oatley; **ISBN-13:** 978-0-205-00628-1

### Course Objectives:

Please note that there is no grade or course credit. This course is intended to prepare students for the core seminar in the spring term on Political Economy. For this reason, we have kept reading assignments to a minimum and expect class time to be spent discussing and understanding the material.

### Tentative Course Outline:

- The weekly coverage might change depending on the progress of the class.
- As previously mentioned, for each week, the core reading will cover either chapters in the Oatley text or another article that summarises the basic theories of the topic. We list the entire chapter or article at the end of the syllabus.
- We recommend you to read the entire reading. We will cover the key concepts of the reading in class, and have an exercise sheet that uses the theories or techniques learned in the reading.
- In addition, we list an article from academic journals that applies the key theories from the text for students to see an application of core theories and concepts. We listed these readings under "Application" in the following reading list. Please note that these will not be discussed in the course unless prompted by students.

Week	Date	Content
1: Introduction	16.9	Frieden Jeffry and Lisa L. Martin. 2003. <i>International Political Economy: Global and Domestic Interactions in Political Science: State of the Discipline</i> ed. Ira Katznelson and Helen Milner (pp.118-146)
2: Cooperation	23.9	Oatley: Chapter 3: <i>The Political Economy of International Trade and Cooperation</i> <b>Application</b> Fearon, J. D. (1998). Bargaining, enforcement, and international cooperation. <i>International Organization</i> , 52(02), 269-305. <b>Guest Speaker:</b> Selina Bezzola: Economic Openness, Ethnopolitical Inequality, and Civil War
3: Trade	30.9	Oatley: Chapter 4: A Society-Centered Approach to Trade Politics Oatley: Chapter 5: A State-Centered Approach to Trade Politics <b>Application</b> Schaffer, Lena M. and Spilker, Gabriele. 2014. "Ego- vs. Sciotropic: Using Survey Experiments to Understand Individuals' Trade Preferences." <i>Working Paper</i>
4: Trade/Development	7.10	Oatley: Chapter 6: Trade and Development I: Import Substitution Industrialization Oatley: Chapter 7: Trade and Development II: Economic Reform <b>Application</b> De Soysa, Indra, and Eric Neumayer. "False prophet, or genuine savior? Assessing the effects of economic openness on sustainable development, 1980–99." <i>International Organization</i> 59.03 (2005): 731-772.
5: FDI and MNCs	14.10	Oatley: Chapter 8: Multinational Corporations and the Global Economy <b>Application</b> Jensen, Nathan M. "Domestic institutions and the taxing of multinational corporations" <i>International Studies Quarterly</i> 57 (2013): 440–448.
6: Economic Growth	21.10	Mankiw, Robert. "Economic Growth (Ch.7)" in <i>Macroeconomics</i> (Year). <b>Application</b> Barro, Robert J. "Democracy and growth" <i>Journal of Economic Growth</i> 1 (1996): 1–7.
7: Govt Spending	28.10	Mueller, Dennis C. 2003. "The size of government." In Dennis C. Mueller. <i>Public Choice III</i> . Cambridge: Cambridge University Press: 501?534. <b>Application</b> Persson, Torsten, and Guido Tabellini. "Constitutional rules and fiscal policy outcomes." <i>American Economic Review</i> (2004): 25-45.
8: Tax	11.11	Gould, Andrew C., and Peter J. Baker. "Democracy and taxation." <i>Annual Review of Political Science</i> 5.1 (2002): 87-110. <b>Application</b> Gilardi, Fabrizio, and Fabio Wasserfallen. "How Cooperation Attenuates Tax Competition." 68th Annual MPSA National Conference, Chicago. 2010.

Week	Date	Content
Extra: Public Lecture	17.11	Zurich Lecture of Economics in Society: <i>Austerity and Fiscal Stability in Europe</i> Professor Alberto Alesina (Harvard University) 18:00 @ Kaufleuten
9: Monetary/Exchange	18.11	Oatley: Chapter 12: A Society-Centered Approach to Monetary and Exchange Rate Policies Oatley: Chapter 13: A State-Centered Approach to Monetary and Exchange Rate Policies <b>Application</b> Alesina, Alberto, and Lawrence H. Summers. "Central bank independence and macroeconomic performance: some comparative evidence." <i>Journal of Money, Credit and Banking</i> (1993): 151-162.
10: Financial Markets	25.11	Oatley: Chapter 14: Developing Countries and International Finance I: The Latin American Debt Crisis Oatley: Chapter 15: Developing Countries and International Finance II: A Decade of Crises <b>Application</b> Boone, Peter, and Simon Johnson. "Will the politics of global moral hazard sink us again?." <i>The Future of Finance</i> (2010): 247-276
11: Welfare State + Wrap-Up	2.12	Esping-Andersen, G. (1989). The three political economies of the welfare state. <i>Canadian review of sociology/Revue canadienne de sociologie</i> , 26(1), 10-36. <b>Application</b> Rudra, Nita. "Welfare states in developing countries: unique or universal?." <i>Journal of Politics</i> 69.2 (2007): 378-396.