

GOV 388L 6-INTERNATL POLITICAL ECONOMY (38500)

Fall 2023 Graduate Seminar in International Political Economy

Meeting details:

Tuesday, 9:30 AM – 12:15 PM
BAT 1.104

Professor: Dr. Rachel Wellhausen

rwellhausen@utexas.edu

Website: www.rwellhausen.com

Office hours:

Drop-in, BAT 4.138: Tuesday, 1-4 PM

By appointment (on Zoom or in person): see <https://calendly.com/rwellhausen>

Grading Policy:

Class participation (20%): Students are expected to read each work on the syllabus closely and to come to class prepared to discuss and critique the readings. In general, students should be efficient readers. Students should spend time brainstorming critiques; additional researchable questions raised by the readings; research design questions; substantive questions on the topics covered; and connections between materials in and across weeks. Students should also be ready to speak about highlights and positive contributions of the papers – graduate school is about building up and not just tearing down. A student will be well-prepared for class if the student has both read and reflected on these kinds of questions. Students will regularly be asked to lead discussions and shape the agenda for the day.

Some strategies for preparing for class include:

- Understand the substantive concepts under study. Do background reading if necessary; feel free to reach out to me for resources.
- Identify the research question in each reading.
- Identify the dependent and explanatory variables of interest, as well as how the author(s) account for alternative explanations.
- Identify and comment on research methods. Think about additional pieces of evidence and methods that could further strengthen the argument.
- Identify and reflect on the strengths and weaknesses of the reading and how you could address those in your own work.
- Reflect on the short title on the syllabus for the week's readings. What other researchable questions fit in this area? What themes seem appropriate for research agendas in this area?

Students in the course are expected to have different levels of prior exposure to IPE. The course is intended to provide a low-stakes environment where questions on substantive topics are welcome. Students are also encouraged to pay attention to refining their participation skills. It is a good idea to take notes on what you learn, of course, but it is also

a good idea to take notes on the questions you hope to ask and the points you intend to make, even in real time in the class. This will likely result in awkward pauses; that's ok.

Absence from class will be noted. Should a student be absent, the expectation is that the student will write a retrospective reaction paper for that week (see below). This will not count as one of the required reaction papers. Multiple absences are highly frowned upon and will affect the student's grade and/or the written evaluation of the student's contributions to the course that I submit to the department. Presence without participation will be noted. This is effectively equivalent to an absence.

Three reaction papers (30%): Students are expected to write three reaction papers (approximately 3 double-spaced pages in length, but feel free to write more if you are so moved). Students are free to choose which three weeks' readings they would like to critique. While students need not make hard commitments ex ante, we will discuss this at the beginning of the course in hopes of having good student coverage for response papers throughout the course. Students who have written response papers for a given week will be asked to lead discussions in class.

Reaction papers are due by 8 AM on XX mornings at the latest so that I can at least have the opportunity to skim them before class. I would much prefer receiving them by (early) XX evening. It is easiest for me if you submit your documents on the Canvas site as PDFs, please.

The instructions for reaction papers are deliberately vague. This is because, as emerging, independent scholars, you are learning to follow your own path as opposed to living in a world with clear prompts to answer. This is also because I want you to be creative and bold in your responses, concepts which are by their very nature difficult to explain ex ante. Students are expected to learn from feedback on early reaction papers and improve throughout the course. Your engagement with feedback and improvement over time are what will be important in your progress as a scholar (as well as your final letter grade).

My tendency is to provide critical feedback so as to spur improvement (as we can all always improve). Feel free to check in with me should my feedback prove confusing, unhelpful, or discouraging – that is never my intention. I will note that in some cases, students may be asked to revise their reaction paper in order to receive credit. For example, a reaction paper that only summarizes a week's readings is inadequate.

Some general strategies for reaction papers include:

- Papers should demonstrate that the student understands the arguments in the full set of readings but should have very minimal (if any) summary.
- Comments on how to prepare for class above also generally apply to how to write reaction papers.
- A non-exhaustive list of ideas for directions: discuss of questions raised but unanswered by the readings; disagree with the readings; agree with the readings; weigh the contributions and or importance of the readings in terms of research priorities in IPE and political science; discuss alternative research methodologies that the readings could have employed; discuss alternative data sources that you think the

readings could have usefully employed; discuss questions otherwise suggested by the week's theme but not present in the readings; discuss the research agenda suggested (or not) by this body of readings; lay out a proposal for a new paper that builds on the readings or is tied to the topic of the week; etc.

Mock peer review (10%): Students are expected to pick one assigned article on which to write a mock peer review. (This article should come from a different week's readings than those covered in the reaction papers.) The student will pretend that the article has been sent to her/him by a journal for peer review. As is appropriate in a professional peer review, the student will briefly summarize the argument in the article (1 paragraph), comment on strengths, point out potential weaknesses, and provide suggestions for revision if appropriate. Reviews vary in length but are typically 1.5-2 single-spaced pages. The final document should include comments to the author and then a separate set of brief comments to the editor that recommend publication, revision, or rejection. Remember that all three of these outcomes are possible – the student is welcome to “accept” a paper and write a review that provides evidence to the editor and author as to why the paper should be accepted. (Authors love to receive these kinds of reviews, and editors need your help to give them fodder to accept a paper!) Students may be asked to revise their peer reviews in order to receive credit. We will discuss this assignment at greater length in class and I will provide examples.

Your mock peer review is due by 8 AM on xx morning at the latest so that I can at least have the opportunity to skim it before class. I would much prefer receiving it by (early) xx evening. It is easiest for me if you submit your documents on the Canvas site as PDFs, please.

Research paper (30%): Students will write an original research paper on a topic related to international political economy. The paper submitted for this course will be well-advanced, with all components of a standard journal article present in some form. Of course, successful papers take much longer than a semester to reach their final stage. Students are expected to meet with me, and encouraged to meet early and often, to discuss what a successful paper for the purposes of this course will look like in each of your specific cases.

This list includes some expectations as to what papers should look like at the end of the semester:

- (1) Pose a research question. The research question should seek to understand some variation in the world broadly related to international political economy. You should be able to articulate the research question in a sentence, as an actual question. (Do not underestimate the effort it takes to formulate a precise research question – we will discuss this at length in the course.)
- (2) Situate the research question and the puzzle it examines in the relevant literature. This will require the student to read literature beyond the scope of the syllabus; you are encouraged to talk to me about how to go about this in your particular case. Existing literature will likely provide possible explanations for the identified puzzle. It will also likely provide stepping stones that you can use in developing your own theory and hypothesis. (We'll be talking at length in the course about how to use literature to advance your research.)

- (3) Articulate testable hypotheses. Aim to be able to format them like in journal articles as H1, H2, etc. In order to articulate hypotheses, you will need to build a theory from which those hypotheses follow. (Again, we'll talk about this in the course.)
- (4) Articulate a full research design necessary to properly test your hypotheses and alternatives. This should include explanations as to why specific quantitative and/or qualitative methods are chosen and measurement strategies for the variables under consideration.
- (5) Carry out at least a portion of your research design; you are encouraged to talk to me about how to best meet this standard in your particular case.

Some general suggestions for the research paper:

- Even if you may already have hypotheses in mind, no one knows the “answer” to a research puzzle at the beginning of the project. That’s why we do research.
- You will only be successful with this paper if you pick a specific, answerable question. A topic area (such as the topic areas describing the different weeks of the course in this syllabus) is not a question. You will have the opportunity to ask and answer many questions in your career. You need to pick one for this project. Students are required to pick this question early in the semester and see it through. Talk to me if you’re stuck.
- The relationship to IPE in this course is interpreted broadly. Often IPE factors play a large role in conflict and other IR research questions as well as more CPE-type research questions. IPE is also closely related to questions of international and public law, aspects of American politics (a country for which there is often good data), etc. There are many topics and questions out there that we are not able to cover in this syllabus; feel free to explore them.
- If quantitative work will be important to carrying out your research design, take a look at the comprehensive database at the IPE data resource to get started. Even if you expect a qualitative research design to be more appropriate to answer your question, this resource will likely provide data that can feed into case selection or help substantiate process tracing.

Graham, Benjamin A.T. and Jacob R. Tucker. 2017. "The International Political Economy Data Resource." *Review of International Organizations*.

Available at the Harvard Dataverse: <https://doi.org/10.7910/DVN/X093TV>

A comment on (the absence of) interim due-dates throughout the semester for this paper: The syllabus deliberately does not spell out a full path for students to complete their papers throughout the semester. This is for professionalization reasons. Like faculty, students must learn how to balance their short-term tasks (TA work, etc.) with long-term ones, like completing this paper. I will be very responsive to proposals, partial drafts, discussions, etc. throughout the semester, but the onus is on students to set and follow their own path. While I will do my best to give comments in a matter of days, thorough responses might take longer. I might ask that I respond to your email in a meeting instead, if I think talking will serve us better and help you more. Students are welcome and encouraged to lay out their own proposed interim due dates to me; this will allow me to (literally) put these dates on my calendar and improve turnaround times for feedback. Papers written at the last minute are

typically not of high quality. I cannot be very helpful with “last minute” questions or requests for extensive draft reviews in the last days of the semester.

** Students are not allowed to “double-dip” papers for this course. If a student is interested in building on a separate project for or from another course, the student must discuss this in detail with me to receive approval. If a student is found to be double-dipping without discussion and approval, the student’s grade and course evaluation will reflect this.

Conference-style Research Presentation (10%):

At the semester’s end, students will give a 12-minute conference-style presentation on their research papers. This will include slides and a presentation. Students will be organized into panels, and other students will participate in a Q&A session following each panel. (Participation in the Q&A contributes to a student’s grade as well.) We will discuss in depth what these presentations should look like.

Grade scale:

94 and above	A
90-93	A-
87-89	B+
84-86	B
80-83	B-
77-79	C+
74-76	C
70-73	C-
67-69	D+
64-66	D
60-63	D-
59 and below	F

Plagiarism and Academic Misconduct:

All violations of university academic conduct guidelines, including plagiarism, will be referred to the Dean of Students and will result in a zero on the assignment or exam in question. Plagiarism is the use of others’ ideas or work without credit and/or presenting derivative work as one’s own. This includes, but is not limited to, cutting and pasting from someone else’s work or an internet source, failing to identify exact quotes, failing to cite a source for information that is only available from that source, failing to cite a source for an idea or argument you borrowed from that source, and turning in work that is not your own. When in doubt, cite. Please use in-text citations of the form (author year, page number). Include page numbers wherever possible, as journals increasingly require this.

University Honor Code:

The core values of the University of Texas at Austin are learning, discovery, freedom, leadership, individual opportunity and responsibility. Each member of the University is expected to uphold these values through integrity, honesty, trust, fairness and respect towards peers and community. Behavior Concerns Advice Line (BCAL): 512-232-5050.

Disability Accommodations:

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities (512-471-6259, <http://ddce.utexas.edu/disability/>).

Notice regarding Accommodations for Religious Holidays:

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

Emergency Evacuation Policy:

Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside. Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building. Students requiring assistance in evacuation shall inform their instructor in writing during the first week of class. In the event of an evacuation, follow the instruction of faculty or class instructors. Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office. Link to information regarding emergency evacuation routes and emergency procedures can be found at: www.utexas.edu/emergency.

READINGS**Required texts:**

Frieden, Jeffrey. 2020 edition. *Global Capitalism: Its Fall and Rise in the Twentieth Century*. New York: WW Norton.

Queralt, Didac. 2022. *Pawned States: State Building in the Era of International Finance*. Princeton: Princeton University Press.

Peters, Margaret E. 2017. *Trading Barriers: Immigration and the Remaking of Globalization*. Princeton University Press.

Readings for the "approaches to IPE" week will be available on Canvas.

All other readings can be accessed via UT Library.

SCHEDULE

Introduction

22 Aug: Overview

Book:

Frieden, Jeffrey. 2020. *Global Capital: Its Rise and Fall in the Twentieth Century*. New York: W.W. Norton, 2nd edition. [required]

** This book will be a continually useful reference to understand the historical context of the issues at stake in IPE. It is also a very good source for inspiration for your own research questions, for course assignments and otherwise. Therefore, I am requiring it. I expect you to have engaged with it in detail prior to our first class. The majority of this class session will focus on answering substantive questions about the topics covered in IPE. You might prepare questions as you read the Frieden book and as you look through the syllabus for concepts that are unfamiliar to you. Please ask any questions (now and in the future) – the bar is very low.

29 Aug: Approaches to IPE

Please read selections from the following works (on Canvas):¹

Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*. 1776.
 Karl Marx and Friedrich Engels, *The Communist Manifesto*. 1848.
 Friedrich List, *The National System of Political Economy*. 1841.
 Karl Polanyi, *The Great Transformation*. 1944.
 Douglass C. North, *Structure and Change in Economic History*. 1981.
 Susan Strange, *The Retreat of the State*. 1996.

Lake, David A. 2009. "Open Economy Politics: A Critical Review." *The Review of International Organizations*. 4(3): 219-244.

Finance

5 Sept: Politics of International Money and Finance

Research articles:

Frieden, Jeffrey. 1991. "Invested Interests: The politics of national economic policies in a world of global finance." *International Organization* 45(4): 425-451.

¹ Reprinted from: Barma, Naazneen H. and Steven K. Vogel. 2008. *The Political Economy Reader: Markets as Institutions*. New York: Routledge.

Mosley, Layna. 2000. "Room to Move: International financial markets and national welfare states." *International Organization* 54(4): 737-773.

Bernhard, William, J. Lawrence Broz, and William Roberts Clark. 2002. "The Political Economy of Monetary Institutions." *International Organization* 56:4 (693-723).

Simmons, Beth A., and Zachary Elkins. 2004. "The Globalization of Liberalization: Policy diffusion in the international political economy." *American Political Science Review* 98(1): 171-189.

Commentary:

Cohen, Benjamin. 2017. "The IPE of money revisited." *Review of International Political Economy* 24(4): 657-680.

12 Sept: Exchange Rates and Debt

Research articles:

David Singer. 2010. "Migrant Remittances and Exchange Rate Regimes in the Developing World." *American Political Science Review* 104 (2): 307-323.

Brooks, Sarah, Raphael Cunha and Layna Mosley. 2015. "Categories, Creditworthiness, and Contagion: How investors' shortcuts affect sovereign debt markets." *International Studies Quarterly* 59(3): 587-601.

Ballard-Rosa, Cameron. 2016. "Hungry for Change: Urban Bias and Autocratic Sovereign Default." *International Organization* 70(2): 313-346.

Ahlquist, John S., Mark Copelovitch, and Stefanie Walter. 2020. "The Political Economy of External Shocks: Evidence from Poland." *American Journal of Political Science* 64(4): 904-920.

Commentary:

Copelovitch, Mark, and James Anderson, 'Money', in Jon C. W. Pevehouse, and Leonard Seabrooke (eds), *The Oxford Handbook of International Political Economy* (online edn, Oxford Academic, 12 May 2021)

19 Sept: Domestic Effects of External Finance

Book:

Queralt, Didac. 2022. *Pawned States: State Building in the Era of International Finance*. Princeton: Princeton University Press.

Commentary:

Morrison, James Ashley, 'Historical International Political Economy', in Jon C. W.

Pevehouse, and Leonard Seabrooke (eds), *The Oxford Handbook of International Political Economy* (online edn, Oxford Academic, 12 May 2021)

Trade:

26 Sept: Trade Preferences

Research articles:

Ronald Rogowski. 1987. "Political Cleavages and Changing Exposure to Trade." *American Political Science Review*, 81(4): 1121-1137.

Mansfield, Edward and Diana Mutz. 2009. "Support for Free Trade: Self-Interest, Sociotropic Politics, and Out-group Anxiety." *International Organization* 63(2): 425-57.

Kim, In Song. 2017. "Political cleavages within industry: Firm-level lobbying for trade liberalization." *American Political Science Review* 111(1): 1-20.

Lee, Haillie and Yu-Ming Liou. 2022. "Where You Work Is Where You Stand: A firm-based framework for understanding trade opinion." *International Organization*, 76(3), 713-740.

Commentary:

Alt, J. E., J. Frieden, M. J. Gilligan, D. Rodrik, and R. Rogowski. 1996. "The Political Economy of International Trade: Enduring Puzzles and an Agenda for Inquiry." *Comparative Political Studies*, 29(6): 689-717.

3 Oct: Trade Policy and Outcomes

Research articles:

Kono, Daniel Y. 2006. "Optimal Obfuscation: Democracy and Trade Policy Transparency." *American Political Science Review* 10(3): 369-384.

Morrison, James. 2012. "Before Hegemony: Adam Smith, American Independence, and the Origins of the First Era of Globalization." *International Organization* 66(3): 395-428.

Dean, Adam. 2015. "The Gilded Wage: Profit-Sharing Institutions and the Political Economy of Trade." *International Studies Quarterly* 52(2): 316-329.

Betz, Timm, David Fortunato, and Diana Z. O'Brien. 2023. "Do Women Make More Protectionist Trade Policy?" *American Political Science Review*: 1-9.

Commentary:

Kim, In Song, and Iain Osgood. 2019. "Firms in trade and trade politics." *Annual Review of Political Science* 22: 399-417.

10 Oct: Trade Cooperation (or Not)**Research articles:**

Mansfield, Edward D., Helen V. Milner, and B. Peter Rosendorff. 2002. "Why Democracies Cooperate More: Electoral control and international trade agreements." *International Organization* 56(3): 477-513.

Osgood, Iain. 2018. "Globalizing the Supply Chain: Firm and Industrial Support for US Trade Agreements." *International Organization* 72(2): 455-484.

Kim, Sung Eun, and Yotam Margalit. 2021. "Tariffs As Electoral Weapons: The Political Geography of the US-China Trade War." *International Organization*, 75(1), 1-38.

Kim, In Song, Steven Liao and Kosuke Imai. 2020. "Measuring Trade Profile with Granular Product Level Data." *American Journal of Political Science* 64(1):102-117.

Commentary:

Baccini, Leonardo. "The economics and politics of preferential trade agreements." *Annual Review of Political Science* 22 (2019): 75-92.

FDI:**17 Oct: FDI Overview****Research articles:**

Frieden, Jeffrey. 1994. "International Investment and Colonial Control: A new interpretation." *International Organization* 48(4): 559-593.

Jensen, Nathan M. 2003. "Democratic Governance and Multinational Corporations: Political regimes and inflows of foreign direct investment." *International Organization* 57.3: 587-616.

Li, Quan, and Adam Resnick. 2003. "Reversal of Fortunes: Democratic institutions and foreign direct investment inflows to developing countries." *International Organization* 57.1: 175-211.

Beazer, Quintin H., and Daniel J. Blake. 2018. "The Conditional Nature of Political Risk: How home institutions influence the location of foreign direct investment." *American Journal of Political Science* 62.2 (2018): 470-485.

Commentary:

Pandya, Sonal S. "Political Economy of Foreign Direct Investment: Globalized production in the twenty-first century." *Annual Review of Political Science* 19 (2016): 455-475.

Wellhausen, Rachel L., 'Foreign Direct Investment (FDI)', in Jon C. W. Pevehouse, and Leonard Seabrooke (eds), *The Oxford Handbook of International Political Economy* (online edn, Oxford Academic, 12 May 2021).

24 Oct: MNCs as Political Actors

Pinto, Pablo M and Boliang Zhu. 2016. "Fortune or Evil? The Effect of Inward Foreign Direct Investment on Corruption." *International Studies Quarterly* 60(4): 693-705.

Arel-Bundock, Vincent. 2017. "The Unintended Consequences of Bilateralism: Treaty Shopping and International Tax Policy." *International Organization* 71(2): 349-371.

Stone, Randall, Yu Wang, and Shu Yu. 2022. "Chinese Power and the State-Owned Enterprise." *International Organization*, 76(1): 229-250.

Moehlecke, Carolina. 2020. "The Chilling Effect of International Investment Disputes: Limited Challenges to State Sovereignty." *International Studies Quarterly* 64.1: 1-12.

Commentary:

Moehlecke, Carolina, and Rachel L. Wellhausen. "Political Risk and International Investment Law." *Annual Review of Political Science* 25 (2022): 485-507.

Special Topics:

31 Oct: Migration and Labor

Book:

Peters, Margaret E. 2017. *Trading Barriers: Immigration and the Remaking of Globalization*. Princeton University Press.

Commentary:

Layna Mosley and David Singer. 2015. "Migration, Labor, and the International Political Economy." *Annual Review of Political Science* 18: 283-301.

7 Nov: Environment**Research articles:**

Perlman, Rebecca L. 2020. "The Domestic Impact of International Standards." *International Studies Quarterly* 64(3):600–608.

Kennard, Amanda. 2020. "The Enemy of my Enemy: When Firms Support Climate Change Regulation." *International Organization* 74(2): 187-221.

Cory, Jared, Michael Lerner, and Iain Osgood. 2021. "Supply Chain Linkages and the Extended Carbon Coalition." *American Journal of Political Science* 65.1: 69-87.

Thrall, Calvin. 2021. "Public-Private Governance Initiatives and Corporate Responses to Stakeholder Complaints." *International Organization*, 75(3): 803-836.

Commentary:

Nathan, Noah L., and Melissa L. Sands. 2023. "Context and contact: Unifying the study of environmental effects on politics." *Annual Review of Political Science* 26.

Your Turn:**14 Nov: Choose your own adventure****Research articles:**

*** The class will come to consensus on 4-5 articles from the recommended reading list.*

Commentary:

Rickard, Stephanie J., 'Open Economy Politics Revisited', in Jon C. W. Pevehouse, and Leonard Seabrooke (eds), *The Oxford Handbook of International Political Economy* (online edn, Oxford Academic, 12 May 2021)

[21 Nov: Fall break]**28 Nov: Presentations**

**** Friday, Dec 8: Last day to turn in final paper**