I. Course Overview
This seminar explores the interaction between politics and economics in the international system, with an emphasis on the theoretical development of the sub-field of international political economy. We will investigate the effects of international institutions on economic relations, the causes of cooperation and conflict in international trade and finance, and the mutual impact of domestic and international politics. We also will attempt to identify the “state of the art” in international political economy, meaning that we sometimes will focus more on recent research than on “classics.” This course is intended to lay the groundwork for future research in the fields of international political economy, international relations, and comparative political economy, as well as to help prepare students for the IPE component of the comprehensive exams in international relations.

II. Course Requirements
The principal requirement for students is to read thoroughly the assigned works and to come to seminar prepared for discussion. In addition to preparing for seminar and participating actively in discussions, the requirements for this course are:

A. Response Papers: Each student will complete five short (2 to 3 single-spaced pages) response papers. Each paper should be distributed to all seminar members, by posting it on the class Blackboard site. Other seminar participants are expected to read the response papers prior to class; papers are due by 4:00pm on Mondays.

These are analytical response papers, analyzing and discussing the required readings for a particular week. While papers may begin with a (very) short summary of the readings, the main task of the paper is critical analysis. Rather than summarize the readings, your paper should focus on what you see as the strengths and weaknesses of the readings; the possible intersections among the readings; and – perhaps most importantly – what theoretical issues and empirical questions for future research are raised by the readings. In weeks where there is more than one person writing a response paper, paper authors are welcome to coordinate among themselves, in terms of focusing their papers on some subset of the assigned readings.
The response papers will serve as a starting point for our seminar discussion. You may write papers for any of the substantive weeks during the course; to evenly distribute papers across weeks, we will divide up papers and weeks during the first class session.

B. Discussion Leaders: While all students are expected to come to class prepared to discuss each week’s readings, we will also have one official “discussion leader” for each week. Each student will be a discussion leader once during the semester. The chief responsibility of the discussion leader is to comment on the response papers for a given week. The discussion leader should not present the response papers, as everyone in the class will have received them. Rather, the discussion leader could discuss whether he or she agrees with the writer’s criticisms, or propose answers to the writer’s questions, or describe how the papers help point to new research questions. Discussion leaders’ comments are intended to serve as a springboard to a broader seminar discussion, so these comments can be quite brief (5 to 10 minutes). Again, discussion leader duties will be assigned during the first week of the seminar.

C. Research Design: Each student will formulate a research question addressing a question in the field of international political economy. The research design (approximately 20 pages, double spaced) should deploy theoretical literature and an empirical puzzle to set up the research question, develop hypotheses, and present a methodology for testing the hypotheses. The research design does not require execution of the research project (e.g. it does not require doing statistical analyses or writing case studies); rather, it focuses on the theoretical development of a project, which might later be turned into a conference paper or article, or might be the basis for a grant or dissertation proposal. To do the research design, you’ll need to come up with a research question or puzzle (this is sometimes the most difficult part; keep this task in mind as you read for each week, and ask me if you want to read further on a particular topic); figure out what’s been done on the topic or in similar areas, or the ways in which arguments about one set of phenomena could be brought to bear on your question (a literature review); develop a set of hypotheses regarding your research question; and think about how you would test these hypotheses (qualitatively, quantitatively, or formally? With which cases or with what sorts of data?). For general discussions of research design in political science, you may want to consult Keohane, King and Verba’s Designing Qualitative Inquiry (Princeton, 1994). Research designs will be presented to the seminar at our last class meeting (hopefully, over dinner and drinks, rather than in our seminar room!), on Tuesday, April 28. A draft of your research design should be circulated to the class no later than Friday, April 24. The final, revised version of your research design is due no later than Friday, May 1.

The Final Grade for the course is based upon participation in class discussions, including discussion leader duties (30%), Response Papers (35%), and the Research Design (35%).

III. Class Schedule
Each of the substantive weeks includes required and supplementary readings. Students are expected to read all required materials carefully, and to come to class prepared to discuss these. The supplementary readings include additional theoretical and empirical perspectives, as well as examples of additional recent work; if a particular topic interests you, or if you want more background when preparing for comprehensive exams, read these materials.

Several of the books listed as required readings are available for purchase at the UNC Bookstore; these are marked with an asterisk on the syllabus. You will be assigned all of some books and parts of others.
You may decide that you only want to purchase some of these, but you also may want to have these books in your collection. All books marked with an asterisk also should be available at Davis Library. Most of the readings for this course are articles, rather than books. These required readings are available electronically, through Blackboard (under “Course Documents”); these are marked [BL] on the syllabus. Blackboard readings are organized by week. If you cannot find a particular article or book, please let me know.

The graduate course focuses on theoretical issues in IPE. If you would like more substantive background in IPE, as well as on the development of IPE theory, you may want to consult Thomas Oatley’s *International Political Economy: Interests and Institutions in the Global Economy* (Pearson Longman, 2008), or Andrew Sobel’s *Political Economy and Global Affairs* (CQ Press, 2005/2006). If you would like more background in economic concepts (e.g. comparative advantage, open-economy macroeconomics), you may want to look at Paul Krugman and Maurice Obstfeld, *International Economics: Theory and Policy* (Pearson Longman, 2008, 8th edition), or at Alan Deardorff’s Glossary of International Economics (http://www-personal.umich.edu/~alandear/glossary/). I also can provide you with a copy of an undergraduate IPE syllabus which points you toward readings for specific topics.

**Week 1:** January 13
Course Introduction, Overview of IPE

**Required Reading**

*Karl Polanyi, 1944. *The Great Transformation: The Political and Economic Origins of Our Time*, Part I (Chapters 1 and 2) and Part II (Chapters 3 through 18).

**Supplementary Reading**


**Week 2:** January 22 [rescheduled from January 20; meets in Hamilton 355]
Structural Theories, State Power and International Economic Relations

**Required Reading**
*Cohen, 2007, Chapter 3.

*Daniel Drezner, 2007. *All Politics is Global: Explaining International Regulatory Regimes. Chapters 1, 2, 3 and 5.


**Supplementary reading**


**Week 3: January 27**

**Structural Theories: The Case for Cooperation**

**Required Reading**

*Cohen, Chapter 4.


Supplementary reading
Judith Goldstein, Miles Kahler, Robert O. Keohane and Anne-Marie Slaughter, 2000. “Introduction: Legalization and World Politics,” International Organization 54, no. 3 (Summer), pp. 385-400. This special issue contains case studies of legalization, so could be useful for different substantive areas in IPE/IR.


Week 4: February 3
The Political Economy of International Trade: International Influences

Required Reading


Supplementary Reading


Week 5: February 10
The Political Economy of International Trade, Domestic Politics (I)

Required Reading


**Supplementary Reading**


**Week 6: February 17**

The Political Economy of International Trade, Domestic Politics (II)

**Required Reading**


**Supplementary Reading**


**Week 7: February 24**

**Exchange Rates and Monetary Institutions**

**Required Reading**


**Supplementary Reading**


Week 8: March 3
Banking and Financial Liberalization

**Required Reading**


**Supplementary Reading**


**March 10 – UNC Spring Break, no class meeting**

**Week 9:** March 17

**Portfolio (Short-Term) Capital Markets**

**Required Reading**


**Supplementary reading**


**Week 10: March 24**

**Macroeconomic Policy and Economic Openness**

**Required Reading**

*Cohen, Chapter 5.*

*Eichengreen, Chapters 5 and 6.


**Supplementary reading**


**Week 11: March 31**

**Foreign Direct Investment and Multinational Production**

**Required Reading**


**Supplementary Reading**


**Week 12: April 7**

**Economic Development, Economic Growth, and the Global Economy**

**Required Reading**

*Cohen, Chapter 6.*


**Supplementary Reading**


**Week 13: April 14**

**International Financial Institutions, Developing Nations, and Economic Reform**

**Required Reading**


**Supplementary reading**


**Week 14: April 21**

**International Influences Reconsidered – Norms, Ideas and Diffusion**

**Required Reading**

*Beth Simmons, Frank Dobbin and Geoffrey Garrett, eds. 2008. The Global Diffusion of Markets and Democracy* (Cambridge: Cambridge University Press), Chapters 1, 2 (Swank), 5 (Quinn and Toyoda) and 6 (Elkins et al).


**Supplementary reading**


**Week 15:** April 28

*Presentations of Research Designs*