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Université d'Ottawa
Faculté des sciences sociales
École d'études politiques

University of Ottawa
Faculty of Social Sciences
School of Political Studies

POL 7110

International Political Economy

Fall 2008

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Office hours: Wednesdays, 9:30-10:30 am or by appointment

Classes: Wednesdays, 11:30 am – 2:30 pm, DMS 9143

Introduction

While wars, guns and bombs often dominate our imagination when we think of international relations (IR), the global political economy is an equally important aspect of world politics. It often takes a crisis like the recent sub-prime mortgage crisis to remind us of the centrality—and potential instability—of the global economy. While financial and economic crises have punctuated the history of international political economy (IPE), a study of political economy also helps us to understand the day to day functioning of international politics, and to reflect on many of the most important problems in IR, from the persistence of global poverty to the conflict among powerful states.

Most popular and many academic representations of current international economic issues tend to treat them as purely economic problems and to ignore their political dimensions. One of the central objectives of this course will be to challenge such assumptions by insisting on the political aspects of the international economy, as well as on the effects of economic processes on international politics. More than that, however, the course will question the separability of the political and the economic, suggesting that the very effort to define them as distinct domains is itself a political act.

International political economy (IPE) is thus not only an area of study that focuses on concrete political and economic questions, but also a theoretical approach—or, more accurately, a series of contending approaches—that insists on the inseparability of the political and the economic. This course is designed as a graduate level reflection on some of the central problems and perspectives in IPE. While no extensive background in political economy or economics is required, students who have not taken undergraduate courses in political economy are strongly encouraged to do some general background reading before beginning the course (some suggested texts are listed below).

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After a brief introduction to the field of IPE, we will spend a couple of weeks tracing the historical evolution of the global political economy. We will then examine the major theoretical approaches within the field—liberalism, realism, Marxism, Keynesianism and cultural political economy approaches. In each case, we will read both classic and contemporary texts. We will then spend our final weeks focusing on some major contemporary issues in international political economy, such as the “new paradigm” in global development, the transformation of the state and the current subprime mortgage crisis, and will finish by considering the future of the global political economy.

Course requirements

Critical analyses (6 x 5%=30%)

Prepare six (6) critical analyses (3-4 pages each, double-spaced) examining two or more of the readings assigned for a class. The objective is to analyze (and **not simply summarize**) the texts, examining one or more key themes and discussing their strengths and weaknesses. These analyses must be handed in during the class in which the readings will be discussed. I will circulate a sheet to enable you to sign up for the classes for which you will prepare an analysis. You can reschedule a maximum of one analysis if you miss the deadline, after which you will receive a zero for any analysis not completed on time.

Research paper (30% for the paper + 10% for the research proposal = 40%)

Prepare a research paper (18-20 pp. double-sided), due three (3) weeks after the presentation of your proposal. The paper should examine a topic related to the themes of the course and must be approved by the professor by October 29.

A research proposal (4-5 pp.), including a statement of the preliminary research question and thesis, a half-page abstract of the research topic, an outline of the proposed paper structure, and a preliminary annotated bibliography (with a sentence or two on the pertinence of each text) should be circulated electronically to your colleagues (and submitted to me on paper) one week before the date of your presentation.

Presentation of research proposal (5%)

From November 12 – 26, the final part of each class will be set aside for a presentation and discussion of students’ research proposals. Once I receive all of the topics, I will assign you a date for your presentation based on the research themes. You will have a few minutes to outline the major elements of your research. There will be a commentator for each proposal and a discussion period following the presentations.

Comments (5%)

You will also be responsible for commenting on the research proposal of one of your colleagues.

Participation (20%)

Your participation is key to making this seminar work. Your responsibilities as a member of the seminar are to:

- Complete the required readings every week before each seminar in order to be able to participate actively in the discussion.

- Participate actively during class discussions. You will be assessed on the basis of the quality rather than the quantity of your contributions.

I will regularly make use of “roundtables” in order to provide each student with a chance to raise a question or issue relating to the readings.

I will grade your participation for each seminar out of 10: 0 for non-attendance (you can miss one class without penalty); 6 for attendance; 7 for minimum participation; 7.5-10 for quality participation, based on its quality. A quality contribution is one that demonstrates knowledge of the course readings, engages critically with course themes and is respectful of the perspectives of others in the class.

Please note

Late penalties

Late assignments will lose 5% per day (a weekend counts as two days). Assignments more than 7 days late will automatically receive an F. **Critical analyses are due at the beginning of the class and no analyses will be accepted after the class in which the readings are discussed.** You can reschedule a maximum of one analysis if you miss the deadline, after which you will receive a zero for any analysis not completed on time.

Academic fraud

Plagiarism and other forms of academic fraud are taken very seriously at the University of Ottawa. You are responsible for providing clear and accurate references for all of your written work. Direct quotes must be clearly indicated as such and include the full reference. Paraphrased passages must be written in your own words and clearly cited. You will find a statement about academic fraud and its consequences at the end of this syllabus. Please take the time to read it in order to understand your responsibility to ensure the academic integrity of your work.

Incomplete assignments

All of the assignments are required. As per Faculty of Social Sciences policy, if you do not complete all of them, you will receive an “Incomplete” for the course, which translates into a failing grade.

Required texts

The course reader, *POL7110, International Political Economy*, is available at RYTEC Printing, 404 Dalhousie. All readings indicated with VC are available electronically through the Virtual Campus (<https://maestro.uottawa.ca/index.asp?LANG=EN>).

Other texts

If you do not have a basic grounding in international political economy, the following books may be of use to you. They have all been placed on reserve at the library.

Robert O'Brien and Marc Williams, *Global political economy: evolution and dynamics*

Stephen Gill and David Law, *The Global Political Economy*.

Craig Murphy and Roger Tooze (dir.), *The New International Political Economy*.

Mucchielli, Jean-Louis, *Relations économiques internationales*
Hugin, Philippe, *Économie politique internationale et mondialisation*
Richard Stubbs and Geoffrey Underhill, eds., *Political Economy and the
Changing Global Order*.
Joan Spero, *The Politics of International Economic Relations*.
Ralph Pettman, *Understanding International Political Economy*.
Susan Strange (dir.), *Paths to International Political Economy*.
Jeffrey Frieden and David Lake (dir.), *International Political Economy:
perspectives on global power and wealth*

Useful journals

These journals are an excellent source of further scholarship on international political economy. They can be accessed for the most part electronically through the library's catalogue.

Review of International Political Economy
New Political Economy
Third World Quarterly
Cultural Economy
Economy and Society
Alternatives Économiques
International Organization
Review of International Studies
New Left Review
Études internationales
World Politics
Cambridge Journal of Economics
Brown Journal of World Affairs
Millennium
Revue Tiers-Monde
Foreign Affairs
European Journal of International Relations
World Development
Capital and Class
Alternatives
Global Society
Problèmes économiques
International Affairs
International Studies Quarterly
World Politics

Course outline

1. Introduction

September 10: What is IPE?

VC Cohen, Benjamin J. "The transatlantic divide: Why are American and British IPE so different?" *Review of International Political Economy*, 14.2 (2007).

VC Higgott, R and Watson, M. "All at sea in a barbed wire canoe: Professor Cohen's transatlantic voyage in IPE" *Review of International Political Economy*, 15.1 (2008).

VC Cohen, Benjamin J. "The transatlantic divide: A rejoinder" *Review of International Political Economy*, 15. 1 (2008).

2. A brief history

September 17: The invention of the market economy

Polanyi, Karl. *The Great Transformation: The Political and Economic Origins of Our Time*. Boston: Beacon Press, [1944] 1957. Chs 1, 2, 4, 6, 11 & 12.

Blyth, Mark. *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century*. Cambridge: Cambridge University Press, 2002. Ch. 1.

September 24: The Bretton-Woods system and its crisis

Block, Fred L. *The Origins of International Economic Disorder: A Study of United States International Monetary Policy from World War II to the Present*. Berkeley, University of California Press, 1977, pp. 1-69.

VC Ruggie, John Gerard. "International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order." *International Organization* 36.2 (1982): 379-415.

VC Helleiner, Eric. "Explaining the Globalization of Financial Markets: Bringing States Back in." *Review of International Political Economy* 2.2 (1995): 315-41.

3. Contending approaches

October 1: Classical liberalism and neoliberalism

Smith, Adam. *An Inquiry into the Nature and Causes of the Wealth of Nations*. Indianapolis: Hackett, [1776] 1993. Selections.

Hayek, F. A. *The Road to Serfdom*. Chicago: University of Chicago Press, [1944] 1994. Introduction & Chapter 1.

Keohane, Robert O. *After Hegemony: Cooperation and Discord in the World Political Economy*. Princeton: Princeton University Press, 1984. Chs. 5 & 6.

October 8: Realist approaches (guest instructor: Claire Turenne Sjolander)
Gilpin, Robert. "The Nature of Political Economy." *International Politics: Enduring Concepts and Contemporary Issues*. Eds. R. J. Art and R. Jervis. New York: Harper Collins, 1996.
VC Krasner, Stephen. "State Power and the Structure of International Trade." *World Politics* 28.3 (1976): 317-43.
VC Strange, Susan. "The Persistent Myth of 'Lost' Hegemony." *International Organization* 41.4 (1987): 551-74.
VC Kirshner, Jonathan. "Globalization, American Power and International Security" *Political Science Quarterly*, 123.3 (2008), 1-27.

October 15: Marx and Critical Political Economists

Marx, Karl, and Friedrich Engels. *The Marx-Engels Reader*. New York: W.W. Norton & Co. 1978. Selections from "The German Ideology" [1845] and "The Communist Manifesto" [1882].
Cox, Robert. "Social Forces, States and World Orders: Beyond International Relations Theory." *Neorealism and its Critics*. Sous la dir. de Robert Keohane. New York, Columbia University Press, 1986. 204-239, 249-254
VC Gill, Stephen. "Globalisation, market civilisation, and disciplinary neoliberalism." *Millennium* 24.3 (1995): 399-423.
VC Steans, Jill. "The Private is Global: Feminist Politics and Global Political Economy." *New Political Economy*, 4.1 (1999), 113-128.

October 22: Keynes and Constructivism

Keynes, John Maynard. *The General Theory of Employment Interest and Money*. New York: Harcourt Brace, [1935] 1964. Selections.
VC Crotty, James R. "On Keynes and Capital Flight." *Journal of Economic Literature* 21(March 1983): 59-65.
VC Widmaier, Wesley. "The Keynesian Bases of a Constructivist Theory of International Political Economy." *Millennium* 32.1 (2003): 87-107.

October 29: Cultural political economy perspectives

de Goede, Marieke. "A Genealogy of Finance." *Virtue, Fortune, and Faith: A Genealogy of Finance*. Minneapolis, Minnesota University Press, 2005: 1-20.
MacKenzie, Donald. *An Engine not a Camera: How Financial Markets Shape Markets*. Cambridge, Mass.: MIT Press, 2006: 1-28. [Copies to be handed out]
VC Best, Jacqueline, and Matthew Paterson, "Introduction: Understanding Cultural Political Economy," *Cultural Political Economy*, J. Best and M. Paterson, Eds. London, Routledge, forthcoming 2009. [Draft chapter]
Escobar, Arturo. *Encountering Development: The Making and Unmaking of the Third World*. Princeton, Princeton University Press, 1995, pp. 3-20.

4. Contemporary issues

November 5: Finance today

“La finance,” *Alternatives Économiques*. Hors Série 75 (2008): 12-25.

VC Krugman, Paul. "The Return of Depression Economics." *Foreign Affairs* 78.1 (1999): 56-74.

VC Wade, Robert. "A New Financial Architecture?" *New Left Review* 46. July-August 2997: 113-129.

VC Harmes, Adam. "Mass Investment Culture?" *New Left Review*. 9.May/June (2001).

VC MacKenzie, Donald. "The Material Production of Virtuality: Innovation, Cultural Geography, and Facticity in Derivatives Markets," December 2006.

November 12: The internationalization of production

Harvey, David. *The Condition of Postmodernity: An Enquiry into the Origins of Cultural Change*. Cambridge, MA, Blackwell, 1990, pp.121-175.

VC Lipietz, Alain. "The Post-Fordist World: Labour Relations, International Hierarchy and Global Ecology." *Review of International Political Economy* 4.1 (1997): 1-41.

November 19: A post-Washington consensus?

VC Williamson, John. "What Washington Means by Policy Reform." *Latin American Adjustment: How Much Has Happened?* John Williamson, ed. Washington: Institute for International Economics, 1990.

VC Stiglitz, Joseph. *Towards a New Paradigm for Development: Strategies, Policies, and Processes*. Prebisch Lecture, Geneva, UNCTAD, 1998.

VC Walters, William. "Social Capital and Political Sociology: Re-Imagining Politics?" *Sociology* 36.2 (2002): 377-97.

VC Weber, Heloise. "A Political Analysis of the PRSP Initiative: Social Struggles and the Organization of Persistent Relations of Inequality." *Globalizations* 3.2 (2006): 187-206.

November 26: Transforming states and citizens

Weiss, Linda. *The Myth of the Powerless State: Governing the Economy in a Global Era*. Ithaca, Cornell University Press, 1998: 188-212.

VC Rose, Nikolas. "The Death of the Social? Re-Figuring the Territory of Government." *Economy and Society* 25.3 (1996): 327-56.

VC Perret, Virgile, "Réhabiliter le citoyen dans l'économie politique de la globalisation financière," *Revue Études Internationales*. 38.3 (2007): 341-360.

December 3: The subprime crisis and the future of neoliberalism

VC Langley, Paul. "Sub-Prime Mortgage Finance: Constitution and Crisis," Paper presented at *Cultural Political Economy*, Ottawa, June 2007.

VC Dodd, Randall. "Subprime: Tentacles of a Crisis," *Finance and Development*. 44:4, décembre 2007. <http://www.imf.org/external/pubs/ft/fandd/2007/12/dodd.htm>

VC Best, Jacqueline. "From the Top Down: The New Financial Architecture and the Re-Embedding of Global Finance." *New Political Economy* 8.3 (2003): 363-84.

VC Thirkell-White, Ben. "The International Financial Architecture and the Limits of Neoliberal Hegemony." *New Political Economy* 12.1 (2007): 19-41.

Beware of Academic Fraud!

Academic fraud is an act committed by a student to distort the marking of assignments, tests, examinations, and other forms of academic evaluation. Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions.

Here are a few examples of academic fraud:

- engaging in any form of plagiarism or cheating;
- presenting falsified research data;
- handing in an assignment that was not authored, in whole or in part, by the student;
- submitting the same assignment in more than one course, without the written consent of the professors concerned.

In recent years, the development of the Internet has made it much easier to identify academic plagiarism. The tools available to your professors allow them to trace the exact origin of a text on the Web, using just a few words.

In cases where students are unsure whether they are at fault, it is their responsibility to consult the University's Web site at the following address: http://www.socialsciences.uottawa.ca/eng/writing_tools.asp « *Tools for Writing Papers and Assignments* ».

Persons who have committed or attempted to commit (or have been accomplices to) academic fraud will be penalized. Here are some examples of the academic sanctions, which can be imposed:

- a grade of « F » for the assignment or course in question;
- an additional program requirement of between 3 and 30 credits;
- suspension or expulsion from the Faculty.

Last session, most of the students found guilty of fraud were given an « F » for the course and had between three and twelve credits added to their program requirement.

For more information, refer to:

http://www.uottawa.ca/academic/info/newsletter/fraud_e.html