

THE CUNY-CSI
Department of Political Science and Global Affairs

POL 251/ECO 251~22672/22673: International Political Economy

Spring 2021 Mon. & Wed. 12:20-2:15 PM Classroom: Online Teaching Office Hours: 2:30-3:30 pm, M. & 1:10-2:00 pm, Th. (Appointment)	Professor: Dr. Ming Xia Office: 2N236 (John Marchi Hall) Phone: 718-982-3197 Email: Ming.Xia@csi.cuny.edu Homepage: www.dr-ming-xia.org
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COURSE DESCRIPTION

Simultaneously since the beginning of 2020, we, the whole world, have been falling deep into quadruple crises, and all with a global scale: the COVID-19 pandemic, economic depression, sociopolitical unrest and climate change. All these crises have posed threat to the existence of our life, livelihood, and the way of our life, the last especially for those of us living in the liberal democratic West.

The rollercoaster pattern of globalization experienced by New Yorkers during the past two decades (e.g., 9/11, 2008 Great Meltdown, and now this!) sends a clarion call to all of us to pay attention to International Political Economy for explanation and guidance. I cannot overemphasize the importance of the course of which you have been enrolled. If I could be granted a wish by the supreme godhead, I would mandate all college students to take IPE course!

Globalization has become a significant but controversial phenomenon in the 21st century. Its primary driving force comes from technological breakthroughs, market incentives, and the changing organizations of global production, and of course all these three dynamics are generated by human agency; and therefore, its manifestations and consequences are both socio-economic and political. The interactions between economy and politics have been accelerated by globalization, so are their tensions which have been breeding a strong current of anti-globalization. These developments have created more and more challenges and crises for nation-states, people and the business world generally. Many of these challenges and crises themselves are global in nature; therefore, a global perspective has become essential to a full understanding of our many problems and the search for solutions. The international political economy as a discipline is intended to fulfill this important mission.

International Political Economy (IPE) covers the "intersection area" between world politics and international economics. Trends in both economy and politics during the past four decades have accelerated the growth of International Political Economy as a critical and active field for scholarly discussion. As a discipline, it has gained renewed interest especially after the 1973 oil crisis and the collapse of the Bretton Woods system. At that time, due to the limitation of the geo-strategic framework under the U.S.-Soviet Union Cold War, people encountered more difficulties in comprehending how the economic power of oil profoundly affected global politics

and how liberalization of the exchange rate brought the entire world economy and politics to a volatile course. Neither the world politics approaches nor international economics theories had provided proper discussion and explanation to the growing interrelationships between the two domains. IPE provides the necessary conceptual framework and tools for examining how world politics affect the distribution of economic wealth and, in turn, how economic growth/changes affect world politics.

Most recently, the global division of production has deepened, international and intra-firm trade has increased enormously, and capital flow and foreign direct investment have become very important for both the investor and the recipient countries. The transnational corporations (TNCs) have played significant role in production, trade, investment and finance, all these activities have been increasingly crossing national boundaries, and the world economy has become truly integrated and global. Due to rapid globalization, the rise of TNCs as powers (in both economic and political sense) in the global arena, the U.S. strong advocacy for liberal democracy and market capitalism, and the fervent backlashes against globalization defined by the “Washington Consensus”, it has become evident that economic issues significantly influence political decisions (both at national and international levels) and vice versa.

Politics and economics have converged toward a study of distribution of values and resources: “Who gets what, when and how” under the constraint of scarcity. The nexus between power and wealth has never become as tight as in today’s world. We have to adopt an integrated and multidimensional approach to look at the integrated world system of politics and economy. Nations, corporations, social groups, classes and sexes have continuously fought political battles over economic interest; the globalization process has aggravated them to a larger scale. The necessity for some kind of governance at the global level to manage globalization and regulate transnational economic activities has become more evident after the 2008 global financial meltdown. But a global trend of demagoguery, populism, democratic retrenchment and neo-mercantilism have complicated the global political economy furthermore. The sudden halt of globalization and its reversal in many places due to the lockdowns worldwide further exposed the problems and crises of globalization; it is also an urgent call for understanding and solution.

This course is an introduction to the systematic study of international political economy, both in terms of theoretical evolution and practical issues within the field. As it is important to understand various ideologies in IPE, five important structures (Global technology/production, international trade, money and finance, global development and poverty, and the Mother-Nature), this class also focuses on globalization, the global production process (especially transnational corporations, the globalized production/value chains, and their interactions with nation-states), global finance and financial crisis, global wealth and poverty, environmental challenges, women and gender in IPE, regional and global governance to help students understand the intriguing complexity of markets, power and politics.

To innovate my teaching in order to generate more interest from students, this class is going to experiment with a new format, namely, “Teaching IPE with columnists”. The writings of New York Times columnists Paul Krugman (a distinguished professor and a Nobel Laureate in economics at the CUNY Graduate Center) and Thomas Friedman will constitute the stable food for thought and major catalyst for discussion. Please keep <http://www.krugmanonline.com/>, <https://www.nytimes.com/column/paul-krugman> and <http://www.thomaslfriedman.com/> as a major source for our learning on IPE.

As international political economy is a field that integrates different academic disciplines, the literature will be wide-ranging. This course is intended to complement applied and area studies courses in international politics, international development, and international economics and business, respectively.

LEARNING GOALS

1. To help students understand some basic economic principles and apply them to analyze politico-economic issues at the global level.
2. To help students develop a global perspective on the challenges that our society faces today, in particular some important industries.
3. To help students understand the changing nature and form of wealth production in a more competitive world.
4. To demonstrate different theoretical and analytical tools that can be used to benefit different nations and peoples.
5. To help students improve their writing skills in social sciences.

REQUIRED TEXTS

1. Stephane Paguin, *Theories of International Political Economy: An Introduction*, Oxford University Press, 2016. ISBN: 978-0-19-901896-3 (Paperback)
2. Thomas Oatley, *International Political Economy*, 6th Edition [Paperback], Routledge: 2018, ISBN-13: 978-1138490741; ISBN-10: 1138490741

READING MATERIALS FOR BOOK REVIEW:

1. Thomas L. Friedman, *Thank You for Being Late: An Optimist's Guide to Thriving in the Age of Accelerations*, Farrar, Straus and Giroux, 2016. ISBN-13:9780374273538
2. Paul Krugman, *Arguing with Zombies: Economics, Politics, and the Fight for a Better Future*, W. W. Norton, 2020.

GRADING

Grades for the course will be based on the midterm exam (25%), one theoretical and analytical essay (30%), one book review (20% for either Friedman's or Krugman's book) and a final examination (25%). Classroom attendance and participation account for 10% of the final grade.

The **analytical essay** (due on March 3, 2021, Wednesday) is to answer the question: "**Why Theory Matters in IPE?**" The essay should focus on the epistemological question, but at the same time, it also deals with a brief description and critical assessment of some major theoretical perspectives: "liberal" (also related to "Keynesianism", "neoliberalism"), "nationalist and mercantilist", "Marxist" (also considering "world system" and critical theories) perspectives. Use the first page to discuss theory in general and its important functions in our thinking and analysis; use two pages to explain each theoretical perspective succinctly. In the remaining two pages you should reveal your position on how theories (a single one, a combination of some, or all necessary tools) work and discuss these questions critically: Why is this perspective the most convincing one for you? For this paper, you should do some research and extra reading. You should write at least four pages for this essay. The specific format is as below for the book review (I have also uploaded writing guides for essays, book reviews and term papers onto my website: www.dr-ming-xia.org, under "Teaching".)

The book review essay (due on April 28, 2021, Wednesday) will be based on either the book, *Thank You for Being Late* by Thomas Friedman or *Arguing with Zombies* by Paul Krugman. The book review should be no less than three pages (I will strictly enforce this rule and return those that fail to comply), double-spaced, 12 or 11 size font, 1" page margin. In the review you should focus on this question: How has the book related the theoretical discussions in our class to the real life of American people? How has it helped you understand theories and key concepts in IPE, as well as the nature and the future of global political economy?

SCHEDULE AND CONTENTS

Feb. 1, Mon.

Introducing Syllabus

Introduction to the Study of International Political Economy

(Reading: Preface and Introduction in Oatley)

Feb. 3, Wed.

IPE: Invention and Evolution

(Reading: Chap. 1 in Paquin)

Feb. 8, M.

Feb. 10, W.

Theorizing and Theories of IPE

(Reading: Chap. 2 in Paquin)

Watch Video: Commanding Heights: Battle of Ideas

(<https://www.youtube.com/watch?v=gfRTpoYpHfw>, watch at home)

Feb. 15, Monday, No class, Presidents' Day

Feb. 17, W.

Realist Perspectives (Mercantilism, Realism, Economic Nationalist Perspective)

(Reading: Chap. 3 in Paquin)

Feb. 22, M.

The Liberal Perspective
Domestic and Open Economy Politics
(Reading: Chaps. 4 and 5 in Paquin)

Feb. 24, W.

Marxism: From Marx to Gramsci
(Reading: Chap. 6 in Paquin)

March 1, M.

The British School
(Reading: Chap. 7 in Paquin)

March 3, W.

Analytical Essay Due!
Critical Perspectives: Green and Feminist IPE
(Reading: Chap. 8 and Conclusion in Paquin)

March 8, M.

Production: Globalization and International Division of Labor
Capitalism and the Emergence of a World Economy
(Reading: Chap. 2 in Oatley; extra readings will be posted)

March 10, W.

March 15, M.

Multinational/Transnational Corporations
(Reading: Chaps. 8 and 9 in Oatley; extra readings will be posted)

Midterm Exam

(I will post the midterm exam, you will have 24 hours to finish at home and submit electronically)

March 17, W.

March 22, M.

The Political Economy of International Trade Cooperation
(Reading: Chap. 3 in Oatley; extra readings will be assigned)

March 24, W.

Free Trade: Pros and Cons; Causes and Obstacles

1. A Society-Centered Approach
2. A State-Centered Approach

(Reading: Chaps. 4 and 5 in Oatley)

March 29, M. ~ March 31, W., No class, Spring Break

April 5, M.

April 7, W.

Political Economy of Trade and Development

- The North-South Conflict

(Reading: Chaps. 6 and 7 in Oatley)

April 12, M.

April 14, W.

The Key International Financial Institutions (World Bank and IMF)

(Reading: Chaps. 10 and 11 in Oatley)

Homework: Watch Video: Commanding Heights: The New Rules of the Game

(<https://www.youtube.com/watch?v=SgFrBedelIA>)

Writing Assignment: What were some most important changes in globalization which eventually made the global economy full of risk?

April 19, M.

April 21, W.

Monetary Policy and Exchange Rate

(Reading: Chaps. 12 and 13 in Oatley)

April 26, M.

April 28, W.

Book Review Due on April 28!

Financial Globalization and Financial Crisis

(Reading: Chaps. 14 and 15 in Oatley)

May 3, M.

Video: To be assigned.

May 5, W.

Global Order and Community

(Reading: Reading materials to be assigned)

May 10, M.

Global Ethics

(Reading: Reading materials to be assigned)

Homework Video: to be assigned.

May 12, W.

Global Governance in IPE

May 17, M.

Wrap-up Discussion

Review for the Final.
(Reading: Chap. 16 in Oatley)

May 19, W.
Final Exam

You will receive the test question and to finish the exam within 24 hours.

Thank you for taking my class and enjoy your summer break!