

**Course** ECON/INTL 3100/50 – International Political Economy

**Term** Spring 2012

**Instructor** Name: Dr. Eric Frey  
Phone: Cell phone: 0699 190 844 60  
Email: Email: efrey@webster.edu

**Course Description** The course offers an overview of theory and practice of international political economy and analyse the interplay between politics and economics on a global level. It is designed to give students a conceptual understanding. After covering some basic theoretical and historical ground, the course will use a practical case-study approach to the main economic policy issues in today's world, such as trade liberalization and trade conflicts, financial crises and the fallout from globalization.

**Prerequisites** Students are advised to have a basic (but non-mathematical) knowledge of macroeconomic and microeconomic theory and of theories of international relations.

### Learning Outcomes

**Textbook and other Materials** Theodore Cohn, Global Political Economy: Theory and Practice, 5th edition (Pearson Longman 2010). Additional reading will be distributed electronically in the course of the class.

**Grading**

Short Quiz	5 % (week 5)
Midterm Exam	25 % (week 9)
Final	30 % (week 16)
Three Written Assignments	35 % (8, 12, and 15 %)
Class Participation	5 %

### University Policies

#### **Cheating**

Any student found cheating on any part of the course work (homework assignment, term paper, quiz, exam, etc.) will automatically be given an "F" for the course. Any student found to be helping another student to cheat will likewise be given an "F" for the course. In each case, the student will also be put on disciplinary probation for the remainder of her or his stay at Webster. If the student is found to have engaged in cheating a second time, s/he will be automatically expelled from the University.

#### **Attendance**

Class attendance is obligatory. Instructors will take attendance at each class session and reduce a student's course grade by half a letter grade for each full week of class missed. Any student who misses three or more full weeks of class will automatically be given an "F" for the course.

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### **Attendance**

Class attendance is obligatory. Instructors are required to take attendance at each class session. If a student has two unexcused absences (equivalent to missing 4 hours for an 8-week course and 6 hours for a 15-week course), the instructor will lower the student's grade by one letter grade and inform the student of the action. If a student has three unexcused absences (equivalent to missing 6 hours for an 8-week course and 9 hours for a 15 week course), the instructor will assign a grade of F and inform the student of the action.

Class begins punctually. **Instructors are entitled to penalize any late arrivals**, which may affect a student's final grade.

**NOTE:** Students are required to inform themselves of WUV academic policies. A full list of these policies is available on the WUV website: (<http://www.webster.ac.at/academics/academic-policies>).

## **Part I: Introduction and Theory**

Class 1: Mon, Jan. 16 9 a.m. – 12 p.m.	<b>Introduction to International Political Economy:</b> Politics and economics, public goods and collective action, market failure and public choice Cohn, Chapter 1
Class 2: Mon, Jan. 23 9 a.m. – 12 p.m.	<b>Theories of International Political Economy:</b> Realist, Liberal and Radical Perspectives Cohn, Chapters 3, 4, 5
Class 3: Mon., Jan. 30 9 a.m. – 12 p.m.	<b>The Institutional Framework of the International Economy</b> Hegemonic stability theory, regime theory, domestic actors and the international economy, the institutions Cohn, chapter 2

## **Part II: International Trade**

Class 4: Mon., Feb. 6 9 a.m. – 12 p.m.	<b>Classical and modern Theories of Trade</b> Cohn, chapter 7 <b>Short Quiz (15 Minutes)</b>
Class 5: Mon., Feb. 13 9 a.m. – 12 p.m.	<b>Trade Politics and Trade Diplomacy</b> Paul Krugman, “Competitiveness: A Dangerous Obsession”, <i>Foreign Affairs</i> (March/April 1994), Paul Krugman “Trouble with Trade” (NYT Dec. 28, 2007 1 <sup>st</sup> Writing Assignment due
Class 6: Mon, Feb. 20 9 a.m. – 12 p.m.	<b>Regionalism in the Global Trade Regime</b> Cohn, chapter 8
	<b><u>Part III: North-South Relations</u></b>
Class 7: Mon., Feb. 27 9 a.m. – 12 p.m.	<b>Multinational Corporations</b> Cohn, chapter 9
Class 8: Mon, March 5 9 a.m. – 12 p.m.	<b>International Development</b> Cohn, chapter 10 <b>Midterm Exam (60 Minutes)</b>
Mon, March 12	Midterm Break
Class 9: Mon, March 19 9 a.m. – 12 p.m.	<b>Development and Foreign Aid</b> Cohn, Chapter 10
	<b><u>Part IV: Monetary Relations</u></b>
Class 10: Mon, March 26 9 a.m. – 12 p.m.	<b>Fundamentals of Monetary Policy and Monetary Relations</b> Money, Banking, Balance of Payments, Exchange-Rate-Regimes Cohn, Chapter 6 2 <sup>nd</sup> Writing Assignment due

Class 11: **History of the Modern Exchange Rate System**  
Sat., April 14  
2 p.m. – 5 p.m.  
(tentative)  
Reading TBA

Class 12: **Foreign Debt and Financial Crises**  
Mon., April 16  
9 a.m. – 12 p.m.  
Cohn, chapter 11  
Paul Krugman, “Competitiveness: A Dangerous Obsession”, *Foreign Affairs* (March/April 1994), Paul Krugman “Trouble with Trade” (NYT Dec. 28, 2007)

Class 13: **The Financial Crisis and the Euro Crisis**  
Mon., April 23  
9 a.m. – 1 p.m.  
Reading TBA

**Part V: Globalization and its Consequences**

Class 14: **International Cooperation and Climate Change**  
Mon, April 30  
9 a.m. – 12 p.m.  
Cohn, chapter 12

Class 15: **Final Exam (90 minutes)**  
Mon., May 7  
9 a.m. – 12 p.m.  
**Concluding Discussion about Globalization**  
3<sup>rd</sup> Writing Assignment Due