

Government and Politics 761

International Political Economy

Version 2.0, 11/11/23

Please note that this syllabus is subject to change. Any changes will be communicated clearly via email and an updated version of the syllabus will be circulated.

Contact Information:

Professor: Dr. Todd Allee

Email: tallee@umd.edu

Office Hours: by appointment

(best is after class on Wed or via Zoom on TuTh)

Course Information:

Wed: 12:30-3:15pm

Tydings 1136

Fall 2023

Course Description and Objectives:

This course is a Ph.D. seminar, intended primarily for doctoral students in Government and Politics, which explores recent research in international political economy (IPE). Students are expected to be familiar with international relations theory, and some knowledge of quantitative methods is essential. No background in economics is required or assumed, although students should have a capacity to engage in analytical reasoning.

We begin by investigating international trade from various micro perspectives, before then considering domestic and global trade institutions. During the second half of the course we explore various topics related to cross-border financial flows, including debt, investment, aid, and migration. Across all substantive issue areas, emphasis is placed on understanding the range of factors (voters, organized interests, parties, political institutions, and global forces) that influence foreign economic policy choices as well as the effects of those choices on a range of domestic and international outcomes. Because IPE is a broad and rapidly-evolving field, we will focus on contemporary scholarship (*i.e.*, within the past 10-15 years) that is contained in academic journals. Nearly all of the readings are taken from political science journals, although a few are taken from journals in economics.

Course Requirements:

Your final grade will be based on three requirements, which are detailed below. All written assignments are expected to be completed on time, and any work that is turned in late will be penalized one-half of a letter grade for each day that it is late. All requirements for the course should be completed by the end of the semester; incomplete grades will only be given in exceptional circumstances.

1) Class Participation: (25%) - This is a Ph.D. level seminar, so you are expected to complete all required readings before class and to come to class prepared to comment on all of the readings. In addition, it is recommended that you think about the readings as a collective whole and come to class with well-formulated thoughts about: i) the strengths and weakness of the literature for that week, ii) suggestions on how to improve the literature, and iii) a list of one or more new, researchable, questions on that week's topic. You will be given a grade for class

participation that reflects the quantity and quality of your in-class comments, as well as your general attitude and effort toward the course.

2) Weekly “Research Extension” Papers: (35%) – You are required to write three short papers in which you articulate your ideas for extending the research presented in one or more of the assigned readings for that week. In short, you should lay out a proposal for your own research that follows up on something we read for the week. Your paper should be between 800 and 1200 words. You may submit up to four papers, and I will count your three highest grades.

What do you need to do in the paper?

- *Engage the relevant literature to set up your topic.* You should not provide a long review, but rather should immediately and briefly identify the most important elements of past work in order to “set the stage” for what you propose to do. You should engage whichever assigned article(s) is serving as the springboard for your proposed research, as well as mention any other research that is relevant (which may or may not be cited in the assigned article/s). You are likely to be identifying some problem, limitation, or “gap” in existing studies, and you should take a professional and collegial tone in doing so. Please keep your “lit review” discussion as brief as possible, taking care only to engage the elements of past research that are directly relevant to what you plan to do.

- *Identify what you propose to do – and justify the importance of doing so.* Tell us what your research extension is going to be, whether that is asking an entirely new question, providing a new explanation for an existing question, utilizing a new dependent or independent variable, or enhancing the empirics (data, sample, and/or methodology). It also is crucial to justify what you are planning to do by telling us why it is important and what we might learn from your endeavor.

- *Lay out your theory and primary hypothesis.* It is important that you specify your primary hypothesis (hypotheses) as clearly as you can and articulate the cause-and-effect logic that underlies it (them). Also, state any assumptions that serve as the basis for your theorizing.

- *Discuss how you will conduct any empirical tests.* Provide any relevant details about your case selection (units of analysis and time period), measurement of important concepts, and your proposed methodology.

Note that some of the above components will be shorter or longer depending on the nature of what you are doing; that is, whether you are primarily focused on improving the empirics of current studies as compared to asking a brand new question or putting forward an entirely new explanation (for an existing question).

We will allocate the weeks to which you are assigned at the beginning of the semester (although you’re welcome to change weeks later...just make sure to notify me of the change). You should email your research extension paper to *me and the rest of the class* no later than **6:00pm on Tuesday**. All members of the class are expected to read the paper(s) before the next day’s class meeting. The papers also will be referenced during class as a means to spark discussion; therefore, if you have written a paper for that week, you should be prepared to talk about the ideas that you engaged in your paper as well as the paper(s) on which you building.

3) Final Exam or Final Research Paper (40%) – For your final course requirement, you have two options, and you can decide between them a bit later in the semester. For most of you, I would recommend that you complete the final exam, which is a take-home exam that mirrors the (IPE portion of the) IR qualifying exam. For some of you, particularly those with existing research ideas or a strong interest in IPE, you may want to write a final paper instead of doing the final exam.

a) Final Exam

The goal of the final exam is to give you a “trial run” for the IPE component of the IR qualifying exam, which most of you will be taking in the next 3 to 18 months. It also allows me to give you feedback on your exam answer in a way that should help you better understand, and prepare for, the actual IR exam.

The exam will be a take-home exam. You will have 8 hours to complete it and then email it back to me or upload it back to ELMS. In general, I will allow you to complete the exam during a time block that works for you, as long as that block is during the finals week period (December 12-19). As a default I would recommend that you consider taking it on/around Wednesday, December 13, since this fits with our typical course schedule and will allow me to return your graded exam before the semester ends.

There will be **2** questions on the exam, and you will be asked to answer **1** of those questions. The questions will be broad and multi-part, and there is no right or wrong answer. They are likely to touch upon themes that we discuss multiple times during the semester, and in your answer you should reference many of the course readings, most likely from multiple weeks of the course. The text of your answer should be between 3,500 and 5,000 words long (approximately 11-15 double-spaced pages), not including references. We will discuss strategies and best practices for answering the questions a bit later in the semester. My biggest piece of advice is to make sure that you “take a position” or “advance a perspective” in your answer, instead of just summarizing the literature.

Unless you have a strong interest in IPE and/or a clearly-formulated research question, I would recommend that you choose the final exam.

b) Final Paper

i) *Research Paper*: A few of you may want to complete a research paper instead of taking the final exam. This is particularly true if you already have a clear research question that you are interested in, perhaps from previous research work or based on one of the research extension papers that you wrote earlier in the semester. It is beneficial if you already possess or have access to (some of) the data you need, or have the ability to carry out a case study or studies. However, completing a research paper is not a simple task, and you should only take this on if you are committed to having a completed draft of the paper by the end of the semester.

I expect you to submit something that looks like the first draft of a conference paper. That is, it should be a complete paper that is somewhere in the range of 20-30 double-spaced pages. It should have a well-developed theory, testable hypotheses, some type of data analysis

(quantitative and/or qualitative), and an explicit take-away or conclusion. I do not expect your final paper to be highly-polished or ready to submit to a journal – but it should be complete from beginning to end.

ii) *Research Design paper*: In selected cases, particularly if you have a brand-new idea about which you are particularly keen, I may allow you to complete a research *design* paper instead of a completed research paper. The rationale is to allow you to fully develop an idea that you may want to present, publish, or complete in the future (as a conference paper, journal article, or even a dissertation topic) – but for which it is not feasible to complete the research and data analysis right now.

Put simply, if you pursue the Research Design assignment, what you turn in should read like a polished conference paper or journal submission, but with the empirical findings “chopped off.” The final research design paper should be approximately 12-18 double-spaced pages (not including bibliography and any supporting materials). *If you want to complete a research design, you will need my approval before doing so* (you do not need my approval if you are pursuing a completed research paper.). I can provide more details on an individual basis about what a polished research design should look like.

Either way, your Research Paper or Research Design should be submitted to me no later than **12:00pm on Tuesday, December 19**. If you are writing a paper, I would encourage you to speak with me about your topic and paper well before the end of the semester. You are welcome to choose any topic you wish provided that it plausibly fits under the broad umbrella of “international political economy” and that your dependent variable or a primary independent variable is political-economic in nature.

Course Policies:

Grading:

We will use the + and – grading scale for all assignments. Grades will be calculated according to a standard scale, in which 97 and above is an A+, 93-97 is an A, 90-93 is an A-, 87-90 is a B+, 83-87 is a B, 80-83 is a B-, etc. Grades will not be curved.

Academic Honesty:

Plagiarism and academic dishonesty will not be tolerated. You are not allowed to use ChatGPT (or any similar program) for any research or writing in this course. Please use proper citations for all ideas that are not your own. University standards for academic honesty apply in this class and academic dishonesty will be dealt with according to University policy. Please consult the University of Maryland Code of Academic Integrity and the Student Honor Code to familiarize yourself with the University’s policies: <http://www.president.umd.edu/policies/iii100a.html>

Attendance:

Given the nature of graduate seminars, it is expected that you will attend each week and be prepared to participate. If you are unable to attend class due to illness or other extenuating circumstances, please email me to let me know.

Accommodations:

If you have any condition that requires accommodation, you may want to contact the office of Accessibility and Disability Service (<https://www.counseling.umd.edu/ads/>) to obtain a letter of accommodation. You also are encouraged to speak with me directly about any issues or concerns you may have, and I will do my very best to provide whatever accommodation you may need.

Mental Health & Counseling Services:

The University offers a range of free and confidential mental health services for students, including crisis and emergency mental health consultations and confidential assessments, counseling services, and referrals. For more information, please see Health Services <https://health.umd.edu/behavioral-health> or Counseling Services <https://www.counseling.umd.edu/cs/>.

Diversity and Inclusivity:

The Government and Politics department deeply values the voices and perspectives of all people. We are committed to having a diverse department that recognizes and appreciates the differences in race, ethnicity, culture, gender, sexual orientation, religion, age, abilities, class, nationality, and other factors. Our department prioritizes diversity and seeks to foster a diverse community reflected in its faculty, staff, and students. All students are invited to share their thoughts, and we encourage you to support your statements with evidence and research findings. In accordance with free speech statutes, speech that contains threats of violence is prohibited.

If you experience racism or other forms of bias in this class, or any GVPT course, you are encouraged to do at least one of the following:

- Please report the experience to me.
- Report the experience to Kathleen Cunningham (kgcunnin@umd.edu) and/or Ernesto Calvo (ecalvo@umd.edu), the GVPT Directors of Graduate Studies.
- Report the experience to the GVPT Diversity, Equity, and Inclusion committee, led by Professor Isabella Alcaniz (ialcaniz@umd.edu).

You also may report incidents of hate and bias to the Office of Diversity and Inclusion at <https://diversity.umd.edu/bias/>.

Names/Pronouns and Self Identification:

The University of Maryland recognizes the importance of a diverse student body, and we are committed to fostering an inclusive and equitable classroom environment. All students are invited to share how they want to be referred to both in terms of your name and your pronouns (he/him, she/her, they/them, etc.). The pronouns someone indicates are not necessarily indicative of their gender identity.

Additionally, how you identify in terms of your gender, race, class, sexuality, religious, and dis/ability, as well as other aspects of your identity, is your choice whether to disclose (e.g., should it come up in classroom conversation about our experiences and perspectives) and should be self-identified, not presumed or imposed. I will do my best to address and refer to all students accordingly, and ask that you do the same for your colleagues.

Readings:

All of the assigned readings in the course are articles from academic journals, and are easily available by searching via the university library website. If you have problems locating an assigned reading, please let me know and I will provide it to you.

Course Outline

September 6: Introduction and Course Overview

September 13: Trade Preferences – foundational studies

Scheve, Kenneth, and Matthew Slaughter. 2001. “What Determines Individual Trade-Policy Preferences?” *Journal of International Economics* 54(2): 267-292.

Mayda, Anna-Maria and Dani Rodrik. 2005. “Why are Some People (and Countries) More Protectionist than Others?” *European Economic Review* 49(6): 1393-1430.

Hainmueller, Jens, and Michael J. Hiscox. 2006. “Learning to Love Globalization: Education and Individual Attitudes toward International Trade.” *International Organization* 60(2): 469-498.

Mansfield, Edward D., and Diana C. Mutz. 2009. “Support for Free Trade: Self-Interest, Sociotropic Voting, and Out-Group Anxiety.” *International Organization* 63(3): 425-457.

Hiscox, Michael J. 2006. “Through a Looking Glass and Darkly: Attitudes Toward International Trade and the Curious Effects of Issue Framing.” *International Organization* 60(3): 755-780.

September 20: Trade Preferences – recent approaches

Owen, Erica and Noel P. Johnston. 2017. “Occupation and the Political Economy of Trade: Job Routineness, Offshorability, and Protectionist Sentiment.” *International Organization* 71(4): 665-699.

Naoi, Megumi and Ikuo Kume. 2015. “Workers or Consumers: A Survey Experiment on the Duality of Citizens’ Interests in the Politics of Trade.” *Comparative Political Studies* 48(10): 1293-1317.

Mutz, Diana C. and Eunji Kim. 2017. “The Impact of In-group Favoritism on Trade Preferences.” *International Organization* 71(4): 827-850.

Rho, Sungmin and Michael Tomz. 2017. “Why Don’t Trade Preferences Reflect Economic Self-Interest?” *International Organization* 71(SI): S85-S108.

Guisinger, Alexandra. 2009. "Determining Trade Policy: Do Voters Hold Politicians Accountable?" *International Organization* 63(3): 533-557.

September 27: Domestic Actors and Institutions

Kleinberg, Katja and Benjamin Fordham. 2013. "The Domestic Politics of Trade and Conflict." *International Studies Quarterly* 57(3): 605-619.

Rickard, Stephanie. 2022. "Interests, Institutions, and the Environment: An Examination of Fisheries Subsidies." *International Studies Quarterly* 66(2): 1-14.

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

Miler, Kristina and Todd Allee. 2018. "When Free Traders Become Protectionists: Constituent Advocacy at the International Trade Commission." *Legislative Studies Quarterly* 43(3): 377-407.

Kim, Sung Eun and Krzysztof J. Pelc. 2021. "Trade Competition and Worker Compensation: Why do Some Receive More than Others?" *International Studies Quarterly* 65: 109-121.

October 4: Firms

Osgood, Iain, Dustin Tingley, Thomas Bernauer, In Song Kim, Helen V. Milner, and Gabriele Spilker. 2017. "The Charmed Life of Superstar Exporters: Survey Evidence on Firms and Trade Policy." *Journal of Politics* 79(1): 133-152.

Plouffe, Michael. 2017. "Firm Heterogeneity and Trade-Policy Stances: Evidence from a Survey of Japanese Producers." *Business and Politics* 19(1): 1-40.

Kim, In Song. 2017. "Political Cleavages Within Industry: Firm-Level Lobbying for Trade Liberalization." *American Political Science Review* 111(1): 1-20.

Zeng, Ka, Karen Sebold, and Yue Lu. 2020. "Global Value Chains and Corporate Lobbying for Trade Liberalization." *Review of International Organizations* 15: 409-443.

Lee, Jieun. 2023. "Foreign Direct Investment in Political Influence." *International Studies Quarterly* 67(1): 1-13.

October 11: Preferential Trade Agreements and Trade Cooperation

Spilker, Gabriele, Thomas Bernauer, and Victor Umaña. 2016. "Selecting Partner Countries for Preferential Trade Agreements: Experimental Evidence From Costa Rica, Nicaragua, and Vietnam." *International Studies Quarterly* 60: 706-718.

Wang, Zhiyuan. 2020. "Thinking outside the Box: Globalization, Labor Rights, and the Making of Preferential Trade Agreements." *International Studies Quarterly* 64: 343-355.

Dean, Adam. 2018. "NAFTA's Army: Free Trade and US Military Enlistment." *International Studies Quarterly* 62: 845-856.

Brutger, Ryan and Siyao Li. 2022. "Institutional Design, Information Transmission, and Public Opinion: Making the Case for Trade." *Journal of Conflict Resolution* 66 (10): 1881-1907.

Chen, Frederick R., Jon C.W. Pevehouse, and Ryan Powers. 2023. "Great Expectations: The Democratic Advantage in Trade Attitudes." *World Politics* 75 (2): 316-352.

Carnegie, Allison, Nikhar Gaikwad. 2022. "Public Opinion and Geopolitics and Trade: Theory and Evidence." *World Politics* 74(2): 367-404.

October 18: IPE and Conflict

Kastner, Scott L. 2016. "Buying Influence? Assessing the Political Effects of China's International Trade." *Journal of Conflict Resolution* 60(6): 980-1007.

McLean, Elena V. and Mitchell T. Radtke. 2018. "Political Relations, Leader Stability, and Economic Coercion." *International Studies Quarterly* 62: 357-370.

Sweet, Rachel. 2021. "Concealing Conflict Markets: How Rebels and Firms Use State Institutions to Launder Wartime Trade." *International Organization* 75: 1109-32.

Lehmann, M. Christian and Daniel T.R. Masterson. 2020. "Does Aid Reduce Anti-refugee Violence? Evidence from Syrian Refugees in Lebanon." *American Political Science Review* 114 (4): 1335-1342.

Krauser, Mario. 2020. "In the Eye of the Storm: Rebel Taxation of Artisanal Mines and Strategies of Violence." *Journal of Conflict Resolution* 64 (10): 1968-1993.

October 25: Foreign Direct Investment

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.

Pandya, Sonal. 2010. "Labor Markets and the Demand for Foreign Direct Investment." *International Organization* 64(3): 389-409.

Danzman, Sarah Bauerle and Alexander Slaski. 2022. "Incentivizing embedded investment: Evidence from patterns of foreign direct investment in Latin America." *Review of International Organizations* 17: 63-87.

Gertz, Geoffrey. 2018. "Commercial Diplomacy and Political Risk." *International Studies Quarterly* 62(1): 94-107.

November 1: Foreign Aid

Dietrich, Simone. 2015. "Donor Political Economies and the Pursuit of Aid Effectiveness." *International Organization* 70(1): 65-102.

Findley, Michael G., Adam S. Harris, Helen V. Milner, and Daniel L. Nielson. 2017. "Who Controls Foreign Aid? Elite versus Public Perceptions of Donor Influence in Aid-Dependent Uganda." *International Organization* 71(4): 633-663.

Dreher, Axel, Andreas Fuchs, Brad Parks, Austin Strange, and Michael Tierney. 2018. "Apples and Dragon Fruits: The Determinants of Aid and Other Forms of State Financing from China to Africa." *International Studies Quarterly* 62: 182-194.

Swedlund, Haley J. 2017. "Can Foreign Aid Donors Credibly Threaten to Suspend Aid? Evidence from a Cross-National Survey of Donor Officials." *Review of International Political Economy* 24(3): 454-496.

Savun, Burcu and Daniel C. Tirone. 2018. "Foreign Aid as a Counterterrorism Tool: More Liberty, Less Terror?" *Journal of Conflict Resolution* 62(8): 1607-1635.

November 8: Class was CANCELLED

November 15: Migration

Hainmueller, Jens and Michael J. Hiscox. 2010. "Attitudes Towards Highly Skilled and Low Skilled Immigration: Evidence from a Survey Experiment." *American Political Science Review* 104(1): 61-84.

Burgoon, Brian. 2014. "Immigration, Integration, and Support for Redistribution in Europe." *World Politics* 66(3): 365-405.

Andersson, Henrik and Sirus H. Dehdari. 2021. "Workplace Contact and Support for Anti-Immigration Parties." *American Political Science Review* 115(4): 1159-1174.

Fitzgerald, Jennifer, David Leblang, and Jessica C. Teets. 2014. "Defying the Law of Gravity: The Political Economy of International Migration." *World Politics* 66(3): 406-445.

Holland, Alicia and Margaret Peters. 2020. "Explaining Migration Timing: Political Information and Opportunities." *International Organization* 74: 560-583.

November 22: NO CLASS – Thanksgiving Break

November 29: Development and Financial Liberalization

Rudra, Nita. 2002. "Globalization and the Decline of the Welfare State in Less-Developed Countries." *International Organization* 56(2): 411-445.

Mosley, Layna. 2000. "Room to Move: International Financial Markets and National Welfare States." *International Organization* 54(4): 737-773.

Quinn, Dennis P. and A. Maria Toyoda. 2007. "Ideology and Voter Preferences as Determinants of Financial Globalization." *American Journal of Political Science* 51(2): 344-363.

Chwieroth, Jeffrey. 2007. "Neoliberal Economists and Capital Account Liberalization in Emerging Markets." *International Organization* 61(2): 443-463.

Henisz, Witold J. and Edward D. Mansfield. 2019. "The Political Economy of Financial Reform: de Jure Liberalization vs. de Facto Implementation." *International Studies Quarterly* 63: 589-602.

December 6: Exchange Rates, Borrowing, and Debt

Leblang, David and Shanker Satyanath. 2006. "Institutions, Expectations, and Currency Crises." *International Organization* 60(1): 245-262.

Guisinger, Alexandra and David Andrew Singer. 2010. "Exchange Rate Proclamations and Inflation-Fighting Credibility." *International Organization* 64(2): 313-337.

Brooks, Sarah M., Raphael Cunha, and Layna Mosley. 2015. "Categories, Creditworthiness, and Contagion: How Investors' Shortcuts Affect Sovereign Debt Markets." *International Studies Quarterly* 59: 587-601.

Mosley, Layna and B. Peter Rosendorff. 2023. "Government Choices of Debt Instruments." *International Studies Quarterly* 67(2): 1-13.

Bansak, Kirk, Michael Bechtel, Jens Hainmueller, and Yotam Margalit. 2020. "Left-Right Ideology and the Debate over International Bailouts: The Case of Grexit." *Journal of Politics* 82(2): 509-528.