

**GOV360E: International Political Economy (38505)**  
**Class time: T/Th 12:30 – 2:00 PM (Fall 2022)**

**Professor: Dr. Rachel Wellhausen**

Email: [rwellhausen@utexas.edu](mailto:rwellhausen@utexas.edu) or Canvas message

Office hours (Batts 4.138):

T/Th 2-3 PM (in person drop-in)

T/Th 3-4 PM (in person or on Zoom by appointment: [sign up here](#))

**TA: TBA**

Email: TBA or Canvas message

Office hours (Batts TBA):

TBA (in person drop-in, or on Zoom as requested)

**Course description:**

The purpose of this course is to provide you with an overview of the study of international political economy. The course's primary focus will be on the role of politics and government decision-making in international economic relations. Thus, while we will cover some topics familiar in the discipline of economics, this is wholly a political science (government) course. That said, students should be willing to engage with some basic relationships in macroeconomics – that government officials deal with on a daily basis. We will also read cutting edge qualitative (prose-based) and quantitative (statistics-based) research. Students should be open to learning to engage with statistical analyses.

We will examine several topics central to IPE, in three modules: (1) the politics around the international monetary system and international finance; (2) the politics of foreign investment by multinational corporations; and (3) the politics around international trade. We will draw on examples from the United States as well as developed and developing countries around the world. We will regularly address current events that are inextricably linked with our course content. We will also examine historical material that provides context and background necessary to understand today's international political economy – why IPE doesn't "have to" operate like it does today, and why.

**Course delivery details + attendance/emergency policy:**

- *This is an in-person course.* To be successful in the course, you need to attend. Class time offers you the opportunity to concentrate, ask questions, and participate in in-class activities aimed at improving your learning.
- *Attendance is not a component of your grade, so you are not required to inform the TA of an absence.* As you will see in the course details below, flexibility is built into the course to allow you to successfully complete all tasks that contribute to your grade in the event that you have been absent.

- *Asynchronous review materials:* Lectures + slides will be recorded for your asynchronous review and linked on our Canvas page shortly after delivery.
- *It is your responsibility to ask a colleague (and not the TA) about what you missed in class should you be absent.* In particular, in-class activities will not be replicated outside of class and will not be available on the asynchronous recorded materials, so you must reach out to your colleagues to catch up on these.
- *In case of emergency that will disrupt your ability to be successful in the course, our bottom line is this: We will do whatever we can to help you be successful.* Note that we have already built flexibility into the course to give you the best possible baseline ability to meet the course requirements. In case of health or other emergency circumstances that you feel will affect your ability to be successful in the course, and for which the flexibility built into the course delivery and assessment are insufficient, please use Student Emergency Services.<sup>1</sup>
  - o How SES works: Any student facing severe difficulties during the semester should take advantage of Student Emergency Services, which helps to coordinate between the student and the student's professors. Once a student meets with SES, SES will contact the student's professors on the student's behalf. Thus, students do not need to provide explanations or doctor's notes, etc. to individual professors. However, note that SES involvement puts the professor under no obligation to provide special accommodations for a student. We will provide tailored accommodations for students using SES on a case-by-case basis. (SES: [deanofstudents.utexas.edu/emergency](https://deanofstudents.utexas.edu/emergency); 512-471-5017; 24/7 Behavior Concerns Advice Line [BCAL]: 512-232-5050)

**When and how to connect with us out of class:** Please take advantage of office hours of the professor<sup>2</sup> and the TA,<sup>3</sup> listed at the beginning of the syllabus. We will use Canvas for course communications; all current information will be available there. Emails will be responded to during normal business hours. Expect emails that violate course policies (such as asking the professor/TA "what did I miss?") to be ignored. **Course administration questions? Contact the TA.**

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<sup>1</sup> You are welcome to reach out to the professor and TA; know that we will likely refer you to start with SES, as they will save you the time and effort of making arrangements with us and each of your other instructors. Tip – be aware of your privacy rights: *Students are not required to reveal or document their health status to the instructor.*

<sup>2</sup> Why should you drop in or make an appointment to come to the professor's office hours? Please take advantage of the opportunity to connect outside of class. Potential topics to discuss include class material, current events, IPE in general, the professor's research, research opportunities for you, your career and/or future education plans, etc.! You are also welcome to come by in a group, so we can all bounce ideas off of each other. The professor may ask you to stop by in lieu of a written response to a written question; conversations are nearly always better.

<sup>3</sup> Why should you come to the TA's office hours? The TA is your best sounding board for specific questions about your grade, getting feedback on assignments, and brainstorming the best ways to organize your time and effort so that you achieve the grade you would like in the course. The TA is also an expert in international relations and IPE, in the midst of their own research, and in a PhD program – so they have a unique and important perspective that can be very useful to you. Taking a few minutes to have an in-person conversation with the TA is nearly always better than engaging in a typed back-and-forth. The TA may ask you to stop by in lieu of a written response to a written question.

**Course Materials:****Required textbook:**

Oatley, Thomas. 2019. *International Political Economy: Interests and Institutions in the Global Economy*. 6<sup>th</sup> edition. New York: Routledge.<sup>4</sup>

All non-textbook readings and other materials for the course will be accessible via our Canvas page. Any amendments to the course content made on Canvas take precedence over the course schedule and readings in this syllabus document.<sup>5</sup>

**Grading:**

**Grade scale:** (final grades rounded to the nearest whole number)

94 and above	A
90-93	A-
87-89	B+
84-86	B
80-83	B-
77-79	C+
74-76	C
70-73	C-
67-69	D+
64-66	D
60-63	D-
59 and below	F

**Grade components:**

Quizzes	25%
Exams	
Module 1: Politics of International Finance	25%
Module 2: Politics of Multinational Corporations	25%
Module 3: Politics of International Trade	25%

**Exam details:** The course is arranged around Modules. **There will be an exam following each Module that covers the material from that Module. There is no comprehensive final exam.** You should expect to be tested on your understanding of concepts and your ability to

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<sup>4</sup> Note that the 6<sup>th</sup> edition of this textbook is required – published in 2019 by Routledge (dark blue cover, picture of a port). Previous editions are unacceptable. You can rent or buy an electronic version online, or acquire a hard copy, as you prefer.

<sup>5</sup> We will do our best to utilize the features on Canvas to make the administration of the course as smooth as possible and make all its components clear to you. You will never be penalized for a technical glitch or issue – but it is incumbent on you to raise it to us in a timely manner. If you ever have an idea about how we could make something on Canvas easier for you, please do not hesitate to tell us!

critically examine and apply those concepts. Exams will likely consist of a series of short answer questions; however, the exact format is at our discretion. We will provide more details on the format in advance of each exam.

All exams will be conducted online over Canvas. Conducting the exams over Canvas is only a matter of convenience for you: the length of the exams and the standards for the exams are exactly the same as they would be if you were completing the exam in a blue book in class. Thus, a fully prepared student should be able to successfully complete the exam in 1 hr 45 min., or a standard class period. That said, you will have a 2 hr 30 min window to complete the exam from the point of accessing it on Canvas. Exams are open-note, but not “open-person” – that is, you must complete the exam on your own and are not allowed to confer with any other person. All exams will be passed through a plagiarism detector.<sup>6</sup> Given that you have the schedule now, and each exam is available for an extended window that also overlaps with our assigned class time – and thus could be completed in a time window that we all have available to us – we will not accept late exams or make alternative arrangements except in extreme circumstances. If you see a possible issue arising, contact the TA as soon as is reasonably possible so we can address the issue together.

**Quiz details:** Most class weeks are accompanied by a timed Canvas quiz directly tied to the reading materials for the week. Each student’s lowest quiz score will be dropped. This adjustment is intended to compensate for the inevitable conflicts that students face and mistakes that we all make. Correct answers will be released automatically on Canvas following the closing deadline.<sup>7</sup> We typically will not review quiz questions per se during class time; however, feel free to bring them up in class and/or in TA office hours as would be useful to you. Given that you have the schedule now, and your lowest score will be dropped, and that you have extended time to complete the quiz, we will not accept late quizzes except in very extreme circumstances.

**Extra credit opportunities:** Extra credit opportunities will be offered at the professor’s discretion. Expect extra credit opportunities to be offered during class time. **In the event that you miss class, you can make up in-class extra credit by 1) learning about its existence via your colleagues (and not the TA), and 2) proactively sending a written equivalent to the TA in a Canvas message before the start of the following class period.** There are no extra credit opportunities available after the last class day or on request.<sup>8</sup>

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<sup>6</sup> Tips: Approach your answers from the point of view of gaining points by clearly demonstrating mastery, rather than “losing points.” That’s the principle behind modern pedagogy on student assessment (and, by the way, your personal credit score as well).

<sup>7</sup> We expect you not to cheat by sharing questions or answers with other students. Cheating is not ethical, not in your or your colleagues’ best interests in terms of learning, and frankly not worth your time.

<sup>8</sup> FYI: Grades are based on output, in the form of demonstrated knowledge, and not input – i.e., not on effort. Tips: The TA is ready to give you ideas as to how to maximize your efficiency. And, many experts in knowledge accumulation, pedagogy, and higher ed are employed by UT Austin to serve you – take advantage of this perk of being here. Do not request grade changes based on the professor’s/TA’s sympathy. All students are assessed on the same basis.

**Academic integrity:**

**UT Statement on Academic Integrity:** A fundamental principle for any educational institution, academic integrity is highly valued and seriously regarded at The University of Texas at Austin. More specifically, you and other students are expected to maintain absolute integrity and a high standard of individual honor in scholastic work undertaken at the University. This is a very basic expectation that is further reinforced by the University's Honor Code. At a minimum, you should complete any assignments, exams, and other scholastic endeavors with the utmost honesty, which requires you to:

- acknowledge the contributions of other sources to your scholastic efforts;
- complete your assignments independently unless expressly authorized to seek or obtain assistance in preparing them;
- follow instructions for assignments and exams, and observe the standards of your academic discipline; and
- avoid engaging in any form of academic dishonesty on behalf of yourself or another student.

**Course-specific plagiarism policy:** In our course, all violations of university academic conduct guidelines, including plagiarism, will result in a zero on the assignment or exam in question and will be referred to the Dean of Students as appropriate. Plagiarism is the use of others' ideas or work without credit and/or presenting derivative work as one's own. This includes, but is not limited to, cutting and pasting from someone else's work or an internet source, failing to identify exact quotes, failing to cite a source for information that is only available from that source, failing to cite a source for an idea or argument you borrowed from that source, and turning in work that is not your own (or is the same as someone else's).<sup>9</sup>

**Other policies:**

**Disability Accommodations:** Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities (SSD: [ddce.utexas.edu/disability](http://ddce.utexas.edu/disability); 512-471-6259). Students registered with SSD are required to follow the SSD procedures, which include providing accommodation requirements to the professor (usually in a letter) and then meeting with the professor in office hours to discuss and commit to the approach that will be taken in the course. The professor asks that students registered with SSD be proactive: please inform the professor as soon as possible and immediately raise issues should we make a mistake in providing accommodations. The professor does not make SSD accommodations retroactively.

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<sup>9</sup> Tips: Every concept in the class can be discussed in many different ways; by using your own words and examples (and not those of the professor/TA), you better demonstrate to us your level of mastery over the material. So, for the purposes of this class, quotations are counterproductive – we know the author of the quotation understands the concept, but do you?

**Title IX Reporting:** UT Austin is committed to fostering a learning and working environment free from discrimination in all its forms. Faculty members and certain staff members (TAs) are considered “Responsible Employees” or “Mandatory Reporters,” which means that they are required to report violations of Title IX to the Title IX Coordinator. For more information about reporting options and resources, visit [titleix.utexas.edu](https://titleix.utexas.edu) or contact the Title IX Office at [titleix@austin.utexas.edu](mailto:titleix@austin.utexas.edu).

**University-approved Function + Religious Holiday Conflicts:** In general, the student must inform the TA, with proper documentation, well before the deadline or scheduled exam time, so that the TA can work on alternative arrangements. For religious holidays, By UT Austin policy, the student must notify the TA of the pending absence at least fourteen days prior to the date of observance of a religious holy day. If the student must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, the student will be given an opportunity to complete the missed work within a reasonable time after the absence.

**(Course schedule begins on next page)**

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**Week “0”: Introduction: What is IPE, and how will we study it?**

**Readings/materials:**

- Textbook – Oatley: Chapter 1
- Jeffry Frieden, “The Political Economy of Economic Policy.” IMF Finance and Development: Summer 2020. (on Canvas)
- I-PEEL: Borrowing. (<http://i-peel.org/homepage/borrowing/>)

**Class sessions:**

**23 Aug            IPE right now + Course administration**  
**25 Aug            “-isms” and units of analysis as our tools to organize IPE**

**Quiz** (due before start of next class session)

**MODULE: POLITICS OF INTERNATIONAL FINANCE**

**Week 1/5: The politics of money and finance**

**Readings/materials:**

- Textbook – Oatley: Chapter 10
- See Canvas for additional materials

**Class sessions:**

**30 Aug            What we will study (and why)**  
**1 Sept            International finance as a political choice: historical overview**

**Quiz** (due before start of next class session)

**Week 2/5: How governments (do not) control money on the international stage**

**Readings/materials:**

- Textbook – Oatley: Chapter 12 and Chapter 13

**Class sessions:**

**6 Sept            Introduction to the “Unholy Trinity”: domestic interest rates,  
exchange rates, and movement of capital across borders**  
**8 Sept            Exchange rates and the balance of payments – fixed**

**Quiz** (due before start of next class session)

**Week 3/5: How governments (do not) control money on the international stage (cont.)**

**Readings/materials:**

- Textbook – Oatley: Chapter 11
- See Canvas for additional materials

**Class sessions:**

**13 Sept            Exchange rates and the balance of payments – floating**

**15 Sept      *No in-person class; Asynchronous: "England's Cross of Gold"***

**Quiz** (due before start of next class session)

**Week 4/5: Crisis: Why things go wrong and what governments can(not) do about it**

**Readings/materials:**

- Textbook – Oatley: Chapter 14 and Chapter 15

**Class sessions:**

**20 Sept      Focus on developing countries**  
**22 Sept      Focus on developing + developed countries**

**Quiz** (due before start of next class session)

**Week 5/5: Wrap-up and exam**

**Readings/materials:**

- Review sheet: See Canvas

**Class sessions:**

**27 Sept      Wrap-up (and a taste of what we didn't cover) + TA review**  
*\*\* Finance Exam released on Canvas \*\**  
**29 Sept      NO CLASS: Finance Exam due on Canvas by 11:59 PM**

**MODULE: POLITICS OF MULTINATIONAL CORPORATIONS (MNCs)**

**Week 1/4: Goals of MNCs v. Goals of governments**

**Readings/materials:**

- Textbook – Oatley: Chapter 8 and Chapter 9

**Class sessions:**

**4 Oct      Why do MNCs invest abroad and why do governments (sometimes) let them in?**  
**6 Oct      Introduction to political risk and MNC-government bargaining**

**Quiz** (due before start of next class session)

**Week 2/4: Politics as a driver of where MNCs choose to invest**

**Readings/materials:**

- See Canvas for all materials

**Class sessions:**

**11 Oct      Do MNCs like to invest in democracies?**  
**13 Oct      Investment incentives and "race to the bottom"**  
*\*\* Finance Exam returned around here \*\**



**Quiz** (due before start of next class session)

**Week 3/4: How and when can governments control international business?**

***Readings/materials:***

- See Canvas for all materials

***Class sessions:***

<b>18 Oct</b>	<b>Sanctions</b>
<b>20 Oct</b>	<b><i>No in-person class; Asynchronous: "Weaponized Interdependence"</i></b>

**Quiz** (due before start of next class session)

**Week 4/4: Wrap-up and exam**

***Readings/materials***

- Review sheet: See Canvas

***Class sessions:***

<b>25 Oct</b>	<b>Wrap-up (and a taste of what we didn't cover) + TA review</b> <b><i>** MNC Exam released on Canvas **</i></b>
<b>27 Oct</b>	<b><i>No in-person class; MNC Exam due on Canvas by 11:59 PM</i></b>

**MODULE: POLITICS OF INTERNATIONAL TRADE**

**Week 1/4: How and why governments allow free(-ish) trade**

***Readings/materials:***

- Textbook – Oatley: Chapter 6 and Chapter 7

***Class sessions:***

<b>1 Nov</b>	<b>Trade as a tool for economic development: historical overview</b>
<b>3 Nov</b>	<b>Comparative advantage and its political side effects</b>

**Quiz** (due before start of next class session)

**Week 2/4: When and why governments benefit from restricting trade**

***Readings/materials:***

- Textbook – Oatley: Chapter 4 and Chapter 5

***Class sessions:***

<b>8 Nov</b>	<b>Factor Model, or why high- and low-skilled workers feel differently about trade</b>
<b>10 Nov</b>	<b>Sector Model, or why different business sectors feel differently about trade</b> <b><i>** MNC Exam returned around here **</i></b>

**Quiz** (due before start of next class session)

**Week 3/4: When and why governments benefit from restricting trade (cont.)**

***Readings/materials:***

- Textbook – Oatley: Chapter 2
- See Canvas for additional materials

***Class sessions:***

<b>15 Nov</b>	<b>Why else might you and I might feel differently about trade</b>
<b>17 Nov</b>	<b>Why countries find it hard to agree on trade policy</b>

**Quiz** (due before start of next class session)

**Week 4/4: What does the “globalization backlash” mean for the future of trade?**

***Readings/materials:***

- Textbook – Oatley: Chapter 16
- Review sheet: See Canvas

***Class sessions:***

<b>29 Nov</b>	<b>Emerging lessons from contemporary IPE research</b>
<b>1 Dec</b>	<b>Wrap-up (and a taste of what we didn't cover) + TA review</b>

*\*\* Trade Exam released on Canvas \*\**

**8 Dec, 5:30 PM**      ***Trade Exam due on Canvas by this deadline (end of our finals period)***