

**PRELIMINARY: THIS SYLLABUS MAY BE REVISED
BEFORE CLASS BEGINS**

Government 1780
Spring 2021
Jeff Frieden

International Political Economy

All readings on this list are required. Almost all are contained in the following books, which are available for purchase at the Coop:

Jeffrey Frieden, David Lake, and Lawrence Broz, Editors, *International Political Economy: Perspectives on Global Power and Wealth*, Sixth Edition (New York: W. W. Norton, 2017).

Thomas Oatley, *International Political Economy*, Sixth Edition (New York: Routledge, 2019).

The required texts are also on reserve at Lamont Library. Readings not in the two books will be available on the course website. The following book may be useful, and is available at the Coop:

John Black, Nigar Hashimzade, and Gareth Myles, *Oxford Dictionary of Economics* Fifth edition (Oxford: Oxford University Press, 2017)

Please note: Given the nature of the course and of the examinations, you are *strongly urged* to do all reading in advance, as assigned on the reading list. Failure to do so will impede your ability to profit from the lectures, and to perform well in section participation and on the examinations. Notice that the quantity of readings varies from topic to topic. You are strongly urged to read ahead when the reading load is lighter.

Requirements for the course are as follows:

Three take-home essays. These are papers of 2500-3000 words (seven to ten pages) each, in which you are asked to answer a question based lectures and readings. They are due at the start of class a week after essay questions are distributed. The first questions are distributed March 3, and the paper is due March 10. The second questions are distributed April 12, and the paper is due April 19. The third questions are distributed at the end of class on April 28, and the paper is due May 5. For all three assignments you are asked to answer one of two questions. Each essay counts for 20 percent of your final grade.

A 90-minute midterm examination, on March 29. This asks you to identify and discuss the significance of important events, processes, and concepts contained in the course. The midterm exam counts as 15 percent of the final grade.

A 90-minute final examination, date determined by the Registrar. Like the midterm, this asks you to identify and discuss the significance of important events, processes, and concepts contained in the course. The final examination counts for 15 percent of your final course grade.

Section attendance and participation. Section attendance is strongly recommended. In section you can ask clarifying questions regarding specific readings, lectures, and concepts. Section includes critical discussion of the readings, and a review of potential exam questions. Section attendance and participation count for 10 percent of your final grade. Sections start meeting the first week of class. They will meet weekly for an hour and a half. Optional review sections are held prior to the final.

Professor Frieden's coordinates:

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Office Hours: Tuesdays 10-11:30 and 2-3:30. Sign up for office hours at <http://tinyurl.com/FriedenOHtool> [NOTE: Google Account required]

Personal Meeting Room: <https://harvard.zoom.us/j/8198331466> or the more easily remembered <https://harvard.zoom.us/my/jfrieden>

January 25

Introduction: Markets and Politics

Oatley, chapter 1

Frieden Lake Broz, pp. 1-17:

Frieden Lake Broz, "Introduction: International Politics and International Economics," pp. 1-17

Jeffrey Frieden, "The Political Economy of Economic Policy," *Finance and Development*, Summer 2020

January 27 and February 1

The Rise of the Modern World Economy, 1500-1914

Frieden Lake Broz, pp. 77-112:

Frieden Lake Broz, "Historical Perspectives," pp. 77-80.

Cheryl Schonhardt-Bailey, "Free Trade: The Repeal of the Corn Laws," pp. 81-91

Peter Gourevitch, "International Trade, Domestic Coalitions, and Liberty: Comparative Responses to the Crisis of 1873-1896," pp. 92-112

Jeffrey Frieden, "The modern capitalist world economy: A historical overview," *Oxford Handbook of Capitalism* Ed. Dennis Mueller (New York: Oxford University Press, 2012)

February 3 and 8

Perspectives on the International Political Economy

Frieden Lake Broz, pp. 18-76 and 449-458:

Frieden Lake Broz, "Contending Perspectives," pp. 18-19

Ron Rogowski, "Commerce and Coalitions: How Trade Affects Domestic Political Alignments," pp. 20-29

Jeffrey Frieden, "The Political Economy of Adjustment and Rebalancing," pp. 30-42

Stephen Krasner, "State Power and the Structure of International Trade," pp. 43-61

Christina Davis, "International Institutions and Issue Linkage: Building Support for Agricultural Trade Liberalization," pp. 62-76

February 10 and 17 Origins and Overview of the Contemporary International Economic Order

Daron Acemoglu, "Root Causes: A Historical Approach to Assessing the Role of Institutions in Economic Development," pp. 113-118
Michael Bailey, Judith Goldstein, and Barry Weingast, "The Institutional Roots of American Trade Policy," pp. 119-139

February 15 **No class – University holiday**

Richard Baldwin, "The World Trade Organization and the Future of Multilateralism," pp. 339-356

March 1 **No class – Wellness Day**

March 3 and 8

International Trade and the Developing Countries

Oatley, chapters 6 and 7

Frieden Lake Broz, pp. 297-314:

Raymond Hicks, Helen Milner and Dustin Tingley, "Trade Policy, Economic Interests, and Party Politics in a Developing Country: The Political Economy of CAFTA-DR," pp. 297-314

***FIRST PAPER TOPICS DISTRIBUTED AT END OF CLASS MARCH 3,
DUE AT START OF CLASS MARCH 10***

March 10, 15, and 17

International Financial and Monetary Relations

Oatley, chapters 10, 11, 12, and 13

Frieden Lake Broz, pp. 206-220, and 232-281:

Frieden Lake Broz, "Money and Finance," pp. 206-210

Joshua Aizenman, "The Impossible Trinity (aka The Policy Trilemma)," pp. 211-220

Menzie Chinn and Jeffrey Frieden, "'Borrowing, Boom, and Bust: The Capital Flow Cycle," pp. 232-251

Mark Copelovitch, Jeffrey Frieden, and Stefanie Walter, "The Political Economy of the Euro Crisis," pp. 252-266

Lawrence Broz, "Political System Transparency and Monetary Commitment Regimes," pp. 267-281

Christian Beer and Beat Weber, "Bitcoin – The Promise and Limits of Private Innovation in Monetary and Payment Systems," *Monetary Policy and the Economy* no. 4 (2014), pp. 53-66.

March 22 and 24

International Finance and Development

Oatley, chapters 14 and 15

Frieden Lake Broz, pp. 221-231:

Jeffrey A. Frieden, "Globalization and Exchange Rate Policy," pp. 221-231

March 29	Midterm examination
March 31	No class – Wellness day
April 5, 7 and 12	Multinational Corporations and the Internationalization of Production

Oatley, chapters 8 and 9

Frieden Lake Broz, pp. 140-205:

Frieden Lake Broz, "Foreign Direct Investment," pp. 140-143

Richard Caves, "The Multinational Enterprise as an Economic Organization," pp. 144-155

Sonal Pandya, "Labor Markets and Demand for Foreign Direct Investment," pp. 156-166

Beth Simmons, "Bargaining over BITs, Arbitrating Awards: The Regime for Protection and Promotion of International Investment," pp. 167-183

Quan Li and Adam Resnick, "Reversal of Fortunes: Democratic Institutions and Foreign Direct Investment Inflows to Developing Countries," pp. 184-205

Nikki Harish and Michael Plouffe, "The Political Economy of Foreign Direct Investment to Developing Countries," working paper

***SECOND PAPER TOPICS DISTRIBUTED AT END OF CLASS APRIL 12,
DUE AT START OF CLASS APRIL 19***

April 14	Immigration
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Frieden Lake Broz, pp. 357-412:

Frieden Lake Broz, "Migration," pp. 357-358

Gary Freeman and Alan Kessler, "Political Economy and Migration Policy," pp. 358-377

Margaret Peters, "Open Trade, Closed Borders: Immigration in the Era of Globalization," pp. 378-393

Giovanni Facchini, Anna Maria Mayda, and Prachi Mishra, "Do Interest Groups Affect U.S. Immigration Policy?" pp. 394-412

April 19

Current Issues in Development

Frieden Lake Broz, pp. 413-467:

Frieden Lake Broz, "Economies in Development," pp. 413-415

Branko Milanovic, "Global Income Inequality in Numbers: In History and Now," pp. 416-427

Dani Rodrik, "The Past, Present, and Future of Economic Growth," pp. 428-448

April 21, 26, and 28

Current Problems in the International Political Economy

Oatley, chapter 16

Frieden Lake Broz, pp. 459-566:

Frieden Lake Broz, "Current Problems in International Political Economy," 459-460

Jeffrey Frankel, "Globalization and the Environment," pp. 461-488

Sean Ehrlich "The Fair Trade Challenge to Embedded Liberalism," pp. 489-505

Robert O. Keohane and David G. Victor, "Cooperation and Discord in Global Climate Policy," pp. 506-517

Jeffrey Frieden, "The Governance of International Finance," pp. 518-534

Edward Mansfield and Diana Mutz, "US versus Them: Mass Attitudes toward Offshore Outsourcing," pp. 535-563

Dani Rodrik, "Populism and the Economics of Globalization," *Journal of International Business Policy*, vol. 1 (2018)

Stefanie Walter, "The Backlash against Globalization," *Annual Review of Political Science* (forthcoming, 2021)

Martin Sandbu, "The Post-Pandemic Brave New World," *Finance and Development* (December 2020)

**THIRD PAPER TOPICS DISTRIBUTED AT END OF CLASS APRIL 28,
DUE MAY 5**