

INTERNATIONAL POLITICAL ECONOMY—SPRING 2013

Nathan Jensen, 283 Seigel Hall
njensen@wustl.edu
Classroom: Eads 205
3:00-5:00

DESCRIPTION

This is the core course for the IPE graduate sequence. The goal of the class is to introduce you to a number of substantive literatures in IPE and develop tools to engage in your own original research. The reading load will be heavy at times. I warned you.

CONTACT INFORMATION AND OFFICE HOURS

My office hours are from 2-3 on Monday (before class) or by email appointment. Don't call and leave a message (I will never get back to you).

REQUIREMENTS AND EXPECTATIONS

20% Class participation.

Preparing for class and engaging in class discussion is a requirement for this course. We have no formal presentations, but you are expected to have done the reading and participate in discussion. This usually requires taking extensive notes and/or reviewing the readings a second time before class.

10% Article Review (3 pages double-spaced): Due in class on Feb 4th

Your first assignment is to provide a critique of one of the Feb 4th reading assignments. The goal is to write this like a review for a journal. At a minimum this should include: 1) a very brief review of the main argument, 2) comments and criticisms of the theory, 3) comments and criticisms on the empirical analysis, and 4) some suggested changes.

20% Research Design I (5-6 pages, double spaced). Due in class on Feb 25th

Your second assignment is to select a paper from the Feb 25th readings and explain how you would improve the paper. This requires that you first provide an overview, some criticisms and then spend the final 3 pages or so on how you would improve the paper. This could include a very detailed series of changes, or a new theory/research design to test the theory forwarded in the paper.

20% Research Design II (5-6 pages, double spaced): Due in class on March 18th

Your third assignment is to pick a topic that we have covered in the course (such as how electoral institutions affect trade protection) and draft a memo. Your 5-6 pages should very briefly discuss the relevant literature from the class readings (first 2 pages or so) and then present your own research idea. This will be a hard assignment that will really require you to think creatively.

30% Option A: (first and second year Students) Practice Qualifying Exam Questions. Due via email by April 29th. You will be given two questions similar to previous IPE qualifying exam questions on April 22nd. This is open book and open note, but the idea is to help you simulate taking a qualifying exam.

Option B: (advanced students) You can revise a previous paper from another course. You must submit the original version of the paper to me at the beginning of the semester and outline your plan for revisions. Due via email on April 29th.

POLICY ON LATE ASSIGNMENTS AND INCOMPLETES

Graduate students often ask for an extra time to complete an assignment or to take an incomplete in the course. The logic is usually that you had something unexpected come up and/or with more time you would produce a higher quality project. My experience (and that of most of the faculty) is that incompletes allow graduate students to dig themselves into a hole that they spend the rest of their graduate student careers trying to get out of the hole. I do not accept late papers (or offer extensions) and will not offer incompletes.

READINGS

All of the readings are available via Telesis in the shared files folder. Send me an email if you have problems.

RESEARCH DESIGN AND BACKGROUND

January 14:

Hello.

Optional Readings

Lake, David A. 2007. International Political Economy: A Maturing Interdiscipline. in *The Oxford Handbook of Political Economy*

Oatley, Thomas. 2011. The Reductionist Gamble: Open Economy Politics in the Global Economy. *International Organization* 65 (2): 311-341.

Kayser, Mark Andreas. 2007. How Domestic is Domestic Politics? Globalization and Elections. *Annual Review of Political Science* (10):341-62.

January 21: MLK Day—No Class

January 28

Case selection, counterfactuals and empirics.

Lake, David. 2009. Open Economy Politics: A Critical Review. *The Review of International Organizations* 4 (3):219-44.

Frieden, Jeffrey and Lisa Martin. 2002. International Political Economy: Global and Domestic Interactions. In Ira Katznelson and Helen Milner, *Political Science: The State of the Discipline* (W.W. Norton).

Fearon, James. 1991. Counterfactuals and Hypothesis Testing in Political Science. *World Politics*.

Geddes, Barbara. 1990. How the Cases you Choose Affect the Answers You Get. *Political Analysis*

McDermott, Rose. Experimental Methodology in Political Science. 2002. *Political Analysis*

Dunning, Thad. 2008. Improving Causal Inference: Strengths and Limitations of Natural Experiments. *Political Research Quarterly*.

Odell, John S. 2001. Case Study Methods in International Political Economy. *International Studies Perspectives* 2: 161-176.

Feb 4

International Trade and Trade Preferences

Article Review Due

Background Readings

Freeman, Richard B. 1995. Are Your Wages Set in Beijing? *Journal of Economic Perspectives*

Krueger, Anne O. 1974. The Political Economy of the Rent-Seeking Society. *American Economic Review*

Review one of these articles for class

Daron Acemoglu and James A. Robinson. 2001. Inefficient Redistribution. *American Political Science Review*

Rogowski, Ronald. 1987. Political Cleavages and Changing Exposure to Trade. *American Political Science Review*

Scheve, Kenneth F. and Matthew J. Slaughter. 2001. What Determines Individual Trade-Policy Preferences. *Journal of International Economics*

Mayda, Anna Maria and Dani Rodrik. 2005. Why are some people (and countries) more protectionist than others? *European Economic Review*

February 11

Trade Preferences II

Hainmueller, Jens and Michael J. Hiscox. 2006. Learning to Love Globalization: Education and Individual Attitudes toward International Trade. *International Organization*

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

Xiaobo Lü, Kenneth F. Scheve, Matthew J. Slaughter. 2011. Envy, Altruism, and the International Distribution of Trade Protection. NBER Working Paper.

Margalit, Yotam. 2011. Costly Jobs: Trade-related Layoffs, Government Compensation, and Voting in U.S. Elections. *American Political Science Review* 105 (1): 169-188.

Baker, Andy. 2005. "Who Wants to Globalize? Consumer Tastes and Labor Markets in a Theory of Trade Policy Beliefs." *American Journal of Political Science* 49 (4): 924-938.

Mansfield, Edward D., and Diana C. Mutz. 2009. Support for Free Trade: Self-Interest, Sociotropic Politics, and Out-Group Anxiety. *International Organization* 63 (3):425-57.

February 18
Trade Protection I

Putnam, Robert. 1988. Domestic Institutions and the Credibility of International Commitments. *International Organization*

McGillivray, Fiona. 1997. Party Discipline as a Determinant of the Endogenous Formation of Tariffs. *American Journal of Political Science*

Lohmann, Susanne and Sharyn O'Halloran. 1994. Divided Government and U.S. Trade Policy: Theory and Evidence. *International Organization*

Gilligan, Michael. 1997. *Empowering Exporters*, Reciprocity and American Trade Policy. (Pages 61-92).

Hiscox, Michael J. 1999. The Magic Bullet? The RTAA, Institutional Reform and Trade Liberalization. *International Organization*.

Hiscox, Michael J. 2002. Commerce, Coalitions, and Factor Mobility: Evidence from Congressional Votes on Trade Legislation. *American Political Science Review*

David Karol. 2007. Does Constituency Size Affect Elected Officials' Trade Policy Preferences? *Journal of Politics*

February 25
Research Design I Due
Trade Protection II (Recent Contributions)

Gawande, Kishore, Pravin Krishna, and Marcelo Olarreaga. 2009. What Governments Maximize and Why: The View from Trade. *International Organization*

Alt, James, Fredrik Carlsen, Per Heum and Koere Johansen. 1999. Asset Specificity and the Political Behavior of Firms: Lobbying for Subsidies in Norway". *International Organization*

Kono, Daniel. 2006. Optimal Obfuscation: Democracy and Trade Policy Transparency. *American Political Science Review*.

McGillivray, Fiona and Alastair Smith. 2004. The Impact of Leadership Turnover on Trading Relations Between States. *International Organization*.

Mansfield, Edward D., Helen V. Milner, and B. Peter Rosendorff. 2002. Why Democracies Cooperate More: Electoral Control and International Trade Agreements. *International Organization*

Hays, Jude, Sean Ehrlich, and Clint Peinhardt. 2005. Government Spending and Public Support for Trade in the OECD: An Empirical Test of the Embedded Liberalism Thesis. *International Organization*

Davis, Christina. 2004. International Institutions and Issue Linkage: Building Support for Agricultural Trade Liberalization. *American Political Science Review*

March 4
Foreign Direct Investment I

Frieden, Jeffrey A. 1991. Invested Interests: The Politics of National Economic Policies in a World of Global Finance. *International Organization*

Helpman, Elhanan. 2006. "Trade, FDI, and the Organization of Firms. *Journal of Economic Literature*

Garrett, Geoffrey. 1995. Capital Mobility, Trade, and the Domestic Politics of Economic Policy. *International Organization*

Kobrin, Stephen J. 1987. Testing the Bargaining Hypothesis in the Manufacturing Sector in Developing Countries." *International Organization*

Greico, Joseph. 1982 Between Dependence and Autonomy: India's Experience with the International Compute Industry. *International Organization*

Scheve, Kenneth and Matthew J. Slaughter. 2004. Economic Insecurity and the Globalization of Production. *American Journal of Political Science*

March 11: Spring Break

March 18
Research Design II Due
Foreign Direct Investment (Political Risk)

North, Douglas and Barry Weingast. 1989. Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in 17th Century England. *Journal of Economic History*

Goodman et al. 1996. Foreign Direct Investment and the Demand for Protection in the United States. *International Organization*

Elkins, Zachary, Andrew T. Guzman, and Beth A. Simmons. 2006. Competing for Capital: The Diffusion of Bilateral Investment Treaties, 1960-2000. *International Organization*

Tomz, Michael. 2007 Domestic Audience Costs in International Relations: An Experimental Approach. *International Organization*.

Henisz, Witold. 2000. The Institutional Environment for Multinational Investment. *Journal of Law Economics & Organization*

Li, Quan and Adam Resnick. 2003. Reversal of Fortunes: Democratic Institutions and Foreign Direct Investment Flows to Developing Countries. *International Organization*

Jensen, Nathan. 2008. Political Regimes and Political Risk: Democratic Institutions and Expropriation Risk for Multinational Investors. *Journal of Politics*

March 25

Political Influence of Firms

Ansolahebere, Stephen, John M. de Figueiredo, and James M. Snyder Jr. Why is There so Little Money in U.S. Politics? 2003. *Journal of Economic Perspectives*.

Grossman, Gene M. and Elhanan Helpman. 1994. Protection for Sale. *American Economic Review* 84 (4):833-850.

Gordon, Sanford and Catherine Hafer. 2007. Corporate Influence and the Regulatory Mandate. *Journal of Politics*

Milner, Helen. 1988. Trading Places: Industries for Free Trade. *World Politics* 40 (3): 350-376.

Malesky, Edmund. 2008. Straight Ahead on Red: How Foreign Direct Investment Empowers Subnational Leaders. *Journal of Politics* 70 (1): 97-199.

Pinto, Pablo and Santiago Pinto. 2008. The Politics of Investment: Partisanship and Sectoral Allocation of Foreign Direct Investment. *Economics and Politics* 20 (2): 216-254.

Faccio, Mara et al. 2006. Political Connections and Corporate Bailouts. *The Journal of Finance*.

April 1

Globalization and Corruption

Andrei Schleifer and Robert W. Vishney. 1993. Corruption. *Quarterly Journal Economics*

Wei, Shang-Jin. 2000. How Taxing is Corruption on International Investors? *Review of Economic and Statistics* 82: 1-11.

Tresiman, Daniel. 2000. The Causes of Corruption: A Cross National Study. *Journal of Public Economics* 73.3: 399-457.

Gerring, John, and Thacker Strom. 2005. Do Neoliberal Policies Deter Political Corruption? *International Organization* 59: 233-54.

Pinto, Pablo, and Boliang Zhu. 2008. *Fortune or Evil? The Effects of Inward Foreign Direct Investment on Corruption*. Saltzman Institute of War and Peace Studies (SIWPS) Working Paper No. 10 (December).

Braguinsky, Serguey and Sergey V. Mityakov. 2012. Foreign Corporations and the Culture of Transparency: Evidence from Russian Administrative Data. NBER Working Paper.

April 8

Corruption Research at WashU

Articles from Crisp, Jensen, Rosas, and Tavits

April 15

International Institutions and Trade

Martin, Lisa and Beth Simmons. 1998. Theories and Empirical Studies of International Institutions. *International Organization*

Ruggie, John G. 1982. International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order. *International Organization*

Rosendorff, B. Peter, and Helen V. Milner. 2001. "The Optimal Design of International Trade Institutions: Uncertainty and Escape." *International Organization* 55 (4):829-57.

Dai, Xinyuan. 2005. "Why Comply? The Domestic Constituency Mechanism." *International Organization* 59 (2):363-98.

Steinberg, Richard. 2002. "In the Shadow of Law or Power? Consensus-Based Bargaining and Outcomes in the in the GATT/WTO." *International Organization* 56 (2):339-74.

Goldstein, Judith L., Douglas Rivers, and Michael Tomz. 2007. "Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade." *International Organization* 61 (1): 37-67.

Mansfield, Edward, Helen V. Milner, and Eric Reinhardt. 2002. "Why Democracies Cooperate More: Electoral Control and International Trade Agreements." *International Organization* 56 (3): 477-514.

April 22

Final IPE Exam Question Handed Out Foreign Aid

Alesina, Alberto, and David Dollar. 2000. "Who Gives Foreign Aid to Whom and Why?" *Journal of Economic Growth* 5 (1):33-63.

Wright, Joseph and Matthew Winters. 2010. The Politics of Effective Foreign Aid. *Annual Review of Political Science*

Kuziemko, Ilyana, and Eric Werker. 2006. "How Much Is a Seat on the Security Council Worth? Foreign Aid and Bribery at the United Nations." *Journal of Political Economy* 114 (5):905-30.

Bueno de Mesquita, Bruce , and Alastair Smith. 2009. "A Political Economy of Aid." *International Organization* 63 (2):309-40.

Milner, Helen V. and Dustin H. Tingley. 2010 (forthcoming). "The Political Economy of U.S. Foreign Aid: American Legislators and the Domestic Politics of Aid." *Economics & Politics*.

Dunning, Thad. 2004. "Conditioning the Effects of Aid: Cold War Politics, Donor Credibility, and Democracy in Africa." *International Organization* 58 (2):409-23.

Stone, Randall W. 2004. The Political Economy of IMF Lending in Africa. *American Political Science Review* 98 (4):577-591.

April 29

Final IPE Question Due

The Natural Resource Curse

Ross, Michael L. 1999. "Review: The Political Economy of the Resource Curse." *World Politics* 51 (2):297-322.

Dunning, Thad. 2005. "Resource Dependence, Economic Performance, and Political Stability." *Journal of Conflict Resolution* 49 (4):451-82.

Haber, Stephen, and Victor Menaldo. 2009. "Do Natural Resources Fuel Authoritarianism? A Reappraisal of the Resource Curse."

Morrison, Kevin M. 2009. "Oil, Nontax Revenue, and the Redistributive Foundations of Regime Stability." *International Organization* 63 (1):107-38.

Goldberg, Ellis, Erik Wibbels, and Eric Mvukiyehe. 2008. Lessons from Strange Cases: Democracy, Development and the Resource Curse in the U.S. States. *Comparative Political Studies*.

Lee, Chia-yi. Dissertation Chapter.

Ross, Michael L. 2006. "A Closer Look at Oil, Diamonds, and Civil War." *Annual Review of Political Science* 9 (1):265-300.