



INSTITUTE
OF ECONOMIC STUDIES
Faculty of Social Sciences
Charles University

International Political Economy

Spring Term

Professors: [Mgr. Michal Paulus](#)

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Course Code: JEM165

Course Description:

The aim of the class is to provide students with basic introduction into the “international political economy” (IPE) field. The course is based on active participation of students who are required to read compulsory literature for each class and debate the papers. The course is using two streams of literature: academic literature (papers and textbooks) and topical articles/papers (e.g. from the Economist or Foreign Affairs) covering current policy issues (e.g. The Economist or Foreign Affairs). The goal of this approach to literature is to use IPE research as guidance in real world policy debates that help us understand positions of opposing policy makers.

The main “applied” or policy focus of the course is on the debates associated with US elections and new president Donald Trump. Therefore the class topics are primarily shifted towards trade regimes and the impact of globalization.

Structure:

There will only be lectures for this course. There will be no seminars.

Requirements:

This course is designated primarily for the students of IEPS (International Economic and Political Studies). They have a priority for enrollment. Students from other specialisations can enrol in excess of them, up to 50 participants.

Academic Honesty:

Although the students are encouraged to exchange ideas in and outside class, everybody is required to submit their own work. That means that copying the work of other students or published materials is strictly prohibited.

Grading System:

TBA

Course Content:

1) Introduction to IPE: Theoretical Perspectives, Main Actors and Short History of Global Economy

The first lecture represents brief introduction into the IPE discipline. We cover main theoretical approaches to IPE, position of IPE within social sciences and main actors that are discussed within the discipline. The lecture will also cover brief summary of historical development of global economy.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Broome (2014), CH 1-6

Ravenhill (2014), CH 1-2

The Maddison-Project (<http://www.ggd.net/maddison/maddison-project/home.htm>, 2013 version)

2) Cooperation and Conflicts, New x Old Superpowers

We focus on the literature investigating the reasons behind cooperation and conflicts between actors. Establishment of international institutions (and organizations) as a potential solution of conflicting interests will be investigated. The lecture will also debate the economic effects of sanctions and investigate the hypothesis that mutual trade is a “peace promoter” between conflicting states.

In the area of current policy issues we will focus on the struggle between “old” and “new” superpowers and their abilities to cooperate. We also debate the relationship between China and US-EU.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Ravenhill (2014), CH 3-4

Current policy debates

China and CEE countries – Czech Republic as a Trojan horse? Trump's politics to China

3) International Monetary Relations and the Choice of Currency Regimes: Guest Lecture by Dr. Zdenek Kudrna (University of Salzburg, 6.3.)

Compulsory literature

Will be updated one week before the lecture.

4) The Political Economy of Financial Crises

The class will focus on the IPE research about financial crises. The policy part of the lecture will mainly focus on the debates about the financial crisis in US in 2008 and recent debt crisis in EU.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Ravenhill (2014), CH 8

Broome (2014), CH 13

Current policy debates

Financial crisis in US (2008); financial and debt crisis in EU

5) Political Economy of Development

The lecture will focus on the economic theory of development elaborated by D. Acemoglu. We will debate the role of institutions and also the effectiveness of foreign aid. We will also touch the differences in approaches to foreign aid of China and EU.

Compulsory literature

Weingast and Wittman (2008), CH 37

Will be updated one week before the lecture.

Supplementary literature

Will be updated one week before the lecture.

Current debates

Foreign aid policies of China and EU.

6) Globalization and the State Power

The lecture covers debates about the impact of globalization on national states. We will investigate the relative power of international organizations and multinational corporations compared to the strengths of states. The class will also look at increasing power of populism stemming from impacts of globalization. The policy debate will focus on Brexit and recent US elections.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Ravenhill (2014), CH 10, 14

Current debates

Brexit and US elections

7) Trade Regime: Openness x Protectionism and Welfare Effects

The lecture will primarily investigate the rationale behind the contemporary trend of trade protectionism (probably most visible proponent is the current US president Donald Trump). We will cover the main arguments in favor of trade liberalization and also protectionism. Special attention will be devoted to the studies of D. Rodrick and J. Stiglitz. The welfare effects of both approaches to trade regime will be investigated. In the policy area we will discuss the revision of US trade policy done by Donald Trump.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Ravenhill (2014), CH 9, 12

Broome (2014), CH 7,13

E. Helpman: Understanding Global Trade. Belknap Press 2011

Current debates

Trump's revision of US trade policy

8) Trade Regimes and RTAs

The lecture is devoted to the political economy of trade regime. We will investigate the economic reasons behind the free trade and track the historical development of international trade regime (from GATT to WTO). The class will compare the international regime (WTO) to the approach based on conclusions of bilateral or regional trade agreements (RTA). We will discuss economic effects of both positions. In policy debates we will discuss also the TTIP and domestic limits of the RTAs.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Ravenhill (2014), CH 5-6

J. Bhagwati: Termites in the Trading System. A CFR Book. Oxford University, July 2008

Current policy debates

EU and TTIP/CETA

9) The Political Economy of International Migration

The international migration will be the main topic of the lecture. We will debate the positive and negative consequences of migration primarily from the perspective of economics. As the policy topics we will discuss the migration crisis in Europe, anti-immigration policy of D. Trump and populism associated with immigration.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Will be updated one week before the lecture.

Current debates

Brexit; Anti-immigration policies and narrative within EU (populism); Trump's anti-immigration policy

10) Corruption in International Economy

The lecture will focus on the forms and regulation of “international” corruption. We will explore the efficiency of various international anti-corruption agreements, economic and political consequences of natural resource course and various forms of corruption.

Compulsory literature

Will be updated one week before the lecture.

Supplementary literature

Will be updated one week before the lecture.

Current debates

Russian state capitalism (Economist report); OECD anti-bribery convention.

11) Reports: Class Debate

The groups will present and debate the results of their first assignment.

12) Reports II: Class Debate

The groups will present and debate the results of their second assignment.

Reading Materials:

The Oxford Handbook of Political Economy (2008) edited by Barry R. Weingast and Donald A. Wittman (ISBN13: 9780199548477ISBN10: 0199548471) - selected chapters as mandatory readings.

Plus there will be book and journal articles for regular weekly readings, and handouts used also as guidelines for seminars.