

Politics G53.1700. International Relations Core (International Political Economy)

**Spring 2007
Monday 6:20-8:20 pm**

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Overview

International Political Economy, as we will study it, is the study of the relationship between politics and economics in the issue areas of international finance, trade, and economic growth. The goal of this course is to familiarize students with the latest developments in the field. To this end we will conduct in-depth studies of three recent contributions to the literature every week. The papers are drawn from the literature in Political Science as well as Economics.

Format of the class-

In the first week students must choose which papers they would like to present in class. Every class will begin with a student presenting one of the papers assigned for the week. The presentation will be for 15-20 minutes. This will be followed by a 15 minute discussion of the paper. We will then move on to presentations and discussions of the remaining papers. The remaining time will be devoted to exploring future paths of research that are generated by the three papers. This will, hopefully, stimulate ideas for the paper that each student must submit to fulfill the requirements of the class.

Grades-

25% of the grade will be allocated for the quality of presentations made in class. The goal here is to display a command of the central substantive aspects of the paper being presented. Another 25% will be allocated for the frequency and quality of contributions to class discussions. The remaining 50% will be reserved for the 15 page paper that is due two weeks after the last class.

Readings-

Almost all the readings are in a course pack that has been prepared for you. The remaining readings will be handed out to you in class well before they are due to be discussed. You may purchase the course pack from New University Copy and Graphics, 11 Waverly Place. As the course proceeds I will add interesting working papers that come to my attention.

Agenda-

Note: Only the readings accompanied by a * are not in the coursepack.

1) January 22: Discussion of Syllabus

2) January 29: Finance 1

Broz and Frieden- The Political Economy of International Monetary Relations

Bernhard, Broz, and Clark- The Political Economy of Monetary Institutions: An Introduction

Giavazzi and Tabellini*- Economic and Political Liberalizations

3) February 5: Finance 2

Bernhard and Leblang- Political Parties and Monetary Commitments

Frieden, Ghezzi, and Stein- Politics and Exchange Rates: A Cross Country Approach to Latin America

Broz- Political System Transparency and Monetary Commitment Regimes

4) February 12: Finance 3

Frieden- Invested Interests

Clark and Hallerberg- Mobile Capital, Domestic Institutions and Electorally Induced Monetary and Fiscal Policy

Stasavage- The Limits of Delegation: Veto Players, Central Bank Independence, and the Credibility of Monetary Policy

5) February 26: Finance 4

Leblang and Satyanath*- Institutions, Expectations, and Currency Crises

Alesina and Drazen-Why are Stabilizations Delayed?

Hamann and Prati- Why do Many Disinflations Fail? The Importance of Luck, Timing and Political Institutions

6) March 5: Finance 5

Stasavage-Transparency, Democratic Accountability, and the Economic Consequences of Monetary Institutions

Acemoglu, Johnson, and Robinson-Institutional Causes, Macroeconomic Symptoms: Volatility, Crises, and Growth

Satyanath and Subramanian*- What Determines Macroeconomic Stability?

7) March 19: Trade 1

Milner- The Political Economy of International Trade

Rogowski-Political Cleavages and Changing Exposure to Trade

Gilligan and Alt- The Political Economy of Trading States: Factor Specificity, Collective Action Problems, and Domestic Political Institutions

8) March 26: Trade 2

Hiscox- Commerce, Coalitions, and Factor Mobility: Evidence from Congressional Votes on Trade Legislation

Hiscox- Class vs. Industry Cleavages: Inter-Industry Factor Mobility and the Politics of Trade

Gilligan- Empowering Exporters: Introduction

9) April 2: Trade 3

Helpman and Grossman-Protection for Sale

Goldberg and Maggi- Protection for Sale: An Empirical Investigation

Mitra, Thomakos, and Ulubasoglu- Protection for Sale in a Developing Country: Democracy vs. Dictatorship

10) April 9: Trade 4

McGillivray- Party Discipline as a Determinant of the Endogenous Formation of Tarriffs

Dutt and Mitra-Endogenous Trade Policy Through Majority Voting: An Empirical Investigation

McGillivray and Smith- The Impact of Leadership Turnover on Trading Relations Between States

11) April 16: Trade 5

Mansfield, Milner, and Rosendorff- Why Democracies Cooperate More: Electoral Control and International Trade Agreements

Mansfield, Milner, and Rosendorff- Free to Trade: Democracies, Autocracies, and International Trade.

Busch and Renhardt- Geography, International Trade, and Political Mobilization in U.S. Industries

12) April 23: Trade 6

Mayda and Rodrik- Why are Some People (and Countries) More Protectionist than Others?

Scheve and Slaughter-What Determines Individual Trade Policy Preferences

13) April 30: Growth 1

Acemoglu, Johnson, and Robinson - The Colonial Origins of Comparative Development: An Empirical Investigation

Acemoglu, Johnson, and Robinson - Reversal of Fortune: Geography and Institutions in the Making of Modern World Income Distribution

Albuoy- The Colonial Origins of Comparative Development: A Reinvestigation of the Data

Glaeser et al- Do Institutions Cause Growth?

14) December 7: Growth 2

Rodrik, Subramanian, and Trebbi- Institutions Rule: The Primacy of Institutions Over Geography and Integration in Economic Development

Sala-i-Martin and Subramanian- Addressing the Natural Resource Curse- An Illustration from Nigeria

Satyanath, Hicken, and Sergenti*- Political Institutions and Economic Performance: The Roles of Accountability and Obstacles to Policy Change