

Politics and Economic Policy: International Relations

POSC 182F | Winter 2024 | MW, 5–6:20 PM | INTN 1002

Professor: Steven Liao
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Syllabus Version: January 2, 2024

Contact Information

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Office Hours

Wed.
10 AM–12 PM
(Email to set up Zoom meeting)

Description

This course provides an introduction to the political and economic determinants and consequences of *international* economic policies. It examines how and why countries regulate core economic activities, such as trade, portfolio capital flows, and foreign direct investment (FDI). The course also addresses several consequences of international economic integration including economic crises and international economic cooperation. The course utilizes two main analytical tools: basic economic principles to explain how economic policies influence the distribution of income and political economy theories that explain how politicians set policies. Students will also develop analytical and writing skills through class/section exercises, assignments, and exams.

By the end of this course students will know:

- the different modes of international economic activity
- the effects of economic inflows on income distribution within and between countries
- how countries set international economic policies
- the sources of economic policy conflict and cooperation between countries

Prerequisite

There is no formal prerequisite and the course will introduce all necessary economic concepts. However, students are recommended to take this course after they have completed introductory microeconomics and macroeconomics courses. Students with this background will find the class more rewarding because they will already be familiar with key economic concepts and thus will more readily grasp the synergies between Economics and International Relations.

Readings

There is one required texts for this course:

- Jeffrey A. Frieden. 2020. [Global Capitalism](#) (Reissue Edition) W.W. Norton.

An e-book version is available and is fine for the class so long as it is the same edition.

All materials are available on the course Canvas site or as otherwise indicated. Files posted to Canvas will be under “Course Materials” and are named according to the authors’ last name and the year of publication.

Exams, Assignments, and Grading

Take Home Exam 1 (25%) and 2 (25%)

Each exam includes one long essay question that will require (1) a clear argument, and (2) the synthesis of lecture and course material across multiple topics to support the argument. Both exams will be open book and open notes. Working with others (or AI) on the exam is prohibited.

Essay answers must be within 2.5-pages long, typed in 12-point Times New Roman font, double-spaced, and have 1 inch page margins. Students can cite lecture materials and outside research (peer-reviewed articles, university press books, authoritative media sources, etc.). Citations should be in a standard format (e.g. MLA, APA, Chicago). The bibliography does not count towards the page limit, and should be on a separate page at the end of the essay.

Students will have 4 days to complete the exam on their own. Exam 1 is due on **February 18** (Sunday) by 11:59 PM and Exam 2 is due on **March 17** (Sunday) by 11:59 PM.

Essay answers must be uploaded to Canvas and checked by turnitin—a plagiarism detection system—before the due date and time. Essays that are turned in 1 minute to 24 hours after their due date will be penalized by 1/3 a letter grade. Essays will be marked down a full letter grade for each additional 24 hour period they are late.

Current Affairs Analysis Memo (35%)

Students must complete a five-page memo that analyzes current events related to international political economy. Please see the separate memo guidelines document that describes content requirements in detail. Students should confirm their choice of news article with their TA by **February 16** (Fri.). Reports should follow the same format requirements as the exams.

Memos are due on **March 6** (Wed.) by 11:59 pm and should be uploaded to Canvas and checked by turnitin. The same late penalties for the exams apply for the report.

Section Participation (15%)

Discussion sections will start the first week (**January 8–12**). The goal of discussion sections will be to discuss the week’s lectures and readings in more detail. TAs will circulate section policies statement clarifying how section participation will be assessed (e.g. attendance, class participation) and specific guidelines for the submission of memos.

Lecture Attendance (bonus 3%)

To encourage and reward students' attendance and participation during lectures, Professor Liao will randomly take attendance three times during the quarter. Each attendance will add one full point to students' final grades.

Grading Policy

In case of grading disputes students must meet with their TA within **one week** of receiving the contested grade to request clarification. If the TA's clarification is not satisfactory students may appeal the grade to the professor within one week of the TA meeting. The student must email to the TA and Professor Liao a 500-word written rationale for the appeal. If Professor Liao accepts the appeal he will independently assess the work and assign a new grade that may higher, lower, or the same as the original grade.

Course Policies

Lecture Mode

Following university policies, Professor Liao will now deliver all lectures in person. Zoom participation will only be granted in exceptional circumstances (prolonged emergencies or illness). To seek approval, students must email Professor Liao and copy their TA. Students will be required to provide documentation of their severe circumstance.

Disruptive behavior or discriminatory speech during lectures will not be tolerated.

Academic Integrity

All students are subject to the university's policies and procedures on academic integrity in all aspects of their course participation. If students have questions about any aspect of the policies, they should consult Professor Liao for guidance. Students should take particular care to adhere to standard practices for the citation of published work. Plagiarism is a deeply serious offense. Presenting the work of others as your own is strictly prohibited and will result, at minimum, in a failing grade for the class. For further details see: <http://conduct.ucr.edu/policies/academicintegrity.html>

Deadline Extensions

Please let Professor Liao and your TA know as soon as possible if you are encountering any challenges during the pandemic so that we can help. Exam or paper deadline extensions will be granted under severe circumstances (e.g., illness or emergency). However, job/internship interviews and deadlines in other courses do not qualify. Extension requests should be emailed to Professor Liao with the student's TA cc'ed at least **12 hours** in advance. Students will be required to provide documentation of their circumstance (e.g. note from Student Health or an Association Dean). Students are reminded that they are subject to the university's Standards of Conduct (<http://conduct.ucr.edu/policies/standards.html>) when requesting an extension.

Accommodation

Every effort will be made to accommodate students with disabilities. Please contact Professor Liao or the TA as early as possible about your needs, and we will treat the matter confidentially, within university policy, and with the resources provided by Student Special Services (<http://specialservices.ucr.edu/disabilities/>).

Student Needs

For additional supportive resources, see Student Health Services (<https://studenthealth.ucr.edu/>), Counseling & Psychological Services (<https://counseling.ucr.edu/>), and R’Pantry (<https://basicneeds.ucr.edu/rpantry>).

Course Schedule and Readings

Course Overview

January 8 (M)

Course syllabus

Analytical Framework

January 10 (W)

January 15 (M) **Martin Luther King Jr. Day—No Class**

Oatley (Chapter 1)

International Trade: Domestic Politics

January 17 (W)

January 22 (M)

Frieden 2020:

- Ch. 1, “Specialization and growth” (p. 21–25)
- Ch. 2, “The free traders” (p. 39–43)
- Ch. 2, “Global networks for a global economy” (p. 45–50)
- Ch. 3, “Protecting the infant industries” (p. 64–68)
- Ch. 5, “Winners and losers from trade” (p. 109–111)
- Ch. 11, “The United States leads the way” (p. 254–256)
- Ch. 12, “Bretton Woods in trade” (p. 287–290)

International Trade: International Cooperation & Bargaining

January 24 (W)

January 29 (M)

January 31 (W)

WTO. 2020. *Understanding the WTO*, “Basics”

The Economist. 2012. “Goodbye Doha, hello Bali.”

Global Production: Economics and Politics

February 5 (M)

February 7 (W)

February 12 (M)

Frieden 2020:

- Ch. 7, “The new corporations”—“The new multinational enterprises” (p. 160–167)
- Ch. 12, “International investment under Bretton Woods” (p. 292–296)

Nathan M. Jensen. 2003. “Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment.” *International Organization* 57(3). p. 587–596 *only*.

International Monetary System

February 14 (W) **Exam 1 Distributed at 11:59 PM, due on Feb. 18 (Sun.) by 11:59 PM**

February 19 (M) **Presidents’ Day—No Class**

February 21 (W)

Frieden 2020:

- Ch. 1, “The gold standard reaffirmed” (p. 16–21)
- Ch. 2, “Defenders of the Global Economy”—“Nathan Mayer Rothschild, 1840–1915” (28–39)
- Ch. 2, “Supporters of the golden pillars” (p. 43–45)
- Ch. 5, “Silver threats among the gold” (p. 111–116)
- Ch. 6, “The twenties roar”—“Into the void” (p. 140–154)
- Ch. 8, “Gold and the crisis”—“Out with the old” (p. 181–194)
- Ch. 12, “The Bretton Woods monetary order” (p. 290–292)

Exchange Rate Politics and Currency Crises

February 26 (M)

February 28 (W)

Jeffrey Frieden. 1991. “Invested Interests: The Politics of National Economic Policies in a World of Global Finance.” *International Organization* 45:4 (Autumn), 425–451.

Politics of Sovereign Debt

March 4 (M)

Renee Haltom and Thomas A. Lubik. 2013. “[Is Fiscal Austerity Good for the Economy?](#)” *Federal Reserve Bank of Richmond: Economic Brief*.

Paul Krugman. 2015. “[Austerity and the Greek Depression.](#)” & “[Austerity’s Grim Legacy.](#)” *The New York Times*

Debt Crises

March 6 (W) **Current Affairs Memo Due by 11:59 PM**

March 11 (M)

Frieden 2020

- Ch. 16, “Crisis and Change”—“The Volcker counter-shock” (p. 363–378)

Fernando M. Martin and Christopher J. Waller. 2012. “[Sovereign Debt: A Modern Greek Tragedy.](#)” *Federal Reserve: Bank of St. Louis, Review*. September/October, 321-339.

Globalization vs. Politics

March 13 (W) **Exam 2 Distributed at 11:59 PM, due on March 17 (Sun.) by 11:59 PM**

Frieden 2020:

- Ch. 21, “And Fall Again”—“The end of global capitalism?” (p. 473–505)