



**SCHOOL OF HISTORY, PHILOSOPHY, POLITICAL SCIENCE AND INTERNATIONAL  
RELATIONS**

**INTP 247 INTERNATIONAL RELATIONS - WEALTH AND WORLD AFFAIRS  
2009 TRIMESTER 1  
2 March to 1 July 2009**

Lecturer: Dr. Ben Thirkell-White  
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Office hours: Monday 1-2pm, Tuesday 10-11 am

Tutor: Jan Piotr Dutkiewicz  
Jan's office hours and contact details will be announced on blackboard in the first week of term.

**Lecture times:** Monday at 12.00pm and Tuesday at 12.00pm

**Lecture venues:** HMLT 206

**Tutorial times:** tba

**Tutorial venues:** tba

**Course Delivery**

The course has two lectures and one tutorial per week. The lectures are taught by Dr Ben Thirkell-White and take place on Mondays and Tuesdays at 12.00pm in lecture theatre HMLT206.

Tutorials begin in week 2. Students should sign up for tutorials online during the first week of term using S-Cubed, which can be accessed at <https://signups.victoria.ac.nz>

The examination period for this course is from Friday 12 June to Wednesday 1 July 2009.

**Communication of additional information**

Information on any changes will be communicated via the course blackboard site.

**Course content**

This module looks at the global, international and domestic politics of the world economy. It introduces students to key theoretical perspectives in international political economy, to contemporary debates about international economic policy, and to the politics that shape international economic outcomes. It covers international trade, multinational production and international finance. It explores the interaction between economic ideas about trade policy

and political processes at domestic and international levels. It examines the impact of multinational production on welfare and on international politics. It then goes on to look the constraining effects of global finance and some of the political outcomes of the current global financial crisis. These empirical debates are also used to introduce students to liberal, realist, Marxist and constructivist approaches to international relations theory.

### **Learning objectives**

Students passing the paper will:

1. Have a good understanding of the economics and politics that shape the world economy
2. Understand the main theoretical perspectives through which academics seek to understand international political economy and be able to relate these to theoretical perspectives on international relations more generally
3. Understand contemporary debates on international economic policy in the areas of trade, international production and international finance
4. Be able to write a structured and theoretically-informed essay about debates in international political economy

### **Graduate attributes**

As with all POLS and INTP courses, learning objectives of this course contribute to the attainment of specific attributes in the areas of critical thinking, creative thinking, communication and leadership. Please consult the Programme Prospectus 2009, p. 10, for more details or on our website <http://www.victoria.ac.nz/pols/>

### **Expected workload**

In accordance with Faculty Guidelines, this course has been constructed on the assumption that students will devote 15 hours per week for reading, writing, and researching material for this course. This includes 2 hours of lectures and one hour of tutorials per week.

### **Group work**

There is no assessed group work as a part of this course, although tutorials will involve group discussions.

### **Readings**

#### **Essential texts:**

The essential text for this course is:

Balaam, David & Veseth, Michael *Introduction to International Political Economy* (4<sup>th</sup> Edition) (Upper Saddle River, New Jersey: Prentice Hall) 2008

There is also a **Book of Reading** that contains additional compulsory readings and some additional material that students will find useful for the course.

Textbooks can be purchased from Vicbooks located on the top floor of the Student Union Building, Kelburn Campus. Books of Reading are distributed from the Student Notes Shop on the ground floor of the Student Union Building.

Customers can order textbooks and student notes online at [www.vicbooks.co.nz](http://www.vicbooks.co.nz) or can email an order or enquiry to [enquiries@vicbooks.co.nz](mailto:enquiries@vicbooks.co.nz). Books can be couriered to customers or they can be picked up from the shop the day after placing an order online.

Opening hours are 8.00 am – 6.00 pm, Monday – Friday during term time (closing at 5.00 pm in the holidays)  
10.00 am – 1.00 pm Saturdays.  
Phone: 463 5515

### **Recommended Reading:**

Other specific recommended readings are listed underneath the topics for each week.

There is a wide range of International Political Economy textbooks available in the library and most textbooks will have chapters relevant to each week of this course. Instead of listing the chapter numbers in different textbooks for each week of the course, I have simply listed good textbooks here and leave it up to students to find relevant chapters if they want to.

Reading a second textbook is often a good way to get into a topic, especially if you are finding it difficult. However, you should be aware that, by second year, students are also expected to be reading more difficult academic literature and you are unlikely to get a really good mark for course assessments based on textbook reading alone.

Good IPE textbooks include:

Ravenhill, John (Ed) *Global Political Economy (2<sup>nd</sup> Edition)* (Oxford: Oxford University Press) 2008

Frieden, Jeffrey & Lake, David *International political economy : perspectives on global power and wealth (3<sup>rd</sup> Edition)* (Boston : Bedford/St. Martin's) 2000

O'Brien, Robert and Williams, Marc *Global Political Economy: Evolution and Dynamics (2<sup>nd</sup> Edition)* (Basingstoke: Palgrave) 2007

Stubbs, Richard and Underhill, Geoffrey *Political Economy and the Changing Global Order (3<sup>rd</sup> Edition)* (Ontario, Oxford University Press) 2006

Cohn, Theodore *Global Political Economy (4<sup>th</sup> Edition)* (New York, Pearson/Longman) 2008

### **Assessment requirements**

Two essays (25% each) and a final exam (50%) are used for assessment.

Essay topics are attached at the end of this course outline.

- Essay 1 due 9 April 2008
- Essay 2 due 22 May 2008

Essays should be 1800 – 2200 words long and follow all scholarly conventions, especially those relating to citations (please see the programme essay guide for details). Extensions will be granted only by the course coordinator and only in exceptional circumstances, under the conditions stipulated in Victoria University's aegrotat regulations.

The essays assess student knowledge of the course material (learning objectives 1, 2, 3) and student ability to write a clear, structured, and theoretically-informed essay about international political economy (learning objective 4).

The final examination will be a 3-hour exam scheduled in the examination period Friday 12 June -1 July 2009.

### **Return of assignments**

Essays will be returned during tutorials, within three weeks of the due date. If students fail to attend the relevant tutorial, they may pick up their essay from the Office between the hours of 2 and 3pm on Monday to Friday.

### **Penalties**

Students will be penalised for late submission of essays – a deduction of 5% for the first day late, and 2% per day thereafter, up to a maximum of 8 days. Work that is more than 8 days late can be accepted for mandatory course requirements but will not be marked. However, penalties may be waived if there are valid grounds (for example, illness, in which case presentation of a medical certificate will be necessary, or similar other contingencies eg bereavement). These valid grounds must be communicated *before* the deadline for the relevant piece of assessment.

### **Mandatory course requirements**

To gain a pass in this course each student must submit the written work specified for this course, on or by the specified dates (subject to such provisions as are stated for late submission of work) and complete the final examination.

### **Statement on the use of Turnitin**

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an online plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted material on behalf of the University for detection of future plagiarism, but access to the full text of submissions is not made available to any other party.

### **Academic integrity and plagiarism**

Academic integrity means that university staff and students, in their teaching and learning are expected to treat others honestly, fairly and with respect at all times. It is not acceptable to mistreat academic, intellectual or creative work that has been done by other people by representing it as your own original work.

Academic integrity is important because it is the core value on which the University's learning, teaching and research activities are based. Victoria University's reputation for academic integrity adds value to your qualification.

The University defines plagiarism as presenting someone else's work as if it were your own, whether you mean to or not. 'Someone else's work' means anything that is not your own idea. Even if it is presented in your own style, you must acknowledge your sources fully and appropriately. This includes:

- Material from books, journals or any other printed source
- The work of other students or staff
- Information from the internet
- Software programs and other electronic material
- Designs and ideas

- The organisation or structuring of any such material

Find out more about plagiarism, how to avoid it and penalties, on the University's website:  
<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

## GENERAL UNIVERSITY POLICIES AND STATUTES

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the *Victoria University Calendar* or go to the Academic Policy and Student Policy sections on:

<http://www.victoria.ac.nz/home/about/policy>

This website also provides information for students in a number of areas including Academic Grievances, Student and Staff conduct, Meeting the needs of students with impairments, and student support/VUWSA student advocates.

### Lecture plan

Monday 2<sup>nd</sup> March: Introduction to international political economy  
 Tuesday 3<sup>rd</sup> March: Free trade and how economists think

Monday 9<sup>th</sup> March: Debating free trade I (concepts and arguments)  
 Tuesday 10<sup>th</sup> March: Debating free trade – case studies

Monday 16<sup>th</sup> March: Realism and liberalism in IPE  
 Tuesday 17<sup>th</sup> March: War, peace and international institutions

Monday 23<sup>rd</sup> March: Developing countries: self-protection or integration?  
 Tuesday 24<sup>th</sup> March: Developing countries: towards a middle-way?

Monday 30<sup>th</sup> March: How the World Trade Organisation works  
 Tuesday 31<sup>st</sup> March: Current controversy and the Doha round

Monday 6<sup>th</sup> April: Factories in the Third World – opportunity or exploitation?  
 Tuesday 7<sup>th</sup> April: Some evidence from Mexico

### Mid-Semester Break

Monday 27<sup>th</sup> April: What's the point in regional economic blocs?  
 Monday 28<sup>th</sup> April: Examples from Europe and Asia

Monday 4<sup>th</sup> May: What is globalization?  
 Tuesday 5<sup>th</sup> May: Did globalization force a change in New Zealand government policy?

Monday 11<sup>th</sup> May: Marx, power and inequality in IPE  
 Tuesday 12<sup>th</sup> May: Neo-Marxists and globalization

Monday 18<sup>th</sup> May: Constructivist IPE or why how we think matters

Tuesday 19<sup>th</sup> May: Examples of constructivist approaches

Monday 25<sup>th</sup> May: The current financial crisis I

Tuesday 26<sup>th</sup> May: The current financial crisis II

Tuesday 2<sup>nd</sup> June: Conclusions plus advice on revision and exam technique

## **Tutorials and Readings**

Please note that tutorials begin the week after the lectures, so students have some teaching on the relevant topic before they begin reading and discussing issues in class. Week 2's tutorials cover the material introduced in the first weeks' lectures and so on.

It is essential that students complete the compulsory reading for tutorials to function properly. The questions listed under each tutorial are designed to help students identify the most important points from the reading. Tutorial discussion will be organised around the readings and the questions.

**Students are strongly encouraged to come to the tutorials with at least one sheet of notes that try to answer the listed questions, based on information from lectures and the compulsory reading. Tutors may ask students to show them their notes at the beginning of each tutorial to get an idea of which aspects of the topic need particular attention during tutorials.**

### **Tutorial One: How economists think and the case for free trade**

What do economists mean by 'efficiency'?

What are some of the core features of 'capitalism'?

Why, according to economists, is capitalism supposed to make the world a better place?

Why do almost all economists think free trade is basically good?

What is a 'positive-sum game'? What is a 'zero-sum game'?

'Some African countries are just bad at making everything' – according to orthodox economics, does this mean that they will lose from free trade?

'Buy Kiwi and we've got it made' – why do orthodox economists think it's better to buy Chinese if Chinese is better value? Are they right?

Can you think of some problems with this orthodox economic view of the world?

### *Compulsory Reading*

Balaam and Veseth Chapter 3, especially pp37-48 and 56-61

And

Weelan, Charles *The Naked Economist: Undressing the Dismal Science* Chapter 1 (though the rest is also readable and helpful)

### *Additional Reading*

Gilpin, Robert *Global Political Economy: Understanding the International Economic Order*, Princeton University Press, 2001 Chapter 3 (and Chapter 8)

Kanbur, Ravi 'Economic Policy, Distribution and Poverty: The Nature of Disagreements' *World Development* Vol.29 No.6 pp1084-1094

Smith, Adam *The Wealth of Nations* Book I Chapter 1 (Division of Labour) and Book IV, Chapter 2 (Restraints importing foreign goods) especially the famous bit a couple of pages in beginning 'But the annual revenue of each society.....etc.'

For those of you that like a more mathematical approach, try also looking at any economics book that explains the doctrine of comparative advantage, for example Krugman & Obstfeld *International Economics: Theory and Practice*

### **Tutorial Two: Debating free trade**

From Balaam and Veseth:

What are the (structuralist and mercantilist) arguments against free trade?

From Frieden:

Which countries in the pre-war period were most enthusiastic about free trade? Why?

Which groups of people within countries were most enthusiastic about free trade? Why?

Many economists think there's an unfair bias against free trade in domestic politics. Why do they think that? Do you think they are right?

Are difficulties with free trade caused by politics getting in the way of good economic policy? Or does politics have a legitimate place in shaping economic policy?

### *Required Reading*

Balaam & Veseth Chapter 6 Especially pp103-107 (three perspectives on trade) and pp116-8

O'Brien and Williams *Global Political Economy (2<sup>nd</sup> Edition)* 2007 pp139-147 (available on blackboard)

and

Frieden, Jeffrey *Global Capitalism: It's Fall and Rise in the Twentieth Century* New York and London, W.W.Norton, 2006 pp30-33, 39-43, 45-50, All of Chapter 3 and pages 105-111

*Additional Reading*

Frieden & Lake *International Political Economy* (4<sup>th</sup> Edition) Routledge 1999 chapters 2, 19, 20, 21 and 29

Gilpin *Global Political Economy* Chapters 3, 4 & 5

Bhagwati, J *In defence of globalization* (2004, OUP)

Chang, Ha-Joon 'Kicking away the ladder: the "real" history of free trade' in Shiakh, Anwar (Ed) *Globalization and the myths of free trade: history, theory and empirical evidence* (London, Routledge 2007) (some other chapters are also interesting)

Freeman, R 'Are Your Wages Set in Beijing?' *Journal of Economic Perspectives* Vol.9 No.3 Summer 1995

Helleiner, Eric 'Economic nationalism as a Challenge to Economic Liberalism? Lesson from the 19<sup>th</sup> Century' *International Studies quarterly*, 46 (3) 307-29, 2002

Levi-Faur, D 'Economic nationalism: from Friedrich List to Robert Reich', *Review of International Studies*, Vol 23 No 3, 1997

Pickel and Helleiner (eds) *Economic Nationalism in a Globalising World* Cornell University Press 2005

**Tutorial Three: Liberalism, realism, war, peace and institutions**

'Realist' writers think national security should be countries' central concern.

Why do some realists think trade can make countries vulnerable? (see how many reasons you can find)

What advantages (in national security terms) might countries get from being good at trade?

How should countries decide which other countries to trade with?

Liberal writers emphasise the ways in which all countries can be better off if they cooperate.

Why do basically all liberals think free trade is what countries *should* do?

What might be the non-financial benefits of free trade?

Based on these two views, should we expect countries to be willing to join a trade organisation like the WTO?

If we think about international relations only in terms of a liberalism versus realism debate, what's missing from the conversation?

*Required Reading*

Balaam and Veseth chapters 2 & 3 and pp118-120

and

Moran, T 'Grand strategy: the pursuit of power and the pursuit of plenty' *International Organisation* Vol 50 No 1, 1996



### *Additional Reading*

#### *Wealth, war and peace in liberal and realist writing*

- Crawford, B 'Hawks, Doves, but no owls: international economic interdependence and construction of the new security dilemma' in Lipschutz (ed) *On Security*. Available at <http://www.ciaonet.org/book/lipschutz/lipschutz16.html>
- Friedberg, A 'The changing relationship between economics and national security' *Political Science Quarterly* Vol 105 No 2, 1991 pp265-276
- Mastanduno, M Economics and security in statecraft and scholarship' *International Organization* vol 52 No 4 1998 pp 835-854
- Moravcsik, Andrew 'Taking preferences seriously: a liberal theory of international politics' *International Organization* Vol 51, No. 4, 1997 513-53
- Strange, S (1985) 'Protectionism and world politics' *International Organization* Vol 50 No 1 pp233-259
- Viner, J , 'Power versus Plenty as Objectives of Foreign Policy in the Seventeenth and Eighteenth Centuries', *World Politics* 1/1, 1948

#### *Realism liberalism and international organisations*

- Grieco 'Anarchy and the limits of cooperation: a realist critique of the newest liberal institutionalism' *International Organization* Vol 42, Summer 1998, pp485-508 E
- Gruber *Ruling the World* Princeton, 2000 (chapters 1-5)
- Keohane, R *After Hegemony* Princeton, 1984
- Keohane R 'International liberalism reconsidered' in Dunn (ed) *The economic limits to modern politics* Cambridge 1990
- Krasner, S *Structural conflict: the Third World against global liberalism* Berkeley 1985
- Krasner, S 'Global communications and national power: life on the Pareto frontier' *World Politics* 43, April 1991 pp336-66
- Krasner (ed) *International Regimes* Cornell 1983 (also special issue of *International Organization* Spring 1982 )
- Martin & Simmons 'Theories and empirical studies of international institutions' *International Organisation* Vol 52 No 4 pp729-757
- Nye, Joseph 'Neorealism and Neoliberalism', *World Politics*, vol. 40, no. 2 (January 1988), pp. 235-51.

### **Tutorial Four: Developing countries**

Why do some people think that integrating into the world economy (or 'globalisation') is good for developing countries?

Why do other people think it is bad for developing countries?

Identify some policies that try to find a middle-ground (East Asian nationalism, 'beyond sweatshops' etc.). Do you think those policies are viable? Are they more viable in some places than others? Why?

### *Required Reading*

Thirkell-White, Ben 'Globalization and Development' in Salmon, T and Imber, M (Eds) *Issues in International Relations* (2<sup>nd</sup> Edition) London, Routledge, 2008

Balaam & Veseth Chapter 15

### *Additional Reading*

Balaam and Veseth Chapter

Thomas, Caroline 'Globalization and Development in the South' in Ravenhill, John *Global Political Economy* Oxford University Press

Frieden & Lake *International Political Economy* Chapters 25-27

Martinussen *Society, state and market: a guide to competing theories of development* (the early chapters of many other development studies textbooks may also be helpful for an overview of modernisation and dependency theory)

Rapley, J *Understanding development: theory and practice in the third world* Chapters 1-3

Gore, Charles 'The rise and fall of the Washington consensus as a paradigm for developing countries' *World Development* Vol. 28, no 5 pp789-804 2000

Grabowski, Richard 'Import Substitution, Export Promotion and the State in Economic Development', *Journal of Developing Areas*, vol.28, no.4 1994

Grugel, Jean, Riggiozzi, Pia & Thirkell-White, Ben 'After the Washington Consensus? Asia and Latin America in search of more autonomous development paradigms', *International Affairs* Vol. 84, No.3, 2008,

Mathews, John A 'Catch-up strategies and the latecomer effect in industrial development' *New Political Economy* Vol 11 No 3 2006

Rodrik, D (2001) *The global governance of trade as if development really mattered* unpublished paper prepared for UNDP – available at

<http://ksghome.harvard.edu/~drodrik.academic.ksg/papers.html>

Rodrik, D (2004) *Industrial policy for the twenty-first century* available at

<http://ksghome.harvard.edu/~drodrik/UNIDOSep.pdf>

Stiglitz, J *More Instruments and Broader Goals: Moving Toward the Post-Washington Consensus* WIDER annual lecture number 2, available online at

[http://www.wider.unu.edu/publications/annual-lectures/en\\_GB/AL2/](http://www.wider.unu.edu/publications/annual-lectures/en_GB/AL2/)

### **Tutorial Five: The WTO and international trade negotiations**

From the Narlikar reading:

What kinds of rules make the WTO look like a fair organisation?

What kinds of rules make the WTO look like an unfair organisation?

From Balaam and Veseth:

Is the World Trading system becoming more or less fair over time?

Why has the Doha round been so difficult?

Things to think about....

What would change for developing countries if they left the WTO?

What would happen to developed countries if they left the WTO?

### *Required Reading*

Balaam and Veseth Chapter 6

and

Narlikar, A 'The politics of participation: decision-making processes and developing countries in the world trade organization' *The Round Table\_* (journal!) No.364 pp171-185

### *Additional Reading*

Gilpin *Global political economy* Chapter 8

Hocking & McGuire *Trade politics* (various chapters, especially Part II)

Ford, Jane *Social theory of the WTO: trading cultures*

Hoekman & Kostecky *The political economy of the world trading system: the WTO and beyond*

Jackson *The World Trading System: law and policy of international economic relations* (1997, 2<sup>nd</sup> Edition)

Narlikar, Amrita *International trade and developing countries: bargaining coalitions in the GATT and WTO*

Narlikar, Amrita and Wilkinson, Rorden 'Collapse at the WTO: a Cancun post-mortem' *Third World Quarterly* Vol25, No3

O'Brien et al (eds) *Contesting global governance* (WTO chapters)

Oxfam *Rigged Rules and Double Standards: trade, globalisation and the fight against poverty* available on blackboard

Steinberg, R 'In the Shadow of Law or Power? Consensus-Based Bargaining and Outcomes in the GATT/WTO' *International Organization* 2002 No. 56

Wilkinson, R 'The World Trade Organization' *New Political Economy* Vol7 No1

Wilkinson R (2006) 'The WTO in Hong Kong: What it really means for the Doha Development Agenda' *New Political Economy* Vol 11 No2

Trentmann, Frank (1998) 'Political Culture and Political Economy: Interest, Ideology and Free Trade', *Review of International Political Economy*, 5 (2), 217-251.

Wolfe, R (2004) 'Crossing the River by Feeling the Stones: where the WTO is going after Seattle, Doha & Cancun', *Review of international political economy* , 11:3, pp. 574-96.

See also the articles in *Review of International Political Economy* Vol 11 No3 (August 2004)

On Seattle, see *Review of International Political Economy* Vol 7, No3 (various articles) and *Millennium*\_Vol 29 No.1 (again, various)

The WTO website is also useful (<http://www.wto.org> - I am familiar with '10 benefits' and '10 common misunderstandings' documents so read more than just that!)

## **Tutorial 6: Multinational corporations, production and wages**

From the Cavanagh et al paper on NAFTA:

What do NAFTA's critics say happened when more US companies were allowed to set up in Mexico?

What do NAFTA's supporters say happened?

From the lecture / Balaam and Veseth:

What good things might happen in developing countries when foreign firms set up factories?

What bad things might happen in developing countries when foreign firms set up factories?

What kind of threats can multinational companies use to get what they want from developing country governments?

What kinds of things might make developing countries look attractive to multinational companies?

What might developing countries do to get more out of foreign companies?

### *Required Reading*

Balaam & Veseth Chapter 17 (and revisit the 'sweatshop' section of Chapter 15)

and

Cavanagh, Anderson, Serra & Espinosa 'Happy ever NAFTA?' Foreign Policy 132 (September / October 2002)

### *Additional Reading*

Bernard & Ravenhill 'Beyond product cycles and flying geese: regionalization, hierarchy and the industrialization of East Asia' *World Politics* Vol47 No2 1995 pp179-210

Dicken, P *Global Shift*\_ Especially chapter on 'conflict and collaboration' states and firms and the last part (chapter titles vary between editions)

Frieden & Lake *International Political Economy* Chapters 9-12 and Ch 22

Giplin *Global Political Economy* (Chapter 11)

Grant, Wyn 'Economic Globalisation, Stateless Firms, and International Governance', Warwick PAIS Working Papers, no. 105, April 1992.

Held et al: *Global Transformations* (2000), chapter 5.

Henderson, J, Dicken, P, Hess, M, Coe, N, Yeung, H W C 'Global Production networks and the analysis of economic development' *Review of international political economy* Vol9 No3 2002 pp. 436-464

Hocking & McGuire *Trade Politics* Chapter 4

Jenkins, R *Transnational corporations and uneven development*

Lawton & Michaels 'Exploding the global value chain: the changing nature of the global production structure and implications for international political economy' ISA conference paper 2000 (available through CIAO – google 'exploding the global value chain')

Martinussen *Society state and market: a guide to competing theories of development* Chapter 9

Mittelman 'Restructuring the global division of labour: old theories and new realities' in Gill (ed) *Globalisation, democratisation and multilateralism*

Stubbs & Underhill *Political economy and the changing global order* Ch11, 26

Louis W. Pauly and Simon Reich, 'National Structures and Multinational Corporate Behavior: Enduring Differences in the Age of Globalization', *International Organization*, vol. 51, no. 1 (1997), pp. 1-30.

Watson, S 'Gilding the Smokestacks: The New Symbolic Representations of Deindustrialised Regions', *Environment and Planning D: Society and Space*, 9 (1), 59-70. 1991

Winfried Ruigrok and Rob van Tulder, *The Logic of International Restructuring* (1995), chapter 7.

For more on NAFTA, try

Pastor, R 'North America's Second Decade' *Foreign Affairs* January/February 2004

Porter, Tony 'The North American Free Trade Agreement' in Stubbs & Underhill (Eds) *Political Economy and the Changing Global Order*

Scott, Salas and Campbell *NAFTA at seven: its impact on workers in all three countries*

Washington DC Economic Policy Institute: available on blackboard or online at

[http://www.epinet.org/content.cfm/briefing\\_papers\\_nafta01\\_mx](http://www.epinet.org/content.cfm/briefing_papers_nafta01_mx) (follow the 'download pdf' link)

## **Tutorial 7: Regionalism**

From Ravenhill

What economic reasons might countries have for entering into free trade agreements?

What political reasons might countries have for entering into free trade agreements?

From Balaam and Veseth

How different is the European Union from NAFTA?

What kinds of problems appear as regional agreements become more complex and institutionalised?

Is the European Union democratic (or 'legitimate')?

*Required Reading*

Balaam & Veseth Chapter 11

And

John Ravenhill 'Regionalism' in Ravenhill (Ed) *Global Political Economy* (2<sup>nd</sup> Edition)  
Oxford, OUP, 2008 (on blackboard)

#### *Additional Reading*

Breslin et al *New Regionalisms in the global political economy: theories and cases* (London, Routledge, 2002) – available as e-book (some articles also available as a special issue of the journal *New Political Economy* (Volume 5, Number 3, 2000))

Gilpin *Global Political Economy* Chapter 13

Frieden & Lake *International Political Economy* Chapter 24

Gamble & Payne *Regionalism and World Order* MacMillan 1996

Jayasuriya, K 'Embedded Mercantilism and Open Regionalism' *Third World Quarterly*  
Vol.24 No.2

MacDonald, David B 'Regionalism: New Zealand, Asia, The Pacific, Australia' in Patam & Rudd (Eds) *Sovereignty Under Siege*

Mansfield & Milner 'The New Wave of Regionalism' *International Organization* Vol 53 No 3

Narine S 'State sovereignty, political legitimacy and regional institutionalisation in the Asia-Pacific' *Pacific Review* Vol17 No3 2005

Ravenhill, J *APEC and the construction of Pacific Rim regionalism*

Stubbs, R & Underhill, G *Political Economy and the Changing Global Order* (3<sup>rd</sup> Edition)

Part III on regionalism includes both some general theory and case studies

### **Tutorial 8: Globalization and New Zealand**

What kinds of policies were 'Keynesian'?

What kinds of policies are 'neoliberal'?

Why do some people think 'globalization' forced countries to shift to more neoliberal policies?

Why do other people disagree?

Did New Zealand have a choice about adopting 'Rogernomics'?

How different were Helen Clark's policies from 'neoliberalism'?

How much choice do governments have over economic policy under globalization?

#### *Required Reading*

Roper, B 'Globalization and the Shift in Policy-Making from Keynesianism to Neoliberalism: The decline of National and State Autonomy?' in Patnam & Rudd (Eds) *Sovereignty Under Siege? Globalization and New Zealand*

and

Colin Hay 'Globalization's Impact on States' in Ravenhill, John (Ed) *Global Political Economy* (2<sup>nd</sup> Edition) (Oxford, Oxford University Press) 2008

### *Additional Reading*

- Amoore, L, Dodgson, R, Gills, B, Langley, P Marshall, D and Watson, I 'Overturning "Globalisation": Resisting the Teleological, Reclaiming the "Political"', *New Political Economy*, vol. 2, no. 1 (1997), pp. 179-95
- Cerny, P 'Paradoxes of the Competition State: The Dynamics of Political Globalization', *Government and Opposition*, vol. 32, no. 2, 1997 pp. 251-74
- Clark, I 'Beyond the Great Divide: Globalization and the Theory of International Relations', *Review of International Studies*, vol. 24, 4 (October 1998), pp. 479-98
- Evans, P "The eclipse of the state?: reflections on stateness in an era of globalisation," *World Politics* 50, 1997, pp. 62-87.
- Garrett, G 'Global Markets and national politics: collision course or virtuous circle?' *International Organization* vol 52, no 4, 1998: 787-824.
- Held, McGrew and Perraton *Global Transformations*
- Mosley, L 'Globalisation and the State: Still Room to Move?', *New Political Economy* vol 10 no 3, 2005
- Mosley, L 'Room to Move: International Financial Markets and National Welfare States', *International Organization* (54) 2000: 737-773.
- Perraton, J., Goldblatt, D, Held, D., & McGrew, A. 'The Globalisation of Economic Activity', *New Political Economy*, 2, (2), 1997 257-277.

### More on New Zealand

- See the other chapters in *Sovereignty under siege*
- Bollard, A 'New Zealand' in Williamson, J (Ed) *The Political Economy of Policy Reform* Institute for International Economics 1994
- Conway, P *The New Zealand Experiment 1984-1999*
- Easton, B *The making of Rogernomics* Auckland 1989
- Kelsey, J *The New Zealand Experiment: A Model for World Structural Adjustment?* Auckland 1997

## **Tutorial 9: Marxist views of IPE**

What is distinctive about Marxist theories of IPE?

What do Marx, dependency theorists and Neo-Gramscians have in common?

What are the differences between Marx, dependency theorists and Neo-Gramscians?

Is exploitation more dramatic between countries or between classes?

Which of the different approaches do you find most interesting or convincing? Why?

How does Robert Cox explain globalization?

What does he see as the most likely forces for change?

What do you think of Cox's article? Is it convincing about global problems and their causes?

Does he offer good solutions? Are there issues that he leaves out?

Does it make sense to agree with some bits of Marxism and disagree with others?

### *Required Reading*

Balaam & Veseth Chapter 4

Cox, Robert 'Civil Society at the turn of the millennium: prospects for an alternative world order' *Review of International Studies* 1999 Vol. 25 Special Issue pp3-28

### *Additional Reading*

On Marxism (or sometimes 'structuralism') in general, try some of the other IPE textbooks.

On Marx,

Giddens, Anthony *Capitalism and modern social theory; an analysis of the writings of Marx, Durkheim and Max Weber* (Cambridge CUP) 1971 – obviously, only the Marx chapter  
Marx, Karl & Engels Friedrich *The Communist Manifesto* (A classic that everyone should read!)

On dependency / World systems theory

Many development studies textbooks will have a section: try, for example

Randall & Theobald *Political Change and Underdevelopment* Chapter 4

So, A *Social change and development : modernization, dependency, and world-system theories* (largely ignore the bits on modernisation)

Martinussen *Society, State and Market: a guide to competing theories of development* Chapter 7

For the originals, try:

Frank, Andre Gunder *Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil*

Wallerstein, Immanuel 'The Rise and Future Demise of the World Capitalist System' *Comparative Studies in Society and History* Vol 16 1974 (available through JSTOR)

Cardoso & Faletto *Dependency and Development in Latin America*

For discussions of these theories, see

Skocpol, T 'Wallerstein's World Capitalist System' *American Journal of Sociology* Vol 82 No 5 (available through JSTOR)

Warren, B *Imperialism: pioneer of capitalism*

Brewer, B *Marxist theories of imperialism*

Seligson & Passe Smith *Development and underdevelopment: the political economy of inequality*

Blaney, David 'Reconceptualizing Autonomy: The Difference Dependency Theory Makes' *Review of International Political Economy* Vol.3 No.3 autumn 1996

On Cox and neo-Gramscianism, see

Bieler, A and Morton, A 'Teaching Neo-Gramscian Perspectives' *BISA Newsletter* 0205 (available on blackboard)

Cox, R 'Social forces states and world orders: beyond international relations theory' *Millennium* Vol 10, No2 1981

Cox, R 'Gramsci, hegemony and international relations: an essay in method' *Millennium* Vol 12 No 3, 1983

Germain, Randall D. and Michael Kenny (1998) 'Engaging Gramsci: International Relations Theory and the New Gramscians', *Review of International Studies*, 24(1): 3–21.

Rupert, Mark 'Repoliticizing the global economy: liberal common sense and ideological struggle in the NAFTA debate' *Review of International Political Economy* Vol.2 No.4 1995



## Tutorial 10: Constructivism and IPE

What do Colin Hay and Ben Rosamund think is driving globalisation?

If ideas about the world shape politics, how can we combat ideas we don't like? (ie. If we think globalisation is bad *and* globalisation is socially constructed, what should we do about it?)

How do we know what we want, what we think is in our best interests?

What tools can powerful people use to convince us that we want some things not others?

What tools might other people use to resist those 'dominant' discourses?

If the world is 'socially constructed' – does that make it more or less difficult to change?

### *Required Reading*

Abdelal, Blyth and Parsons *Constructing The International Economy* (unpublished manuscript)

Hay, Colin and Rosamond, Ben 'Globalization, European integration and the discursive construction of economic imperatives' *Journal of European Public Policy* Vol. 9 No. 2

### *Additional Reading*

On constructivism in general:

Christian Reus-Smit, "Constructivism" in Scott Burchill, et al, ed., *Theories of International Relations*, 2nd ed. Palgrave, 2001: 209-230

Robert Jackson and Georg Sorensen, *Introduction to International Relations: Theories and Approaches*, 2nd ed. Oxford University Press, 2003: 247-266

Michael Barnett, "Social Constructivism" in John Baylis and Steve Smith, eds., *The Globalization of World Politics*, 3rd ed Oxford University Press, 2005:

Ruggie, J 'What makes the world hang together? Neo-Utilitarianism and the Social Constructivist Challenge' in *Constructing the World Polity* (London and New York: Routledge

### Examples from IPE

Hall, Rodney Bruce 'The Discursive Demolition of the Asian Development Model' *International Studies Quarterly* (2003) No. 47 (2003) pp. 71–99

Cameron, A and Palan, R *The imagined economies of globalization* London, Sage, 2004

David Williams (1999) 'Constructing the Economic Space: The World Bank and the Making of Homo Oeconomicus', *Millennium*, 28 (1), 79-100.

Diane Elson (1998) 'The Economic, the Political and the Domestic: Businesses, States and Households in the Organisation of Production', *New Political Economy*, 3 (2), 189-208.

Brigitte Young (2000) 'Disciplinary Neoliberalism in the European Union and Gender Politics', *New Political Economy*, 5 (1), 77-98.  
Lourdes Beneria, 'Globalization, Gender, and the Davos Man', *Feminist Economics*, vol. 5, no. 3 (1999), pp. 61-83.  
Seabrooke, L 'Varieties of economic constructivism in political economy: Uncertain times call for disparate measures' *Review of International Political Economy* Vol.14 No.2 May (2007) pp.371-385  
Wyatt, Andrew 'Re-imagining the Indian Economy' *New Political Economy* Vol 10 No 2

### **Tutorial 11: The current global financial crisis**

What do banks do?  
What caused the current financial crisis?  
Why are policy-makers in the US and Europe so worried about it? (Why are so many people talking about the Great Depression?)  
What could be done about it?  
Who might gain and lose from some of the options being discussed?  
Do we need a global solution or will domestic solutions be enough?  
What does the crisis mean for ideas about globalization?  
Is global capitalism in serious danger?

#### *Required Reading*

Wade, Robert 'Financial Regime Change?' *New Left Review* No.53 September/October 2008

#### *Additional Reading*

See folder on the blackboard site with a range of recent published and unpublished papers.

### **ESSAY QUESTIONS**

#### **Essay 1 – choose one of the following questions or titles**

Would developing countries be better off without the World Trade Organisation?  
What kinds of economic policies should a national security adviser promote? Why?  
'When countries depart from free-trade it is a sure sign that irrational politics is interfering with sound policy' Discuss  
Is integration with the global economy the best strategy for developing countries?

#### **Essay 2 – choose one of the following questions or titles**

Are multinational corporations good for developing countries?  
Are economic or political reasons more important in driving countries to enter into regional agreements?  
How much has globalization restricted countries' economic choices?

Does Marxist theory provide us with the best understanding of International Political Economy?

Using at least one issue area as an example, assess how useful constructivist ideas are for understanding International Political Economy

Does the current financial crisis suggest that we should fundamentally re-think international economic governance?