



Module Name:	International Political Economy
Module Code:	PUBLG050
Teaching:	10 hours of lectures, 10 hours of seminars
Credits:	15
Assessment:	One 3000-word policy brief
Essay Deadline/s:	Monday, 24 April 2017, 2pm
Lecturer:	Dr Michael Plouffe & Dr Lauge N Skovgaard Poulsen
Office Hours:	Available on Moodle through SPPBook (enrolment key: sppbook) or by appointment.

PG Student Intranet

<http://www.ucl.ac.uk/spp/intranet/pg>

Lecture and Seminar Times:

www.ucl.ac.uk/timetable

Extenuating Circumstances

http://www.ucl.ac.uk/spp/intranet/pg/pastoral/extenuating_circumstances

Essay Extensions

<http://www.ucl.ac.uk/spp/intranet/pg/essays/extensions>

Penalties for Late Submission and Overlength Essays

http://www.ucl.ac.uk/spp/intranet/pg/essays/lateness_word_penalties

Essay Submission Information

http://www.ucl.ac.uk/spp/intranet/pg/essays/submission_return

Examinations

<http://www.ucl.ac.uk/spp/intranet/pg/exams-dissertations>

Plagiarism and TurnItIn

<http://www.ucl.ac.uk/spp/intranet/pg/policies/plagiarism>

***Please note that it is not possible for students to take both PUBLG050 International Political Economy and PUBLG110 International Trade Policy. Students that are interested in studying these modules will need to select PUBLG050 or PUBLG110.**

PUBLG050: International Political Economy

Dr. Michael Plouffe and Dr. Lauge Poulsen

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Lecture Time: TBC

Location: TBC

Course Objectives

This course introduces students to the study of international political economy (IPE). The boundaries of the discipline have grown substantially over recent decades and now include a wide variety of topics. We will discuss and critically assess critically recent theories and evidence on which political and economic forces enable and constrain global economic relations. Additionally, students will be able to answer several questions:

How well do IPE theories explain observable patterns in the global economy? ; What are the limits of the current IPE research?; Which areas require further investigation?

There are no prerequisites for this class.

Organization of Teaching

The course is taught through weekly lectures and seminars. Each weekly session will involve a lecture of about 50 minutes and a seminar of comparable length. Attendance at both sessions is required.

The lectures will be dedicated to introducing broad theories and concepts, providing historical overviews of each week's topic, looking at relevant data, and raising questions for further discussion in the seminars. The lectures are designed to provide sufficient background for more detailed and fruitful group discussions.

The seminars will cover each week's topic in detail. The object of the seminar is to facilitate student participation and interaction as well as broaden students' understandings of the issues and debates introduced in the lectures. Students will be expected to demonstrate an understanding of the relevant theories and concepts, apply these theories to particular policy domains, and to identify and problems or shortcomings in the literature.

Assessment Criteria

Students will be assessed by a 3,000-word policy brief on a topic directly relating to at least one of the module's weekly subjects. The policy brief should detail an original policy proposal relying on academic evidence. Detailed guidelines and expectations will be distributed during the term. The essays must be double-spaced, have numbered pages, be correctly and consistently referenced, and include a bibliography. Essays must also include a cover page with the following information: course title, essay title, essay number, and submission date. To ensure essays are marked anonymously, students should omit their names from their essays. Student names should only be included on the header sheet.

A note on plagiarism. Cheating and plagiarism are unacceptable. Students caught committing either of these breaches of conduct will be subject to the disciplinary procedures detailed in the University Handbook. Students should consult the Handbook for a comprehensive description of academic dishonesty. Students with any questions should seek clarification prior to submission of work.

Course Outline

A note on the readings. Students are expected to read each item listed under *required* and very strongly encouraged to read widely among the suggestions for *further readings*. Suggestions for *background* readings are also occasionally provided. **The minimum expectation is four articles/chapters per week (in other words, the required readings are not always sufficient) but a good performance in the course requires significant engagement the further readings as well.** Some changes to the reading list may be made during the term. However, sufficient notice will always be provided (no less than one week).

Students are encouraged (but not required) to buy:

Thomas Oatley. 2012. [International Political Economy, 5/E](#). (New York: Pearson-Longman),

Lauge Poulsen. 2015. [Bounded Rationality and Economic Diplomacy: The Politics of Investment Treaties in Developing Countries](#) (Cambridge: Cambridge University Press)

Jonathan Bonnitcha et al. forth. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press).

The following three books on international economic history are recommended (but not required):

Clark, Gregory. 2007. [A Farewell to Alms: A Brief Economic History of the World](#) (Princeton: Princeton University Press).

Frieden, Jeffrey. 2006. [Global Capitalism: Its Fall and Rise in the Twentieth Century](#) (New York: Norton)

Yergin, Daniel and Joseph Stanislaw. 2008. [The Commanding Heights](#) (New York: Simon and Schuster). [see also the PBS [documentary](#)].

The following two on intellectual history are recommended (but not required):

Irwin, Douglas. 1996. [Against the Tide: An Intellectual History of Free Trade](#) (Princeton: Princeton University Press).

Sally, Razeen. 1998. [Classical Liberalism and International Economic Order](#) (London: Routledge).

The following book is useful (but not required) for a general supporting text on international economics:

Krugman, Paul, Maurice Obstfeld, and Marc Melitz. 2014. [International Economics, 10/E](#). (New York: Pearson).

Week 1: International Political Economy and Trade Preferences

Week 2: Domestic Politics of Trade

Week 3: International Trade Politics

Week 4: Domestic Monetary Politics

Week 5: International Monetary Politics

Week 6: Political Economy of Foreign Investment

Week 7: Foreign-Investment Disputes

Week 8: Politics of Investment Treaties

Week 9: Trade, Investment, and the Environment

Week 10: International Financial Assistance

Week I: International Political Economy and Trade Preferences

We begin by introducing IPE as a field of study, before moving to one of its central topics of examination: the political economy of trade. How do trade's redistributive effects contribute to policy preferences? What other factors influence the formation of preferences and their configuration in the aggregate?

Required Reading:

Frankel, Jeffrey. 2000. 'Globalization of the Economy.' NBER Working Paper No 7858.

Hiscox, Michael. 2002. 'Commerce, Coalitions, and Factor Mobility: Evidence from Congressional Votes on Trade Legislation.' *American Political Science Review* 96.3.

Milner, Helen. 1999. 'The Political Economy of International Trade.' *Annual Review of Political Science* 2(1): 91-114.

Plouffe, Michael. 2015. 'Heterogeneous Firms and Trade-Policy Preferences.' In: Lisa Martin (ed.) *The Oxford Handbook on the Political Economy of International Trade* (New York: Oxford University Press).

Further Reading:

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.

Blonigen, Bruce. 2011. 'Revisiting the Evidence on Trade Policy Preferences.' *Journal of International Economics* 85(1): 129-135.

Kono, Daniel. 2008. 'Does Public Opinion Affect Trade Policy?' *Business and Politics*.

Lehmann, Sibylle H, and Kevin H O'Rourke. 2011. 'The Structure of Protection and Growth in the Late Nineteenth Century.' *Review of Economics and Statistics* 93.2.

Maliniak, Daniel & Michael J Tierney. 2009. 'The American School of IPE.' *Review of International Political Economy* 16.1: 6-33.

Mansfield, Edward D and Diana C Mutz. 2009. 'Support for Free Trade: Self-Interest, Sociotropic Politics, and Out-Group Anxiety.' *International Organization* 63.3.

Mayda, Anna Maria, and Dani Rodrik. 2005. 'Why Are Some People (and Countries) More Protectionist Than Others?' *European Economic Review* 49(6): 1393-1430.

Morrison, James. 2012. 'Before Hegemony: Adam Smith, American Independence, and the Origins of the First Era of Globalization.' *International Organization* 66(3): 395-428.

Naoi, Megumi, and Ikuo Kume. 2011. 'Explaining Mass Support for Agricultural Protectionism: Evidence from a Survey Experiment during the Great Recession.' *International Organization* 65(4): 771-795.

Plouffe, Michael. 2016. 'Firm Heterogeneity and Trade-Policy Stances: Evidence from a Survey of Japanese Producers.' Working paper.

Rogowski, Ronald. 1987. 'Political Cleavages and Changing Exposure to Trade.' *American Political Science Review* 81(4): 1121-1137.

Schaffer, Lena, and Gabriele Spilker. 2015. 'Adding Another Level: Individual Responses to Globalization and Government Welfare Policies.' *Political Science Research and Methods*.

Walter, Stefanie. 2015. 'Globalization and the Demand Side of Politics: How Globalization Shapes Labor Market Risk Perceptions and Policy Preferences.' *Political Science Research and Methods*.

Week II: Domestic Politics of Trade

Last week we explored the sources of preferences over trade policy. This week's materials assess the influence of the institutions that govern representation and policy-making processes.

Required Reading:

- Evans, Carolyn. 2009. 'A Protectionist Bias in Majoritarian Politics.' *Economics and Politics* 21(2): 278-307.
- Guisinger, Alexandra. 2009. 'Determining Trade Policy: Do Voters Hold Politicians Accountable?' *International Organization* 63(3): 533-557.
- Hiscox, Michael. 1999. 'The Magic Bullet? The RTAA, Institutional Reform, and Trade Liberalization.' *International Organization* 53.4.
- Rickard, Stephanie. 2012. 'Electoral Systems, Voters' Interests and Geographic Dispersion.' *British Journal of Political Science* 42(4): 855-877.

Further Reading:

- Ardelean, Adina and Carolyn Evans. 2013. 'Electoral Systems and Protectionism: An Industry-level Analysis.' *Canadian Journal of Economics* 46.2.
- Bombardini, Matilde. 2008. 'Firm Heterogeneity and Lobby Participation.' *Journal of International Economics* 75(2): 329-348.
- Ehrlich, Sean D. 2007. 'Access to Protection: Domestic Institutions and Trade Policy in Democracies.' *International Organization* 61.
- Grossman, Gene and Elhanan Helpman. 1994. 'Protection for Sale.' *American Economic Review*.
- Hatfield, John and William Hauk. 2014. 'Electoral Regime and Trade Policy.' *Journal of Comparative Economics* 42.
- Jensen, J. Bradford, Dennis P. Quinn, and Stephen Weymouth. 2015. 'The Influence of Firm Global Supply Chains and Foreign Currency Undervaluations on US Trade Disputes.' *International Organization* 69.4: 913.
- Kono, Daniel. 2006. 'Optimal Obfuscation: Democracy and Trade Policy Transparency.' *American Political Science Review* 100(3): 369-384.
- Meunier, Sophie and Kalypso Nicolaidis. 2006. 'The European Union as a conflicted trade power.' *Journal of European Public Policy* 13:6.
- Milner, Helen. 1987. 'Resisting the Protectionist Temptation: Industry and the Making of Trade Policy in France and the United States During the 1970s.' *International Organization* 41(4): 639-665.
- Osgood, Iain. 2016. 'Differentiated Products, Divided Industries: Firms and the Politics of Intra-Industry Trade.' *Economics and Politics* forthcoming.
- Plouffe, Michael. 2012. 'Liberalization for Sale: Heterogeneous Firms and Lobbying over FTAs.' Manuscript prepared for APSA annual meeting.
- Rickard, Stephanie. 2012. 'A Non-Tariff Protectionist Bias in Majoritarian Politics: Government Subsidies and Electoral Institutions.' *International Studies Quarterly* 56(4): 777-785.
- Rogowski, Ronald. 1987. 'Trade and the Variety of Democratic Institutions.' *International Organization* 41(2): 203-223.
- Rogowski, Ronald, and Mark Kayser. 2002. 'Majoritarian Electoral Systems and Consumer Power: Price-level Evidence from the OECD Countries.' *American Journal of Political Science* 46(3): 526-539.

Week III: The International Politics of Trade

Having assessed domestic sources of trade policy, what forces influence trade policy at the international level? How are countries limited in the range of policy options they can implement? How do these factors influence trade policy and trade flows?

Required Reading:

Deardorff, A. and Stern, R. 2002. 'What You Should Know about Globalization and the World Trade Organization.' *Review of International Economics* 10.3.

Gowa, Joanne, and Soo Yeon Kim. 2005. 'An Exclusive Country Club: The Effects of the GATT on Trade, 1950-94.' *World Politics* 57(4): 453-478.

Manger, Mark. 2012. 'Vertical Trade Specialization and the Formation of North-South PTAs.' *World Politics* 64(4): 622-58.

Mansfield, Edward, and Eric Reinhardt. 2003. 'Multilateral Determinants of Regionalism: The Effects of GATT/WTO on the Formation of Preferential Trading Agreements.' *International Organization* 57(4): 829-892.

Further Reading:

Chang, Pao-Li, and Myoung-Jae Lee. 2011. 'The WTO Trade Effect.' *Journal of International Economics* 85(1): 53-71.

Eicher, Theo, and Christian Henn. 2011. 'In Search of WTO Trade Effects: Preferential Trade Agreements Promote Trade Strongly, but Unevenly.' *Journal of International Economics* 83(2): 137-153.

Kim, Soo Yeon and Mark Manger. 2016. 'Hubs of Governance: Path Dependence and Higher-Order Effects of PTA Formation.' *Political Science and Research Methods*.

Kono, Daniel. 2007. 'When Do Trade Blocs Block Trade?' *International Studies Quarterly* 51(1): 165-181.

Kucik, Jeffrey, and Eric Reinhardt. 2008. 'Does Flexibility Promote Cooperation? An Application to the Global Trade Regime.' *International Organization* 62(3): 477-505.

Kucik, Jeffrey and Kristoff Pelc. 2016. 'Over-Commitment and Backsliding in International Trade.' *European Journal of Political Research*.

Manger, Mark. 2009. Investing in Protection: The Politics of Preferential Trade Agreements Between North and South. (Cambridge: Cambridge University Press), ch. 2-3.

Mansfield, Edward, and Eric Reinhardt. 2008. 'International Institutions and the Volatility of International Trade.' *International Organization* 62(4): 621-652.

Mansfield, Edward, Helen Milner, and Jon Pevehouse. 2007. 'Vetoing Co-operation: The Impact of Veto Players on Preferential Trading Agreements.' *British Journal of Political Science* 37(3): 403-432.

Milner, Helen V. and B. Peter Rosendorf. 1997. 'Democratic Politics and International Trade Negotiations: Elections and Divided Government as Constraints on Trade Liberalization.' *Journal of Conflict Resolution* 41.1.

Plouffe, Michael, and Roos van der Sterren. 2016. 'Trading Representation: Diplomacy's Influence on Preferential Trade Agreements.' *British Journal of Politics and International Relations*.

Rosendorff, Peter. 2005. 'Stability and Rigidity: Politics and the Design of the WTO's Dispute Settlement Procedure.' *American Political Science Review* 99(3): 389-400.

Week IV: Domestic Monetary Politics

A government's choice of exchange-rate mechanism in international markets greatly influences its ability to use related policy instruments domestically. How do monetary-policy decisions impact domestic actors? How do policy-makers respond to the political incentives of these political effects?

Required Reading:

Bearce, David. 2003. 'Societal Preferences, Partisan Agents, and Monetary Policy Outcomes.' *International Organization* 57.2.

Bernhard, William, J. Lawrence Broze, and William Clark. 2002. 'The Political Economy of Monetary Institutions.' *International Organization*.

Broz, J. Lawrence and Michael Plouffe. 2010. 'The Effectiveness of Monetary Policy Anchors: Firm-Level Evidence.' *International Organization* 64.3.

Frankel, Jeffrey A. 1999. 'No Single Currency Regime is Right for All Countries or At All Times.' NBER Working Paper No 7338.

Further Reading:

Berger, Helge, Jakob de Haan, and Sylvester Eijffinger. 2001. 'Central Bank Independence: An Update of Theory and Evidence.' *Journal of Economic Surveys*.

Blomberg, Stephen, Jeffrey Frieden, Ernesto Stein. 2005. 'Sustaining Fixed Rates: The Political Economy of Currency Pegs in Latin America.' *Journal of Applied Economics*.

Broz, J. Lawrence. 2002. 'Political System Transparency and Monetary Commitment Regimes.' *International Organization* 56.4.

Broz, J Lawrence. 2015. 'The Federal Reserve's Coalition in Congress.' UC San Diego Working Paper.

Broz, J Lawrence, Jeffrey Frieden, Stephen Weymouth. 2008. 'Exchange Rate Policy Attitudes: Direct Evidence from Survey Data.' *IMF Staff Papers*.

Broz, J Lawrence and Seth Werfel. 2014. 'Exchange Rates and Industry Demands for Trade Protection.' *International Organization*.

Fernandez-Albertos, Jose. 2015. 'The Politics of Central Bank Independence.' *Annual Review of Political Science*.

Klomp, Jeroen and Jakob de Haan. 2009. 'Central Bank Independence and Financial Instability.' *Journal of Financial Stability* 5.4.

Leblang, David, and Bumba Mukherjee. 2005. 'Government Partisanship, Elections, and the Stock Market: Examining American and British Stock Returns, 1930-2000.' *American Journal of Political Science* 49.4.

Samarina, Anna, Mirre Terpstra, and Jakob de Haan. 2014. 'Inflation Targeting and Inflation Performance: A Comparative Analysis.' *Applied Economics*.

Scheve, Kenneth. 2004. 'Public Inflation Aversion and the Political Economy of Macroeconomic Policymaking.' *International Organization* 58.1.

Weymouth, Stephen. 2010. 'Political Institutions and Property Rights: Veto Players and Foreign Exchange Commitments in 127 Countries.' *Comparative Political Studies*.

Week V: International Monetary Politics

Financial markets are more politically salient than ever in the wake of a series of global crises. What determines how states regulate the flow of international capital? And what do these decisions mean for each state's vulnerability to global economic shocks?

Required Reading:

Berdiev, Aziz N, Yoonbai Kim, Chun Ping Chang. 2012. 'The Political Economy of Exchange-Rate Regimes in Developed and Developing Countries.' *European Journal of Political Economy*.

Frieden, Jeffrey. 2015. 'The Governance of International Finance.' *Annual Review of Political Science*.

Obstfeld, Maurice, Jay C Shambaugh, and Alan M Taylor. 2005. 'The Trilemma in History: Tradeoffs Among Exchange Rates, Monetary Policies, and Capital Mobility.' *Review of Economics and Statistics* 87.3.

Further Reading:

Bernhard, William and David Leblang. 1999. 'Democratic Institutions and Exchange Rate Commitments.' *International Organization* 53.1.

Bodea, Cristina, Raymond Hicks. 2015. 'International Finance and CBI: Institutional Diffusion and the Flow and Cost of Capital.' *Journal of Politics*.

Chinn, Menzie D, Shang-Jin Wei. 2008. 'A Faith-based Initiative: Does a Flexible ERR Really Facilitate CA Adjustment?' NBER WB 14420.

Copelovitch, Mark, Jeffrey Frieden, and Stefanie Walter. 2016. 'The Political Economy of the Euro Crisis.' *Comparative Political Studies* 47.7.

Edwards, Sebastian. 2015. 'Monetary Policy Independence under Flexible Exchange Rates: An Illusion?' *The World Economy*.

Frieden, Jeffrey. 2015. 'The Political Economy of Adjustment and Rebalancing.' *Journal of International Money and Finance* 52.1.

Martin, Fernando. 2016. 'Exchange Rate Regimes and Current Account Adjustment: An Empirical Investigation.' *Journal of International Money and Finance*.

Meissner, Christopher. 2005. 'A New World Order: Explaining the International Diffusion of the Gold Standard: 1870-1913.' *Journal of International Economics* 66.2.

Obstfeld, Maurice. 2015. 'Trilemmas and Trade-Offs: Living with Financial Globalization.' BIS Working Paper 480.

Week VI: Political Economy of Foreign Investment

Multinational corporations and foreign direct investment are crucial drivers of the global economy. What are their drivers and socio-economic effects?

Required:

Bonnitca, Jonathan, Lauge Poulsen and Michael Waibel. forth. 2017. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 2.

Jensen, Nathan. 2003. [Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment](#), *International Organization* 57:3, 587-616.

Ramamurti, Ravi. 2001. [The Obsolescing Bargaining Model? MNC-Host Developing Country Relations Revisited](#). *Journal of International Business Studies* 32(1): 23-39.

Further reading:

Alfaro, L., Chanda, A., Kalemli-Ozcan, S., and Sayek, S. 2004. [FDI and Economic Growth: The Role of Local Financial Markets](#). *Journal of International Economics* 64(1): 89-112.

De Grauwe, Paul, and Filip Camerman. 2002. [How Big are the Big Multinationals?](#) *Review of Business and Economics* 47:3, 311-326.

Desbordes, Rudolfe and Julien Vauday. 2007. [The Political Influence of Foreign Firms in Developing Countries](#). *Economics & Politics* 19:3.

Drezner, Daniel. 2004. [The outsourcing bogeyman](#), *Foreign Affairs* 83, 2004, 22-34.

Dunning, John. 2000. [The Eclectic Paradigm as an Envelope for Economic and Business Theories of MNE Activity](#). *International Business Review* 9(2): 163-190.

Wendy Hanson and Neil Mitchell. 2000. [Disaggregating and Explaining Corporate Political Activity: Domestic and Foreign Corporations in National Politics](#). *American Political Science Review* 94 (4): 891-903.

Henisz, Witold. 2000. [The Institutional Environment for Multinational Investment](#). *Journal of Law, Economics and Organization* 16(2): 334-364.

Jensen, Nathan. 2012. [Fiscal Policy and the Firm: Do Low Corporate Tax Rates Attract Multinational Corporations?](#) *Comparative Political Studies* 45.8: 1004-1026.

Malesky, Edmund J. 2008. [Straight Ahead on Red: How Foreign Direct Investment Empowers Subnational Leaders](#). *Journal of Politics* 70 (1): 97-119.

Markusen, James. 1995. [The Boundaries of Multinational Enterprises and the Theory of International Trade](#). *The Journal of Economics Perspectives* 9:2.

Navaretti, Georgio and Anthony Venables. 2004. [Multinational Firms in the World Economy](#) (Princeton: Princeton University Press), chapters 3, 4, and 7.

Ruggie, John. 2003. [Business and human rights: the evolving international agenda](#), *American Journal of International Law* 101:4, 818-840.

Stasavage, David. 2002. [Private Investment and Political Institutions](#). *Economics and Politics* 14(1): 41-63.

Moran, Theodore. 2006. [Harnessing Foreign Direct Investment for Development: Policies for Developed and Developing Countries](#) (Washington: Center for Global Development), chapter 3.

Week VII: Foreign Investment Disputes

How are disputes between foreign investors and states resolved? What are the costs and benefits of investment arbitration?

Required:

Bonnitcha, Jonathan, Lauge Poulsen and Michael Waibel. 2015. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 3-6.

Pauwelyn, Joost. 2015. [‘The Rule of Law without the Rule of Lawyers? Why Investment Arbitrators are from Mars, Trade Adjudicators from Venus.’](#) *American Journal of International Law* 109.

Further reading:

Bonnitcha, Jonathan. 2014. [‘Investment Treaties and Transition from Authoritarian Rule.’](#) *Journal of World Investment and Trade* 15:5-6, 965-1011.

Franck, Susan. 2005. [‘The Legitimacy Crisis in Investment Treaty Arbitration: Privatizing Public International Law Through Inconsistent Decisions.’](#) *Fordham Law Review*.

Jandyala, Srividya, Geoffrey Gertz, and Lauge Poulsen. 2016. ‘Politicization of Investment Disputes and International Arbitration.’ Working paper.

Johns, Leslie and Rachel Wellhausen. 2016. [‘Under One Roof: Supply Chains and the Protection of Foreign Investment.’](#) *American Political Science Review* 110:1.

Kerner, Andrew, and Jane Lawrence. 2014. [‘What’s the Risk? Bilateral Investment Treaties, Political Risk and Fixed Capital Accumulation.’](#) *British Journal of Political Science* 44:1.

Maurer, Noel. 2013. [The Empire Trap: The Rise and Fall of U.S. Intervention to Protect American Property Overseas, 1893-2013.](#) (Princeton: Princeton University Press), ch. 8-11.

Peinhardt, Clint and Todd Allee. 2016. [‘Political Risk Insurance as Dispute Resolution.’](#) *Journal of International Dispute Settlement* 7:1.

Post, Alison. 2014. [‘Home Court Advantage: Investor Type and Contractual Resilience in the Argentine Water Sector.’](#) *Politics & Society* 42:1.

Post, Alison and Maria Murillo. 2016. [‘How Investor Portfolios Shape Regulatory Outcomes: Privatized Infrastructure after Crises.’](#) *World Development* 77.

Puig, Sergio. 2014. [‘Social Capital in the Arbitration Market.’](#) *European Journal of International Law* 25:2.

Roberts, Anthea. 2010. [‘Power and Persuasion in Investment Treaty Interpretation: The Dual Role of States.’](#) *American Journal of International Law* 104:2.

Stiglitz, Joseph. 2007. [‘Regulating Multinational Corporations: Towards Principles of Cross-Border Legal Frameworks in a Globalized World Balancing Rights with Responsibilities.’](#) *American University International Law Review* 23(3): 451-558.

Van Harten, Gus. 2005. [‘Private Authority and Transnational Governance: The Contours of the International System of Investor Protection.’](#) *Review of International Political Economy* 12(4): 600-623.

Yackee, Jason. 2010. [‘Do Bilateral Investment Treaties Promote Foreign Direct Investment – Some Hints from Alternative Evidence.’](#) *Virginia Journal of International Law* 51:2.

Wellhausen, Rachel. 2015. [‘Bondholders v. Direct Investors? Competing Responses to Expropriation.’](#) *International Studies Quarterly* 59.

Week VIII: Politics of Investment Treaties

Why, and how, were investment treaties negotiated? What were the interests of developed and developing countries and how are the treaties changing?

Required:

Aaken, Anne van. 2009. '[International Investment Law Between Commitment and Flexibility: A Contract Theory Analysis](#).' *Journal of International Economic Law* 12.

Poulsen, Lauge. 2015. [Bounded Rationality and Economic Diplomacy: The Politics of Investment Treaties in Developing Countries](#) (Cambridge: Cambridge University Press), ch. 1 and 4-6.

Further reading:

Alschner, Wolfgang. 2014. '[Regionalism and Overlap in Investment Treaty Law – Towards Consolidation or Contradiction?](#)' *Journal of International Economic Law* 17:4.

Berger, Axel. 2011. 'The Politics of China's Investment Treaty-Making Program.' In: Tomber Broude, March Busch, and Amy Porges (eds.) [The Politics of International Economic Law](#) (Cambridge: Cambridge University Press).

Bubb, Ryan and Susan Rose-Ackerman. 2007. '[BITs and Bargains: Strategic Aspects of Bilateral and Multilateral Regulation of Foreign Investment](#).' *International Review of Law and Economics* 27:3.

Chilton, Adam. forth. 2016. '[The Politics of the United States Bilateral Investment Treaty Program](#).' *Review of International Political Economy*.

Bonnitcha, Jonathan, Lauge Poulsen and Michael Waibel. 2015. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 7-9.

Haftel, Yoram, and Alex Thompson. 2015. '[When Do States Renegotiate International Agreements? The Case of Bilateral Investment Treaties](#).' Working paper.

Jandhyala, Srividya, Witold Henisz, and Edward Mansfield. 2011. '[Three Waves of BITs: The Global Diffusion of Foreign Investment Policy](#).' *Journal of Conflict Resolution* 55:6.

Manger, Mark. 2009. [Investing in Protection](#) (Cambridge: Cambridge University Press), ch. 3.

Manger, Mark, and Clint Peinhardt. 2015. '[Learning and Diffusion in International Investment Agreements](#).' Working paper.

Miles, Kate. 2013. [The Origins of International Investment Law](#) (Cambridge: Cambridge University Press), ch. 1-2.

Montt, Santiago. 2009. [State Liability in Investment Treaty Arbitration](#) (Portland: Hart), chs. 1.

Peinhardt, Clint and Rachel Wellhausen. forth. 2016. '[Withdrawing from Investment Treaties but Protecting Investment](#).' *Global Policy*.

Poulsen, Lauge and Emma Aisbett. 2016. [Diplomats Want Treaties: Diplomatic Agendas and Perks in the Investment Regime](#). *Journal of International Dispute Settlement* 3:1.

Walter, Andrew. 2001. '[NGOs, Business, and International Investment: The Multilateral Agreement on Investment, Seattle, and Beyond](#).' *Global Governance* 7.

Yackee, Jason. 2009. '[Pacta Sunt Servanda and State Promises to Foreign Investors Before Bilateral Investment Treaties: Myth and Reality](#).' *Fordham International Law Journal* 32:5.

Week IX: Trade, Investment, and the Environment

What role does globalization play for the political economy of energy and the environment? How do international regimes impact on domestic energy and environmental regulation?

Required Reading:

Frankel, Jeffrey. 2003. [‘The Environment and Globalization.’](#) NBER working paper 10090.

Eskeland, Gunnar, and Ann Harrison. 2003. [‘Moving to Greener Pastures? Multinationals and the Pollution Haven Hypothesis.’](#) *Journal of Development Economics* 70(1): 1-23.

Howse, Rob. 2002. [‘The Appellate Body Rulings in the Shrimp/Turtle-Case: A New Legal Baseline for the Trade-Environment Debate.’](#) *Columbia Journal of Environmental Law* 27(2): 491-522.

Further Reading:

Copeland, Brian. 2008. ‘The Pollution Haven Hypothesis.’ In: [Handbook on Trade and Environment](#) (Cheltenham: Edward Elgar).

Frankel, Jeffrey and Andy Rose. 2005. [‘Is trade good or bad for the environment? Sorting out the causality.’](#) *The Review of Economics and Statistics* 87:1.

Kollman, Kelly, and Aseem Prakash. 2001. [‘Green by choice? Cross-national Variations in Firms’ Responses to EMS-Based Environmental Regimes.’](#) *World Politics* 53:3.

Knox, John. 2004. [‘The judicial resolution of conflicts between trade and the environment.’](#) *Harvard Environmental Law Review* 28.

McAteer, Emily. 2009. [‘The Corporate Boomerang: Shareholder Transnational Advocacy Networks Targeting Oil Companies in the Ecuadorian Amazon.’](#) *Global Environmental Politics* 9:1.

Neumayer, Eric. 2001. [‘Pollution Havens: An Analysis of Policy Options for Dealing with an Elusive Phenomenon.’](#) *Journal of Environment and Development* 10:2.

Potoski, Matthew, and Aseem Prakash. 2005. [‘Green Clubs and Voluntary Governance: ISO 14001 and Firms’ Regulatory Compliance.’](#) *American Journal of Political Science* 49:2.

Prakash, and Matthew Potoski. 2006. [‘Racing to the Bottom? Trade, Environmental Governance, and the ISO 14001.’](#) *American Journal of Political Science* 50:2.

Prakash, Aseem, and Matthew Potoski. 2007. [‘Investing Up: FDI and the Cross-Country Diffusion of ISO 14001 Management Systems.’](#) *International Studies Quarterly* 51.3: 723-744.

Stern, David. 2004. [‘The Rise and Fall of the Environmental Kuznets Curve.’](#) *World Development* 32:8.

Tienhaara, Kyla. 2001. [‘Regulatory chill and the threat of arbitration: A view from political science.’](#) In: Chester Brown and Kate Miles (eds.) [Evolution in Investment Treaty Law and Arbitration](#) (Cambridge: Cambridge University Press).

Viñuales, Jorge. 2015. [Foreign Investment and the Environment in International Law](#) (Cambridge: Cambridge University Press), ch. 1, 4-5.

Young, Alisdair. 2005. [‘Picking the Wrong Fight: Why Attacks on the World Trade Organization Pose the Real Threat to National Environmental and Public Health.’](#) *Global Environmental Politics* 5:4.

Week X: International Financial Assistance

Western states and international financial institutions spend billions in foreign aid and debt relief. What are the political and economic drivers of international financial assistance, and under what conditions does it 'work'?

Required:

Easterly, William. 2003. '[The Cartel of Good Intentions: The Problem of Bureaucracy in Foreign Aid.](#)' *Journal of Policy Reform* 5:2.

Rodrik, Dani. 2006. '[Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s: Learning from a Decade of Reform.](#)' *Journal of Economic Literature* 44(4): 973-987.

Further reading:

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

Addison, Tony, and Finn Tarp. 2015. '[Aid Policy and the Macroeconomic Management of Aid.](#)' *World Development* 69.

Ahmed, Faisal and Eric Werker. 2015. '[Aid and the Rise and Fall of Conflict in the Muslim World.](#)' *Quarterly Journal of Political Science* 10:2.

Burnside, Craig, and David Dollar. 2000. '[Aid, Policies and Growth.](#)' *American Economic Review* 90:4.

Busby, William. 2007. '[Bono Made Jesse Helms Cry: Jubilee 2000, Debt Relief, and Moral Action in International Politics.](#)' *International Studies Quarterly* 51:2.

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

Easterly, William. 2002. '[How did heavily indebted poor countries become heavily indebted? Reviewing two decades of debt relief.](#)' *World Development* 30:10.

Kono, Daniel, and Gabriella Montinola. 2009. '[Does Foreign Aid Support Autocrats, Democrats, or Both?](#)' *The Journal of Politics* 71(2): 704-18.

Rajan, Raghuram, and Arvind Subramanian. 2008. '[Aid and Growth: What does the Cross-Country Evidence Really Show?](#)' *Review of Economics and Statistics* 90(4): 643-665.

Stasavage, David. 2015. '[What We Can Learn From the Early History of Sovereign Debt.](#)' Working paper.

Stone, Randall. 2004. '[The Political Economy of IMF Lending to Africa.](#)' *American Political Science Review* 98(4): 577-591.

Tomz, Michael, and Mark Wright. 2013. '[Empirical Research on Sovereign Debt and Default.](#)' NBER Working Paper No. 18855.

Vreeland, James. 2003. [The IMF and Economic Development](#) (Cambridge: Cambridge University Press), ch. 3.

Weaver, Catherine. 2008. [Hypocrisy Trap: The World Bank and the Poverty of Reform](#) (Princeton: Princeton University Press), ch. 2-3.