



Module Name: International Trade Policy
Module Code: PUBLG110
Teaching: 10 hours of lectures, 10 hours of seminars
Credits: 15
Assessment: One 3000 research proposal
Essay Deadline/s: Tuesday, 25 April 2017, 2pm
Lecturer: Dr Michael Plouffe
Office Hours: TBC

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.**

Course Objectives

The causes and consequences of trade liberalization are both subjects of lengthy debates, as is the relationship between international trade and the rest of the global political economy. This module explores political and economic interactions surrounding the formation of trade policy as well as its consequences. Other aspects of the international political economy, such as monetary policy, investment, and migration, are all investigated as framed by their relationship to international trade.

Much of the reading list reflects the state of the field, and students enrolled in the module will be equipped with the skills to evaluate research design, particularly as it is applied to trade policy, although these abilities translate readily to general research tasks and program evaluation.

This module is intended as an advanced complement to PUBLG050 International Political Economy. Students interested in this module should have some background in economics or quantitative international relations, as many of the readings are quantitative or formal in nature. Consult the reading lists for further information.

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 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 objective 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 research proposal on a topic relating to the module's focus. Guidelines and expectations will be distributed in class.

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.

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

There is no mandatory textbook for the class. Listed readings are available in electronic article format and can be located easily through the links provided on the Moodle page.

The readings for most weeks are divided into three sections. *Required readings* indicate those with which all students are expected to demonstrate strong familiarity. *Background readings* are provided as a brief introduction to underlying economic models that will be referenced during a particular week's lecture and seminars. Students unsure of their familiarity with a particular topic may want to reference these first. *Research-design readings* highlight common empirical approaches with some relevance to each week's topic. While these particular articles are not required, they may provide invaluable insight into the research process, particularly as students begin work on this module's written assessment and their dissertations. Finally, the *recommended readings* provide a sampling of the best and most recent research on each week's topic.

For students seeking a supporting text on the economics of international trade or international political economy, the following are recommended:

Krugman, Paul, Maurice Obstfeld and Marc Melitz. 2014. *International Trade: Theory and Policy, 10/E*. New York: Pearson.

Oatley, Thomas. 2012. *International Political Economy, 5/E*. New York: Pearson-Longman.

Frieden, Jeffrey A. 2007. *Global Capitalism: Its Rise and Fall in the Twentieth Century*. New York: WW Norton.

1. A Brief History of International Trade
2. Classic Models of Policy Preferences
3. Firms and Trade-Policy Preferences
4. Transforming Preferences into Policy
5. Alternatives to Trade
6. The International Trading System: GATT/WTO and Regionalism
7. Trade and Immigration
8. Trade, Development, and Inequality
9. Trade and the Environment
10. Risk, Economic Integration and Trade Volatility

Week I – A Brief History of International Trade

The introductory lecture provides an overview of the history of economic globalization, focusing on changes in international trade and trade policy across countries and over time.

Required Reading:

Frankel, Jeffrey. 2000. 'Globalization of the Economy.' In *Governance in a Globalizing World*, Nye and Donahue, eds. Bookings Institution Press.

O'Rourke, Kevin H. 2001. 'Globalization and Inequality: Historical Trends.' NBER Working Paper 8339.

Research-Design Reading:

Gisselquist, Rachel. 2014. 'Paired Comparison and Theory Development: Considerations for Case Selection.' *PS: Political Science*.

Background Reading:

Frieden, Jeffrey A. 2007. *Global Capitalism: Its Rise and Fall in the Twentieth Century*. WW Norton.

Recommended Reading:

Eichengreen, Barry and Peter Temin. 2010. 'Fetters of Gold and Paper.' *Oxford Review of Economic Policy*. 26.3.

Irwin, Douglas A. 2011. *Peddling Protectionism: Smoot-Hawley and the Great Depression*. Princeton University Press.

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.

O'Rourke, Kevin H. 1997. 'The European Grain Invasion, 1870–1913.' *The Journal of Economic History* 57.4.

Rogowski, Ronald. 2006. 'Trade, Immigration, and Cross-Border Investment.' In *The Oxford Handbook of Political Economy*, Weingast and Wittman, eds. Oxford University Press.

Week II – Classic Models of Policy Preferences

What are the domestic sources of trade policy? We discuss the two classic models that are frequently used to describe patterns in political demand for trade-policy outcomes and assess them in light of the evidence.

Required Reading:

Rogowski, R. 1987. 'Political Cleavages and Changing Exposure to Trade.' *American Political Science Review*, 81.4.

Scheve, Kenneth F and Matthew J Slaughter. 2001. 'What Determines Individual Trade-Policy Preferences?' *Journal of International Economics* 54.3.

Background Reading:

Milner, H. V. 1999. 'The Political Economy of International Trade.' *Annual Review of Political Science* 2.1.

Research-Design Reading:

Schrodt, Philip. 2014. 'The Seven Deadly Sins of Contemporary Political Analysis.' *Journal of Peace Research*.

Recommended Reading:

Alt, James E., and Michael Gilligan. 1994. 'The Political Economy of Trading States: Factor Specificity, Collective Action Problems and Domestic Political Institutions.' *Journal of Political Philosophy* 2.2.

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.

Blonigen, Bruce. 2011. 'Revising the Evidence on Trade Policy Preferences.' *Journal of International Economics* 85.1.

Guisinger, Alexandra. 2009. 'Determining Trade Policy: Do Voters Hold Politicians Accountable?' *International Organization* 63.3.

Hays, Jude S, Sean D Ehrlich, and Clint Peinhardt. 2005. 'Government Spending and Public Support for Trade in the OECD: An Empirical Test of the Embedded Liberalism Thesis.' *International Organization* 59.2.

Hiscox, Michael. 2001. 'Class Versus Industry Cleavages: Inter-Industry Factor Mobility and the Politics of Trade.' *International Organization* 55.1.

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

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.

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.

Rogowski, Ronald. 1989. *Commerce and Coalitions: How Trade Affects Domestic Political Alignments*. Princeton University Press.

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

Thies, Cameron and Schuyler Porche. 2007. 'The Political Economy of Agricultural Protection.' *Journal of Politics*.

Week III – Firms and Trade-Policy Preferences

Since the end of the Second World War, firms have emerged as increasingly important political and economic players on the global stage. We discuss what this means for trade engagement and the implications for trade politics.

Required Reading:

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* 41.1.

Plouffe, Michael. 2014. 'Heterogeneous Firms and Trade-Policy Preferences.' In *The Oxford Handbook on the Politics of International Trade*, Lisa Martin, ed.

Background Reading:

Bernard, Andrew B, J Bradford Jensen, Stephen J Redding, and Peter K Schott. 2007. 'Firms in International Trade.' *Journal of Economic Perspectives* 21.3.

Research-Design Reading:

Keele, Luke. 2015. *The Statistics of Causal Inference: A View from Political Methodology. Political Analysis.*

Recommended Reading:

Alt, James E, Fredrik Carlsen, Per Heum, and Kåre Johansen. 1999. 'Asset Specificity and the Political Behavior of Firms: Lobbying for Subsidies in Norway.' *International Organization* 53.1.

Bauer, Raymond A, Ithiel De Sola Pool, and Lewis Anthony Dexter. 1963. *American Business and Public Policy.* Aldine Atherton, Inc.

Bekkers, Eddy. 2015. 'Firm Heterogeneity, Endogenous Quality, and Traded Goods Prices.' *The World Economy.*

Kim, In Song. 2013. 'Political Cleavages within Industry: Firm level lobbying for Trade Liberalization.' Presented at the International Political Economy Society annual meeting.

Milner, Helen V. 1988. *Resisting Protectionism: Global Industries and the Politics of International Trade*. Princeton University Press.

Osgood, Iain.

Owen, Erica, and Dennis P. Quinn. 2013. 'Does Economic Globalization Influence the US Policy Mood?: A Study of US Public Sentiment, 1956–2011.' *British Journal of Political Science*.

Plouffe, Michael. 2011. 'The New Political Economy of Trade: Heterogeneous Firms and Trade-Policy Positions.' Presented at the American Political Science Association annual meeting.

Plouffe, Michael. 2012. 'Liberalization for Sale: Heterogeneous Firms and Lobbying over FTAs.' Prepared for the American Political Science Association annual meeting.

Uysal, Pinar, Yoto V Yotov, Thomas Zylkin. 2015. 'Firm Heterogeneity and Trade-Induced Layoffs: An Empirical Investigation.' *European Economic Review* 75.

Woll, Cornelia. 2008. *Firm Interests: How Governments Shape Business Lobbying on Global Trade*. Cornell University Press.

Week IV – Transforming Preferences into Policy

Building on theories of trade-policy preferences, the following question arises: What do these preferences mean for trade-policy outcomes? We compare evidence for the mechanisms for the transformation of preferences into policy and assess the impact of varying arrangements of political institutions on the outcomes.

Required Reading:

Bombardini, Matilde. 2008. 'Firm Heterogeneity and Lobby Participation.' *Journal of International Economics* 75.2.

Rickard, Stephanie J. 2012. 'Electoral Systems, Voters' Interests and Geographic Dispersion.' *British Journal of Political Science* 42.

Background Reading:

Rogowski, Ronald and Mark A Kayser. 2002. 'Majoritarian Electoral Systems and Consumer Power: Price-level Evidence from the OECD Countries.' *American Journal of Political Science* 46.

Research-Design Reading:

Clark, Tom and Drew Linzer. 2014. 'Should I Use Fixed or Random Effects?' *Political Science Research and Methods*.

Recommended Reading:

Bombardini, Matilde, and Francesco Trebbi. 2012. 'Competition and Political Organization: Together or Alone in Lobbying for Trade Policy?' *Journal of International Economics* 87.1.

De Figueiredo, John M, and Brian Kelleher Richter. 2013. 'Advancing the Empirical Research on Lobbying'. NBER Working Paper 19698.

Ehrlich, Sean D. 2007. 'Access to Protection: Domestic Institutions and Trade Policy in Democracies.' *International Organization* 61.

- Ehrlich, Sean D. 2008. 'The Tariff and the Lobbyist: Political Institutions, Interest Group Politics, and US Trade Policy.' *International Studies Quarterly* 52. 2.
- Evans, Carolyn L. 2009. 'A Protectionist Bias in Majoritarian Politics.' *Economics and Politics* 21.
- Goldstein, Judith. 1988. 'Ideas, Institutions, and American Trade Policy.' *International Organization* 42.1.
- Grossman, Gene and Elhanan Helpman. 1994. 'Protection for Sale.' *American Economic Review*.
- Hiscox, Michael. 1999. 'The Magic Bullet? The RTAA, Institutional Reform, and Trade Liberalization.' *International Organization* 53.4
- Kono, Daniel. 2006. 'Optimal Obfuscation: Democracy and Trade Policy Transparency.' *American Political Science Review* 100.3.
- Lohmann, Susanne and Sharyn O'Halloran. 1994. 'Divided Government and US Trade Policy: Theory and Evidence.' *International Organization* 48.
- Nielson, Daniel. 2003. 'Supplying Trade Reform: Political Institutions and Liberalization in Middle-Income Presidential Democracies.' *American Journal of Political Science* 47.3.
- O'Rourke, Kevin H and Alan M Taylor. 2006. 'Democracy and Protectionism.' NBER Working Paper 12250.
- Park, Jong Hee, and Nathan Jensen. 2007. 'Electoral Competition and Agricultural Support in OECD Countries.' *American Journal of Political Science* 51.2.
- Rickard, Stephanie J. 2012. 'A Non-Tariff Protectionist Bias in Majoritarian Politics: Government Subsidies and Electoral Institutions.' *International Studies Quarterly* 56.
- Rogowski, Ronald. 1987. 'Trade and the Variety of Democratic Institutions.' *International Organization* 41.2.

Week V – Alternatives to Trade

Trade is not the only means to reach foreign markets. For some firms, foreign direct investment and offshoring provide alternatives to distant or highly protected markets.

Required Reading:

Batra, Ravi, Hamid Beladi. 2010. 'A Simple Two-Sector Model of Outsourcing.' *Review of Development Economics* 14.1.

Helpman, Elhanan. 2006. 'Trade, FDI, and the Organization of Firms.' *Journal of Economic Literature*.

Melitz, Marc, Elhanan Helpman, and Stephen Yeaple. 2004. 'Export Versus FDI with Heterogeneous Firms.' *American Economic Review* 94.

Background Reading:

Markusen, James. 1995. 'The Boundaries of Multinational Enterprises and the Theory of International Trade.' *Journal of Economic Perspectives* 9.2.

Palmisano, Samuel J. 2006. 'The Globally Integrated Enterprise.' *Foreign Affairs*.

Research-Design Reading:

Seawright, Jason, John Gerring. 2008. 'Case Selection Techniques in Case Study Research.' *Political Research Quarterly*.

Recommended Reading:

Anràs, Pol, Luis Garicano, and Esteban Rossi-Hansberg. 2006. 'Offshoring in a Knowledge Economy.' *Quarterly Journal of Economics* 121.1.

Anràs, Pol, and Elhanan Helpman. 2004. 'Global Sourcing.' *Journal of Political Economy* 112.3.

- Antràs, Pol, and Robert W. Staiger. 2012. 'Offshoring and the Role of Trade Agreements.' *American Economic Review* 102.7.
- Blinder, Alan S. 2006. 'Offshoring: the Next Industrial Revolution?' *Foreign Affairs*.
- Drezner, Daniel W. 2004. 'The Outsourcing Bogeyman.' *Foreign Affairs*.
- Eskeland, Gunnar, and Ann Harrison. 2003. 'Moving to Greener Pastures? Multinationals and the Pollution Haven Hypothesis.' *Journal of Development Economics* 70.1.
- Frieden, Jeffrey. 1991. 'Invested Interests: The Politics of National Economic Policies in a World of Global Finance.' *International Organization* 45.4.
- Groizard, Jose L, Priya Ranjan, Antonio Rodriguez-Lopez. 2014. 'Offshoring and Jobs: The Myriad Channels of Influence.' *European Economic Review* 72.
- Grossman, Gene M., and Esteban Rossi-Hansberg. 2008. 'Trading Tasks: A Simple Theory of Offshoring.' *The American Economic Review* 98.5.
- Grossman, Gene M., Elhanan Helpman, and Adam Szeidl. 2005. 'Complementarities Between Outsourcing and Foreign Sourcing.' *American Economic Review* 95.
- Grossman, Gene M., and Esteban Rossi-Hansberg. 2012. 'Task Trade Between Similar Countries.' *Econometrica* 80.2.
- Henisz, Witold. 2000. 'The Institutional Environment for Multinational Investment.' *Journal of Law, Economics and Organization* 16.2.
- Jensen, Nathan. 2003. 'Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment.' *International Organization* 57.2.
- Jensen, Nathan. 2008. 'Political Regimes and Political Risk: Democratic Institutions and Expropriation Risk for Multinational Investors.' *Journal of Politics* 70.4.
- Levy, David, and Aseem Prakash. 2003. 'Bargains Old and New: Multinational Corporations in Global Governance.' *Business and Politics* 5.2.

Li, Quan. 2006. 'Democracy, Autocracy and Tax Incentives to Foreign Direct Investors: A Cross-National Analysis.' *Journal of Politics* 68.1.

Malesky, Ed. 2008. 'Straight Ahead on Red: How Foreign Direct Investment Empowers Subnational Leaders.' *Journal of Politics* 70.1.

Gregory Mankiw, N., and Phillip Swagel. 2006. 'The Politics and Economics of Offshore Outsourcing.' *Journal of Monetary Economics* 53.5.

Quinn, Dennis, and A. Maria Toyoda. 2007. 'Ideology and Voter Preferences as Determinants of Financial Globalization.' *American Journal of Political Science* 51.2.

Stasavage, David. 2002. 'Private Investment and Political Institutions.' *Economics and Politics* 14.1.

Tomiura, Eiichi. 2007. 'Foreign Outsourcing, Exporting, and FDI: A Productivity Comparison at the Firm Level.' *Journal of International Economics* 72.1.

Wisniewski, Tomasz P, Saima K Pathan. 2014. 'Political Environment and FDI: Evidence from OECD Countries.' *European Journal of Political Economy* 36.

Week VI – The International Trading System: GATT/WTO and Regionalism

Trade policies have an inherently international aspect. International and regional institutions play an important role in facilitating cooperative policies between states. We explore the impact of these rules and bodies on trade flows and trade policies.

Required Reading:

Gowa, Joanne and Soo Yeon Kim. 2005. 'An Exclusive Country Club: The Effects of the GATT on Trade, 1950-1994.' *World Politics* 57.4.

Kono, D. 2007. 'When Do Trade Blocs Block Trade?' *International Studies Quarterly*, 51.1.

Background Reading:

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

Krueger, A. 1999. 'Are Preferential Trading Arrangements Trade-Liberalizing or Protectionist?' *Journal of Economic Perspectives* 13.4.

Research-Design Reading:

Stuart, Elizabeth. 2010. 'Matching Methods for Causal Inference: A Review and a Look Forward.' *Statistical Science*.

Recommended Reading:

Bown, Chad. 2004. 'Trade Policy Under the GATT/WTO: Empirical Evidence of the Equal Treatment Rule.' *The Canadian Journal of Economics* 37.3.

Chang, Pao-Li, and Myoung-Jae Lee. 2011. 'The WTO Trade Effect.' *Journal of International Economics* 85.1.

Davis, Christina. 2009. 'Overlapping Institutions in Trade Policy.' *Perspectives on Politics* 7.1.

Davis, Christina and Sarah Blodgett. 2009. 'Who Files? Developing Country Participation in WTO Adjudication.' *Journal of Politics* 71.3.

Eicher, Theo S, and Christian Henn. 2011. 'In Search of WTO Trade Effects: Preferential Trade Agreements Promote Trade Strongly, but Unevenly.' *Journal of International Economics* 83.2.

Goldstein, Judith L., Douglas Rivers, and Michael Tomz. 2007. 'Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade.' *International Organization* 61.1.

Kucik, Jeffrey and Eric Reinhardt. 2008. 'Does Flexibility Promote Cooperation? An Application to the Global Trade Regime.' *International Organization* 62.

Kucik, Jeffrey. 2012. 'The Domestic Politics of Institutional Design: Producer Preferences over Trade Agreement Rules.' *Economics & Politics* 24.

Mansfield, Edward D, Helen V Milner, and Jon C Pevehouse. 2007. 'Vetoing Co-operation: The Impact of Veto Players on Preferential Trading Agreements.' *British Journal of Political Science* 37.3.

Mansfield, Edward D and Eric Reinhardt. 2003. 'Multilateral Determinants of Regionalism: The Effects of GATT/WTO on the Formation of Preferential Trading Agreements.' *International Organization* 57.4.

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.

Naoi, Megumi, and Shujiro Urata. 2013. 'Free Trade Agreements and Domestic Politics: The Case of the Trans-Pacific Partnership Agreement.' *Asian Economic Policy Review* 8.2.

Rose, Andrew. 2004. 'Do We Really Know That the WTO Increases Trade?' *American Economic Review* 94.1.

Rosendorff, Peter. 2005. 'Stability and Rigidity: Politics and the Design of the WTO's Dispute Settlement Procedure.' *American Political Science Review* 99.3.

Staiger, Robert W and Guido Tabellini. 1999. 'Do GATT Rules Help Governments Make Domestic Commitments?' *Economics and Politics* 11.2.

Subramanian, Arvind and Shang-Jin Wei. 2007. 'The WTO Promotes Trade: Strongly But Unevenly.' *Journal of International Economics* 72.1.

Tomz, M, Goldstein, J and Rivers, D. 2007. 'Do We Really Know That the WTO Increases Trade? Comment.' *American Economic Review*, 97.5.

Week VII – Trade and Immigration

The theoretical underpinnings of immigration are frequently compared to those of trade. We discuss the complementarity of trade and immigration, along with historical patterns in policies, and sources of preferences over policies for both issues.

Required Reading:

Dancygier, RM and MJ Donnelly. 2013. ‘Sectoral Economies, Economic Contexts, and Attitudes toward Immigration.’ *Journal of Politics*.

Hanson, Gordon, Kenneth F Scheve, and Matthew J Slaughter. 2007. ‘Public Finance and Individual Preferences over Globalization Strategies.’ *Economics and Politics* 19.1.

Background Reading:

Hatton, Timothy J and Jeffrey G Williamson. 2006. ‘A Dual Policy Paradox: Why Have Trade and Immigration Policies Always Differed in Labor-Scarce Economies?’ IZA Discussion Paper No. 2146.

Cornelius, Wayne, and Marc Rosenblum. 2005. ‘Immigration and Politics.’ *Annual Review of Political Science* 8.1.

Research-Design Reading:

Austin, Peter, Vivek Goel and Carl van Walraven. 2001. ‘An Introduction to Multilevel Regression Models.’ *Canadian Journal of Public Health*.

Recommended Reading:

Ahmed, Faisal. 2012. ‘The Perils of Unearned Foreign Income: Aid, Remittances, and Government Survival.’ *American Political Science Review* 106.1.

Bertoli, Simone, Frederic Docquier. 2015. ‘International Migration and Inequality Across Nations.’ *The World Economy*.

Bosetti, Valentina, Cristina Cattaneo, Elena Verdolini. 2015. 'Migration of Skilled Workers and Innovation: A European Perspective.' *Journal of International Economics*.

Dustmann, Christian, Joseph-Simon Goerlach. 2015. 'The Economics of Temporary Migrations.' CESifo WPS 5188.

Facchini, Giovanni, and Anna Maria Mayda, 2012. 'Individual Attitudes Towards Skilled Migration: An Empirical Analysis Across Countries.' *The World Economy* 35.2.

Facchini, Giovanni and Max Friedrich Steinhardt. 2011. 'What Drives US Immigration Policy? Evidence from Congressional Roll Call Votes.' IZA Discussion Paper No. 5561.

Facchini, Giovanni, and Gerald Willmann. 2005. 'The Political Economy of International Factor Mobility.' *Journal of International Economics* 67.1

Gaston, Noel and Gulasekaran Rajaguru. 2013. 'International Migration and the Welfare State Revisited.' *European Journal of Political Economy* 29.

Hainmueller, Jens and Michael J Hiscox. 2010. 'Attitudes Toward Highly Skilled and Low-Skilled Immigration: Evidence from a Survey Experiment.' *American Political Science Review* 104.1.

Le Goff, Maelan, Sara Salomone. 2015. 'Remittances and the Changing Composition of Migration.' *The World Economy*.

Mayda, Anna M. 2006. 'Who Is Against Immigration? A Cross-Country Investigation of Individual Attitudes toward Immigrants.' *Review of Economics and Statistics* 88.3.

Meseguer, Covadonga, and Katrina Burgess. 2014. 'International Migration and Home Country Politics.' *Studies in Comparative International Development* 49.1.

Scheve, Kenneth F and Matthew J Slaughter. 2001. 'Labor Market Competition and Individual Preferences over Immigration Policy.' *Review of Economics and Statistics* 83.1.

Soroka, Stuart N, Richard Johnston, Anthony Kevins, Keith Banting, Will Kymlicka. 2015. 'Migration and Welfare State Spending.' *European Political Science Review*.

Week VIII – Trade, Development, and Inequality

Trade liberalization is often motivated by one core idea: that freer trade promotes development. Yet, the policies and institutions that foster openness are heavily criticized for failing to fulfill their promise. We assess the historical relationship between trade and development, along with the complications that have arisen in recent years.

Required Reading:

Mosley, Layna and Saika Uno. 2007. 'Racing to the Bottom or Climbing to the Top? Economic Globalization and Collective Labor Rights.' *Comparative Political Studies* 40.8.

Nooruddin, Irfan, Nita Rudra. 2014. 'Are Developing Countries Really Defying the Embedded Liberalism Compact?' *World Politics* 66.4.

Williamson, Jeffrey G. 2015. 'Latin American Inequality: Colonial Origins, Commodity Booms, or a Missed 20th Century Leveling?' NBER WP 20915.

Background Reading:

Frankel, Jeffrey and Romer, David. 1999. 'Does Trade Cause Growth?'" *American Economic Review* 89.3.

Rudra, Nita. 2005. 'Globalization and the Strengthening of Democracy in the Developing World.'" *American Journal of Political Science* 49.4.

Research-Design Reading:

Seawright, Jason, John Gerring. 2008. 'Case Selection Techniques in Case Study Research.' *Political Research Quarterly*.

Recommended Reading:

Bergh, Andreas and Therese Nilsson. 2010. 'Do Liberalization and Globalization Increase Income Inequality?' *European Journal of Political Economy* 26.4.

- Blanton, Robert G, Shannon Lindsey Blanton, Dursun Peksen. 2015. 'The Impact of IMF and World Bank Programs on Labor Rights.' *Political Research Quarterly*.
- Chang, Ha-Joon. 2003. 'Kicking Away the Ladder: Infant Industry Promotion in Historical Perspective.' *Oxford Development Studies* 31.1.
- Dixit, Avinash. 2015. 'Governance, Trade, and Investment.' *Research in Economics* 69.2.
- Dreher, Axel and Noel Gaston. 2008. 'Has Globalization Increased Inequality?' *Review of International Economics*.
- Goldberg, Pinelopi K and Nina Pavcnik. 2007. 'Distributional Effects of Globalization in Developing Countries.' NBER Working Paper No 12885.
- Hafner-Burton, Emilie. 2005. 'Trading Human Rights: How Preferential Trading Agreements Influence Government Repression.' *International Organization* 59.
- Meinhard, Stephanie and Niklas Potrafke. 2012. 'The Globalization-Welfare State Nexus Reconsidered.' *Review of International Economics*.
- Milner, Helen and Keiko Kubota. 2005. 'Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries.' *International Organization* 59.1.
- Nwaougu, Uwaoma G, Michael J Ryan. 2015. 'FDI, Foreign Aid, Remittance and Economic Growth in Developing Countries.' *Review of Development Economics*.
- Potrafke, Niklas. 2014. 'The Evidence on Globalization.' *The World Economy*.
- Rudra, Nita. 2005. 'Globalization and the Strengthening of Democracy in the Developing World.' *American Journal of Political Science* 49.4.
- Smith, Brock. 2015. 'The Resource Curse Exorcised: Evidence from a Panel of Countries.' *Journal of Development Economics* 116.
- Sokoloff, Kenneth L., and Stanley L. Engerman. 2000. 'History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World.' *Journal of Economic Perspectives* 14.3.

Spilker, Gabriele and Tobias Böhmelt. 2013. 'The Impact of Preferential Trade Agreements on Governmental Repression Revisited.' *Review of International Organizations* 8.

Taylor, Alan M. 1998. 'On the Costs of Inward-Looking Development Price Distortions, Growth, and Divergence in Latin America.' *Journal of Economic History* 58.1.

Vézina, Pierre-Louis. 2014. 'Race-to-the-Bottom Tariff Cutting.' *Review of International Economics*.

Villaverde, José and Adolfo Maza. 2011. 'Globalization, Growth and Convergence.' *The World Economy* 34.6.

Wade, Robert H. 2004. 'Is Globalization Reducing Poverty and Inequality?' *World Development* 32.4.

Yu, Shu, Sjoerd Beugelsdijk, Jakob de Haan. 2015. 'Trade, Trust and the Rule of Law.' *European Journal of Political Economy* 37.

Week IX – Trade and the Environment

The relationship between international trade and the environment is complicated and often controversial. We explore why this is the case and discuss possible mutually beneficial policy options.

Required Reading:

Bechtel, Michael M, Thomas Bernauer, and Reto Meyer. 2012. 'The Green Side of Protectionism: Environmental Concerns and Three Facets of Trade Policy Preferences.' *Review of International Political Economy*.

Dasgupta, Susmita, et al. 2002. 'Confronting the Environmental Kuznets Curve.' *Journal of Economic Perspectives* 16.1.

Background Reading:

Abbott, Kenneth, and Duncan Snidal. 2000. 'Hard and Soft Law in International Governance.' *International Organization* 54.2.

Jayadevappa, R and Chhatre, S. 2000. 'International Trade and Environmental Quality: A Survey.' *Ecological Economics* 32.2.

Research-Design Reading:

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Berhnagen, P. 2008. 'Business and International Environmental Agreements: Business Influence Over Participation and Compliance.' *Global Environmental Politics* 8.

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Week X – Risk, Economic Integration and Trade Volatility

Opening the domestic economy to international markets generates winners and losers at home. While trade generates a net welfare benefit it can also result in increased unemployment, heightened job insecurity, and reductions in real wages. We end the term by analyzing in greater detail the costs and risks associated with economic globalization, with a particular focus on trade volatility.

Required Reading:

Bown, Chad P and Meredith A Crowley. 2014. 'Emerging Economies, Trade Policy, and Macroeconomic Shocks.' *Journal of Development Economics*.

Frieden, Jeffrey. 2015. 'The Political Economy of Adjustment and Rebalancing.' *Journal of International Money and Finance* 52.

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Research-Design Reading:

De Boef, Suzanna and Luke Keele. 2008. 'Taking Time Seriously.' *American Journal of Political Science*.

Recommended Reading:

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Bown, Chad P and Meredith A Crowley. 2013. 'Import Protection, Business Cycles, and Exchange Rates: Evidence from the Great Recession.' *Journal of International Economics* 90.1.

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