

**Politics 2257**  
**GLOBAL POLITICAL ECONOMY**

COURSE OUTLINE  
2018-2019

Instructor: Dr. David Blair

Office: V133, Huron University College

Office Hours: Mondays, Tuesdays and Thursdays 2:30-3:30pm, or by appointment.

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Class Meeting Times: Tuesdays 1:30pm-2:30pm, Thursdays 12:30pm-2:30pm  
in Classroom W6, Huron University College

Prerequisite: Politics 1020E

Antirequisites: Politics 3356F/G, 3357E, 3358F/G and 3365F/G

Political Science 2257 is a comprehensive survey of the principal issues, perspectives and debates in the field of international political economy. Students are not expected to have a background in economics. Classes are a mix of lectures and discussion sessions. The course begins by tracing the ways in which trends in international trade, production and finance contribute to the development of a globalising economy. The consequences of economic globalisation for national and international politics are then considered, as well as the alternatives proposed by various authors to the current form of globalisation. The second half of the course examines the issues of poverty and inequality in the international system, the main theoretical approaches that offer explanations for the uneven distribution of wealth between countries of the North and South and the development strategies each approach proposes.

**Required Course Texts**

1. Theodore H. Cohn, Global Political Economy: Theory and Practice, 7<sup>th</sup> edition (New York: Longman, 2016).
2. Politics 2257 course packets, Parts I and II. I will announce in class when these packets are available.

Readings from other sources may also be assigned periodically.

## **Course Requirements**

1. A participation grade worth 30% of the final grade, based on the quality and regularity of participation in class discussions. Note that 2/3 of this participation grade is evaluated on the basis of regular quizzes designed to prepare students for class discussion. *Only students who are present during the full class discussion on the day of the quiz will receive a grade for the quiz.* Students must all write the quiz at the same time, which is normally at the beginning of class. These brief quizzes are not written assignments but are tools to help assess your participation in class discussions. If you are not in class when the quiz and discussion take place, obviously your performance cannot be assessed. For this reason *there will be no make-up quizzes held under any circumstances.*
2. A mid-term test worth 15% of the final grade to be written in class on Tuesday, 6 November 2018.
3. A second-term test worth 20% of the final grade to be written in class on Thursday, 7 February 2019.
4. A two-hour final examination covering all aspects of the course, worth 35% of the final grade.

## **Prerequisite Information**

The pre-requisite for this course is Politics 1020E. Students are responsible for ensuring that they have successfully completed all course prerequisites. If you do not have the prerequisites for this course or written special permission from the Dean to enroll in this course, you will be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

## **Class Attendance**

Students are expected not to miss any classes in this course. Students are responsible for all materials distributed and announcements made in every class.

**Plagiarism** is an academic offense and will be treated as such. Students who are in doubt as to the nature of this offence should consult their instructor, Department Chair, or Dean's Office, as well as the Huron University College Statement on Plagiarism, available at the Reference Desk in the Huron University College Library and at <http://huronuc.libguides.com/academicintegrity>.

In addition, students may seek guidance from a variety of current style manuals available at the Reference Desk in the Huron University College Library. Information about these resources can be found at <http://huronuc.libguides.com/c.php?g=455405>.

Political Science 2257  
The Politics of Economic Development  
Learning Objectives

Students who complete this course are expected to demonstrate:

1. Depth and Breadth of Knowledge

a) a developed knowledge and critical understanding of the key concepts, methodologies, current advances, theoretical approaches and assumptions in this sub-field of political science, including from an interdisciplinary perspective, and their intersection with other sub-fields of political science and with other disciplines

c) a developed ability to:

i) gather, review, evaluate and interpret information

ii) compare the merits of alternate hypotheses or creative options relevant to the subject matter

d) a developed, detailed knowledge of and experience in research in the subject matter

e) developed critical thinking and analytical skills

f) the ability to apply learning from areas outside the sub-field

2. Knowledge of Methodologies

an understanding of methods of enquiry that enables the student to:

a) evaluate the appropriateness of different approaches to solving problems using well established ideas and techniques

b) devise and sustain arguments and solve problems using these methods, and to describe and comment upon particular aspects of current research and scholarship in the subject matter

3. Application of Knowledge

a) the ability to review, present and critically evaluate qualitative and quantitative information to:

i) develop lines of argument

ii) make sound judgments in accordance with the major theories, concepts and methods of the sub-field

- iii) apply underlying concepts, principles, and techniques of analysis
  - iv) where appropriate use this knowledge in the creative process
- b) the ability to use a range of established techniques to:
- i) initiate and undertake critical evaluation of arguments, assumptions, abstract concepts and information
  - ii) propose solutions
  - iii) frame appropriate questions for the purpose of solving a problem
  - iv) solve a problem or create a new work
- c) the ability to make critical use of scholarly reviews and primary sources.

#### 4. Communication Skills

the ability to communicate information, arguments, and analyses accurately and reliably, orally and in writing to a range of audiences.

#### 5. Awareness of Limits of Knowledge

an understanding of the limits to their own knowledge and ability, and an appreciation of the uncertainty, ambiguity and limits to knowledge in the sub-field and how this might influence analyses and interpretations.

#### 6. Autonomy and Professional Capacity

- a) qualities and transferable skills necessary for further study, employment, community involvement and other activities requiring:
- i) the exercise of initiative, personal responsibility and accountability in both personal and group contexts
  - ii) working effectively with others
  - iii) decision-making in complex contexts
- b) the ability to manage their own learning in changing circumstances in the field and to select further courses and programmes in this field
- c) behaviour consistent with academic integrity and social responsibility

## **Class Schedule and Required Readings**

Note: Reading assignments are subject to change. Readings from the textbook listed as “Cohn”. Readings from edited books are included in the course packets. Readings from periodicals can be accessed through the UWO Shared Library Catalogue. Make sure you are logged in under your UWO account. Go to the UWO library webpage and click on Catalogue. Under “Search for Books and More”, select Journal Title and type in the title of the periodical in the box and then click on the “Search” button to the right of the box. Click on the title of the periodical when it comes up, and then find the issue of the periodical that contains the article. The title may be listed several times next to the names of different online databases, so if you cannot find the article you are looking for under one database go back and click on the periodical title next to another database. If you have any difficulty locating the article ask a librarian for help.

### **1. Evolution of the Global Political Economy**

1. Cohn, pp.1-31, 39-44.

### **2. International Trade**

1. Cohn, ch.8, 9.

Discussion Questions:

Is free trade desirable? Why is it being promoted?

Why do countries adopt protectionist policies?

Is the liberal trade regime unravelling?

Are bilateral and regional trade agreements a threat to the WTO?

Do the international institutions governing trade undermine democracy?

### **3. Foreign Direct Investment and Transnational Production**

1. Cohn, ch.10.

2. Sonal S. Pandya, "Political Economy of Foreign Direct Investment: Globalized Production in the Twenty-First Century", Annual Review of Political Science Vol. 19 (2016), pp.455-475.

Discussion Questions:

Do multinational corporations have too much power?

Does Canada have too much foreign ownership?

What would be the best means of regulating multinational corporations?

#### **4. The International Monetary System and Global Finance**

##### **a) The International Monetary System**

1. Cohn, pp.129-165.

##### **b) The Causes and Consequences of Global Finance**

2. Eric Helleiner, "From Bretton Woods to Global Finance: A World Turned Upside Down", in Richard Stubbs and Geoffrey R.D. Underhill (eds.), Political Economy and the Changing Global Order (Toronto: McClelland and Stewart, 1994), pp. 163-175.

3. Michael Webb, "The Group of Seven and Global Macroeconomic Governance", in Richard Stubbs and Geoffrey R.D. Underhill, Political Economy and the Changing Global Order, 3<sup>rd</sup> ed. (Don Mills: Oxford University Press, 2006), pp. 158-160, 166-168.

##### **c) Financial Crises and Regulation**

4. Robert O'Brien and Marc Williams, Global Political Economy: Evolution and Dynamics, 4<sup>th</sup> edition (London: Palgrave Macmillan, 2013), pp.163-174 ("Credit: financial innovation and repeated crises"), 273-276 ("Ideas, interests and the global financial crisis").

5. Cohn, pp.172-173, 194-207.

6. Robert Wade, "The Global Slump: Deeper Causes and Harder Lessons", Challenge 52, no.5 (September/October 2009): 5-24.

Discussion Questions:

How and why did a global financial market emerge by the 1980s?

Has the policy autonomy of national governments been restricted by the growth of capital mobility?

What caused the global financial crisis of 2008-2009?

What could be done to bring greater stability to the global financial market?

#### **5. Global Neoliberalisation**

1. Cohn, pp.80-84.

2. James L. Richardson, "Embedded Liberalism", Contending Liberalisms in World Politics: Ideology & Power (Boulder: Lynne Rienner, 2001), pp.41-44.

3. Timothy Lewis, "Restructuring Power Relations", In the Long Run We're All Dead: The Canadian Turn to Fiscal Restraint (Vancouver: UBC Press, 2003), pp.96-98, 100-104.

4. Stephen McBride, "Neo-Liberalism and Canadian Policy", Paradigm Shift: Globalization and the Canadian State, 2<sup>nd</sup> edition (Halifax: Fernwood, 2005), pp.95-99.

5. Mark Blyth, "The Austerity Delusion", Foreign Affairs 92, no.3 (May/June 2013): 41-56.

### Discussion Questions:

How and why did neoliberalism become the dominant paradigm within the global economic system?

Is globalisation responsible for the spread of neoliberalism, or is neoliberalism responsible for globalisation?

Has the neoliberal era ended, or is neoliberalism simply adapting to new conditions?

## 6. Globalisation and Labour

1. O'Brien and Williams, pp.182-199 ("Global Division of Labour"), 205-207 ("Women in the world economy: employment trends and prospects"), 213-218 ("Globalization of reproductive work").

2. Paul Krugman, "In Praise of Cheap Labour: Bad Jobs at Bad Wages are Better than No Jobs at All", in Thomas Oatley, ed., The Global Economy: Contemporary Debates (New York: Pearson Longman, 2005), pp.204-207.

3. John Miller, "Why Economists Are Wrong About Sweatshops and the Antisweatshop Movement", in Thomas Oatley, ed., The Global Economy: Contemporary Debates (New York: Pearson Longman, 2005), pp.208-218.

4. Joyce V. Millen and Timothy H. Holtz, "Dying for Growth" in Mark Kesselman (ed.) The Politics of Globalization: A Reader (Boston, New York: Houghton Mifflin, 2007), pp. 167-172.

5. Geeta Chowdhry, "Post-Colonial Readings of Child Labour in a Globalized Economy", in Richard Stubbs and Geoffrey R.D. Underhill, Political Economy and the Changing Global Order, 3<sup>rd</sup> ed. (Don Mills: Oxford University Press, 2006), pp. 233-242.

### Discussion Questions:

How can we explain the creation and maintenance of the current international division of labour?

What is the effect of economic globalisation on wages and working conditions everywhere? Does globalisation serve the interests of workers in the North or in the South? Who does it benefit?

Is child labour acceptable? Are sweatshops preferable to the alternative?

How do you balance the interests of workers in developed countries to preserve their standard of living with the desire of workers in developing countries to improve their? Is there necessarily a conflict between the two?

Can global restructuring be done in a less disruptive way?

Should international labour codes be developed and made binding on all countries?

Is the demand by developed countries that labour standards in developing countries be raised an example of imperialism?

How can labour conditions improve in a global economy?

## **7. Globalisation and the Environment**

1. Cohn, pp.118-121.
2. Joyce V. Millen and Timothy H. Holtz, "Dying for Growth" in Mark Kesselman (ed.) The Politics of Globalization: A Reader (Boston, New York: Houghton Mifflin, 2007), pp. 172-181.
3. Daniel C. Esty, "Economic Integration and Environmental Protection", in Regina S. Axelrod, David Leonard Downie, and Norman J. Vig (eds.) The Global Environment: Institutions, Law, and Policy, 2<sup>nd</sup> ed. (Washington: CQ Press, 2005), pp.146-159.

### Discussion Questions:

What concerns do environmentalists have about the impact of globalisation on the global environment?

On balance, is economic globalisation beneficial or harmful for the environment?

How can the negative impacts of globalisation be minimised?

## **8. Globalisation and Conflict**

1. Thomas L. Friedman, "The Golden Arches Theory of Conflict Prevention", in The Lexus and the Olive Tree (New York: Farrar, Strauss, and Giroux, 1999), pp.195-204.
2. Susan Willett, "Globalization and the Means of Destruction: Physical Insecurity and the Weapons Industry at the Turn of the Millennium", in Barbara Harriss-White, ed., Globalization and Insecurity: Political, Economic and Physical Challenges (Oxford: Palgrave, 2002), pp.184-202.
3. Richard Sandbrook, "A New Urgency: Civilizing Globalization in an Era of Terrorism", in Richard Sandbrook (ed.), Civilizing Globalization: A Survival Guide (Albany: State University of New York Press, 2003), pp. 253-267.
4. Brian Burgoon, "The Political Economy of Post-9/11 Security", in in Richard Stubbs and Geoffrey R.D. Underhill, Political Economy and the Changing Global Order, 3<sup>rd</sup> ed. (Don Mills: Oxford University Press, 2006), pp.118-131.

### Discussion Questions:

In what ways may economic globalisation contribute to political violence?

Is economic globalisation more of a force for international peace or for international conflict?

Can the conflictual consequences of globalisation be prevented? How?



## 9. Globalisation and Global Governance: Towards A Global New Deal?

1. John Gerard Ruggie, "Taking Embedded Liberalism Global: the Corporate Connection", in David Held and Mathias Koenig-Archibugi (eds.), Taming Globalization: Frontiers of Governance (Cambridge: Polity Press, 2003), pp.93-129.
2. Joy Kennedy, "Currency Transaction Tax: Curbing Speculation, Funding Social Development", in Richard Sandbrook (ed.), Civilizing Globalization: A Survival Guide (Albany: State University of New York Press, 2003), pp.111-119.
3. Charles Derber, People Before Profit: The New Globalization in an Age of Terror, Big Money, and Economic Crisis (New York: St. Martin's, 2002), "Chapter 7: A Global New Deal", pp.143-169.
4. O'Brien and Williams, pp.194-199 ("The struggle for workers' rights in a global economy").
5. Global Policy Forum, "Social Protection Floors for Inclusive Globalisation", (January 10, 2012). Available from Global Policy Forum website: <https://www.globalpolicy.org/globalization/globalization-of-politics/general-analysis-on-globalization-of-politics/51194-social-protection-floors-for-inclusive-globalization.html?itemid=id>

### Discussion Questions:

Has the state been rendered less effective in its social protection activities as a result of economic globalisation?

Could non-governmental actors adequately fill the vacuum left by a retreating state?

Is there a need for stronger international regimes in the area of social protection? What form would they take?

Is a more democratic global economic governance feasible?

Can neoliberal globalisation be civilised?

## 10. Alternatives to Neoliberal Globalisation

1. Eric Helleiner, "Alternatives to Neo-Liberalism? Towards a More Heterogeneous Global Political Economy", in Richard Stubbs and Geoffrey R.D. Underhill, Political Economy and the Changing Global Order, 3<sup>rd</sup> ed. (Don Mills: Oxford University Press, 2006), pp.77-85.
2. Colin Hines, "From Globalisation to Localisation", in Localisation: A Global Manifesto (London: Earthscan, 2000), pp.27-36, 62-67, 242-245.
3. Eric Helleiner, "New Voices in the Globalization Debate: Green Perspectives on the World Economy", in Richard Stubbs and Geoffrey R.D. Underhill (eds.) Political Economy and the Changing Global Order, 2<sup>nd</sup> ed. (Don Mills: Oxford University Press, 2000), pp. 60-69.

Discussion Questions:

Is economic localisation preferable to economic globalisation?  
What would be its advantages and disadvantages?  
Would the localisation of economic activity be incompatible with a market economy?  
Would it lead to parochial, xenophobic societies?  
Can economic globalisation be reversed? How could an alternative economic order be achieved?

## **11. Theoretical Perspectives on the Global Political Economy**

1. Cohn, pp. 77-92, 94-97, 103-108, 112-117, 121-122.

## **12. Poverty, Inequality and the North-South Divide**

1. Cohn, pp. 31-39.
2. David Woodward, "How Poor is Too Poor?", New Internationalist (July/August 2010): 21-24.
3. O'Brien and Williams, pp.219-224 ("Economic Development"), 212-213 ("The feminization of poverty").
4. Erna Solberg, "From MDGs to SDGs: The Political Value of Common Goals", Harvard International Review 37, no.1 (Fall 2015): 58-61.

Discussion Questions:

What are the political, economic and social characteristics of countries of the South?  
Is the North-South gap increasing or decreasing?  
Why is the existence of this gap a concern for countries of the North?  
Why does this gap exist? How can it be narrowed?

## **13. Modernisation and Latin American Structuralism**

1. Cohn, pp.92-97, 236-238, 350-352.
2. O'Brien and Williams, pp.229-231 ("Development and national capitalism, 1947-81"), 239-241 ("North-South conflict").

Discussion Questions:

To what extent is the structure of the global economy responsible for poverty in the global South?  
Should developing countries follow the same rules of the international economic order as developed countries?  
What kind of assistance should developed countries give to developing countries?

## **14. Dependency Theory, World Systems Analysis and Socialist Development Strategies**

1. Cohn, pp.108-112, 353-354.

Discussion Questions:

How accurate are the dependency and world systems approaches in explaining the level of economic development in the global South?

How effective are their prescriptions likely to be? How feasible would they be to carry out?

What has been the experience of countries that have adopted socialist development strategies?

## **15. Economic Nationalist Approaches: The Developmental State**

1. Cohn, pp.67-68, 354-359.

2. Jeanette Park, "New Comparative Advantages: A Re-evaluation of State-led Development", Harvard International Review 26 (Fall 2004): 34-37.

3. S.M. Shafaeddin, "Towards an Alternative Perspective on Trade and Industrial Policies", Development and Change 36 (November 2005): 1143-1162.

Research Article

4. Robert Wade, "Industrial Policy in Response to the Middle-income Trap and the Third Wave of the Digital Revolution", Global Policy 7 (4) (November 2016): 469-480.

Discussion Questions:

What is the best explanation for the economic success of the East Asian tigers?

How important were cultural factors compared with state intervention in the rapid growth of these economies?

## **16. The Neoliberal Turn in Economic Development**

### **a) The IMF and World Bank**

1. Cohn, pp.142-145, 344-350.

2. O'Brien and Williams, pp.234-237 ("The organization of development").

## **b) The Debt Crisis**

3. Cohn, pp.172-198.
4. O'Brien and Williams, pp.237-239 ("Debt and debt relief").

## **c) The Washington Consensus**

5. Cohn, pp.359-373.
6. John Williamson, "What Should the World Bank Think About the Washington Consensus?", Speeches and Papers, Peterson Institute for International Economics, July 1999. Available at: <https://piie.com/commentary/speeches-papers/what-should-world-bank-think-about-washington-consensus>
7. O'Brien and Williams, pp.267-270 ("The rise and stall of the Washington Consensus").
8. Jason Hickel, "The true extent of global poverty and hunger: questioning the good news narrative of the Millennium Development Goals", Third World Quarterly 37, no.5 (May 2016): 749-767.

### Discussion Questions:

How does the neoliberal strategy of development differ from modernisation theory?

How effective have the policy reforms of the Washington Consensus been in reducing poverty in developing countries?

Who is responsible for the high levels of debt in developing countries?

Are the lending practices of Northern countries a means of keeping developing countries in a position of dependence?

What are the economic and social consequences of high levels of indebtedness?

Should developing country debt be forgiven?

Is the attaching of conditions on IFI loans ever justifiable?

Is the influence of these economic institutions over the internal policies and practices of member countries excessively intrusive?

Does the introduction of the PRSP process signal the abandonment of neoliberalism as the predominant development strategy of the IMF and World Bank?

Can the World Bank, IMF and WTO be adequately reformed, or should they be abolished?

## **17. "Growth with Equity" Approaches: Social Democracy and Neostructuralism**

1. Richard Sandbrook, Marc Edelman, Patrick Heller, and Judith Teichman, "Can Social Democracies Survive in the Global South?", Dissent 53 (Spring 2006): 76-83.
2. Peadar Kirby, "Neo-structuralism and Reforming the Latin American State: Lessons from the Irish Case", Economy and Society 38 (February 2009): 137-140.
3. Fernando Ignacio Leiva, "Toward a Critique of Latin American Neostructuralism", Latin American Politics and Society 50 (Winter 2008): 1-9.

### Discussion Questions:

Does achieving high rates of economic growth require an unequal distribution of wealth?  
What has been the experience of countries that have adopted equity-led strategies of development?

Why are equity-led development approaches not practiced more widely in developing countries?

Does neostructuralism represent an alternative to neoliberalism or does it represent one of the ways that neoliberalism has adapted to changing conditions?

## 18. Foreign Aid

1. Cohn, pp.340-344.
2. Jeffrey D. Sachs, "On-the-Ground Solutions for Ending Poverty", The End of Poverty (New York: Penguin, 2005), pp.226-243.
3. William Easterly, "The Utopian Nightmare", Foreign Policy 150 (September/October 2005): 58-64.
4. Tajudeen Abdul-Raheem "Impact of Angels" New Internationalist 326 (August 2000): 20-21.
5. Chris Brazier "Building Up the Poor- Or Reinforcing Inequality?" New Internationalist 332 (March 2001): 9-11.

### Discussion Questions:

What should be the goal of foreign aid -- economic development or poverty alleviation?

Is it preferable for the task of foreign aid delivery to be handed over to NGOs?

Should aid programmes focus on facilitating market reforms or on the satisfaction of basic needs?

Whose interests are most served by development assistance programmes?

Should funding for foreign aid be increased or decreased?

## 19. Alternative Approaches to Poverty Alleviation: Microcredit

1. Muhammad Yunus, "The Grameen Bank", Global Issues 06/07 (Dubuque, IA: McGraw-Hill, 2007), pp.179-182.
2. Walden Bello, "Microcredit, Macro Issues" The Nation, 14 October 2006. Available at: <https://www.thenation.com/article/microcredit-macro-issues/>
3. Susan Feiner and Drucilla Barker, "Microcredit? Spare Us the Praise for a Panacea", Women's eNews (posted March 14, 2007). available at: <http://womensenews.org/2007/03/microcredit-spare-us-the-praise-panacea/>

4. Mark Engler, "From Microcredit to a World Without Profit? Muhammad Yunus Wrestles with Moving beyond a Society Based on Greed", Dissent 56, no.4 (Fall 2009): 81-87.

Discussion Questions:

Can microcredit make a significant impact on rates of poverty in developing countries?  
Will it lead to economic development?  
Is microcredit effective in raising the socio-economic status of women?  
Why does the World Bank promote microcredit programmes?

## **20. Linking the Local to the Global: Fair Trade**

1. Laure Waridel, Coffee With Pleasure: Just Java and World Trade (Montreal, New York, London: Black Rose Books, 2002), pp. 41-67, 70-81.
2. Paul Chandler, "Fair Trade and Global Justice", Globalizations 3 (June 2006): 255-257.
3. Gavin Fridell, "Fairtrade and the International Moral Economy: Within and Against the Market", in Tony Shallcross and John Robinson, eds. Global Citizenship and Environmental Justice (Amsterdam and New York: Rodopi, 2006), pp.81-93.

Discussion Questions:

Is fair trade an effective way of promoting global justice and reducing poverty?  
Why is the market share of fair trade products so small?  
How could this market share be increased?

## **POLITICAL SCIENCE DEPARTMENT RULES AND REGULATIONS**

Late Penalties: It is the policy of the Department of Political Science to exact a penalty of 2 marks (i.e. 2 per cent of the grade on the assignment) per working day for late papers. Papers will not be accepted by instructors if they are more than two weeks late.

Documentation: Students must follow the *Canadian Journal of Political Science* Editorial Style Guidelines. Internet Documentation: All information obtained through the Internet must be cited in footnotes/endnotes and bibliographies. Internet citations must include all of the same information that is provided when citing a book or article. This includes the name of the author, name of the organisation that has posted the website, the title, the date the website was consulted, and the website address. For more details on proper electronic citation, consult the information desk at the Huron University College library.

Assignment Drop-off: Essays and other written assignments must be handed to the instructor directly or placed in the essay drop-off box.

Class Attendance: You are strongly advised not to miss any class meetings. Important material, detailed instructions, information and insights on course themes, examinations, written work, course objectives and other essential matters will be presented in these hours.



**The Appendix to Course Outlines is posted on the OWL course site.**