

# Spring 2024

## PS 5730 International Political Economy

Class Information:

Time: Wednesdays, 13:20-15:10

Place: Room 407 Social Sciences Building

Course Website: <https://cool.ntu.edu.tw/courses/35023>

Instructor: **Hans H. Tung** (hanstung@ntu.edu.tw)

Office Hours: By Appointment.

Office: Room 745, Social Sciences Building

### 1 Course Design and Objectives

As *Oxford Research Encyclopedias* nicely puts it, “The concept of international political economy (IPE) encompasses the intersection of politics and economics as goods, services, money, people, and ideas move across borders.” According to this definition, IPE deals with a wide array of topics ranging from international trade in goods and services, international financial transactions in the forms of foreign direct investment and foreign exchange rate determination to other related issues such as immigration and policy diffusion. Among all these potential topics, trade stands out as an area where we have recently witnessed quite a few dramatic and fundamental changes—e.g., US-China Trade War, supply chain disruptions owing to the Russo-Ukrainian War and the US high-tech export bans on China—worthy of our close scrutiny in this semester.

Nowadays, there is little doubt about how important international trade is to our daily lives. While, on the one hand, trade is definitely one of the major sources that bring economic welfare to most people, it also gives rise to conflicts among different segments of a society on the other. Against the backdrop of several recent anti-globalization episodes (e.g., the Brexit, the US-China Trade War, the US export controls on advanced computing and semiconductor manufacturing items to China), it seems both the “Giant Sucking Sound” Ross Perot heard and popularized in early 1990s and geopolitical/national security concerns have risen again and gained ground in the political commanding heights of many advanced industrial countries. This course is designed to help students navigate the controversies arising from economic activities across borders through the lens of existing theories and perspectives from international political

economy. What distinguishes this course from other international economics ones, however, is that, instead of focusing purely on economic forces behind these exchanges, it zeros in on various political aspects of them. In particular, we cherry-pick those that are especially relevant to the society we live in and hope students who take the course will be able to formulate their own views afterwards.

## **2 Grading**

- Class Participation (10%)
- Mid-Term (30%)
- Final (60%)

## **3 Textbook (On reserve at the Koo Chen-Fu Memorial Library)**

**KOM** Krugman, Paul R., Maurice Obstfeld, and Marc J. Melitz. 2012. *International Economics : Theory & Policy* 9th edition. Boston, MA : Addison-Wesley.

## **4 A Special Note**

While the course doesn't formally list calculus and statistics as prerequisites, the teaching will inevitably involve them and I will assume you have had some basic understanding of these analytic skills. Please make sure you have no problem with this before you consider taking this course.

## **5 Class Schedule and Reading List**

**Week 1 February 21, 2024 Introduction**

**Week 2 February 28 2024 Holiday**

**Part I: International Trade: Basics**

**Week 3 March 06, 2024 Why and How Do Nations Trade?  
An Economic Overview I**

Readings:  
KOM: Chapters 3-5.

## **Week 4 March 13, 2024 Why and How Do Nations Trade? An Economic Overview II**

Readings:  
KOM: Chapters 3-5.

## **Week 5 March 20, 2024 Why and How Do Nations Trade? An Economic Overview III**

Readings:  
KOM: Chapters 3-5.

## **Part II: Domestic Politics of Trade Policy**

### **Week 6 March 27, 2024 Instruments of Trade Policy and Special Interest Politics**

Readings:  
KOM: Chapter 9-10  
Grossman, Gene and Elhanan Helpman. 1994. "Protection for Sale." *American Economic Review* 84:4 (September), pp. 833-50.

### **Week 7 April 03, 2024 Individual Preferences for Trade**

Readings:  
Flaherty, Thomas M. and Ronald Rogowski. 2021. "Rising Inequality As a Threat to the Liberal International Order." *International Organization* 75: 495-523.  
Hicks, Raymond, Helen V. Milner, and Dustin Tingley. 2014. "Trade Policy, Economic Interests, and Party Politics in a Developing Country: The Political Economy of CAFTA-DR." *International Studies Quarterly* 58: 106-117.  
Mansfield, Edward D. and Diana C. Mutz. 2009. "Support for Free Trade: Self-Interest, Sociotropic Politics, and Out Group Anxiety." *International Organization* 63(3): 425-457.

## **Week 8 April 10, 2024 Mid-term Exam**

## **Week 9 April 17, 2024 Political Institutions and Trade**

### Readings:

Hiscox, Michael J. 2008. "The Domestic Sources of Foreign Economic Policies." In John Ravenhill (ed.) *Global Political Economy* 2nd Edition. Oxford [England]; New York : Oxford University Press.

Mansfield, Edward D., Helen V. Milner, B. Peter Rosendorff. 2000. "Free to Trade: Democracies, Autocracies, and International Trade." *American Political Science Review* 94(2): 305-321.

## **Part III: International Politics of Trade Policy**

## **Week 10 April 24, 2024 Geopolitics and Trade**

### Readings:

Carnegie, Allison and Nikhar Gaikwad. 2022. "Public Opinion on Geopolitics and Trade: Theory and Evidence." *World Politics* 74(2): 167-204.

Dadush, Uri and Enzo Dominguez Prost. 2023. "Preferential Trade Agreements, Geopolitics, and the Fragmentation of World Trade." *World Trade Review* 22: 278-294.

Fan, John Hua, Akihiro Omura, Eduardo Roca. 2023. "Geopolitics and rare earth metals." *European Journal of Political Economy* 78: 102356.

Kim, Sung Eun and Joonseok Yang. 2023. "Who votes for free trade and when? Geopolitics as the source of legislative preferences on free trade agreements." *Review of International Political Economy* 30: 2257-2284.

## **Week 11 May 01, 2024 Economic Sanctions and Trade**

### Readings:

Akoto, William, Timothy M. Peterson, and Cameron G. Thies. 2020. "Trade Composition and Acquiescence to Sanction Threats." *Political Research Quarterly* 73(3): 526-539.

Frye, Timothy. 2019. "Economic Sanctions and Public Opinion: Survey Experiments From Russia." *Comparative Political Studies* 52(7) 967-994.

Gueorguiev, Dimitar, Daniel McDowell, and David A. Steinberg. 2020. "The Impact of Economic Coercion on Public Opinion: The Case of US-China Currency Relations." *Journal of Conflict Resolution* 64(9): 1555-1583.

Kavakli, Kerim Can, J. Tyson Chatagnier, Emre Hatipoğlu. 2020. "The Power to Hurt and the Effectiveness of International Sanctions." *Journal of Politics* 82(3): 879-894.

## **Part IV: Trade and Peace/War**

### **Week 12 May 08, 2024 Commercial Peace**

#### Readings:

Beesley, Celeste and Scott Cooper. 2023. "Micro-foundations of the commercial peace: The effect of net exports on Ukrainian attitudes towards war with Russia." *Journal of Peace Research* 60(6): 951-967.

Bulman, David. 2022. "Instinctive Commercial Peace Theorists? Interpreting American Views of the US-China Trade War." *Business and Politics* 24: 430-462.

Chen, Frederick R. 2020. "Extended Dependence: Trade, Alliances, and Peace." *Journal of Politics* 83(1): 246-259.

### **Week 13 May 15, 2024 Guest Lecture: Gwenyth Wang-Reeves, Engagement Director, GE Taiwan**

Topic to be announced.

### **Week 14 May 22, 2024 Issue Linkage**

#### Readings:

Chatagnier, J Tyson and Haeyong Lim. 2021. "Does the WTO exacerbate international conflict?" *Journal of Peace Research* 58(5) 1068-1082.

Kinne, Brandon J and Jonas B. Bunte. 2020. "Guns or Money? Defense Co-operation and Bilateral Lending as Coevolving Networks." *British Journal of Political Science* 50: 1067-1088.

Mangini, Michael-David. 2023. "The Economic Coercion Trilemma." *Journal of Conflict Resolution* forthcoming.

### **Week 15 May 29, 2024 Alliance Reliability**

#### Readings:

Donahue, Bailee and Mark J. C. Crescenzi. 2023. "Weathering the Storm: Discordant Learning about Reputations for Reliability." *Foreign Policy Analysis* 19(2): oraco37.

Nieman, Mark David and Douglas M. Gibler. 2023. "Peaceful Neighborhoods and Democratic Differences." *Journal of Politics* 85(1): 92-106.

Tomz, Michael, Jessica L. P. Weeks, and Kirk Bansak. 2023. "How membership in the North Atlantic Treaty Organization transforms public support for war." *PNAS Nexus* 2: 1-8

# Week 16 June 05, 2024 Final Exam