

# **POLI 160D: INTERNATIONAL POLITICAL ECONOMY**

University of California, Santa Cruz - Summer Session 2, 2020 - Tues/Thurs 1pm-4.30pm

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**Office Hours: Tu/Th 4.30-5.30pm**

## **I. COURSE OVERVIEW**

This course serves as an introduction to the political aspects of economic relations in the international sphere. We will be reading and discussing concepts and ideas not merely from the field of International Political Economy (IPE), but also from Political Economy more broadly. This means the course will be addressing themes from a range of disciplines, including (but not limited to) politics, philosophy, history, psychology, and economics.

Because both politics and economics are dynamic and constantly evolving topics of study, our main task in this course will be to connect historical and theoretical interpretations of international political economy to contemporary events. All the same, IPE constitutes a field in itself, and there are severe restrictions on what topics can be covered in a 5-week summer course. As such I have tried to narrow the focus, and in order to aid your learning have decided to focus class discussions on the political economic impacts of the COVID-19 global pandemic. By using crisis as a guiding theme, we will apply a combination of historical facts, concepts, and ideas, along with key arguments in the field of IPE, to contemporary claims in the media about the international political economy of COVID-19.

We will, I think, discover that no-one knows for certain how the present crisis will play out, but rather, that there are better and worse explanations and predictions. The aim of this course is to give you the conceptual, analytical, and communicative tools required to judge and comment on the quality of claims about international political economy in the present.

Some key issues:

- Inherent instability in the international economic system, and the seeming necessity of crises for the perpetuation of capitalism;
- Historical and ongoing tensions between territorial states and transnational capital, and the various ways that our world has been reconceptualized as a result;
- The role of widespread financialization in creating vast amounts of (unequally distributed) wealth without complementary accumulation;

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- Problems of uncertainty in assessing risk, acting rationally, and interpreting global events;
- Possible trajectories of international political economy in the post-pandemic world, including the question of whether capitalism can survive unchanged, and the looming role of China in the future world order

### II. LEARNING OUTCOMES

By the end of the course students should be able to:

- demonstrate a working knowledge of some key concepts, theories and historical narratives in the field of IPE, particularly as they relate to crisis, the configuration of space, institutional frameworks, risk and decision making, and global interdependencies;
- read, interpret, and critique complex arguments relating to the politics of economics in an international or global context;
- draw upon a working knowledge of general facts about the actors, institutions, and history of the politics of economics;
- synthesize diverse materials in order to form their own oral and written arguments relating to unfolding events in international political economy, particularly in relation to COVID-19 and its effects on global politics and economics;
- collaborate with other students in order to prepare short presentations, and to communicate their findings to a broader group through various means.

### III. COURSE REQUIREMENTS AND EVALUATION

There are four main components to this course: readings, lectures, section work, and writing assessments.

Lectures and Sections will be combined in our Tuesday and Thursday meetings from 1pm to 4.30pm. All meetings will be held over Zoom, and **attendance at all sessions is mandatory**. The only acceptable absences are those due to extenuating circumstances, and you may be asked to provide documentation. Scheduled absences should be requested and approved well in advance of our meeting. More than two **unexplained** absences may result in a FAIL for the class overall. In short: stay in communication with me as much as is possible!

#### a) Readings:

Readings are foundational to the course and constitute the essential pre-requisite knowledge you will need to possess coming into the bi-weekly lectures and sections. It is therefore essential that you complete the assigned bi-weekly readings *prior* to lecture/section. If you like to read, and to discuss what you read with your fellows, you are likely to succeed in the class.

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You will be asked to read between 50-75 pages of literature in preparation for each lecture/section (100-150 pages per week). I recognize that this is not insignificant, and also that the material will occasionally be dense and challenging, employing technical terminology and abstract ideas that can be difficult to grasp at first. It therefore requires that you practice “slow reading,” which takes time, concentration, patience, and reflection *before* attending lecture and discussion. I assure you this will be deeply rewarding in the long term. If you have taken these steps and are still having difficulty engaging in the course materials, arrange to visit me in office hours.

**You are not required to buy any texts for this course. All material will be made available to you through Canvas.**

### **b) Lectures:**

The first 60-90 minutes of each bi-weekly meeting will be devoted to the lectures. I will deliver a lecture about the topic in question that will primarily supplement and not duplicate the readings (this is why it is essential for you to have completed the readings before we meet). I made the decision to limit duplication because of the condensed summer session timeframe. By using the lectures to introduce you to fairly uncontested historical and institutional facts about international political economy not covered by the readings, I am not only saving you pages and pages of additional reading, but I am also enabling us to read more interesting material. There will be a significant rest break after each lecture.

### **c) Discussion Section:**

After the lecture and break we will reconvene for our discussion section. Section work will be the primary vehicle by which you achieve the learning outcomes laid out for the course. Our time will include a brief Q&A regarding the assigned readings and lecture materials, followed by group work in which you will be asked to read news materials relating to the current crisis, and to prepare written summaries, analyses, and presentations. All section work is intended to prepare you for the written assignments and to help you towards achieving the course learning outcomes.

### **d) Writing Assignments:**

There are two assessed writing assignments for this course. Both assignments will ask you to connect material from the readings with news articles or editorials relating to current affairs.

### **Formative Essay (5%)**

First, a 3-page *formative* (midterm) essay is **due Friday August 15<sup>th</sup> by 11.59pm**. This essay is worth up to only **5%** of your overall grade. However, **failure to submit the formative paper will significantly impact your participation grade**. Why do I do this? I want you to engage with the material through written work, but I also do not want to add undue stress to a short summer session. Having a written assignment that is worth very few points can be considered the act of writing a *formative* essay, where you are free from the stress of achieving perfection and are also able to

explore ideas in an ambitious and more creative way. The added benefit of this is that it gives me a deep look at your writing style so that I can give detailed feedback to help you with the final assignment.

### **Summative Essay (60%)**

Second, an 8-page *summative* (final) essay is due at the end of the course (**Sunday August 30<sup>th</sup> 11.59pm**). This essay will be worth up to **60%** of your overall grade. Essay prompts will be provided after the midterm. Students are invited to develop their own prompts or essay topics, but they must consult with me to get approval before proceeding.

Extensions will be granted for extenuating circumstances only and should be requested well in advance of the essay deadlines. Where appropriate, I may request supporting documentation. Late submissions without prior approval will incur a 5% grade deduction every 24 hours after the due date has passed. Again, stay in communication with me and you will be fine.

## **IV. GRADING**

Your overall grade for the class will be broken down as follows:

- Lecture Attendance and Section Participation (35%)
- Formative/midterm essay (5%)
- Summative/final essay (60%)
- Extra credit: being actively engaged in the political world, bringing relevant articles and sources to class and discussing them with your classmates

### **Grading Scale:**

A+ (97-100); A (93-96); A- (90-92); B+ (87-89); B (84-86); B- (80-83) C+ (77-79); C (74-76); C- (70-73); D (60-69); F <60

### **Grade Appeals:**

Requests for grade re-assessments on essays may be made *after* 72 hours, but *before* 5 days after it was handed back (no exceptions). This will allow you to think about the evaluation of your work and compose a justification for the request, but it also ensures that such issues do not surface at the end of the summer. If you feel that your work has been incorrectly evaluated, you must explain in writing why the grade is inaccurate, highlighting, *specifically*, how you directly addressed the points in question, but were not given credit. Appropriate justifications must focus on the work itself and *not* what grade is needed to pass (or what you typically make on assignments in other courses). The written explanation must be to the original assignment and should be submitted to me during the period allowed (after 72 hours, but before 10 days). The entire assignment will be re-graded, and we reserve the right to adjust the grade **either up or down**, depending on the quality of the work that has been brought to my attention. Computational errors (i.e. - simple addition) of

your grade should, on the other hand, be brought to my attention for adjustment immediately after the work is handed back to you.

## **V. SCHEDULE OF LECTURES AND READING ASSIGNMENTS**

### WEEK 1: INTERNATIONAL POLITICAL ECONOMY AND CRISIS

What does crisis reveal about international political economy? Are we condemned to perennial crises under a capitalist economic system? How does political action/inaction help to mitigate or exacerbate economic crisis? Is economics a scientific discipline? Are there any right or wrong answers when it comes to political economic thinking? What competing priorities must be considered when assessing political decisions about economics?

#### **Session 1.1 (Tues 7/28): Introduction to IPE and the course**

- Susan Strange. ‘Prologue: Some Desert Island Stories’ *States and Markets*. (8 pages)
- Ian Bremmer & Preston Keat. ‘Chapter 4: Political Risk and Capital Markets’ *The Fat Tail* (20 pages)
- Jeffrey A. Frieden, David A. Lake, J. Lawrence Broz (eds). [Selections]. *International Political Economy: Perspectives on Global Power and Wealth* (40 pages – okay to skim)

#### **Session 1.2 (Thur 7/30) – From The Great Recession to The Great Cessation**

- Aliber & Kindleberger. ‘Anatomy of a Typical Crisis’. *Manias, Panics and Crashes* (15 pages)
- Adam Tooze. ‘The First Crisis of a Global Age’. *Crashed*. (21 pages)
- Stuart Hall and Doreen Massey, “Interpreting the crisis” *Soundings: A Journal of Politics and Culture* (15 pages)
- Adam Tooze. ‘Shockwave’s Impact on the Global Economy.’ <https://www.lrb.co.uk/the-paper/v42/n08/adam-tooze/shockwave> *London Review of Books*. (8 pages)

### WEEK 2: POLITICAL ECONOMIC SPACE

In what way is space an objective feature of human social reality? Where does power lie in the international economic system – with state governments, international institutions, transnational capitalists, or somewhere else? How do mercantilism, liberalism, and globalization differ? How are they the same? What is the relationship between Globalization and so-called neoliberalism?

**Session 2.1 (Tues 8/4) – States and Markets**

- Jeffrey A. Frieden. ‘Prologue: Into the Twentieth Century; Global Capitalism Triumphant’. *Global Capitalism: Its Fall and Rise in the Twentieth Century*. (25 pages)
- Karl Polanyi. ‘Evolution of the Market Pattern; The Self-Regulating Market and the Fictitious Commodities: Labor, Land, and Money; Birth of the Liberal Creed’. *The Great Transformation*. (36 pages)

**Session 4 (Thur 8/6) – Globalization/Neoliberalism**

- Matt Sparke. ‘What is neoliberalism?’. Adapted from *Introducing Globalization*. (7 pages)
- Wendy Brown. Neoliberalism and the End of Liberal Democracy. *Theory and Event* 7:1. (13 pages)
- David Harvey. ‘Globalization and the Spatial Fix’. *geographische revue* (8 pages)
- Naomi Klein. ‘Blank is Beautiful’. *The Shock Doctrine*. (17 pages)
- Philip Mirowski. ‘Why the Neoliberals Won’t Let This Crisis Go To Waste’. *Jacobin Magazine*. <https://www.jacobinmag.com/2020/05/neoliberals-response-pandemic-crisis> (9 pages)

WEEK 3: STRUCTURES AND MOTION

To what extent is money real? Does money have an existence in itself, or is it derivative of something else? How fictitious is fictitious capital? Is trade a purely economic interaction? What role do institutions play in perpetuating existing power relations in the international system? Are international institutions truly international, or do they represent national interests? How free is free trade?

**Session 3.1 (Tues 8/11) – Money and Fictitious Capital**

- Michel Aglietta. ‘Part I: Money as a Relation of Social Belonging - Introduction’, ‘Ch1 Money as the Foundation of Value’. *Money: 5000 Years of Debt and Power*. (34 pages)
- Cedric Durand. Ch4 ‘The Contemporary Rise of Fictitious Capital [The Basic Forms of Fictitious Capital]’ & Ch8 ‘The Enigma of Profits without Accumulation’ [The Knot Between Financialization and Globalization]’. *Fictitious Capital*. (15 pages)
- Perry Merhling & Roger Sandilands (eds). ‘The Mystery of Money’. *Money and Growth: Selected Papers Allyn Abbott Young* (12 pages)

**Session 3.2 (Thurs 8/13) – Trade and Institutions**

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- William J. Bernstein. [Selections] ‘Triumph of Free Trade; Collapse; Battle in Seattle’. *A Splendid Exchange*. (33 pages)
- Paul Blustein. ‘Might Unmakes Right’. *Schism: China, America, and the Fracturing of the Global Trading System* (22 pages)
- Timothy Mitchell. ‘Afterward to the Paperback Edition’. *Carbon Democracy* (12 pages)

### **FIRST SHORT (FORMATIVE) PAPER DUE FRIDAY AUGUST 14<sup>th</sup> 11.59pm**

#### WEEK 4: RISK AND UNCERTAINTY

How rational are rational actors in an economic system/model? What do events tell us about international political economy? Can we think of the global economy as comprised of discrete components, or is everything inter/intra-related? Is the management of uncertainty a purely economic matter, a political matter, or both?

#### **Session 4.1 (Tues 8/18) – (Ir)Rational Actors**

- Daniel Kahneman. ‘The Characters of the Story’ *Thinking, Fast and Slow*. (10 pages – okay to skim, for context only)
- Daniel Kahneman. ‘Bernoulli’s Errors; Prospect Theory; Econs and Humans’. *Thinking, Fast and Slow*. (20 pages)
- André Orléan. ‘The Mimetic Hypothesis; Asymmetric Information, Quality, and Conventions; Uncertainty and Money; The Mimetic Model of Competition; Radical Uncertainty and the Irreducible Subjectivity of Individual Valuations; The Inefficiency of Financial Markets’. *Empire of Value*. (42 pages)

#### **Session 4.2 (Thurs 8/20) – Events and Interdependencies**

- Alain Badiou. ‘The event’. *Philosophy and the Event*. (4 pages)
- Nassim Nicholas Taleb. ‘Prologue’. *The Black Swan*. (10 pages)
- Nassim Nicholas Taleb. ‘Ten Principles for a Black-Swan-Proof world’. *Financial Times* (2009) <https://www.ft.com/content/5d5aa24e-23a4-11de-996a-00144feabdc0> (3 pages)
- Robert Shiller. ‘Contagion, Constellations, and Confluence’. *Narrative Economics*. (12 pages)
- Friedrich Hayek. ‘The Use of Knowledge in Society’. *The American Economic Review*. (12 pages)
- Ian Bremmer & Preston Keat. ‘Dealing With Uncertainty’ *The Fat Tail* (21 pages)

#### WEEK 5: FUTURES AND TRAJECTORIES

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Is the present (capitalist) system likely to continue unchanged indefinitely? How might contemporary events change the trajectory of international political economy? Will the right or the left prevail in the long term (or some new political formation)? What alternatives are there to the current international political economic system?

### **Session 9 (Tues 8/25) – The Status Quo**

- Branko Milanovic. “The Clash of Capitalisms: The Real Fight for the Global Economy’s Future. *Foreign Affairs* 99.1. (10 pages)
- David Harvey. ‘Ch6 Neoliberalism On Trial’. *A Brief History of Neoliberalism*. 152-182 (30 pages).
- Matt Stoller. ‘Conclusion’. *Goliath*. (16 pages)
- Peter Thiel. ‘Competition is for losers’. *Wall Street Journal*.  
<https://www.wsj.com/articles/peter-thiel-competition-is-for-losers-1410535536> (7 pages)

### **Session 10 (Thurs 8/27) – Accelerationism**

- Alex Williams & Nick Srnicek. ‘#Accelerate: Manifesto for an Accelerationist Politics’. *#Accelerate*. (13 pages)
- Patricia Reed. ‘Seven Prescriptions for Accelerationism’. *#Accelerate*. (13 pages)
- Bruno Maçães. ‘What is the Belt and Road?; The World After The Belt and Road’ [selections]. *Belt and Road: A Chinese World Order*. (34 pages)

**FINAL PAPER DUE FRIDAY AUGUST 28<sup>th</sup> 11.59pm.**

### **Important Summer Session Remote 2020 Deadlines:**

Session 1:

Drop: Monday, June 29

Request for “W”: Friday, July 10

Session 2:

Drop: Monday, August 3

Request for “W”: Friday, August 14

8-Week:

Drop: Monday, July 6

Request for “W”: Friday, July 24

10-Week:

Drop: Monday, July 6

Request for “W”: Friday, July 24

Summer is unique. **You will not be dropped for non-attendance or non-payment.** You must drop yourself. Dropping before the deadline results in a full-tuition reversal/refund. Withdraw posts a W for the grade and full tuition is charged (no refund).

For all dates and deadlines, including ‘change of grade option’ (P/NP) and grades due, here is the summer academic calendar: <https://summer.ucsc.edu/studentlife/index.html>

For questions about dropping, requesting a W grade for a course, or withdrawing from the summer quarter, email [summer@ucsc.edu](mailto:summer@ucsc.edu).

### **DRC Remote Accommodations:**

The Disability Resources Center reduces barriers to inclusion and full participation for students with disabilities by providing support to individually determine reasonable academic accommodations. Operations continue via remote appointments. If you have questions or concerns about exam accommodations or any other disability-related matter, email the DRC Schedulers at [drc@ucsc.edu](mailto:drc@ucsc.edu) for an appointment.

### **Academic Dishonesty**

Academic integrity is the cornerstone of a university education. Academic dishonesty diminishes the university as an institution and all members of the university community. It tarnishes the value of a UCSC degree. All members of the UCSC community have an explicit responsibility to foster an environment of trust, honesty, fairness, respect, and responsibility. All members of the university community are expected to present as their original work only that which is truly their own. All members of the community are expected to report observed instances of cheating, plagiarism, and other forms of academic dishonesty in order to ensure that the integrity of scholarship is valued and preserved at UCSC.

In the event a student is found in violation of the UCSC Academic Integrity policy, he or she may face both academic sanctions imposed by the instructor of record and disciplinary sanctions imposed either by the provost of his or her college or the Academic Tribunal convened to hear the case. Violations of the Academic Integrity policy can result in dismissal from the university and a permanent notation on a student’s transcript.

For the full policy and disciplinary procedures on academic dishonesty, students and instructors should refer to the [Academic Integrity page](#) at the Division of Undergraduate Education.

**Title IX:**

The university cherishes the free and open exchange of ideas and enlargement of knowledge. To maintain this freedom and openness requires objectivity, mutual trust, and confidence; it requires the absence of coercion, intimidation, or exploitation. The principal responsibility for maintaining these conditions must rest upon those members of the university community who exercise most authority and leadership: faculty, managers, and supervisors.

The university has therefore instituted a number of measures designed to protect its community from sex discrimination, sexual harassment, sexual violence, and other related prohibited conduct. [Information about the Title IX Office](#), the [online reporting link](#), applicable campus resources, reporting responsibilities, the [UC Policy on Sexual Violence and Sexual Harassment](#), and the UC Santa Cruz Procedures for Reporting and Responding to Reports of Sexual Violence and Sexual Harassment can be found at [titleix.ucsc.edu](http://titleix.ucsc.edu).

The Title IX Office is actively responding to reports and requests for consultation. If you are not currently working with someone in the office and want to make a report/request a consult, you can expect the fastest response by using our [online reporting link](#).

For more information please visit the [Title IX Operations under Covid-19](#) page.