

GPA 420 International Political Economy

Pre-Requisites: Economics I and Economics II

Learning Objectives:

This course aims to acquaint students with the development and transformation of global economic systems in relation to changes in international political order, necessarily how markets influence politics and vice versa. The course evaluates the economical progression of human societies from mercantilism to economic nationalism to idea of free trade, from protectionism to liberalism, charting the political influence on economic order from Pax-Birtannica to post-WWII Pax-Americana and impact of globalization on economic regimes. It also focuses on how global markets respond to financial crises as well as threats to international security. Furthermore, working and mechanism of World Bank, the International Monetary Fund (IMF) is evaluated in context of aid, international debt and poverty relief programs.

Learning Outcomes:

After completing the course, students will be able to:

- Understand the development of global political economy as a multidisciplinary discourse on power, politics and economic policies.
- Identify the value of existing economic regimes particularly IMF in relation to lending and international debt relief programs
- Assess the causes of financial crises and associate domestic monetary-fiscal policies in relation to international economic developments

Course Contents:

The topics covered include: concepts of mercantilism, realism, economic nationalism, liberalism and free trade. Political influence on economic order from colonial imperialism to world wars and development of Bretton Woods system, GATT and IBRD, Marx and capitalism crisis, Gramsci and neo-Gramscian perspective on IPE, Keynes and Friedman monetary policy. OPEC oil shock, neo-liberalism, new international economic order (NIEO), G-77 and NAM, UN conference on Trade and Development (UNCTAD) and development of WTO. International aid and currency regimes, working of the IMF particularly concepts of: Special drawing rights (SDRs),

Standby arrangements (SBAs), Poverty Reduction and Growth Facility (PRGF), international debt relief-Heavily indebted poor countries (HIPC), Enhanced structural adjustment facility (ESAF), Extended Fund Facility (EFF), Lending-Standby Credit facility (SCF). Important financial crises: Asian financial crisis 1997, Subprime mortgage crisis 2008, Eurozone financial crisis 2010, US debt crisis 2011, 2018 and potential security threats to international system.

Text Books and Software:

1. Stiglitz, J.E. (2003). Globalization and its discontents. NY: W.W. Norton
2. Oatley, T.H. (3rd ed. 2007). International Political Economy: Interests and Institutions in the Global Economy. Boston: Longman Publishing
3. Irwin, D.A. (1996). Against the Tide: An intellectual history of Free Trade. Princeton: Princeton University Press
4. Rodrik, D. (2011). The Globalization Paradox: Democracy and the Future of the World Economy. NY: W.W. Norton
5. Eichengreen, B. (2nd ed. 2008). Globalizing the Capital: A History of the International Monetary System. Princeton: Princeton University Press.