Political Science 389: The Politics of International Trade from 1846 to the Present

Fall 2010 Room BSB 1115 Tuesday/Thursday 11:00-12:15

Professor Yoram Haftel

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Office Hours: T TH 1:30-2:30 PM and by appointment

Course Description:

This advanced course surveys major developments in international trade policy since the repeal of the Corn Laws in the mid 19th century. The structure of the seminar seeks to use these developments as a testing ground for different theories of the sources of international and national trade policies: systemic theories, institutional approaches, interest groups, ideology, etc. A review of the history of the international economic system is useful in gaining a more critical approach towards claims and arguments regarding current international economic trends.

Readings:

Students are expected to complete the readings in advance of the assigned date. The course readings include book chapters and journal articles. The required books are available at the university bookstore as well as on-line bookstores; book chapters and journal articles are available on-line through the library electronic reserves (also via Blackboard).

Required Books:

Gourevitch, Peter A. 1986. *Politics in Hard Times*. Cornell: Cornell University Press.

Haggard, Stephen. 1990. Pathways from the Periphery: The Politics of Growth in the Newly Industrialized Countries. Ithaca: Cornell University Press.

Course Requirements:

All students are expected to attend and participate in the seminar, submit and present two short papers, write a research paper, and take the midterm and final exams.

Participation:

This course runs as a discussion group in which everyone is expected to participate. Class participation will be evaluated according to the quality and frequency with which students actively engage in class discussion.

Short Papers and Presentations:

Each class (starting August 31) will begin with two presentations of the assigned reading. The presentations should be 5-10 minutes each and will serve as a springboard for further discussion. The presenters will submit a short paper that offers a critical evaluation of the assigned reading and raise questions with respect to the theory and/or empirical claims made in the reading. The paper should be 2-3 pages long (typed, double-spaces, readable font). The grade on this assignment will reflect the quality of the presentation and the written summary.

Students will submit and present two short papers during the semester. The schedule of the presentation assignments will be determined in the first week of classes. Students may not alter presentation dates without my approval. Failure to present at one's appointed time will result in a grade of zero except in cases of satisfactory documentation.

Exams:

There will be two exams given during the semester: a mid-term and a final. These exams will test your knowledge of course readings and class discussions. There will be absolutely <u>NO</u> make-up exams given without <u>documented</u> instances of emergencies.

Research Paper:

Draw on class material to identify a research topic that involves a historical or contemporary event related to trade policy. Utilize ideas and analytical tools from the course to develop an explanation for this particular policy. Then, use empirical evidence to evaluate the validity of your explanation. The paper should be 15-20 pages long.

Preliminary one-page proposal and bibliography is due on Tuesday, October 21. The complete paper is due on Thursday, December 2. Late submissions will be reduced by five points for each day they are late. Research proposals and papers more than one week late will not be accepted. *Incomplete is not an option!*

More information and guidelines on both the paper and the proposal will be provided separately.

Course Grade:

| Participation | 10% |
|--------------------------------|------|
| Short Papers (10%*2) | 20% |
| Midterm (October 12) | 20% |
| Research Proposal (October 21) | 5% |
| Research Paper (December 2) | 20% |
| Final Exam (December 6) | 25% |
| | |
| Total | 100% |

The grading scale is as follows: A (90-100); B (80-90); C (70-80); D (60-70); F (<60)

Academic Integrity

The university expects students to fulfill their academic obligations through honest and independent effort. Any of the work you do in this course is expected to be your own and according to university and class rules. Any attempt to gain an advantage not given to all students is considered dishonest whether or not it is successful. Academic dishonesty is considered a serious offense subject to strong disciplinary actions, included but are not limited to failing this course. For additional information, see the Student Code of Conduct at:

http://www.vcsa.uic.edu/MainSite/departments/dean_of_students/Links/UIC+Discipline+Code.htm#3

Special Accommodations

Students with disabilities who require accommodations for access and participation in this course must be registered with the Office of Disability Services (ODS). Please contact ODS at 312-413-2183 (voice) or 312-413-0123 (TTY).

Course Outline

Week 1: Introduction

- August 24 Milner, Helen V. 2002. International Trade. In *Handbook of International Relations*, edited by Walter Carlsnaes, Thomas Risse, and Beth A. Simmons, 448-461. London: Sage Publications.
- August 26 Krasner, Stephan D. 1976. State Power and the Structure of International Trade. *World Politics* 27 (3): 317-347.

Week 2: The British Move to Free Trade

- August 31 Gallagher, John, and Ronald Robinson. 1953. The Imperialism of Free Trade. *The Economic History Review* 6 (1): 1-15.
- September 2 Kindleberger, Charles P. 1975. The Rise of Free Trade in Western Europe, 1820–1875. *Journal of Economic History* 35 (1): 20-55

Week 3: The Repeal of the Corn Laws

- September 7 Schonhardt-Bailey, Cheryl. 1991. Lessons in Lobbying for Free Trade in 19th-Century Britain: To Concentrate or Not. *American Political Science Review* 85 (1): 37-58.
- September 9 Lusztig, Michael. 1995. Solving Peel's Puzzle: Repeal of the Corn Laws and Institutional Preservation. *Comparative Politics* 27 (4): 393-408.

Week 4: The Rise of Free Trade (1860's-1913) – Hegemonic Stability Theory

- September 14 Mckeown, Timothy J. 1983. Hegemonic Stability Theory and the 19th Century Tariff Levels in Europe. *International Organization* 37 (1): 73-91.
- September 16 James, Scott C. and David A. Lake. 1989. The Second Face of Hegemony: Britain's Repeal of the Corn Laws and the American Walker Tariff of 1846. *International Organization* 43 (1): 1-29.

Week 5: Free Trade and Protectionism in the 19th Century

- September 21 Lazer, David. 1999. The Free Trade Epidemic of the 1860s and other Outbreaks of Economic Discrimination. *World Politics* 51 (4): 447-83.
- September 23 Gallarotti, Giulio M. 1985. Toward a Business-Cycle Model of Tariffs." *International Organization*, 39 (1): 155-187.

Week 6: The Domestic Politics of Trade Policies

September 28 Rogowski Ronald. 1987. Political Cleavages and Changing Exposure to Trade *American Political Science Review* 81 (4): 1121-1137.

September 30 Gourevitch, Peter A. 1986. *Politics in Hard Times*. Chapters 2 and 3.

Week 7: Economic Policies in the 1930s

- October 5 Gourevitch, Peter A. 1986. *Politics in Hard Times*. Chapter 4.
- October 7 Ferguson, Thomas. 1984. From Normalcy to New Deal: Industrial Structure, Party Competition, and American Public Policy in the Great Depression *International Organization* 38 (1): 41-94.

Week 8: The Emergence of the Post-War Economic Order II

- October 12 *Midterm*
- October 14 Haggard, Stephen. 1988. The Institutional Foundations of Hegemony: Explaining the Reciprocal Trade Agreements Act of 1934. *International Organization* 42 (1): 91-119.

Week 9: The Emergence of the Post-War Economic Order I

- October 19 Block, Fred. 1980. Economic Instability and Military Strength: The Paradoxes of the 1950 Rearmament Decision. *Politics & Society* 10 (1): 35-58.
- October 21 Goldstein, Judith and Joanne Gowa. 2002. US National Power and the Post-War Trading Regime. *World Trade Review* 1 (2):153-170.
 - * Research Proposal is Due October 21*

Week 10: The Emergence of the Post-War Economic Order II

- October 26 Strange, Susan. 1987. The Persistent Myth of Lost Hegemony. *International Organization* 41 (4): 551-574.
- October 28 Ruggie, John G. 1982. International Regimes, Transactions and Change: Embedded Liberalism in the Post War Economic Order. *International Organization* 36(2): 379-415.

Week 11: Post-War Economic Policies in Industrialized Countries

November 2 Katzenstein, Peter J. 1977. Conclusion: Domestic Structures and Strategies of Foreign Economic Policy. *International Organization* 31 (4): 879-920.

November 4 Rogowski, Ronald. 1987. Trade and the Variety of Democratic Institutions. *International Organization* 41 (2): 203-223

Week 12: Trade and Development in Latin America

- November 9 Haggard, Stephen. 1990. *Pathways from the Periphery: The Politics of Growth in the Newly Industrialized Countries*. Chapters 1, 2, and 7.
- November 11 Bates, Robert H.1998. The International Coffee Organization: An International Institution. In *Analytic Narratives*, edited by Robert H. Bates, Avner Greif, Margaret Levi, and Jean-Laurent, pp. 194-230. Princeton: Princeton University Press.

Week 13: Trade and Development in East Asia

- November 16 Haggard, Stephen. 1990. *Pathways from the Periphery: The Politics of Growth in the Newly Industrialized Countries*. Ithaca: Cornell University Press. Chapter 3.
- November 18 Comings, Bruce. 1984. The Origins and Development of the Northeast Asian Political Economy: Industrial Sectors, Product Cycles, and Political Consequences. *International Organization*, 38 (1): 1-40.

Week 14: The World Trade Organization

November 23 Goldstein, Judith. 1998. International Institutions and Domestic Politics: GATT, WTO, and the Liberalization of International trade. In *The WTO as an International Organization*, edited by Anne O. Krueger, 133-145. The University of Chicago Press.

Week 15: Trade Policies in the Era of Globalization

- November 30 Milner, Helen V., and Keiko Kubota. 2005. Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries *International Organization*, 52(4): 787-824.
- December 2 Chase, Kerry A. 2008. Moving Hollywood Abroad: Divided Labor Markets and the New Politics of Trade in Services. *International Organization* 62 (4): 653-687.

* Term Paper is due December 2 *

December 6 Final Exam (Monday 10:30am -12:30pm)