

Political Science 361
Global Political Economy
SUMMER 2026

Instructor: Dr. Mark Nieman

Time and Location: MW 3–5pm, Location on Acorn

Contact: mark.nieman@utoronto.ca

Student Hours: M 1–2:50, Location on Quercus

Overview and Objectives

The course explores key aspects of world economic order, like policies governing trade, capital flows, migration, development, and telecommunications. Methods for analyzing the background and implications of such policies are introduced.

We begin by examining theories of trade, the domestic consequences of trade. Why do states trade, and with whom? Who decides what goods are traded and which are protected from trade? Next, we look what development strategies states undertake to manage trade and improve their economies. Is free trade good for everyone all the time? Do infant industry protections work? Or do export-oriented models lead to growth? Next we explore how states manage their finances and currencies. Recent events (e.g., Covid economic shock) demonstrate that fiscal and monetary policy have profound impacts on people’s daily lives. If reducing interest rates heats up the economy, why don’t governments keep them at or near zero? What are financial crises and how do they spread? What is the role of central banks? Do multinational corporations help or hinder developing states?

We will use theoretical, empirical, and historical approaches to analyze these topics. At the end of the course, students will understand why states trade (and why they don’t trade everything), the ways states compete for and manage international finance, and the advantages and disadvantages of various monetary policies. Students should be able to apply this knowledge to real world scenarios, such as explaining debt crises, assessing the prospects of fiscal and monetary policy to avert recessions, or understanding why states implement specific trade policies.

Learning Outcomes

At the end of this course, students should be able to:

- Describe analytical approaches to studying international political economy.
- Critically read and evaluate scholarly work.
- Assess policies in light of existing empirical and theoretical evidence.

Required Text

Thomas Oatley. *International Political Economy* (Rutledge, 7th ed., 2023). (E-book Link)

Each week, we will read and discuss from the Oatley textbook to get an overview of the subject. All of the page numbers listed below are for the 7th edition. However, the 5th or 6th editions are acceptable substitutes and are likely a more affordable option, though you will have to adjust the page numbers accordingly.

Additionally, we will read a research article to provide an in-depth assessment of a specific topic within that subject. The research articles provide you with a sense of how academic research is actually conducted and presented. All research articles are available online through the university library. To find articles, search the article title and verify it is correct with the author's name.

Grading

Grades are based on two exams. Each exam consists of a series of short answer and essay questions, and is completed in-class. The course follows the standard university grading scale. Final grade percentages are rounded to the nearest whole number. Students will take more away from lecture if they have completed the required readings prior to class.

Marking Scheme

Assessment	Percentage
Midterm Exam	30
Final Exam	70
Total	100

Schedule

May 4: Introduction and Background.

Oatley Ch 1, pp. 1–20 and Ch 3, pp. 48–54 (The Economic Case for Trade).

Izadebski, Adam, Tymon Słoczyński, Anton Bonnier, Grzegory Koloch, and Katerina Kouli. 2020. Landscape Change and Trade in Ancient Greece: Evidence from Pollen Data. *The Economic Journal* 130(632): 2596–2618.

May 6: What Goods are Imported and Exported?

Oatley Ch 3, pp. 55–60 (Trade Bargaining) and Ch 4, pp. 72–85.

Hiscox, Michael J. 2002. Commerce, Coalitions, and Factor Mobility: Evidence from Congressional Votes on Trade Legislation. *American Political Science Review* 96(3): 593–608.

May 11: Domestic Institutions and Trade Policy.

Oatley Ch 4, pp. 86–94 (Organizing Interests) and Ch 3, pp. 60–71 (Enforcing Agreements).
Chyzh, Olga V. and R. Urbatsch. 2021. Bean Counters: The Effect of Soy Tariffs on Change in Republican Vote Share between the 2016 and 2018 Elections. *Journal of Politics*. 83(1): 415–419.

May 13: WTO and Regional Trade Pacts.

Oatley Ch 2, pp. 23–45.

Goldstein, Judith L., Douglas Rivers, and Michael Tomz. 2007. Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade. *International Organization* 61(1): 37–67.

May 18: Victoria Day

University closed: no class.

May 20: Midterm Exam

In-class exam.

May 25: State Development Strategies.

Oatley Ch 5, pp. 97–118.

Milner, Helen V. and David B. Yoffie. 1989. Between Free Trade and Protectionism: Strategic Trade Policy and a Theory of Corporate Trade Demands. *International Organization* 43(2): 239–272.

May 27: Trade and Development I.

Oatley Ch 6, pp. 119–141 and Ch 14, pp. 310–332.

Reuveny, Rafael and William R. Thompson. 2008. Uneven Economic Growth and the World Economy's North–South Stratification. *International Studies Quarterly* 52(3): 579–605.

June 1: Trade and Development II.

Oatley Ch 7, pp. 142–164 and Ch 15, pp. 335–354.

Simmons, Beth A. and Zachary Elkins. 2004. The Globalization of Liberalization: Policy Diffusion in the International Political Economy. *American Political Science Review* 98(1): 171–189.

June 3: International Finance.

Oatley Ch 8, pp. 165–185 and Ch 9, pp. 187–210.

Li, Quan. 2006. Democracy, Autocracy, and Tax Incentives to Foreign Direct Investors: A Cross-National Analysis. *Journal of Politics* 68(1): 62–74.

June 8: International Monetary and Financial System.

Oatley Ch 10, pp. 212–234 and Ch 11, pp. 235–259.

Norrlof, Carla. 2014. Dollar Hegemony: A Power Analysis. *Review of International Political Economy* 21(5): 1042–1070.

June 10: Monetary and Exchange Rate Policies I.

Oatley Ch 12, pp. 260–282.

Leblang, David. 2003. To Devalue or to Defend? The Political Economy of Exchange Rate Policy. *International Studies Quarterly* 47(4): 533–560.

June 15: Monetary and Exchange Rate Politics II.

Oatley Ch 13, pp. 284–309 and Ch 16, pp. 356–372.

Bearce, David H. 2008. Not Complements, but Substitutes: Fixed Exchange Rate Commitments, Central Bank Independence, and External Currency Stability. *International Studies Quarterly* 52(4): 807–824.

June 18–24: Final Assessment**Course Policies**

Student Responsibilities in the Learning Process: Students are expected to complete all required readings on a topic prior to completing that topic's assessment and complete all assessments on time. This means accessing the materials with sufficient time to complete assessments prior to deadlines. In the event that a student has questions concerning the material, they should formulate specific questions to ask via office hours or email with sufficient time for a response prior to assessment deadlines (i.e. questions should be sent at least 24 hours prior to a deadline, excluding weekends).

Classroom Conduct: Students are expected to participate in class in a thoughtful and respectful manner while in the pursuit of knowledge accumulation. Generally, this means engaging with one another's ideas and treating others as one would like to be treated, as well as *not* treating others how one would *not* like to be treated. Please see university policies on freedom of speech and discrimination and harassment.

Accommodations: Students with diverse learning styles and needs are welcome in this course. If you have an acute or ongoing disability issue or accommodation need, you should register with Accessibility Services (AS) at the beginning of the academic year. Without registration, you will not be able to verify your situation with your instructors, and instructors will not be advised about your accommodation needs. AS will assess your situation, develop an accommodation plan with you, and support you in requesting accommodation for your course work. Remember that the process of accommodation is private: AS will not share details of your needs or condition with any instructor, and your instructors will not reveal that you are registered with AS.

Academic Misconduct: Any act of dishonesty—whether inadvertant or not—in any work constitute academic misconduct. All suspected cases of academic dishonesty will be investigated following procedures outlined in the Code of Behaviour on Academic Matters. If you have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, please reach out to me. Note that you are expected to seek out additional information on academic integrity from me or from other institutional resources. For example, to learn more about how to cite and use source material appropriately and for other writing support, see the U of T writing support website. Consult the Code of Behaviour on Academic Matters for a complete outline of the University’s policy and expectations. For more information, please see A&S Student Academic Integrity and the University of Toronto Website on Academic Integrity.

A special note on plagiarism. Plagiarism is the act of representing, directly or indirectly, another person’s work as one’s own (including from large language models). It can involve presenting someone’s speech, wholly or partially, as your own; quoting without acknowledging the true source of the material; copying and handing in another person’s work with your name on it; and similar infractions. Even indirect quotations, paraphrasing, etc., can be plagiarism unless sources are properly cited.

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