
UCL DEPARTMENT OF POLITICAL SCIENCE

SCHOOL OF PUBLIC POLICY



COURSE CODE: POLS7015B

MODULE NAME: Lauge Poulsen

Lecturer: Dr. Lauge Poulsen, l.poulsen@ucl.ac.uk

Office Hours: By appointment.

Teaching: 10 hours of lectures, 10 hours of seminars

Credits: 0.5 Course Units/ 4 US Credits/ 7.5 ECTS Credits

Assessment: Two 2,000 word essays

Essay Deadlines: Essay 1: 21 February 2017, 2pm – Essay 2: 25 April 2017, 2pm

Attendance: Attendance is compulsory at all lectures and seminars for which students are timetabled. Attendance will be monitored and no student will be entered for assessment unless they have attended and pursued the module to the satisfaction of the department.

USEFUL LINKS

Lecture and Seminar Times:

Online Timetable at www.ucl.ac.uk/timetable

Extenuating Circumstances

<http://www.ucl.ac.uk/spp/intranet/ug/assessment/extenuating-circumstances>

Penalties for Late Submission and Overlength Essays

<http://www.ucl.ac.uk/spp/intranet/ug/assessment/essays>

Essay Submission Information

<http://www.ucl.ac.uk/spp/intranet/ug/assessment/essays>

Essay Writing, Plagiarism and TurnItIn

<http://www.ucl.ac.uk/spp/intranet/ug/assessment/essays>

<http://www.ucl.ac.uk/current-students/guidelines/plagiarism>

<http://www.ucl.ac.uk/Library/CitationPlagiarism.doc>

Course Description

This course introduces students to the study of international political economy (IPE). The boundaries of the discipline have grown substantially over recent decades and now include a wide variety of topics. In this class students will focus mainly on the politics of trade and foreign investment. By the end of the course students will possess a solid understanding of IPE as a discipline and be able to answer several questions: (i) *How well do IPE theories explain the politics of trade and investment?* (ii) *What are the limits of the current IPE research?* (iii) *Which areas require further investigation?*

There are no prerequisites for this course.

Organization of Teaching

The course is taught through weekly lectures and seminars. Each weekly session will involve a lecture of about 50 minutes and a seminar of comparable length. Attendance at both sessions is required. The lectures will introduce broad theories and concepts, providing historical overviews of each week's topic. They will look at relevant data, laws, and regulations, and raise questions for further discussion in the seminars. The lectures are designed to provide sufficient background for more detailed and fruitful group discussions. The seminars will cover each week's topic in detail. The object of the seminar is to facilitate student participation and interaction as well as broaden students' understandings of the issues and debates introduced in the lectures. Students will be expected to demonstrate an understanding of the relevant theories and concepts, apply these theories to particular policy domains, and to identify the problems or shortcomings in the literature. Each student will be expected to contribute to all seminar sessions.

Reading

This is mostly an article-based course. Students are expected to read each item listed under *required* and very strongly encouraged to read widely among the suggestions for *further readings*. Suggestions for *background* readings are also occasionally provided. **The minimum expectation is four articles/chapters per week (i.e. the required readings are not always sufficient) but a good performance in the course requires significant engagement with the further readings as well.**

Students are encouraged (but not required) to buy:

John Ravenhill. 2011. [Global Political Economy](#). (Oxford: Oxford University Press). (Any edition will do).

Lauge Poulsen. 2015. [Bounded Rationality and Economic Diplomacy: The Politics of Investment Treaties in Developing Countries](#) (Cambridge: Cambridge University Press).

Jonathan Bonnitcha et al. forth. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press).

The following three books on international economic history are recommended (but not required):

Clark, Gregory. 2007. [A Farewell to Alms: A Brief Economic History of the World](#) (Princeton: Princeton University Press).

Frieden, Jeffrey. 2006. [Global Capitalism: Its Fall and Rise in the Twentieth Century](#) (New York: Norton)

Yergin, Daniel and Joseph Stanislaw. 2008. [The Commanding Heights](#) (New York: Simon and Schuster). [see also the PBS [documentary](#)].

The following two on intellectual history are recommended (but not required):

Irwin, Douglas. 1996. [Against the Tide: An Intellectual History of Free Trade](#) (Princeton: Princeton University Press).

Sally, Razeen. 1998. [Classical Liberalism and International Economic Order](#) (London: Routledge).

Assessment

Assessment is based on two 2,000 word essays. Essay 1 counts for 40% and essay 2 60% of the student's mark.

Both essays must be handed into reception by 2:00pm on their respective due dates. Students must submit two hard copies, and one electronic. For precise submission guidelines visit the SPP website at www.ucl.ac.uk/spp.

While students may choose their preferred style for referencing, styles must be consistent within the essay and all references must be appropriately cited. Essays must also be double spaced, have page numbers, and include a cover page with the following information: course title, essay title, essay number and submission date. To ensure essays are marked anonymously, students should omit their names from their essays.

A note on plagiarism. Cheating and plagiarism are unacceptable. Students caught committing either of these breaches of conduct will be subject to the disciplinary procedures detailed in the University Handbook. Students should consult the Handbook for a comprehensive description of academic dishonesty. Students with any questions should seek clarification prior to submission of work.

Essay Questions

Students must choose and respond to *one* of the essay questions in the Essay One list and *one* of the essay questions in the Essay Two list. Essays that exceed the word limit will be penalised, so students are advised to structure their argument carefully. Empirical evidence and references to literature on the topic are necessary and it is expected that the essays engage with a wide range of literature from both the required and recommended readings, and perhaps beyond. There are several components to each of these questions, and students are required to respond to the question in its entirety. Note that while the policy brief options are rooted in concrete cases, they must still be answered with reference to wider literatures.

Essay One: Due 21 February 2017, 2pm

1. What are the costs and benefits of having trade disputes settled by the WTO rather than through diplomatic channels?
2. Policy brief: Are EU trade agreements undermining the WTO?

Essay Two: Due 25 April 2017, 2pm

1. Are there theoretical reasons why FDI should be more effective in promoting economic development in some circumstances than others? Back up your answer with published empirical evidence.
2. Policy brief: Do British investment treaties align with British aid policy?

Course Outline and Reading List

Week 1:	Introduction
Week 2:	Political Economy of Trade
Week 3:	International Trade Policy
Week 4:	International Trade Disputes
Week 5:	Trade and Developing Countries
Week 6:	Political Economy of Foreign Investment
Week 7:	Foreign Investment Disputes
Week 8:	Politics of Investment Treaties
Week 9:	Trade, Investment, and the Environment
Week 10:	International Financial Assistance

Week I: Introduction

Why do we study international political economy? How does it differ from economics and international relations?

Required:

Aggarwal, Vinod & Cedric Dupont. 2011. 'Collaboration and Co-Ordination in the Global Political Economy.' In: Ravenhill, John (ed.) [Global Political Economy](#) (Oxford: Oxford University Press).

Hiscox, Michael. 2011. 'The Domestic Sources of Foreign Economic Policies.' In: Ravenhill, John (ed.) [Global Political Economy](#) (Oxford: Oxford University Press).

Further reading:

Bordo, Michael, Barry Eichengreen and Douglas Irwin. 1999. '[Is globalization today really different than globalization a hundred years ago?](#)' *NBER Working Paper* 7195.

Krasner, Stephen. 1976. '[State Power and the Structure of International Trade,](#)' *World Politics* 28:3.

Martin, Lisa and Beth Simmons. 1998. '[Theories and Empirical Studies of International Institutions.](#)' *International Organization* 52:4.

Mastanduno, Michael. 1998. '[Economics and Security in Statecraft and Scholarship.](#)' *International Organization* 52:4.

Milner, Helen. 1998. '[Rationalizing Politics: The Emerging Synthesis of International, American, and Comparative Politics.](#)' *International Organization* 52:4.

Keohane, Robert. 2009. '[The Old IPE and the New.](#)' *Review of International Political Economy* 16:1.

Viner, Jacob. 1948. '[Power Versus Plenty as Objectives of Foreign Policy in the Seventeenth and Eighteenth Centuries.](#)' *World Politics* 1:1.

Week II: Political Economy of Trade

How are preferences over free trade translated into policy? We assess theories of the sources of preferences over trade and, focusing on domestic politics, explore the mechanisms that may translate these preferences into trade-policy outcomes.

Required:

Milner, Helen. 1999. ['The Political Economy of International Trade.'](#) *Annual Rev. of Political Science* 2:1.

Hiscox, Michael. 2001. ['Class Versus Industry Cleavages: Inter-Industry Factor Mobility and the Politics of Trade.'](#) *International Organization* 55:1.

Alt, James, Jeffrey Frieden, M. Gilligan, Danni Rodrik, and Ronald Rogowski. 1996. ['Political Economy of International Trade: Enduring Puzzles and an Agenda for Inquiry.'](#) *Comparative Political Studies* 29:6.

Further reading:

Baker, Andy. 2005. ['Who Wants to Globalize? Consumer Tastes and Labor Markets in a Theory of Trade Policy Beliefs.'](#) *American Journal of Political Science* 49(4): 924-938.

Blonigen, Bruce. 2011. ['Revisiting the Evidence on Trade Policy Preferences.'](#) *Journal of International Economics* 85(1): 129-135.

Ehrlich, Sean D. 2007. ['Access to Protection: Domestic Institutions and Trade Policy in Democracies.'](#) *International Organization* 61.

Evans, Carolyn. 2009. ['A Protectionist Bias in Majoritarian Politics: An Empirical Investigation.'](#) *Economics and Politics* 21(2): 278-307.

Goldstein, Judith. 1988. ['Ideas, Institutions, and American Trade Policy.'](#) *International Organization* 42:1.

Guisinger, Alexandra. 2009. ['Determining Trade Policy: Do Voters Hold Politicians Accountable?'](#) *International Organization* 63(3): 533-557.

Hiscox, Michael. 1999. ['The Magic Bullet? The RTAA, Institutional Reform, and Trade Liberalization.'](#) *International Organization* 53:4.

Irwin, Douglas. 1996. ['Against the Tide: An Intellectual History of Free Trade'](#) (Princeton: Princeton University Press), ch. 5-6.

Mayda, Anna Maria, and Dani Rodrik. 2005. ['Why Are Some People \(and Countries\) More Protectionist Than Others?'](#) *European Economic Review* 49(6): 1393-1430.

Mansfield, Edward and Dianne Mutz. 2009. ['Support for Free Trade: Self-Interest, Sociotropic Politics, and Out-Group Anxiety.'](#) *International Organization* 63:3.

Plouffe, Michae. 2015. 'Heterogeneous Firms and Policy Preferences.' In: ['Oxford Handbook on the Political Economy of International Trade'](#) (Oxford: Oxford University Press).

Rickard, Stephanie. 2012. ['Electoral Systems, Voters' Interests and Geographic Dispersion.'](#) *British Journal of Political Science* 42:4.

Rickard, Stephanie. 2012. ['A Non-Tariff Protectionist Bias in Majoritarian Politics: Government Subsidies and Electoral Institutions.'](#) *International Studies Quarterly* 56(4): 777-785.

Roh, Sungmin and Michael Tomz. 2015. ['Industry, Self-Interest, and Individual Preferences over Trade Policy.'](#) Working paper.

Week III: International Trade Policy

Having assessed domestic sources of demand for trade policy, what forces influence trade policy at the international level? How do these factors influence trade policy and trade flows?

Background:

Gilbert Winham. 2011. 'The Evolution of the Global Trade Regime.' In: John Ravenhill (ed.) [Global Political Economy, 3rd edition](#) (Oxford: Oxford University Press)

Required:

Hoekman, Bernard, and Michel Kostecki. 2008. [The Political Economy of the World Trading System, 3/E](#) (Oxford: Oxford University Press), ch. 2 and 4.

Manger, Mark. 2012. '[Vertical Trade Specialization and the Formation of North-South PTAs.](#)' *World Politics* 64(4): 622-58.

Further reading:

Baldwin, Richard. 1993. '[A Domino Theory of Regionalism.](#)' *NBER Working Paper* 4465.

Chase, Kerry. 2003. '[Economic Interests and Regional Trading Arrangements: The Case of NAFTA.](#)' *International Organization* 57:1.

Gowa, Joanne. 2010. '[Alliance, Market Power, and Postwar Trade: Explaining the GATT/WTO.](#)' *World Trade Review* 9:3.

Gowa, Joanne, and Soo Yeon Kim. 2005. '[An Exclusive Country Club: The Effects of GATT on Trade, 1950-94.](#)' *World Politics* 57:4.

Gruber, Lloyd. 2000. [Ruling the World: Power Politics and the Rise of Supranational Institutions](#) (Princeton: Princeton University Press), ch. 4-6.

Irwin, Douglas. 1995. '[The GATT in Historical Perspective.](#)' *American Economic Review* 85:2.

Kim, Soo Yeon and Mark Manger. 2016. '[Hubs of Governance: Path Dependence and Higher-Order Effects of PTA Formation.](#)' *Political Science and Research Methods*.

Kono, Daniel. 2007. '[When Do Trade Blocs Block Trade?](#)' *International Studies Quarterly* 51(1): 165-181.

Mansfield, Edward, and Eric Reinhardt. 2003. '[Multilateral Determinants of Regionalism: The Effects of GATT/WTO on the Formation of Preferential Trade Arrangements.](#)' *International Organization* 62.

Mansfield, Edward, and Eric Reinhardt. 2008. '[International Institutions and the Volatility of International Trade.](#)' *International Organization* 62.

Mansfield, Edward, Helen Milner, and Jon Pevehouse. 2007. '[Vetoing Co-operation: The Impact of Veto Players on Preferential Trading Agreements.](#)' *British Journal of Political Science* 37(3): 403-432.

Morrison, James. 2012. '[Before Hegemony: Adam Smith, American Independence, and the Origins of the First Era of Globalization.](#)' *International Organization* 66:3, 395-428.

Staiger, Robert, and Guido Tabellini. 1999. '[Do GATT Rules Help Governments Make Domestic Commitments?](#)' *Economics and Politics* 11(2): 109-144.

Week IV: International Trade Disputes

Why, and how, do states file trade disputes against each other? Why are there no major concerns with non-compliance?

Required:

Goldstein, Judith, Miles Kahler, Robert Keohane, and Anne-Marie Slaughter. 2000. '[Introduction: Legalization and World Politics](#).' *International Organization* 54:3.

Hoekman, Bernard, and Michel Kostecki. 2008. '[The Political Economy of the World Trading System, 3/E](#)' (Oxford: Oxford University Press), ch. 3

Downs, George, David Rocke, and Peter Barsoom. 1996. '[Is the Good News about Compliance Good News about Cooperation?](#)' *International Organization* 50:3.

Further reading:

Alter, Karen. 2003. '[Resolving or Exacerbating Disputes? The WTO's New Dispute Resolution System](#).' *International Affairs* 79:4.

Bown, Chad and Bernard Hoekman. 2005. '[WTO Dispute Settlement and the Missing Developing Country Cases: Engaging the Private Sector](#).' *Journal of International Economic Law* 8:4.

Busch, Marc and Eric Reinhardt. 2000. '[Bargaining in the Shadow of the Law: Early Settlement in GATT/WTO Disputes](#).' *Fordham International Law Journal* 24:1.

Busch, Marc. 2007. '[Overlapping Institutions, Forum Shopping, and Dispute Settlement in International Trade](#).' *International Organization* 61:4

Davis, Christina. 2012. '[Why Adjudicate? Enforcing Trade Rules in the WTO](#).' (Princeton: Princeton University Press), ch. 2.

Goldstein, Judith, and Lisa Martin. 2000. '[Legalization, Trade Liberalization, and Domestic Politics: A Cautionary Note](#).' *International Organization* 54:3.

Goldstein, Judith, and Richard Steinberg. 2008. '[Negotiate or Litigate? Effects of WTO Judicial Delegation on US Trade Politics](#).' *Law and Contemporary Problems*. 71.

Guzman, Andrew and Beth Simmons. 2005. '[Power Plays and Capacity Constraints: The Selection of Defendants in World Trade Organization Disputes](#).' *The Journal of Legal Studies* 34:2.

Sykes, Alan. 2012. 'The Dispute Settlement Mechanism: Ensuring Compliance.' In: '[The Oxford Handbook on the World Trade Organization](#)' (Oxford: Oxford University Press 2012).

Pelc, Krzysztof. 2010. '[Eluding Efficiency: Why do we Not See More Efficient Breach at the WTO?](#)' *World Trade Review* 9:4.

Rosendorff, Peter. 2005. '[Stability and Rigidity: Politics and the Design of the WTO's Dispute Settlement Procedure](#).' *American Political Science Review* 99(3): 389-400.

Steinberg, Richard. 2004. '[Judicial Lawmaking at the WTO: Discursive, Constitutional, and Political Constraints](#).' *American Journal of International Law* 98:2.

Weiler, Joseph. 2001. '[The Rule of Lawyers and the Ethos of Diplomacy](#).' *Journal of World Trade* 35:2.

Week V: International Trade and Developing Countries

Have developing countries benefited from international trade, and do the rules of the international trade regime promote sustainable development?

Required:

Sally, Razeen. 'The Political Economy of Trade Policy Reform: Lessons from Developing Countries.' In: Jeffrey Frieden, David Lake, and Lawrence Broz (ed.) [International Political Economy: Perspectives on Global Power and Wealth, 5/E](#) (New York: WW Norton), ch. 25 (other version [here](#)).

Messerlin, Patrick. 2006. '[Enlarging the Vision for Trade Policy Space: Special and Differentiated Treatment and Infant Industry Issues.](#)' *World Economy* 29(10): 1395-1407.

Manger, Mark, and Kenneth Shadlen. 2015. 'Trade and Development.' In: [Oxford Handbook on the Political Economy of International Trade](#) (Oxford: Oxford University Press).

Further reading:

Bown, Chad, and Bernard Hoekman. 2008. '[Developing Countries and Enforcement of Trade Agreements: Why Dispute Settlement Is Not Enough.](#)' *Journal of World Trade* 42(1): 177-203.

Busch, Marc, and Eric Reinhardt. 2003. '[Developing Countries and GATT/WTO Dispute Settlement.](#)' *Journal of World Trade* 37:4.

Davis, Christina. 2012. [Why Adjudicate? Enforcing Trade Rules in the WTO.](#) (Princeton: Princeton University Press), ch. 7.

Goldberg, Pinalopi, and Nina Pavcnik. 2007. '[Distributional Effects of Globalization in Developing Countries.](#)' *Journal of Economic Literature* 45(1): 39-82.

Gray, Julia. 2014. '[Domestic Capacity and the Implementation Gap in Regional Trade Agreements.](#)' *Comparative Political Studies* 47:1.

Harrison, Ann. 1996. '[Openness and Growth: a Time-Series, Cross-Country Analysis for Developing Countries.](#)' *Journal of Development Economics* 48.

Hoekman, Bernard, and Michel Kostecki. 2008. [The Political Economy of the World Trading System, 3/E](#) (Oxford: Oxford University Press), ch. 12.

Irwin, Douglas. 1996. [Against the Tide: An Intellectual History of Free Trade](#) (Princeton: Princeton University Press), ch. 8.

Rodrigues, Francisco and Dani Rodrik. 2000. '[Trade Policy and Economic Growth: A Skeptic's Guide to the Cross-National Evidence.](#)' *NBER Working Paper* 7081.

Shadlen, Ken. 2005. '[Exchanging Development for Market Access? Deep Integration and Industrial Policy under Multilateral and Regional-Bilateral Trade Agreements.](#)' *Review of International Political Economy* 12(5): 750-775.

Winters, Alan, Neil McCulloch, and Andrew McKay. 2004. '[Trade Liberalization and Poverty: The Evidence So Far.](#)' *Journal of Economic Literature* 42:1.

Week VI: Political Economy of Foreign Investment

Multinational corporations and foreign direct investment are crucial drivers of the global economy. What are their drivers and socio-economic effects?

Required:

Bonnitcha, Jonathan, Lauge Poulsen and Michael Waibel. forth. 2017. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 2.

Jensen, Nathan. 2003. [Democratic Governance and Multinational Corporations: Political Regimes and Inflows of Foreign Direct Investment](#), *International Organization* 57:3, 587-616.

Ramamurti, Ravi. 2001. [The Obsolescing Bargaining Model? MNC-Host Developing Country Relations Revisited](#). *Journal of International Business Studies* 32(1): 23-39.

Further reading:

Alfaro, L., Chanda, A., Kalemli-Ozcan, S., and Sayek, S. 2004. [FDI and Economic Growth: The Role of Local Financial Markets](#). *Journal of International Economics* 64(1): 89-112.

De Grauwe, Paul, and Filip Camerman. 2002. [How Big are the Big Multinationals?](#), *Review of Business and Economics* 47:3, 311-326.

Desbordes, Rudolfe and Julien Vauday. 2007. [The Political Influence of Foreign Firms in Developing Countries](#). *Economics & Politics* 19:3.

Drezner, Daniel. 2004. [The outsourcing bogeyman](#), *Foreign Affairs* 83, 2004, 22-34.

Dunning, John. 2000. [The Eclectic Paradigm as an Envelope for Economic and Business Theories of MNE Activity](#). *International Business Review* 9(2): 163-190.

Wendy L. Hanson and Neil Mitchell. 2000. [Disaggregating and Explaining Corporate Political Activity: Domestic and Foreign Corporations in National Politics](#). *American Political Science Review* 94 (4): 891-903.

Henisz, Witold. 2000. [The Institutional Environment for Multinational Investment](#). *Journal of Law, Economics and Organization* 16(2): 334-364.

Jensen, Nathan. 2012. [Fiscal Policy and the Firm: Do Low Corporate Tax Rates Attract Multinational Corporations?](#) *Comparative Political Studies* 45.8: 1004-1026.

Malesky, Edmund J. 2008. [Straight Ahead on Red: How Foreign Direct Investment Empowers Subnational Leaders](#). *Journal of Politics* 70 (1): 97-119.

Navaretti, Georgio and Anthony Venables. 2004. [Multinational Firms in the World Economy](#) (Princeton: Princeton University Press), chapters 3, 4, and 7.

Ruggie, John. 2003. [Business and human rights: the evolving international agenda](#), *American Journal of International Law* 101:4, 818-840.

Stasavage, David. 2002. [Private Investment and Political Institutions](#). *Economics and Politics* 14(1): 41-63.

Moran, Theodore. 2006. [Harnessing Foreign Direct Investment for Development: Policies for Developed and Developing Countries](#) (Washington: Center for Global Development), chapter 3.

Week VII: Foreign Investment Disputes

How are disputes between foreign investors and states resolved? What are the costs and benefits of investment arbitration?

Required:

Bonnitcha, Jonathan, Lauge Poulsen and Michael Waibel. 2015. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 3-6.

Pauwelyn, Joost. 2015. [The Rule of Law without the Rule of Lawyers? Why Investment Arbitrators are from Mars, Trade Adjudicators from Venus.](#) *American Journal of International Law* 109.

Further reading:

Bonnitcha, Jonathan. 2014. [Investment Treaties and Transition from Authoritarian Rule.](#) *Journal of World Investment and Trade* 15:5-6, 965-1011.

Franck, Susan. 2005. [The Legitimacy Crisis in Investment Treaty Arbitration: Privatizing Public International Law Through Inconsistent Decisions.](#) *Fordham Law Review*.

Jandyala, Srividya, Geoffrey Gertz, and Lauge Poulsen. 2016. 'Politicization of Investment Disputes and International Arbitration.' Working paper.

Johns, Leslie and Rachel Wellhausen. 2016. [Under One Roof: Supply Chains and the Protection of Foreign Investment.](#) *American Political Science Review* 110:1.

Kerner, Andrew, and Jane Lawrence. 2014. [What's the Risk? Bilateral Investment Treaties, Political Risk and Fixed Capital Accumulation.](#) *British Journal of Political Science* 44:1.

Maurer, Noel. 2013. [The Empire Trap: The Rise and Fall of U.S. Intervention to Protect American Property Overseas, 1893-2013.](#) (Princeton: Princeton University Press), ch. 8-11.

Post, Alison. 2014. [Home Court Advantage: Investor Type and Contractual Resilience in the Argentine Water Sector.](#) *Politics & Society* 42:1.

Post, Alison and Maria Murillo. 2016. [How Investor Portfolios Shape Regulatory Outcomes: Privatized Infrastructure after Crises.](#) *World Development* 77.

Puig, Sergio. 2014. [Social Capital in the Arbitration Market.](#) *European Journal of International Law* 25:2.

Roberts, Anthea. 2010. [Power and Persuasion in Investment Treaty Interpretation: The Dual Role of States.](#) *American Journal of International Law* 104:2.

Stiglitz, Joseph. 2007. [Regulating Multinational Corporations: Towards Principles of Cross-Border Legal Frameworks in a Globalized World Balancing Rights with Responsibilities.](#) *American University International Law Review* 23(3): 451-558.

Van Harten, Gus. 2005. [Private Authority and Transnational Governance: The Contours of the International System of Investor Protection.](#) *Review of International Political Economy* 12(4): 600-623.

Yackee, Jason. 2010. [Do Bilateral Investment Treaties Promote Foreign Direct Investment – Some Hints from Alternative Evidence.](#) *Virginia Journal of International Law* 51:2.

Wellhausen, Rachel. 2015. [Bondholders v. Direct Investors? Competing Responses to Expropriation.](#) *International Studies Quarterly* 59.

Week VIII: Politics of Investment Treaties

Why, and how, were investment treaties negotiated? What were the interests of developed and developing countries and how are the treaties changing?

Required:

Aaken, Anne van. 2009. '[International Investment Law Between Commitment and Flexibility: A Contract Theory Analysis.](#)' *Journal of International Economic Law* 12.

Poulsen, Lauge. 2015. [Bounded Rationality and Economic Diplomacy: The Politics of Investment Treaties in Developing Countries](#) (Cambridge: Cambridge University Press), ch. 1 and 4-6.

Further reading:

Alschner, Wolfgang. 2014. '[Regionalism and Overlap in Investment Treaty Law – Towards Consolidation or Contradiction?](#)' *Journal of International Economic Law* 17:4.

Berger, Axel. 2011. 'The Politics of China's Investment Treaty-Making Program.' In: Tomber Broude, March Busch, and Amy Porges (eds.) [The Politics of International Economic Law](#) (Cambridge: Cambridge University Press).

Bubb, Ryan and Susan Rose-Ackerman. 2007. '[BITs and Bargains: Strategic Aspects of Bilateral and Multilateral Regulation of Foreign Investment.](#)' *International Review of Law and Economics* 27:3.

Chilton, Adam. forth. 2016. '[The Politics of the United States Bilateral Investment Treaty Program.](#)' *Review of International Political Economy*.

Bonnitcha, Jonathan, Lauge Poulsen and Michael Waibel. 2015. [The Political Economy of the Investment Treaty Regime](#) (Oxford: Oxford University Press), ch. 7-9.

Haftel, Yoram, and Alex Thompson. 2015. '[When Do States Renegotiate International Agreements? The Case of Bilateral Investment Treaties.](#)' Working paper.

Jandhyala, Srividya, Witold Henisz, and Edward Mansfield. 2011. '[Three Waves of BITs: The Global Diffusion of Foreign Investment Policy.](#)' *Journal of Conflict Resolution* 55:6.

Manger, Mark. 2009. [Investing in Protection](#) (Cambridge: Cambridge University Press), ch. 3.

Manger, Mark, and Clint Peinhardt. 2015. '[Learning and Diffusion in International Investment Agreements.](#)' Working paper.

Miles, Kate. 2013. [The Origins of International Investment Law](#) (Cambridge: Cambridge University Press), ch. 1-2.

Montt, Santiago. 2009. [State Liability in Investment Treaty Arbitration](#) (Portland: Hart), chs. 1.

Peinhardt, Clint and Rachel Wellhausen. forth. 2016. '[Withdrawing from Investment Treaties but Protecting Investment.](#)' *Global Policy*.

Poulsen, Lauge and Emma Aisbett. 2016. [Diplomats Want Treaties: Diplomatic Agendas and Perks in the Investment Regime.](#) *Journal of International Dispute Settlement* 3:1.

Yackee, Jason. 2009. '[Pacta Sunt Servanda and State Promises to Foreign Investors Before Bilateral Investment Treaties: Myth and Reality.](#)' *Fordham International Law Journal* 32:5.

Week IX: Trade, Investment, and the Environment

What role does globalization play for the political economy of energy and the environment? How do international regimes impact on domestic energy and environmental regulation?

Required Reading:

- Frankel, Jeffrey. 2003. [‘The Environment and Globalization.’](#) NBER working paper 10090.
- Eskeland, Gunnar, and Ann Harrison. 2003. [‘Moving to Greener Pastures? Multinationals and the Pollution Haven Hypothesis.’](#) *Journal of Development Economics* 70(1): 1-23.
- Howse, Rob. 2002. [‘The Appellate Body Rulings in the Shrimp/Turtle-Case: A New Legal Baseline for the Trade-Environment Debate.’](#) *Columbia Journal of Environmental Law* 27(2): 491-522.

Further Reading:

- Copeland, Brian. 2008. ‘The Pollution Haven Hypothesis.’ In: [Handbook on Trade and Environment](#) (Cheltenham: Edward Elgar).
- Frankel, Jeffrey and Andy Rose. 2005. [‘Is trade good or bad for the environment? Sorting out the causality.’](#) *The Review of Economics and Statistics* 87:1.
- Kollman, Kelly, and Aseem Prakash. 2001. [‘Green by choice? Cross-national Variations in Firms’ Responses to EMS-Based Environmental Regimes.’](#) *World Politics* 53:3.
- Knox, John. 2004. [‘The judicial resolution of conflicts between trade and the environment.’](#) *Harvard Environmental Law Review* 28.
- McAteer, Emily. 2009. [‘The Corporate Boomerang: Shareholder Transnational Advocacy Networks Targeting Oil Companies in the Ecuadorian Amazon.’](#) *Global Environmental Politics* 9:1.
- Neumayer, Eric. 2001. [‘Pollution Havens: An Analysis of Policy Options for Dealing with an Elusive Phenomenon.’](#) *Journal of Environment and Development* 10:2.
- Potoski, Matthew, and Aseem Prakash. 2005. [‘Green Clubs and Voluntary Governance: ISO 14001 and Firms’ Regulatory Compliance.’](#) *American Journal of Political Science* 49:2.
- Prakash, and Matthew Potoski. 2006. [‘Racing to the Bottom? Trade, Environmental Governance, and the ISO 14001.’](#) *American Journal of Political Science* 50:2.
- Prakash, Aseem, and Matthew Potoski. 2007. [‘Investing Up: FDI and the Cross-Country Diffusion of ISO 14001 Management Systems.’](#) *International Studies Quarterly* 51.3: 723-744.
- Stern, David. 2004. [‘The Rise and Fall of the Environmental Kuznets Curve.’](#) *World Development* 32:8.
- Tienhaara, Kyla. 2001. [‘Regulatory chill and the threat of arbitration: A view from political science.’](#) In: Chester Brown and Kate Miles (eds.) [Evolution in Investment Treaty Law and Arbitration](#) (Cambridge: Cambridge University Press).
- Viñuales, Jorge. 2015. [Foreign Investment and the Environment in International Law](#) (Cambridge: Cambridge University Press), ch. 1, 4-5.
- Williams, Zoe. forth. 2016. xx
- Young, Alisdair. 2005. [‘Picking the Wrong Fight: Why Attacks on the World Trade Organization Pose the Real Threat to National Environmental and Public Health.’](#) *Global Environmental Politics* 5:4.

Week X: International Financial Assistance

Western states and international financial institutions spend billions in foreign aid and debt relief. What are the political and economic drivers of international financial assistance, and under what conditions does it 'work'?

Background:

Oatley, Thomas. 2010. [International Political Economy, 5/E](#). (New York: Longman), ch. 14-15.

Required:

Easterly, William. 2003. '[The Cartel of Good Intentions: The Problem of Bureaucracy in Foreign Aid.](#)' *Journal of Policy Reform* 5:2.

Rodrik, Dani. 2006. '[Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s: Learning from a Decade of Reform.](#)' *Journal of Economic Literature* 44(4): 973-987.

Further reading:

Alesina, Alberto, and David Dollar. 2000. '[Who Gives Foreign Aid to Whom and Why?](#)' *Journal of Economic Growth* 5(1): 33-63.

Addison, Tony, and Finn Tarp. 2015. '[Aid Policy and the Macroeconomic Management of Aid.](#)' *World Development* 69.

Burnside, Craig, and David Dollar. 2000. '[Aid, Policies and Growth.](#)' *American Economic Review* 90:4.

Dunning, Thad. 2004. '[Conditioning the Effects of Aid: Cold War Politics, Donor Credibility, and Democracy in Africa.](#)' *International Organization* 58(2): 409-23.

Easterly, William. 2002. [The Elusive Quest for Growth: Economist's Adventures and Misadventures in the Tropics](#) (Cambridge, MA: MIT Press), ch. 6-7.

Kono, Daniel, and Gabriella Montinola. 2009. '[Does Foreign Aid Support Autocrats, Democrats, or Both?](#)' *The Journal of Politics* 71(2): 704-18.

Rajan, Raghuram, and Arvind Subramanian. 2008. '[Aid and Growth: What does the Cross-Country Evidence Really Show?](#)' *Review of Economics and Statistics* 90(4): 643-665.

Stasavage, David. 2015. '[What We Can Learn From the Early History of Sovereign Debt.](#)' Working paper.

Stone, Randall. 2004. '[The Political Economy of IMF Lending to Africa.](#)' *American Political Science Review* 98(4): 577-591.

Tomz, Michael, and Mark Wright. 2013. [Empirical Research on Sovereign Debt and Default](#). NBER Working Paper No. 18855.

Vreeland, James. 2003. [The IMF and Economic Development](#) (Cambridge: Cambridge University Press), ch. 3.

Weaver, Catherine. 2008. [Hypocrisy Trap: The World Bank and the Poverty of Reform](#) (Princeton: Princeton University Press), ch. 2-3.