

UGST4280 International Political Economy

BA Course, Spring 2026

2 US Credits, 4 ECTS

Instructor

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Meeting Times and Location

Wednesday 10:40 – 12:50 in A-214
Friday 11:50 – 12:50 and 13:50 – 14:50 in A-214

Course Description

This is a course about the intersection of global markets and domestic politics. Why do states open their borders to trade and capital? How do international institutions shape (and are shaped by) the competing interests of firms, workers, and consumers? Can these institutions truly alter state behavior, or are they simply tools for powerful domestic actors?

There are several competing answers to these questions. The objective of this course is to help you evaluate the validity of these answers and discuss what evidence you would need to see in order to gain confidence in one explanation and reject others. The course is structured into four thematic blocks: (1) international trade, (2) international finance, (3) economic development, and (4) foreign direct investment. Within each block, we will examine the history, structure, and activity of the “pillars” of the global system (such as the WTO, the IMF, and the World Bank) and analyze how they manage contemporary challenges like protectionism, financial crises, and political risk.

You are welcome (even encouraged!) to disagree with the answers proposed by the assigned readings. If this is the case, you should be able to formulate an evidence-based counter-argument that convinces your colleagues to reject alternative explanations. This analytical exercise will help you prepare for a career in settings where there are no clear-cut answers, such as consulting, research, finance, public policy, or law.

Learning Outcomes

By the end of this course, you will be able to (1) analyze the political foundations of the global economy, (2) evaluate competing theoretical perspectives on why states cooperate, (3) interpret empirical evidence (including the ability to interpret data and statistical results), (4) communicate complex arguments through oral presentations and written essays, and (5) formulate evidence-based critiques using logic and empirical data.

Prerequisites and Expectations

There are no formal prerequisites for this class. However, a good knowledge of general concepts and theories of political science and economics and an interest in international political economy are expected. All readings are available on Moodle. Other than the specific papers selected for student presentations, all assigned readings are mandatory and should be completed prior to the class session for which they are listed. All students are expected to actively participate in class.

Assessment

This class a wide array of small assignments — a mix of oral and written work, open and closed-book assignments, multiple-choice and essay questions. This structure ensures that students with different strengths have multiple pathways to excel. **Late submissions are not accepted.**

Assignment	Date
Quiz 1 (Block 1)	Friday, April 24 23:59
Quiz 2 (Block 2)	Friday, May 8 23:59
Midterm Exam (Blocks 1 & 2)	Friday, May 8 13:50 – 14:50
Quiz 3 (Block 3)	Friday, May 15 23:59
Quiz 4 (Block 4)	Friday, May 22 23:59
Final Exam (Cumulative)	Wednesday, May 27 10:40 – 12:50
Paper Presentation	<i>Student Sign-Up Date</i>

Participation (10%). Regular in-person class attendance is a precondition for course completion. Students who miss more than four hours of class (i.e., two hours of class per US credit hour) cannot receive a passing grade. Beyond attendance, active engagement is a requirement. Please come to every session prepared to discuss the day’s readings. To ensure a lively and inclusive discussion, the instructor might “cold call” students.

Quizzes (15%). This class is structured into four thematic blocks. At the beginning of each block, a short online multiple-choice quiz will become available on Moodle. These quizzes are designed to gauge comprehension of the readings and class discussions. They are open-book, untimed, and can be completed at your convenience as long as the block is active. Each quiz must be completed by 23:59 on the final day of the respective block: on (1) **Friday, April 24**, (2) **Friday, May 8**, (3) **Friday, May 15**, and (4) **Friday, May 22**. No make-up quizzes will be provided.

Paper Presentation (15%). Students will sign up to present one academic paper of their choice. Presentations should last about 10 minutes and summarize the paper’s research question, argument, research methods, findings, and conclusions, while connecting the work to broader course themes. Presenters should prepare slides and submit them to the instructor **before the beginning of class**. Presenters can use physical notes during the presentation, but are **not allowed** to use digital devices. (Why no digital devices? Because the instructor wants students to improve engagement, encourage eye contact, and build public speaking skills by moving away from screen dependency!)

Midterm (25%). An open-book, 45-minute, in-class, handwritten mini-exam on **Friday, May 8** will cover material from blocks 1 and 2 (trade and finance). No digital devices are permitted, but students may use their printed readings and handwritten notes.

Final Exam (35%). A closed-book, 2-hour, in-class, handwritten final exam on **Wednesday, May 27** will consist of 7–10 essay questions covering material from all the readings, lectures, and class discussions. Note that **this exam is on finals/make-up week**.

Grading Scale. The grading will follow the standard a 100-point scale adopted by CEU:

Letter Grade	Percentage Range
A	100 – 94
A-	93 – 88
B+	87 – 80
B	79 – 71
B-	70 – 63
C+	62 – 58
F	57 – 0

Grade Appeals. In exceptional circumstances, students may appeal the grades they received for coursework or exams. This only applies for significant coursework (worth 30% or more of the final grade) — in this class, only the final exam. Students should contact the instructor with a written request (“I worked hard” is not a good explanation!).

Digital Devices in the Classroom

If students use digital devices (e.g., smartphones, tablets, laptops) in class, they may not consult material unrelated to the course during class time. The instructor may choose to disallow students from accessing devices during class time. Students who have been barred use of digital devices in the classroom due to misuse are expected to bring relevant hard copy course materials to class at their own expense.

Course Outline

Wednesday, April 15: Introduction

- Miller, Steven V. 2014. “Reading a Regression Table: A Guide for Students.” [Link](#)

Block 1: Trade

Friday, April 17: Why Trade?

- Oatley, Thomas. 2023. *International Political Economy*. 7th ed. New York: Routledge, 47–55 (Chapter 3).
- Coughlin, Cletus C., K. Alec Chrystal, and Geoffrey E. Wood. 2003. “Protectionist Trade Policies: A Survey of Theory, Evidence and Rationale.” In *International Political Economy: Perspectives on Global Power and Wealth*, 4th ed., eds. Jeffrey A. Frieden and David A. Lake. New York: W. W. Norton & Company, 303–317 (Chapter 19).

Wednesday, April 22: Who Benefits and Who Loses From Free Trade? Who Supports and Who Opposes Free Trade?

- Mansfield, Edward D., and Diana C. Mutz. 2009. “Support for Free Trade: Self-Interest, Sociotropic Politics and Out-Group Anxiety.” *International Organization* 63 (3): 425–457.

Paper Presentations (2)

- **Some trade policies discriminate against women.** Betz, Timm, David Fortunato, and Diana Z. O’Brien. 2021. “Women’s Descriptive Representation and Gendered Import Tax Discrimination.” *American Political Science Review* 115 (1): 307–315.

- **People who care about the environment are less likely to support free trade.** Rudolph, Lukas, Franziska Quöß, Romain Buchs, and Thomas Bernauer. 2022. “Environmental Concern Leads to Trade Skepticism on the Political Left and Right.” *International Studies Quarterly* 66 (4): sqac060.

Friday, April 24: The WTO

- Baldwin, Richard. 2017. “The World Trade Organization and the Future of Multilateralism.” In *International Political Economy: Perspectives on Global Power and Wealth*, 6th ed., eds. Jeffrey A. Frieden, David A. Lake, and J. Lawrence Broz. New York: W. W. Norton & Company, 339–356 (Chapter 22).
- Colantone, Italo, and Piero Stanig. 2019. “The Surge of Economic Nationalism in Western Europe.” *Journal of Economic Perspectives* 33 (4): 128–151.

Quiz 1 Due 23:59

Block 2: Finance

Wednesday, April 29: Concepts — Exchange Rates and the Impossible Trinity

- Broz, J. Lawrence, and Jeffrey A. Frieden. 2001. “The Political Economy of International Monetary Relations.” *Annual Review of Political Science* 4: 317–343.
- Aizenman, Joshua. 2017. “The Impossible Trinity (aka the Policy Trilemma).” In *International Political Economy: Perspectives on Global Power and Wealth*, 6th ed., eds. Jeffrey A. Frieden, David A. Lake, and J. Lawrence Broz. New York: W. W. Norton & Company, 211–220 (Chapter 13).

Paper Presentations (2)

- **Remittances increase the likelihood that policymakers adopt fixed exchange rates.** Singer, David Andrew. 2010. “Migrant Remittances and Exchange Rate Regimes in the Developing World.” *American Political Science Review* 104 (2): 307–323.
- **Donald Trump’s tweets increased the volatility of the US dollar/Mexican peso exchange rate.** Benton, Allyson L., and Andrew Q. Philips. 2020. “Does the @realDonaldTrump Really Matter to Financial Markets?” *American Journal of Political Science* 64 (1): 169–190.

Friday, May 1: NO CLASS (Public Holiday)

Wednesday, May 6: The IMF

- Oatley, Thomas. 2023. *International Political Economy*. 7th ed. New York: Routledge, 222–234 (Chapter 10).
- Reinhart, Carmen M., and Christoph Trebesch. 2016. “The International Monetary Fund: 70 Years of Reinvention.” *Journal of Economic Perspectives* 30 (1): 3–28.

Paper Presentations (2)

- **The IMF is more likely to lend money to countries with neoliberal finance ministers.** Nelson, Stephen C. 2014. “Playing Favorites: How Shared Beliefs Shape the IMF’s Lending Decisions.” *International Organization* 68 (2): 297–328.
- **Voters believe that a financial crisis will more likely be solved when the IMF intervenes.** Hübscher, Evelynne, Thomas Sattler, and Markus Wagner. 2024. “Voters and the IMF: Experimental Evidence From European Crisis Countries.” *Comparative Political Studies* 57 (11): 1870–1901.

Friday, May 8: The Eurozone Crisis

- Frieden, Jeffrey, and Stefanie Walter. 2017. "Understanding the Political Economy of the Eurozone Crisis." *Annual Review of Political Science* 20: 371–390.

Midterm Exam (In Class, Open Book, 45 Minutes)

Quiz 2 Due 23:59

Block 3: Development

Wednesday, May 13: The World Bank

- Ravallion, Martin. 2016. "The World Bank: Why It Is Still Needed and Why It Still Disappoints." *Journal of Economic Perspectives* 30 (1): 77–94.

Paper Presentations (2)

- **World Bank staff design programs that are compatible with US preferences.** Clark, Richard, and Lindsay R. Dolan. 2021. "Pleasing the Principal: U.S. Influence in World Bank Policymaking." *American Journal of Political Science* 65 (1): 36–51.
- **World Bank loans increase deforestation.** Shandra, John M., Eric Shircliff, and Bruce London. 2011. "World Bank Lending and Deforestation: A Cross-National Analysis." *International Sociology* 26 (3): 292–314.

Friday, May 15: Foreign Aid

- Alesina, Alberto, and Dollar, David. 2000. "Who Gives Foreign Aid to Whom and Why?" *Journal of Economic Growth* 5: 33–63.

Paper Presentations (2)

- **Donors often exaggerate how much climate aid they provide.** Michaelowa, Axel, and Katharina Michaelowa. 2011. "Coding Error or Statistical Embellishment? The Political Economy of Reporting Climate Aid." *World Development* 39 (11): 2010–2020.
- **In Africa, political leaders' birth regions receive more Chinese aid.** Dreher, Axel, Andreas Fuchs, Roland Hodler, Bradley C. Parks, Paul A. Raschky, and Michael J. Tierney. 2019. "African Leaders and the Geography of China's Foreign Assistance." *Journal of Development Economics* 140: 44–59.

Quiz 3 Due 23:59

Block 4: Foreign Direct Investment

Wednesday, May 20: Multinational Corporations

- Oatley, Thomas. 2023. *International Political Economy*. 7th ed. New York: Routledge, 165-186 (Chapter 8).
- Pandya, Sonal S. 2016. "Political Economy of Foreign Direct Investment: Globalized Production in the Twenty-First Century." *Annual Review of Political Science* 19: 455–475.

Paper Presentations (2)

- **Diasporas are associated with FDI.** Leblang, David. 2010. "Familiarity Breeds Investment: Diaspora Networks and International Investment." *American Political Science Review* 104 (3): 584–600.

- **After the start of the Ukraine war, some firms were better positioned to leave Russia than others.** Wellhausen, Rachel L. and Boliang Zhu. 2026. “Exiting Russia.” *American Political Science Review* (First View).

Friday, May 22: Democracy and Public Support for FDI

- Pandya, Sonal S. 2017. “Labor Markets and the Demand for Foreign Direct Investment.” In *International Political Economy: Perspectives on Global Power and Wealth*, 6th ed., eds. Jeffrey A. Frieden, David A. Lake, and J. Lawrence Broz. New York: W. W. Norton & Company, 156–166 (Chapter 10).
- Li, Quan, and Adam Resnick. 2017. “Reversal of Fortunes: Democratic Institutions and Foreign Direct Investment Inflows to Developing Countries.” In *International Political Economy: Perspectives on Global Power and Wealth*, 6th ed., eds. Jeffrey A. Frieden, David A. Lake, and J. Lawrence Broz. New York: W. W. Norton & Company, 184–210 (Chapter 12).

Paper Presentations (2)

- **People oppose corrupt and environmentally damaging FDI even when it creates jobs.** Moehlecke, Carolina, Guilherme N. Fasolin, and Matias Spektor. 2025. “Beyond Jobs: When Citizens Reject Socially Irresponsible Foreign Direct Investment.” *International Studies Quarterly* 69 (3): sqaf046.
- **Respect for human rights has a positive impact on FDI.** Blanton, Shannon Lindsey, and Robert G. Blanton. 2007. “What Attracts Foreign Investors? An Examination of Human Rights and Foreign Direct Investment.” *Journal of Politics* 69 (1): 143–155.

Quiz 4 Due 23:59

Wednesday, May 27: Make-Up Class

Final Exam (In Class, Closed Book, 2 Hours)