

The Political Economy of International Organizations

Institute of Political Science, University of Cologne

May 6 - May 10, 2019

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Office hours: By appointment.

Course Description and Objectives

The course focuses on the main issues in international cooperation and on the role of economic international institutions, such as the World Trade Organization (WTO), in world politics. The course requires that students have previously taken an introductory International Relations course as a prerequisite. The reading list features some technical articles; for these it is sufficient to have a basic understanding of formal and quantitative models. Further, a simplified version of such models will be presented in class slides and a good grasp of these should be enough to do well in this course.

The course is divided into three parts. The first addresses the main debates related to international cooperation, e.g. the impact of domestic politics on international cooperation and the effectiveness of cooperation. The second part covers the international trade institutions. Namely, we will discuss the role of the WTO, preferential trade agreements, and bilateral investment treaties. The third part covers the Bretton Woods institutions, i.e. the World Bank and the International Monetary Fund.

By the end of the course, students will:

- Be familiar with the main debates about international cooperation;
- Have a thorough knowledge of the most important economic international institutions;
- Be able to understand and critically evaluate widely-used political economy models.

Course Requirements

1. Part of the mark for the course is based on participation in class. Participation is mandatory and is crucial to improving analytical thinking. Participation accounts for 10 percent of the final grade.
2. Input presentation based on the compulsory readings (10-15 min.). Topics will be allocated at the beginning of the course.
3. Term paper:
 - Outline: Submission to the course instructor via Email **by May 17, 2019**.
 - Term paper: 6.000 – 9.000 words, not counting footnotes and the list of references. Submission to the course instructor via Email **by June 15, 2019** (pdf, doc or odt). All

papers are electronically checked for plagiarism. Every paper has to include the following statement, signed and attached to the main text: http://www.cccp.uni-koeln.de/sites/cccp/Lehre/Erklaerung_fuer_Hausarbeiten.pdf

Grade Distribution

- Class participation: 10%
- Presentation: 30%
- Final project: 60%

Required text

There is no textbook. The course is mostly based on articles published in top IR journals. All readings will be made available to students before the beginning of the course. Students are strongly recommended to do the readings *before* class. Some topics might be subject to (mostly minor) revisions during the course.

Tentative schedule

1. MAIN DEBATES ON INTERNATIONAL COOPERATION

MAY 6, 2019

Morning session (10:30am-12pm).

- *Course description and logistics*
- *Why Cooperate?*

Axelrod, Robert. 1984. *The Evolution of Cooperation*. Basic Books, chapter 1.

Gilligan, J. Michael. 2009. "The Transaction Costs Approach to International Institutions." In *Power, Interdependence, and Nonstate Actors in World Politics* edited by Helen V. Milner and Andrew Moravcsik. Princeton University Press.

Afternoon Session (2-3:30pm)

- *Why do states join international agreements?*

Fearon, James D. 1998. "Bargaining, Enforcement, and International Cooperation." *International Organization* 52 (2): 269-305.

Davis, C. L. 2004. "International Institutions and Issue Linkage: Building Support for Agricultural Trade Liberalization." *American Political Science Review* 98(1): 153-169.

Vreeland, James Raymond. 2008. "Political Institutions and Human Rights: Why Dictatorships Enter Into the United Nations Convention Against Torture." *International Organization* 62 (1): 65-101.

MAY 7, 2019

Morning session (9am-12pm).

- *Why do states comply with international agreements?*

Downs, George W., David M. Roake, and Peter N. Barsoom. 1996. "Is the Good News About Compliance Good News About Cooperation?" *International Organization* 50 (3): 379-406.

Simmons, Beth A. 2009. *Mobilizing for Human Rights: International Law in Domestic Politics*. Cambridge University Press, chapter 4.

Tomz, Michael. 2007. "Domestic audience costs in international relations: An experimental approach." *International Organization* 61(4): 821-840.

- *Domestic Politics and International Cooperation*

Putnam, Robert. 1988. "Diplomacy and Domestic Politics: The Logic of Two Level Games." *International Organization* 42 (3): 427-460.

McGillivray, Fiona and Alastair Smith. 2004. "The Impact of Leadership Turnover on Trading Relations Between States." *International Organization*, vol. 58 (3): 567-600.

Milner, Helen V., and Keiko Kubota. 2005. "Why the move to free trade? Democracy and trade policy in the developing countries." *International organization* 5(1): 107-143.

2. GLOBAL TRADE GOVERNANCE

MAY 9, 2019

Morning session (9am-12pm).

- *The World Trade Organization*

Pelc, K. 2011. "Why do Some Countries Get Better WTO Accession Terms than Others?" *International Organization* 65(4): 639-672.

Goldstein, J. L., Rivers, D. and Tomz, M. 2007. "Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade." *International Organization* 61(1): 37-67.

Davis, C. L. and Bermeo, S. B. 2009. "Who files? Developing Country Participation in GATT/WTO Adjudication." *The Journal of Politics* 71(3): 1033-1049.

- *Preferential Trade Agreements*

Chase, K. A. 2003. "Economic Interests and Regional Trading Arrangements: The Case of NAFTA." *International Organization* 57(1): 137-174

Manger, M. 2009. "Framework for Analysis." In: *Investing in Protection: The Politics of Preferential Trading Agreements between North and South*. Cambridge University Press. Chapter 2 pp. 27-63.

Mattli, W. 1999. "Explaining Regional Integration" In *The Logic of Regional Integration: Europe and Beyond*. Cambridge: Cambridge University Press. Chapter 3 pp. 41-67.

Afternoon Session (2-5pm)

- *Bilateral Investment Treaties*

Allee, Todd, and Clint Peinhardt. 2011. "Contingent Credibility: The Impact of Investment Treaty Violations on Foreign Direct Investment." *International Organization* 65 (3):401-32.

Elkins, Zachary, Andrew T. Guzman, and Beth A. Simmons. 2006. "Competing for capital: The diffusion of bilateral investment treaties, 1960–2000." *International organization* 60(4): 811-846.

Poulsen, Lauge. 2014. "Bounded Rationality and the Diffusion of Modern Investment Treaties." *International Studies Quarterly*, 2014, 58(1): 1-14.

- ***Students' Presentation***

3. BRETTON WOOD ORGANIZATIONS

MAY 10, 2019

Morning session (9am-12pm).

- *IMF and Development*

Copelovitch, Mark S. 2010. "Master or servant? Common agency and the political economy of IMF lending." *International Studies Quarterly* 54(1): 49-77.

Steinwand, Martin C., and Randall W. Stone. 2008. "The International Monetary Fund: A review of the recent evidence." *The Review of International Organizations* 3(2): 123-149.

Stone, Randall W. 2004. "The political economy of IMF lending in Africa." *American Political Science Review* 98(4): 577-591.

- *Explaining IMF Conditionality*

Caraway, Teri L., Stephanie J. Rickard, and Mark S. Anner. 2012. "International negotiations and domestic politics: the case of IMF labor market conditionality." *International Organization* 66(1): 27-61.

Pop-Eleches, Grigore. 2009. "Public goods or political pandering: Evidence from IMF programs in Latin America and Eastern Europe." *International Studies Quarterly* 53(3): 787-816.

Stone, Randall. 2008. "The Scope of IMF Conditionality." *International Organization* 62: 589-620.

Afternoon Session (2-5pm)

- *The WB, Aid, and Development*

Abouharb, M. Rodwan, and David Cingranelli. 2006. "The Human Rights Effects of World Bank Structural Adjustment Lending, 1981–2000." *International Studies Quarterly* 50 (2):233–62.

Dietrich, Simone. 2016. "Donor political economies and the pursuit of aid effectiveness." *International Organization* 70(1): 65-102.

Dreher, Axel, Jan-Egbert Sturm, and James Raymond Vreeland. 2009. "Development Aid and International Politics: Does membership on the UN Security Council influence World Bank decisions?" *Journal of Development Economics* 88 (1):1-18.

- ***Students' Presentation***