

POL SCI 149: US Foreign Economic Policy

Dr. Timothy Turnbull

Fall 2021

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Office Hours: Tue 9:00-11:00am

Office Location: SSPB 5243

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Class Hours: T/Th 5:00-6:20

Class Room: SSPA 1170

Course Description

This course will examine the role of the United States in the global economy. Aside from possessing a preponderance of military power, the US derives a significant portion of its power and global influence from its structural position in the world economy. The US not only reaps significant benefits from the international trade and financial regimes it established in the wake of WWII, but, given that it also possesses the world's largest and most dynamic economy, it is able to use its economic might to further its political goals.

Throughout the quarter, we will cover US foreign economic policy from several angles, exploring the US's structural power in the international economy, its historical development from an isolationist to a hegemonic power, its role in establishing and maintaining the post-war liberal world order, the growing use of economic coercion to further US political goals, and the various domestic and international challenges the US faces in maintaining its influence over the global economy. In particular, we will explore the ways in which US industrial decline and concomitant demographic shifts, the rise of China, and the growth of protectionism will affect US power in the 21st century. All the while, we will pay special attention to the complex and multi-directional relationship between economics, security, and US grand strategy.

Learning Objectives

By participating in this course, you will be able to:

- Understand and explain the importance of the economic power of the United States as it relates to world politics.
- Describe the creation of the liberal world order and offer an informed opinion as to the future of the order.
- Comprehend and elaborate on the complex drivers, both international and domestic, of foreign economic policy, including the domestic distributional effects of foreign economic policy decisions.

Assignments and Grade Breakdown

The final course grade will be determined by weighting your performance in the following areas:

1. Participation (Attendance and Discussion Questions) 15%
2. Midterm I (Tuesday, October 12th) 15%
3. Midterm II (Tuesday, November 9th) 35%
4. Final Exam (Thursday, December 9th, 4:00-6:00pm) 35%

Numerical grades will be converted to letter grades at the following values:

A	=	93% and above	C+	=	77%-80%
A-	=	90%-93%	C	=	73%-77%
B+	=	87%-90%	C-	=	70%-73%
B	=	83%-87%	D+	=	67%-70%
B-	=	80%-83%	D	=	60%-67%
			F	=	60% and below

Late Paper Policy

If you are unable to turn your assigned work in on time, you will be penalized one half grade per day on that assignment. For example, an otherwise A+ (100%) paper would be marked as 95% if it were to be turned in a day late, and 90% if turned in two days late. This penalty will be applied after the paper has been graded.

Absence Policy

Attendance is mandatory. If you must be absent from a class meeting, you must contact me beforehand with your reasoning and/or a relevant doctor's note. Failure to do so will result in a reduction of your participation score by 1 point.

Participation

Your participation grade will reflect not only your attendance, but your submission of weekly discussion questions on Canvas. Each week, you must submit **two** questions related to any of the readings from that week.

Accommodations

The UCI Disability Services Center provides equal opportunities to students with documented temporary and permanent orthopedic, visual, hearing, learning, chronic health, and psychological disabilities. If you qualify for services, please be sure to work with the Center to ensure I am notified of testing and other accommodations. If you are comfortable doing so, please feel free to come talk with me during office hours about ensuring this class is

accessible to you. If you are not sure whether you qualify for services, please contact the office at 949-824-7497.

Other Resources

- **Center for Excellence in Writing & Communication:** This center provides consultations designed to improve your writing via revising and editing and identifying what parts of your writing need work. You can book appointments up to two weeks in advance at <http://www.writingcenter.uci.edu/appointments/>; appointment slots fill up fast, so be sure to sign up well in advance of deadlines. They also offer walk-in and email consultations. For more information, visit www.writingcenter.uci.edu.
- **UCI Counseling Center:** The UCI Counseling Center provides access to counseling and clinical services, and it also offers support groups and workshops, peer programs, and wellness resources for managing stress. Phone: 949-824-6457.
- **UCI Dreamers' Resource Office:** This office serves AB540 and undocumented students through advocacy, guidance, and support. Some of their services are also available to students with undocumented family members. Contact their office for more information at: 949-824-6390.

Academic Honesty

Learning, research, and scholarship depend upon an environment of academic integrity and honesty. This environment can be maintained only when all participants recognize the importance of upholding the highest ethical standards. All student work, including quizzes, exams, reports, and papers must be the work of the individual receiving credit. Academic dishonesty includes, for example, cheating on examinations or any assignment, plagiarism of any kind (including improper citation of sources), having someone else take an examination or complete an assignment for you (or doing this for someone else), or any activity in which you represent someone else's work as your own. Violations of academic integrity will be referred to the Office of Academic Integrity and Student Conduct and will affect your grade in this course. Please familiarize yourself with UCI's Academic Integrity Policy (<https://aisc.uci.edu/policies/academic-integrity/index.php>) and speak to me if you have any questions about what is and is not allowed in this course.

Course Materials:

All readings will be available on Canvas. You will not need to purchase any books for this class.

Course Schedule:

Week 1: Introduction

- **9/23 - Central Concepts: The Sources of US Power**

Readings

- Kirshner, Jonathan, “Realist Political Economy: Traditional Themes and Contemporary Challenges,” in Mark Blyth, ed., *Routledge Handbook of International Political Economy: IPE as a Global Conversation* (New York: Routledge, 2009)
- Hormats, Robert D., “The Roots of American Power,” *Foreign Affairs* 70:3 (1991)
- Gelb, Leslie H., “GDP Now Matters More Than Force: A US Foreign Policy for the Age of Economic Power,” *Foreign Affairs* 89:6 (2010)

Week 2: Early America: Isolationism and Infant Industry Policy

- **9/28 - Alexander Hamilton and Early American Protectionism**
- **9/30 - American Growth Under the *Pax Britannica***

Readings

- Mead, Walter Russel, “Hamilton’s Way,” *World Policy Journal*, 13:3 (1996)
- Lake, David, “International Economic Structures and American Foreign Economic Policy, 1887-1934,” *World Politics* 35:4 (1983)
- Zakaria, Fareed, *From Wealth to Power: The Unusual Origins of America’s World Role* (Princeton: Princeton University Press, 1998), ch. 1-2

Week 3: The Depression, the Tariff, and the War

- **10/5 - The Depression and the Smoot-Hawley Tariff**
- **10/7 - The Lend-Lease Act and Domestic Production During WWII**

Readings

- Eichengreen, Barry, “The Political Economy of the Smoot-Hawley Tariff,” *NBER Working Paper Series: Working Paper No. 2001*, 1986
- Irwin, Douglas A., “From Smoot-Hawley to Reciprocal Trade Agreements: Changing the Course of U.S. Trade Policy in the 1930s,” *NBER Working Paper Series: Working Paper No. 5895*, 1997
- Kindleberger, Charles, *The World in Depression: 1929-1939* (Berkeley: University of California Press, 1986), ch. 14

Week 4: The Post-War World Order I: Bretton Woods

- **10/12 - Midterm I**
- **10/14 - The Creation of the Post-War World Order**

Readings

- Bordo, Michael D., “The Operation and Demise of the Bretton Woods System: 1958 to 1971,” *Hoover Institution Economics Working Paper 16116* (2017)
- Ruggie, John Gerard, “International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order,” *International Organization* 36:2 (1982)
- Helleiner, Eric, “The Life and Times of Embedded Liberalism: Legacies and Innovations Since Bretton Woods,” *Review of International Political Economy* 26:6 (2019)

Week 5: The Post-War World Order II: Beyond Bretton Woods, and the Power of the Dollar

- **10/19 - Institutional Change and the Neoliberal Era**
- **10/21 - The Power of the Dollar**

Readings

- Williamson, John, “A Short History of the Washington Consensus,” *Law and Business Review of the Americas* 15:1 (2009)
- Kirshner, Jonathan, “Dollar Primacy and American Power: What’s at Stake?” *Review of International Political Economy* 15:3 (2008)
- Kirshner, Jonathan, “Bringing Them All Back Home? Dollar Diminution and U.S. Power,” *The Washington Quarterly* 36:3 (2013)

Week 6: Trade Regimes and Trade Sanctions

- **10/26 - From the GATT to the WTO**
- **10/28 - US Economic Sanctions**

Readings

- Crowley, Meredith A., “An Introduction to the WTO and GATT,” *Economic Perspectives – Federal Reserve Bank of Chicago* (2003)
- Robert A. Pape, “Why Economic Sanctions Do Not Work,” *International Security* 22:2 (1997)
- Kimberly Ann Elliott, “The Sanctions Glass: Half Full or Completely Empty,” *International Security* 23:1 (1998)
- Daniel W. Drezner, “The Hidden Hand of Economic Coercion,” *International Organization* 57:3 (2003)

Week 7: The Rise of China

- 11/2 - **China Rising: Investments Abroad and ‘One Belt, One Road’**
- 11/4 - **The US-China Economic and Strategic Balance**

Readings

- Drezner, Daniel W. “Bad Debts: Assessing China’s Financial Influence in Great Power Politics,” *International Security* 34: 2 (2009)
- Xiaotong, Zhang, and James Keith, “From Wealth to Power: China’s New Economic Statecraft,” *The Washington Quarterly* 40:1 (2017)
- Williams, Brock R., Ben Dolven, Ian F. Fergusson, Mark E. Manyin, and Michael F. Martin, “The Trans-Pacific Partnership: Strategic Implications,” *Congressional Research Service Report 7-5700* (2016)
- Gordon, Bernard K., “Trading Up in Asia: Why the United States Needs the Trans-Pacific Partnership,” *Foreign Affairs* 91:4 (2012)

Week 8: Midterm II

- 11/9 - **Midterm II**
- 11/11 - **No Class: Veteran’s Day**

Week 9: Contemporary Issues II: Domestic Structural Changes

- 11/16 - **Industrial Decline and Protectionism - 1970s - Present**
- 11/18 - **Outsourcing, Offshoring, and Demographic Change**

Readings

- Walt, Stephen M., “The United States Will Be Shocked by Its Future,” *Foreign Policy* (April 16, 2019)
- Ahmed, Salman, ed., *U.S. Foreign Policy for the Middle Class: Perspectives From Ohio*, Carnegie Endowment for International Peace (2018), *all*
- McQuarrie, Michael, “The Revolt of the Rust Belt: Place and Politics in the Age of Anger,” *British Journal of Sociology* 68:1 (2017)

Week 10: Contemporary Issues III: Populist Economics, the Trade War, and Disrupting the Global Trading System

- 11/23 - **The Trade War and US Participation in Trade Agreements**
- 11/25 - **No Class: Thanksgiving Break**

Readings

- Rho, Sungmin, and Michael Tomz, “Why Don’t Trade Preferences Reflect Economic Self-Interest?” *International Organization* 71 Supplement S1 (2017)

- Blinder, Alan S, “The Free-Trade Paradox: The Bad Politics of a Good Idea,” *Foreign Affairs* 98:1 (2019)
- Irwin, Douglas A, “The False Promise of Protectionism: Why Trump’s Trade Policy Could Backfire,” *Foreign Affairs* 96:3 (2017)
 - * *Useful Resource*: Bown, Chad P., and Melina Kolb, “Trump’s Trade War Timeline: An Up-to-Date Guide,” Peterson Institute for International Economics - Updated October 11, 2019

Week 11: The Future of the United States and the Liberal World Order

- **11/30 - Secular Decline or Messy Resilience?**

Readings

- Mearshimer, John J., “Bound to Fail: The Rise and Fall of the Liberal International Order,” *International Security* 43:4 (2019)
- Haass, Richard, “How a World Order Ends: And What Comes in Its Wake,” *Foreign Affairs* 98:1 (2018)
- Lind, Jennifer, and William C. Wohlforth, “The Future of the Liberal Order Is Conservative: A Strategy to Save the System,” *Foreign Affairs* 98:2 (2019)

Final Exam

- **Thursday, December 9th, 4:00-6:00pm**