

POL 385: International Political Economy

Princeton University
Fall 2025

Prof. Noah Zucker (noahzucker@princeton.edu)

Office hours: Tuesdays, 1:15–3:15 pm, 444 Robertson Hall ([sign up here](#))

Lecture: Tuesdays and Thursdays, 3:30–4:20 pm

Precept: TBA

How do states govern the global economy? How did the modern international economic order emerge? Why is it now under pressure? This course will explore the politics of tariffs and trade, money and finance, firms, climate change, and migration. We will analyze a range of theoretical approaches for understanding historical cases and current events. In a series of interactive case studies, you will step into the shoes of political leaders contending with real-world policy challenges, learning about the difficult tradeoffs they face and possible paths forward.

By the end of the course, you will be able to synthesize and critique key theories in international political economy, explain variation in empirical political-economic outcomes, and critically evaluate and persuasively communicate complex social scientific ideas.

The last class of each unit (trade, money, firms, climate, and migration) will be an interactive case study session. These sessions depend on your active and enthusiastic participation. In advance of three of these sessions, you will submit a memo proposing and defending a policy direction for the decision-maker featured in the study (max 1,200 words each; 35% of final grade). Guidelines for these memos will be provided in class. You will also be assessed on the basis of an in-person midterm exam on October 7 (20%), in-person final exam on December 13 (25%), and the quality of your participation in case study sessions and precepts (20%). See [here](#) for information on grading standards in the Department of Politics.

You will need to obtain the case studies through Harvard Business School. Go [here](#) to access the POL 385 coursepack: [REDACTED]. Create an account using your Princeton email and follow the instructions to purchase the cases for a small sum. Please let me know as soon as you can if you have any concerns about acquiring the coursepack.

Attendance at all lectures and precepts is required and will be recorded. If you have to miss class, contact your preceptor in advance. Active student participation is a central part of this class. In order to participate well, you should thoughtfully do the assigned readings prior to a given class. You should then attend your precept ready to offer your thoughts and ask questions. What are the strengths and weaknesses of their theoretical arguments? How convincing is the empirical evidence? How do readings relate to each other? What is confusing or not entirely convincing? Keep in mind that a valuable form of participation is asking questions about the material; you don't need to fully grasp the readings in order to participate well!

You are encouraged to follow current events relating to course topics. *Bloomberg*, *The Economist*, *The Financial Times*, *The New York Times*, and *The Wall Street Journal* have excellent coverage of the global economy; you should be able to access these publications through the Princeton University Library.

Worthwhile podcasts include [Marketplace](#), [Planet Money](#), [The Economics Show](#), [Macro Musings](#), [Odd Lots](#), [Sovereign Debt with Jill Dauchy](#), and [The New Bazaar](#).

Academic Integrity

I take academic integrity seriously. You are encouraged to collaborate with your classmates in working through course concepts and readings. You may ask classmates for feedback on your written work. But you remain fully responsible for doing all course readings and completing all course assignments. All work that you submit must be yours and yours alone. Ideas that you draw from elsewhere in written assignments must be properly cited (any standard style for the social sciences is fine).

If you are struggling with course material and assignment deadlines, please let me know. We can likely find a solution. Meeting with me, or submitting late and accepting a lower grade, is always better than cheating. Plagiarism can (and often does) come back to bite people many years later.

AI Policy

Generative AI is increasingly part of the world and has some useful applications. You are permitted to use AI in this course, with one strict exception: you may not copy any AI output into your written work, even if it is properly quoted and cited. You are also still expected to do all readings yourself.

While use of AI is technically permitted, I discourage it. There are a few reasons for this.

Narrowly, you will have to complete in-person exams in this course without reference to these aids. AI interpretations of academic work, proposals of research ideas, composition of essays, etc. are often of middling quality and easy to detect in student writing. Even if you happen to avoid detection, grades for AI-generated content will be worse than what you could earn by doing your own work.

More importantly, you are putting yourself at a serious long-term disadvantage if you use AI as a crutch now. Society and the marketplace reward people who think creatively and critically, and who can communicate their ideas well. Attending a school like Princeton is a remarkable opportunity to develop these skills. Relying on AI wastes this opportunity. The process of struggling through difficult class concepts, or the process of figuring out how to communicate and defend a complex idea in an essay, is training for your brain that will pay big dividends for you down the line.

Borrowing from Ken Schultz, “The most valuable part of the assignments [for this course] is the effort you put in, not the product. Moreover, generative AI applications ... are not designed to consider whether the answers that they provide are actually correct. The problem isn’t just that they sometimes get things wrong; it’s that *they do not care*. That indifference to truth is antithetical to the goals of this class, which prioritizes careful evaluation of theoretical and empirical claims.”

Evidence increasingly points to risks of AI reliance. [New work by Microsoft researchers](#) warns that use of generative AI “can inhibit critical engagement with work and can potentially lead to long-term overreliance on the tool and diminished skill for independent problem-solving.”

If you choose to use AI, I ask that you do so cautiously, creatively, and not as a means of avoiding doing work for the course. In all written assignments for this course, you must include a one-paragraph addendum in which you briefly describe and reflect on your use of AI (this will not count against word limits). You should be open and honest about your use of AI. If you did not use AI at all, you should state that and offer a short explanation for why. Submissions that do not include this addendum will be returned to you for correction and may be subject to a one-point penalty. Using these tools without disclosing when and how you used them is a violation of the University’s [academic regulations](#). Passing off AI-generated content as your own will be treated as plagiarism.

Accommodations

I am happy to make accommodations if you anticipate barriers to your learning in the course. I am better able to do so if you let me know about these challenges sooner rather than later. If you will require accommodations due to a disability, you must register with the [Office of Disability Services](#); you should do so as soon as possible. I encourage you to then contact me at the beginning of the semester, or whenever the barrier arises, and again before course assessments so we can implement your ODS plan.

You may also experience mental health challenges during the semester. I encourage you to make use of the [on-campus mental health services](#). If you have an urgent concern, you may [go here](#) for support. Counselors are available 24/7 through the CPS Cares Line (609-258-3141).

All the following readings are required unless otherwise stated. They will be posted to Canvas.

Introduction and Trade I: Fundamentals (September 2)

There is no required reading for this class.

Trade II: Protectionism (September 4)

1. Krugman, Obstfeld, and Melitz 2018, “The Instruments of Trade Policy,” in *International Economics: Theory and Policy* (11th edition), Pearson. [Pages 243–266. Can skip case studies.]
2. Irwin 1996, “Three Simple Principles of Trade Policy,” AEI Press. [Pages 2–27.]

Trade III: Distributive Politics and Institutions (September 9)

1. Alt and Gilligan 1994, “The Political Economy of Trading States: Factor Specificity, Collective Action Problems, and Domestic Political Institutions,” *Journal of Political Philosophy*.

2. Milner and Kubota 2005, “Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries,” *International Organization*.

Trade IV: International Conflict and Cooperation (September 11)

1. Krasner 1976, “State Power and the Structure of International Trade,” *World Politics*.
2. Bagwell and Staiger 2010, “The World Trade Organization: Theory and Practice,” *Annual Review of Economics*. [Pages 224–235 only.]
3. Smialek 2025, “[American Allies Want to Redraw the World’s Trade Map, Minus the U.S.](#),” *The New York Times*.

Trade V: Backlash (September 16)

1. Autor, Dorn, and Hanson 2025, “[How the China Trade Shock Impacted U.S. Manufacturing Workers and Labor Markets, and the Consequences for U.S. Politics](#),” Washington Center for Equitable Growth.
2. Baccini and Weymouth 2021, “Gone For Good: Deindustrialization, White Voter Backlash, and US Presidential Voting,” *American Political Science Review*.

Case Study I: India, 1991 (September 18)

- “India: Liberalize in the Face of Crisis?”

Money I: Exchange Rates (September 23)

1. Frieden 2015, *Currency Politics: The Political Economy of Exchange Rate Policy*, Princeton University Press. [Introduction only.]
2. Eichengreen 2019, *Globalizing Capital: A History of the International Monetary System* (3rd edition), Princeton University Press. [Chapters 2–3 only.]
3. Nelson 2025, “[As the Dollar Slides, the Euro Is Picking Up Speed](#),” *The New York Times*.

Money II: Exchange Rates, Continued (September 25)

1. Eichengreen 2019, *Globalizing Capital: A History of the International Monetary System* (3rd edition), Princeton University Press. [Chapter 4 only.]
2. Copelovitch and Pepinsky 2025, “The Political Economy of Shitcoins,” working paper.
3. Lowenstein 2011, “[The Nixon Shock](#),” *Bloomberg Businessweek*.

Money III: Debt (September 30)

1. North and Weingast 1989, “Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England,” *Journal of Economic History*.
2. Mosley and Rosendorff 2025, “[Good to Know: Sovereign Debt](#),” *Good Authority*.
3. Xie 2025, “[The Bond Investors Threatening Trump’s ‘Big, Beautiful’ Tax Bill](#),” *Bloomberg*.

Money IV: Financial Crises (October 2)

1. Frieden and Walter 2017, “Understanding the Political Economy of the Eurozone Crisis,” *Annual Review of Political Science*.

Case Study II: Greece, 2012 (October 7)

- “To Grexit or Not? Politics and Greece’s Sovereign Debt Crisis.”

Midterm Exam (October 9)

The midterm exam will consist of short answer questions and one short essay. It will be held in person.

Fall Break (October 13–17)

No class.

No Class (October 21)

No Tuesday lecture (subject to change).

Firms I: Fundamentals (October 23)

1. Bombardini and Trebbi 2025, “The Political Power of Firms,” in the *North Holland Handbook of Political Economy*. [Pages 1–35 only.]
2. Hall and Deardorff 2006, “Lobbying as Legislative Subsidy,” *American Political Science Review*. [Pages 69–73 only.]

Firms II: Foreign Direct Investment (October 28)

1. Jandhyala, Henisz, and Mansfield 2011, “Three Waves of BITs: The Global Diffusion of Foreign Investment Policy,” *Journal of Conflict Resolution*.
2. Hamby 2016, “[The Court That Rules the World](#),” *BuzzFeed News*. [Can skip the case studies.]

Firms III: Regulation (October 30)

1. Malesky and Mosley 2018, “Chains of Love? Global Production and the Firm-Level Diffusion of Labor Standards,” *American Journal of Political Science*.
2. Malhotra, Monin, and Tomz 2019, “Does Private Regulation Preempt Public Regulation?,” *American Political Science Review*.

Case Study III: Ireland, 2010 (November 4)

- “Foreign Direct Investment and Ireland’s Tiger Economy.” (Note there are parts A and B.)

Climate I: Natural Resources (November 6)

1. Sokoloff and Engerman 2000, “History Lessons: Institutions, Factor Endowments, and Paths of Development in the New World,” *Journal of Economic Perspectives*.
2. Ross 2008, “Oil, Islam, and Women,” *American Political Science Review*.
3. Robertson 2018, “[In Coal Country, the Mines Shut Down, the Women Went to Work and the World Quietly Changed](#),” *The New York Times*.

Climate II: International Cooperation (November 11)

1. Falkner 2016, “The Paris Agreement and the New Logic of International Climate Politics,” *International Affairs*.
2. Lustgarten 2022, “[The Barbados Rebellion](#),” *The New York Times*.

Climate III: Domestic Barriers (November 13)

1. Bush and Clayton 2023, “Facing Change: Gender and Climate Change Attitudes Worldwide,” *American Political Science Review*.
2. Colantone et al. 2024, “The Political Consequences of Green Policies: Evidence from Italy,” *American Political Science Review*.

Climate IV: Catalysts (November 18)

1. Bolet, Green, and González-Eguino 2024, “How to Get Coal Country to Vote for Climate Policy: The Effect of a ‘Just Transition Agreement’ on Spanish Election Results,” *American Political Science Review*.
2. Clark and Zucker 2024, “Climate Cascades: IOs and the Prioritization of Climate Action,” *American Journal of Political Science*.

Case Study IV: Brazil, 2019 (November 20)

- “Global Climate Cooperation and Conflict: Brazil and the Paris Agreement.”

Migration I: Migrants and Natives (November 25)

1. Dancygier 2010, *Immigration and Conflict in Europe*, Cambridge University Press. [Chapters 1–2 only.]
2. Tabellini 2020, “Gifts of the Immigrants, Woes of the Natives: Lessons from the Age of Mass Migration,” *Review of Economic Studies*.

Thanksgiving Break (November 27)

No class.

Migration II: Policy Choice (December 2)

1. Peters 2014, “Trade, Foreign Direct Investment, and Immigration Policy Making in the United States,” *International Organization*.
2. Gaikwad and Nellis 2020, “[Investigating Discrimination Against Migrants in Urban India: The Electoral Connection](#),” Center for the Advanced Study of India.
3. Bustillo 2025, “[After Early Reprieve from Immigration Enforcement, Farming Industry Reckons with Raids](#),” *National Public Radio*.

Case Study V: Germany, 2015 (December 4)

- “Wilkommen to Europe: The Political Economy of Migration Policy in Germany.”

Final Exam (December 13, 8:30–11:30 am)

The final exam will consist of short answer questions and short essays. It will be held in person.