

**School:** Lauder School of Government, Diplomacy & Strategy B.A

## Economics and Diplomacy

**Lecturer:**

Dr. Uri Ullmann ullmannu@idc.ac.il

**Teaching Assistant:**

Ms. Tali Farkas farkas.tali@post.idc.ac.il

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Course No.:	Course Type :	Weekly Hours :	Credit:
3107	Lecture	2	2

Course Requirements :	Group Code :	Language:
Final Paper	212310700	English

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## Course Description

Traditional diplomacy dealt with political and military issues that were defined by many scholars as “High Politics”. In contrast, economic, social and cultural issues were labeled “Low Politics”. Since the second half of the 20<sup>th</sup> century economic diplomacy has been perceived as an integral part of “High Politics”. This is emphasized by economic summits where attention is focused on economic matters alongside political and military problems that are part of the global agenda. At a regional level, the peace process in the Middle East included multilateral economic conferences parallel to political conferences. Another example is the Barcelona process which included cooperation on three dimensions: economic as well as political and cultural.

The course will define the concept economic diplomacy, examine its unique features and will explore its developments in the early years of the 21<sup>st</sup> century .

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## Course Goals

Three principal goals:

1. To introduce concepts related to economic diplomacy.
  2. To introduce and analyze international political and economic issues pertaining to the international system.
  3. To explain the complexity and the dynamics of the international economic system.
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## Grading

Your final grade will be based on a written paper. It will count for 100% of the Grade. You will receive 8 subjects a month prior to the due date and you will have to choose only one. The topics will be published on June 1st, 2021. Submission date is on July 2nd, at 1200 a.m. (Israeli Time ). The paper will be based on class lectures, required readings as well as any bibliography that you will choose. The paper will be between 4 - 5 pages long (not longer ) and 1.5 line spacing, font: Times New Roman,

There is a possibility (not always the case) that 5 - 8 students who will participate actively will receive 3 – 5 additional points to their final grade.

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## Lecturer Office Hours

Every Wednesday between 1715-1815. Immediately after class' lectures.

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## Teaching Assistant

Ms. Tali Bechar - Farkas. Ms. Bechar - Farkas will provide specific office hours by appointments.

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## Reading List

:Basic Book

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

### Course Outline and Reading Requirements:

**There is a possibility that not all subjects will be covered.**

\*Optional, recommended not required for the test!

Lesson # 1: Introduction to International Political Economy: Basic concepts – Politics; economics; foreign policy and diplomacy.

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. Chs. Chs. 1– 2. & Ch.10. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

\* Robert O. Keohane, (1984) **After Hegemony: Cooperation and Discord in the World Political Economy** Ch. 2. (pp 18-30) → (337 KEO) 1 copy + 1 red copy

Lesson # 2: 1. What is Economic Diplomacy?

2. The International Political System

David A. Baldwin, (1985) **Economic Statecraft** Ch. 3. (pp. 29-50) → (337 BAL) 1 red copy

Pinder John, “Economic Diplomacy” in Rosenau N. James; Kenneth W. Thompson and Gavin Boyd **World Politics** The Free Press Ch. 14 pp. 312-336 JX1395R813

→ (327 WOR) 1 red copy

\* Deutsch Karl W. (1989) **The Analysis of International Relations** Ch. 9 “How Foreign policy is Made” (esp. Economic Interests in Foreign Policy), 3<sup>rd</sup> edition Prentice Hall of India New Delhi pp 99-105 → (327DEU) 1 copy

\* John Gerard Ruggie “International regimes, transactions and change: embedded liberalism in the postwar economic order” in S. D. Krasner (1983) (ed) International Regimes Cornell University Press. pp. 273-314. → (341.2 INT) 2 copies

\* Benjamin J. Cohen “Balance of payments financing: evaluation of a regime” in S. D. Krasner (ed.) (1983) International Regimes, Cornell University Press. pp. 315 – 336. → (341.2 INT) 2 copies

\* Van Bergeijk Peter A.G. (1994) Economic Diplomacy, Trade and Commercial Policy: Edward Elgar Pub. ch.1: Economic Limits to Modern Diplomacy. pp 1-17. HF 1413.5 B47 → (337 BER) 1 copy + 1 red copy

\* De Anne Julius “Economic Interests and Policy Priorities” in Olson William C.(ed) (1996) The Theory and Practice of International Relations : Perentice Hall Englewood Cliffs N J (8<sup>th</sup> edition) pp 169-176 → (327 THE) 1 copy

Lesson # 3: The Global Economic Environment: 1. International Trade System  
2. The International Monetary System

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds.) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. Ch. 4 & Ch. 8 & Chs. 22 – 23. & Ch. 15 → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

\* Czinkota Michael R, Ronkainen Ilkka A, Moffett Michael H, (1996) International Business 4<sup>th</sup> Edition pp. 116 – 132. → (337 CZI) 2 copies

Lesson # 4: Economic Issues pertaining to the Developed Countries.

\*Joan E. Spero and Jeffrey A.Hart (1997) The Politics of International Economic Relations(5<sup>th</sup> edition) Chs. 2 - 3 pp. 8-95. → (337 SPE) 1 copy + 1 red copy

\* Goodman and Pauley “The Obsolescence of Capital Controls? Economic Management in the Age of Global Market” in Jeffrey A. Frieden and David A. Lake, (1995) International Political Economy HF 1411F737 → (337 INT) 2 copies + 1 red copy

\* Charles Lipson “International regimes of trade: the sources and effects of regime change” in S. D.Krasner (ed.)(1983) International Regimes, Cornell University Press. pp. 233 - 271. → (341.2 INT) 2 copies

Lesson # 5: The Economic Summits.

2 articles will be assigned.

Lesson 6 – 7: Multilateral Diplomacy – 1. The Global Institutions: GATT; WTO;  
IMF, The World Bank and the OECD.

## 2. The Regional Banks.

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds.) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. Chs. 16 – 17 and Chs. 19 – 21. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

\* Stephen D. Krasner, “The Tokyo Round: Particularistic Interests and Prospects for stability in the Global Trading System” in Jeffrey A. Frieden and David A. Lake (1987) International Political Economy (pp. 359-370) → (337 INT) 2 copies + 1 red copy

\* Gabay Meir, “The Significance of the Uruguay Round of Multilateral Trade on the World Trade System” in Toviás A. Wacker U. (eds.) (1997) The World Trade System After the Uruguay Round (pp 1-18). → (382.92 WOR) 1 red copy

\* Blakhurst Richard, “Systematic Implications of the Uruguay Round” in Toviás A. Wacker U. (eds.) (1997) The World Trade System After the Uruguay Round (pp 19-50). → (382.92 WOR) 1 red copy

\* Javed A. Ansari (1986) The Political Economy of International Economic Organization Ch. 7 (pp.185 - 225) HF1411. A55 → (337 ANS) 1 red copy

\* Frans A.M. Alting von Geusau (ed.) (1969) Economic Relations After the Kennedy Round Ch.1. and Ch. 8 (pp. 20-47& 146-198 respectively). → (338.91 ECO) 1 copy

\* VanBergeijk Peter A G. (1994) Economic Diplomacy Trade and Commercial Policy Edward Elgar Pub. Chs. 5 & 8. → (337 BER) 1 copy + 1 red copy

Lesson # 8: Economic Issues pertaining to the relations between the LDC’s and the Developed Countries: The Paris Club.

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. Chs. 12 – 13. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

David A Baldwin,(1985) Economic Statecraft) Ch 3, (pp. 29-50). → (337 BAL) 1 red copy

\*Rom Michael, “Some Early Reflections on the Uruguay Round Agreement as Seen from the Viewpoint of a Developing Country” in Toviás A. Wacker U. (eds.) (1997) The World Trade System After the Uruguay Round ) (pp 273 - 320). → (382.92 WOR) 1 red copy

\* Joan E. Spero and Jeffrey A. Hart (1997) The Politics of International Economic Relations (5<sup>th</sup> edition) Ch. 6 (pp 167- 214). → (337 SPE) 1 copy + 1 red copy

\* Van Bergeijk Peter A.G. (1994) Economic Diplomacy, Trade and Commercial Policy: Ch. 2; Economic Sanctions an Inefficient Instrument? pp. 19-44. → (337 BER) 1 copy + 1 red copy

\* Robert Z. Aliber "The Debt Cycle in Latin America" in Jeffrey A. Frieden and David A. Lake (1991) International Political Economy (pp.313 - 315) HF 1411F737 → (337 INT) 2 copies + 1 red copy

\* Manuel Pastor Jr. "Latin America, the Debt Crisis and the IMF" in Jeffrey A. Frieden & David A. Lake (1991) International Political Economy (pp. 320-334) HF1411F737 → (337 INT) 2 copies + 1 red copy

\* Albert Fishlow "The Debt Crisis in Historical Perspective" in Miles Kahler (ed.) (1986) The Politics of International Debt pp. 37 - 94 HJ8083.P65 → (327.111 POL) 1 copy

\* Robert E Wood (1986) From Marshall Plan to Debt Crisis: Foreign Aid and Development Choices in the World Economy Chs. 1 & Ch. 6 (pp 29-67, 232-269) HC60.W62 → ON ORDER

Lesson # 9: The MNC's and the National Actor. a guest lecturer is a possibility.

Jerney S. Taylor (2005), "Private – Sector Diplomacy: The Role of Business in International Economic Affairs", in Muldoon James P. Junior., JoAnn Fagot Aviel, Richard Reitano and Earl Sullivan, Multilateral Diplomacy and the United Nations Today, Westview Press, USA, Ch .10, pp. 136 -147. → (327.2 MUL) 2 copies

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), International Political Economy: State – Market Relations in a Changing Global Order, Palgrave. Chs. 24 – 25. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

\* Joan E. Spero and Jeffrey A. Hart, (1997)The Politics of International Economic Relations (5<sup>th</sup> edition) Ch. 4 & 8 (pp. 96-148, 249-276 respectively). → (337 SPE) 1 copy + 1 red copy

\* Lynn Krieger Mytelka "Knowledge - Intensive Production and the Changing Internationalization Strategies of Multinational Firms in James A. Caporaso (ed) (1987) A Changing International Division of Labor pp. 43-70 HF1410.1579 → (337.05 CHA) 1 copy

\* Theodore H. Moran (ed) Multinational Corporations: The Political Economy of Foreign Direct Investment (1985) Chs. 5 and 13 (pp 107 - 118 and 263-278) skim through Chs. 2-4 & Ch.10 HD2932.M84 → (338.88724 MUL) 1 copy

Lesson # 10 - 11: Economic Diplomacy of the European Union: Focus on the

Economic Dimension: The Single European Market

The European Union.

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), International Political Economy: State – Market Relations in a Changing Global Order, Palgrave. Ch. 18. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

\*Ronald Tiersky (ed) Europe Today (2004) Chaps 2 –3 and 5.

Lesson # 12: Economic Diplomacy of a Superpower – The USA.

\* Theodore H. Moran, (1993) American Economic Policy and National Security. 98p → (338.973 MOR) 1 copy

\* Peter J. Katzenstein (ed.) (1978) Between Power and Plenty: Foreign Economic Policies of Advanced Industrial States. Chs. 3 pp 23 – 89 → (382.1 BET) 1 copy

\* Judith Gloldstein “Ideas, Institution and Trade Policy” International Organization vol 42(1), (Winter 1988) pp 179-218 → Journal

\* Helen Milner “Resisting The Protectionist Temptation: Industry and the Making of Trade Policy in France and the United States During the 1970’s” International Organization Vol. 41(4) (Fall 1987) pp. 639-665 → Journal

Lesson # 13: Economic Diplomacy of a Regional Power: Germany.

\* Peter J. Katzenstein (ed.) (1978) Between Power and Plenty: Foreign Economic Policies of Advanced Industrial States, The University of Wisconsin Press. Ch.6 pp. 191 – 224. → (382.1 BET) 1 copy

Lesson # 14: 1. The Formulation of Israel’s Economic Diplomacy.

2.: Economic Diplomacy in the 21<sup>st</sup> Century – Where to ?.

2 articles will be assigned.

C. Roe Goddard, Patrick Cronin & Kishore C. Dash (eds) (2003), **International Political Economy: State – Market Relations in a Changing Global Order**, Palgrave. Ch. 26. → (332.042 INT) 3 copies + 1 red copy (at circulation desk)

Additional sources of information:

[www.g7.utoronto.ca](http://www.g7.utoronto.ca)

[www.imf.org](http://www.imf.org)

[www.oecd.org](http://www.oecd.org)

[www.worldbank.org](http://www.worldbank.org)

[www.wto.org](http://www.wto.org)

*Good Luck in the Course and Enjoy Your Social Life*