



## **Sommersemester 2015**

### **Seminar: Global Political Economy and Critical Theory - History and Practice of Globalisation**

— **Dr. George Robert Lambie / Dipl.-Pol. Stefan Robel**

Freitag, 4. DS, zu nachfolgenden Terminen:  
24.04. und 15.05. in HSZ/E03  
05.06. und 12.06. in GER/54

— Blockveranstaltung vom 29.06.-03.07.2015

29.06.	13:00-16:20	SCH/A214
30.06.	11:10-16:20	SCH/ A3
01.07.	13:00-14:30	S07/E02
02.07.	14:50-16:20	WIL/ A221
03.07.	13:00-14:30	WILL/C205

Angeboten für: MA-IB-GPOE-IP, 2. Fachsemester, Pflichtveranstaltung;  
(außerdem möglich bis Immatrikulationsjahrgang 2013: MA-IB-S-IP, MA-IB-E).

### **Course Description**

Globalisation is a much contested topic and invites many definitions and explanations; a diversity which has its roots in the separate and sometimes conflicting theoretical approaches of single disciplines. Economics, International Relations, History, Politics, Sociology, Business Studies etc have their distinct approaches to globalisation which singularly, and combined, make valuable contributions to the study of this process, but overall leave the impression that globalisation is beyond interpretation and is only open to a variety of observations. Within these disciplines there are separate perspectives,

which again add to this diversity. International Political Economy (IPE) is another academic approach which seeks to explain globalisation. While IPE does not claim any interpretive superiority, its interdisciplinary analysis of a complex phenomenon like globalisation offers insights which other disciplines may not be equipped to provide. The first part of this course, *Critical Theory and Global Political Economy*, tries to put into perspective the somewhat uneasy relationship between 'mainstream theories of IR' – e.g. (Neo-)Realism, (Neo-)Institutionalism and some variants of Constructivist IR - and so-called 'Critical' approaches to International Political Economy (IPE). Is the term 'Critical Theory' just another ingenious label (as, e.g., 'Realism') or is there something particularly 'critical' about Critical Theory and, if so, what is it? How does the critiques of Critical Theory approaches towards mainstream IPE/IR (e.g. Robert Cox, Susan Strange, Kees van der Pijl) relate to prominent inter-mainstream critiques of IPE and IR theories (e.g. Robert Keohane and Steve Smith)?

In the second part of the seminar, *History and Practice of Globalisation*, an IPE approach is applied to explain and analyse the history and practice of Globalisation. The IPE perspective adopted in this series of lectures seeks to understand globalisation as a 'totality'; an 'epochal shift' within capitalism which transforms virtually everything we do and experience. From this view it has a historical background and in economic terms is principally associated with the deregulation of international finance, a technological revolution, especially in microelectronics, and the transnationalisation of production processes. Such developments are complemented and facilitated by ideological and political changes that have taken place during the last two decades of the twentieth-century; most notably the rise of neo-liberalism and the collapse of Soviet style communism.

Whereas the first section of the seminar aims at giving you a perspective on the theories and debates within the discipline of IPE and its relation to more mainstream approaches, the second section seeks to use these ideas in practice to explain the background, contexts and prospects for globalization.

## Course Requirements

Regular and **active participation**, a **seminar presentation** and an **academic essay**; different module requirements will be considered. Each participant will be required to make at least one individual contribution (there will be no exceptions from this general rule).

Seminar **presentations** can be held in Parts I or II of the seminar (group presentations in Part II, shorter presentations of one or two students (*Impulsreferate*) in Part I).

The academic **essay** will have to deal with one of the topics offered in Part II of the seminar.

# Course Contents

## PART I. INTRODUCTION: CRITICAL THEORY AND GLOBAL POLITICAL ECONOMY

**1. Introductory session** (FR., 24.04., 4. DS, in Raum: HSZ/E03 )

**READING WEEK** (no session on 08.05.)

Whilst there will be no session on May 8, read or re-read the following (classical) texts (you should be aware of its contents to participate in and make proper use of the discussions in the following sessions 2.-4.):

*Cox, Robert W., 1981: 'Social Forces, States and World Orders: Beyond International Relations Theory', in: Millennium 10: 2, 126-55.*

*Moolakkattu, John S., 2009: Robert W. Cox and Critical Theory of International Relations, in: International Studies 46, 439-56.*

*Strange, Susan, 1995. Political Economy and International Relations, in: Ken Booth and Steve Smith (eds.): International Relations Theory Today, Cambridge U.P., 155-74.*

*Underhill, Geoffrey R.D., 2000: State, Market and Global Political Economy. Genealogy of an (Inter-?) Discipline, in: International Affairs 76, 4, 805-824.*

### **2. International Political Economy as a Critique of International Relations Theory: Susan Strange's critique of IR theory and her argument for a 'Critical' IPE**

(FR., 15.05., 4. DS, in Raum HSZ/E03)

Required reading:

*Strange, Susan, 1982: Cave! Hic dragones: a critique of regime analysis, in: International Organization 36, 479-96.*

*Brown, Chris, 1999: Susan Strange – A critical Appreciation, in: Review of International Studies 25: 3, 531-35.*

### **3. A Mainstream Critique of International Relations theory? Steve Smith's "Singing Our World Into Existence"**

(FR., 05.06., 4. DS, in Raum GER/54)

Required reading:

*Presidential Address to the International Studies Association (ISA), February 27, 2003, Portland, OR, available online: <http://www.jstor.org/stable/3693520>.*

#### **4. A Mainstream Critique of International Political Economy? Robert Keohane's "The old IPE and the new"**

(FR., 12.06., 4. DS, in Raum: GER/54)

##### Required reading:

in: *Review of International Political Economy*, 16: 1, 34-46, available online:  
<https://www.princeton.edu/~rkeohane/publications/RIPEfinal.pdf>)

## **PART II. THE HISTORY AND PRACTICE OF GLOBALISATION**

### **Monday 29 June – Friday 3 July**

This section will be composed of six lectures of approximately one hour, four tutorials of 45 -60 minutes and videos.

#### **Tutorials**

- There will be four tutorials which will be distributed approximately between student numbers (e.g. 20 students – 5 per tutorial).
- The division of time should be about 20 minutes for oral presentations and 25 minutes for class discussion based on the tutorial topics.
- Tutorial topics are a guide and while you should attempt to address most of the questions, you are free to give priority according to preference and design your responses based on your own research and interpretations.
- It is envisaged that the class discussion after the presentation may focus on detailed analysis of one or a few topics, not all.
- Participants may organize the way they prepare and present the tutorials as they wish. However if there are above 5 per group, it might be best to have some group members do more background writing/research, and not be involved in the oral presentation.
- Marks will be allocated to groups not individuals.
- Suggestions for reading are indicative and you will only be expected to read what you deem is necessary for the tutorial. You are also encouraged to supplement your reading with alternative materials you have identified that are relevant to the topic.
- **Each lecture will be supported by a set of notes that will be made available before the seminar/tutorial.**

## Section A. The World before Globalization

### **Monday 29 June: 13:00-16:20 in SCH/A214**

**Introductions and questions** - 13:00- 13:30

**Lecture 1** – 13:30 – 14:30. *Laissez Faire to 'Embedded Liberalism': Re-alignment of the international system.*

(The Great Depression; Fordism; the Second World War; Bretton Woods; Keynesianism; the 'national' state; mixed economy; US hegemony and the 'dollar system').

Break and discussion - 14.30 – 15:00

**Lecture 2** – 15:00 – 15:45. *Challenges to 'embedded liberalism and the collapse of the Bretton Woods system.*

*(Hegemonic legitimacy – the US Dollar; the Eurodollar Market; oppositional forces – MNCs, international finance, neo-liberal ideas, deregulatory pressures; the Nixon shock; OPEC and the 'Petro-dollar'; the hegemony of capital and the rise of the political 'Right'.*

Video - 15:50 – 16:20 – First 30 minutes of 60 minute documentary 'The Mayfair Set' – Part 3

### **Tuesday 30 June : 11:10 – 16:20 in SCH/ A3**

**Tutorial One** – 11:10 – 12:00 - The Bretton Woods System: its formation and the challenges it faced

Seminar topics:

1. What was the impact of the Great Depression and the failure of the international system on economic and political thinking of the time?
2. What were the main arguments put forward in favour of state intervention in the economy by the British economist John Maynard Keynes?
3. What were the key decisions that would shape the world financial system at Bretton Woods?
4. Why and how did the US support the reconstruction of Europe?
5. Describe the key elements of the post-war financial system?
6. What do you understand by the 'Fordist' mode of production?
7. Why was a welfare state important to maintain 'Fordism'?
8. Which forces rejected the 'embedded liberalism' of the post-war period?

9. What challenges were there to the Bretton Woods system?
10. How and why was the Eurodollar Market important in deregulating finance?
11. Why did President Nixon take the momentous decision in 1971 to de-link the US Dollar from gold?
12. What do you understand by the 'petro-dollar'?

Indicative reading:

- Cain, Peter J. & Hopkins, Anthony G., 1993. *British Imperialism: Crisis and Destruction 1914-1990* (Vol.2) (London: Longman).
- Drucker, Peter, 2001. 'Colonialism, Capitalism and Eurocentrism: What Made Capitalism Win?': <http://www.solidarity-us.org/node/1020> Dialogue: Why Did Capitalism Win?
- Galbraith, John Kenneth, 1994. *The World Economy Since the Wars* (London: Trafalgar Square). First eleven chapters. Good for all questions.
- Gill, Stephen & Law, David, 1988. *The Global Political Economy* (New York: Harvester) - relevant sections.
- Helleiner, Eric, 1994. *States and the Reemergence of Global Finance* (London: Cornell U.P.) – relevant sections.
- Meiksins Wood, Ellen, 1998. 'The Agrarian Origins of Capitalism', *Monthly Review*, July-August. <http://monthlyreview.org/1998/07/01/the-agrarian-origins-of-capitalism>
- Moffitt, Michael, 1983. *The World's Money: International Banking from Bretton Woods to the Brink of Insolvency* (New York: Simon & Schuster).
- Lambie, George, 2013. 'Globalisation Before the Crash: the City of London and UK Economic Strategy'. *Contemporary Politics*, vol. 19, issue 3, September: 339-360. Especially sections on the Eurodollar Market.
- Stubbs, Richard & Underhill, Geoffrey, 2005. *Political Economy and the Changing Global Order* (Basingstoke: Macmillan) relevant chapters.
- Van Dormael, Armand, 1978. *Bretton Woods: Birth of a Monetary System* (New York: Holmes & Meier)

## **Section B. Globalization Empowered**

**Lecture 3** – 12:00 – 13:00. *Globalisation and Developing Countries.*

(The background to underdevelopment; post-colonialism; imperialism; post-war 'development theory' – structuralism, world systems, dependency theory; the Eurodollar Market; debt; Structural Adjustment Programmes (SAPs); Foreign Direct Investment (FDI); 'competitive insertion in the global economy'; multinationals to transnational corporations; Global Production Chains).

**Lunch** – 13:00-14:00

### **Section C. The Contexts of Globalisation**

**Lecture 4** – 14:00-15:00. *Globalisation: the State and Democracy*

(From state centered development to transnational markets; the globalizing state; definitions of democracy; national politics and global power structures; promoting 'polyarchy').

**Video** – 15:00-15:30 remaining 30 minutes of the Mayfair Set part 3

**Lecture 5** – 15:30 – 16:20. *The Global Financial Crisis of 2008*

(Causes; consequences; structural impasses; attempts to find a solution - the Eurobond etc).

**Wednesday 1 July: 13:00 – 14:30 in S07/E02**

**Tutorial Two - 13:00 – 13:50. Multinationals – Transnationals; Development or 'Competitive Insertion in the Global Economy'; the prospects for developing nations**

Seminar topics:

1. Why are some parts of the world 'underdeveloped'?
2. What do you understand by the term 'Third World'?
3. What are the main arguments of pre globalisation 'development theories'?
4. Why was the notion of 'structuralist development' replaced by ideas influenced by 'global competitiveness'?
5. How did the OPEC oil price rises help to incorporate developing countries into the globalisation process?
6. What is the form taken by 'Structural Adjustment Programmes' (SAPs)?
7. How is the progress of less developed countries seen in the context of globalisation?
8. What are the main points of Robinson's argument regarding 'development'?
9. Do you see the BRICS nations as viable development models?

Indicative reading:

- Dunning, John., 1993. *Multinational Enterprises and the Global Economy* (Wokingham: Addison-Wesley).
- Hidalgo Capitán, working paper on 'Development Theories'. **To be supplied**

- Hirst, P. &Thompson, G., 1996. *Globalisation in Question: The International Economy and the Possibilities*.
- Hoogvelt, A., 1997. *Globalisation and the Postcolonial World: The New Political Economy of Development*
- Kay, C., 1989. *Latin American Theories of Development and Underdevelopment*
- Lambie, G. 'The Changing Political Economy of Latin America: From Laissez Faire to Neoliberalism and Beyond', Consortium for Latin America Business Schools (CLADEA) conference 2006. **To be supplied**
- Leys, C., 1996. *The Rise and Fall of Development Theory*
- Robinson, W.I., 2002. 'Remapping Development in the Light of Globalisation: From a Territorial to a Social Cartography'. Crow, Ben &Thorpe, Mary, 1988. *Survival and Change in the Third World* (Oxford University Press), first chapter.
- Sklair, L., 2000. 'Global Capitalism and Sustainable Development: Exploring the Contradictions', in *Shared Space: Rethinking the US-Mexico Border Environment*.
- Helleiner, Eric, 1994. *States and the Reemergence of Global Finance* (London: Cornell U.P.).
- Korton, David, 1995. *When Corporations Rule the World* (West Hartford, CT: Kumarian).
- Ohmae, Kenichi, 1990. *The Borderless World* (London: Collins).
- Robinson, William, 2004. *A Theory of Global Capitalism. Production, Class and State in a Transnational World* (Baltimore, MD: John Hopkins University Press). Selected sections
- Strange, Susan, 1997. *Casino Capitalism* (Oxford: Basil Blackwell)

Assignment/essay discussion: **13:50 – 14:30**

**Thursday 2 July: 14:50 – 16:20 in WIL/A221**

**Tutorial Three - 14:50 – 15:50 – Globalisation: the State and Democracy**

Tutorial topics:

- 1) What are the main views of the impact of globalization on the state?
- 2) What does the Mayfair Set documentary show us about the changing relations between politics and the state and business?
- 3) What do you understand by the concept of the 'Transnational State'?
- 4) How would you distinguish between democracy in the Western powers during the era of 'embedded liberalism' and democracy during the era of globalization?
- 5) What do you understand by the term 'democracy promotion'?
- 6) Explain the differing views of 'polyarchy' expressed by Dahl and Robinson.



Indicative reading:

## Democracy

- Boron, Atilio, 1997. 'Democracy or Neoliberalism?', *Boston Review*. <http://bostonreview.net/BR21.5/boron.html>
- Cerny, Philip, 1997. 'Globalisation and the Erosion of Democracy', paper presented at ECPR conference (Bern: Switzerland), 27 Feb. - 4 March. **To be supplied.**
- Fukuyama, Francis, 1989. 'The End of History', *The National Interest* (Summer):3-18.
- Held, David, 2006. *Models of Democracy* (Redford City, CA: Stanford U.P.)
- Huntington, Samuel, 1984. 'Will More Countries Become Democratic' *Political Science Quarterly*, 99, No.2.
- Robinson, William, 1996. *Promoting Polyarchy: Globalization, U.S. Intervention, and Hegemony* (Cambridge U. P.).
- Snyder, Michael, 2011. 'Poverty In America: A Special Report', <http://www.zerohedge.com/node/438067>.

## The state

- The History of "REGIME CHANGE": William Blum – April 2012. <http://www.globalresearch.ca/syria-nato-s-next-humanitarian-war/>
- Cerny, Philip, 1996. 'International Finance and the Erosion of State Policy Capacity', in Grummett, P. ed., *Globalisation and Public Policy* (Cheltenham: Edward Elgar, Studies in International Political Economy).
- Hirst, Paul & Thompson, Grahame, 1996. *Globalisation in Question: The International Economy and the Possibilities* (Cambridge: Polity Press).
- Horsman, Mathew & Marshall, Andrew, 1994. *After the Nation-State* (New York: HarperCollins).
- Moran, Michael, 1991. *The Politics of the Financial Services Revolution: The U.S.A., U.K., and Japan* (Basingstoke: Macmillan).
- Robinson, William, 1999. 'Capitalist Globalisation and the Transnationalisation of the State' presented at a workshop entitled 'Historical Materialism and Globalisation', University of Warwick, 15-17 April. **To be supplied.**
- Strange, Susan, 1999. *The Retreat of the State. The Diffusion of Power in the World Economy* (Cambridge Studies in International Relations: Cambridge UP).
- Underhill, Geoffrey, 2001. 'States, Markets and Governance: Private Interests, the Public Good and the Democratic Process' Inaugural Lecture (Professorship of International Governance), University of Amsterdam, Faculty of Social and Behavioural Sciences.

**Lecture 6** - 15:50 – 16:20 – ‘Globalisation in Question!’: Challenges to Western led globalisation: from transnationalisation to multipolarity?

(Global debt; the rise of the BRICS; the decline of the ‘petrodollar’; global currency ‘reset’; changing international alignments)

**Friday 3 July - 13:00 – 14:30 in WIL /C205**

**Tutorial Four.** 13:00 – 14:00. Global Financial Crisis. Transnationalisation or Multipolarity?

- 1) How would you interpret the main structural factors that led to the financial crisis that began in 2008?
- 2) What do you understand by ‘quantitative easing’ and can it solve the problem of economic stagnation?
- 3) What are the challenges to the US Dollar in the world of ‘quantitative easing’?
- 4) Can the new alliance between Russia and China and the BRICS cooperation create an alternative currency regime to the USD?
- 5) What do you understand by the Euro-Asian trade zone?
- 6) The Trans Atlantic Trade and Investment Partnership (TTIP) has been seen by its opponents as a ‘corporate colonisation’ of public space and serves to weaken the nation state. Discuss
- 7) Is Western Europe turning East to find an alternative to the problems of the US dollar and the foreign policy that attempts to maintain its hegemonic status?

Indicative Reading:

- Evans, Trevor, 2010. Five explanations for the international financial crisis. Institute for International Political Economy, Berlin, Working Paper, No. 08/2010. [http://www.ipe-berlin.org/fileadmin/downloads/working\\_paper/ipe\\_working\\_paper\\_08.pdf](http://www.ipe-berlin.org/fileadmin/downloads/working_paper/ipe_working_paper_08.pdf)
- Lambie, George, 2010. ‘Nemesis of ‘Market Fundamentalism? The Ideology, Deregulation and Crisis of Finance’, *Contemporary Politics*, 15 (2):157-177. <http://www.tandfonline.com/doi/abs/10.1080/13569770902879927>
- Mason, Paul, 2009. *Meltdown: The End of the Age of Greed* (London: Verso Books).
- Tett, Gillian, 2008. *Fool's Gold: How Unrestrained Greed Corrupted a Dream, Shattered Global Markets and Unleashed a Catastrophe* (New York: Little Brown and Company).

- Phillips, K. 2008. *Bad Money*

**Reading on global currency problems and multipolarity to be supplied nearer the date of the seminar**

Closing discussion and questions 14:00 – 14:30

### III. RECOMMENDED LITERATURE (GENERAL READING)

- Cox, R., 1987. *Production, Power, and World Order: Social Forces in the Making of History* (New York: Columbia U.P.).
- Frieden, J., 2006. *Global Capitalism: Its Rise and Fall in the 21<sup>st</sup> Century* (New York: W.W. Norton).
- Gill, S. & Law, D., 1988. *The Global Political Economy* (New York: Harvester).
- Gilpin, R., 1987. *The Political Economy of International Relations* (Princeton, N.J.: Princeton U.P.).
- Harvey, D., 1990. *The Condition of Postmodernity: An Enquiry into the Origins of Cultural Change* (Oxford: Blackwell).
- Held, D., et al, 2007. *Global Transformations* (Cambridge: Polity Press).
- Held, D. & McGrew, A., 2007. *Globalisation and Anti-Globalisation: Beyond the Great Divide* (Cambridge: Polity).
- Helleiner, E., 1994. *States and the Reemergence of Global Finance* (London: Cornell U.P.).
- Hobsbawm, E., 1994: *The Age of Extremes: A History of the World, 1914-1991*, Vintage: New York.
- Keynes, J. M., 1980. *The Collected Writings of J.M. Keynes. Vol.26, Activities 1941-46: Shaping the Post-War World, Bretton Woods and Reparations*, Moggeridge, D. (ed), (Cambridge: Cambridge U.P.).
- Klein, N., 2001. *No Logo* (London: Flamingo).
- Krugman, P., 1994. 'Competitiveness: A Dangerous Obsession', *Foreign Affairs*, vol.74, no.2, March/April: 28-44.
- Lipietz, A., 1992. *Towards a New Economic Order: Postfordism, Ecology and Democracy* (London: Polity Press).
- McGrew, A., 1997. *The Transformation of Democracy?* (The Open University: Polity Press).
- O'Brian, R., 1992. *Global Financial Integration: The End of Geography* (London: Pinter).
- Ohmae, K., 1990. *The Borderless World* (London: Collins).
- Robinson, W. I., 1996. *Promoting Polyarchy: Globalization, U.S. Intervention, and Hegemony* (Cambridge U. P.).
- Rodrik, D., 2011. *The Globalization Paradox: Democracy and the Future of the World Economy* (New York: W. W. Norton).
- Rosenau, J. & Czempiel, E. (eds.), *Governance without Government: Order and Change in World Politics* (Cambridge: Cambridge U. P.).

Scholte, J., 2000. *Globalisation: A Critical Introduction* (London: Palgrave).

Soros, G., 1998. *The Crisis of Global Capitalism* (London: Little, Brown & Company).

Stiglitz, J., 2001. *Financial Liberalisation: How Far, How Fast?* (Cambridge: Cambridge U. P.).

———, 2002. *Globalisation and its Discontents* (London: Allen Lane).

Strange, S., 1994. *States and Markets: An Introduction to International Political Economy* (London: Pinter).

———, 1996. *Casino Capitalism* (Oxford: Basil Blackwell).

———, 1996. *The Retreat of the State. The Diffusion of Power in the World Economy* (Cambridge Studies in International Relations).

———, 1998. *Mad Money* (Manchester U. P.).

Stubbs, R. & Underhill, G., 2005. *Political Economy and the Changing Global Order*, (Basingstoke: Macmillan).

Van der Pijl, Kees, 2007: *Modes of foreign relations and political economy, Vol. 1: Nomads, Empires, States* (London: Verso).

———, 2010: *Modes of foreign relations and political economy, Vol.2: The Foreign Encounter in Myth and Religion* (London: Verso).

———, 2014: *Modes of foreign relations and political economy, Vol.3: The Discipline of Western Supremacy* (London: Verso).

Underhill, G. (ed.), 1997. *The New World Order in International Finance* (London: Macmillan).

Seminar distribution via: **Sose15\_blockseminar\_critical\_theory@zis.tu-dresden.de**

*Any Questions? Please contact:*

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