

Riga Stradins University
Faculty of European Studies
Department of Political Science

POLITICAL AND INTERNATIONAL ECONOMICS

Lecturer: *PhD cand. Kārlis Bukovskis*

COURSE DESCRIPTION AND AIM

The aim of the course is to provide a general idea about economic processes and their interaction with political developments, both nationally and internationally. After completing the course students must be able to orient themselves in the basic economic terms and concepts, indicators that characterize economic development, to distinguish the views of different theoretical schools on the principles of economic structures, and to critically evaluate the economic developments in Latvia and in the world. Within the framework of lectures and seminars, students will have to learn how to understand the correlation between political and economic processes, including global problems, the operation of the banking system, the international financial system, and the economic challenges of Latvia and the European Union.

TOPICS AND LITERATURE

1. session (lecture). Introduction. Course requirements. Content. Economics and Political Economy. Periods of modern capitalism: the Bretton Woods system and neoliberalism.

Mandatory literature:

- Hahnel, R. *The ABS's of Political Economy. A Modern Approach.* – Chicago: Pluto Press, 2002. - pp. 1-45.
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2. session (lecture). Basic terms for political economy and economic analysis. Fiscal and Monetary Policies.

Mandatory literature:

- Samuelson, P. A., Nordhaus W. D. *Macroeconomics.* - 19th ed., New York: McGraw-Hill/Irwin, 2010. – pp. 65-105.
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3. session (seminar). National economic interests. The role of ideologies.

Mandatory literature:

- Gilpin, R. *The Political Economy of International Relations.* – Princeton: Princeton University Press, 1987. – pp. 25-64.
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4. session (seminar). The state, entrepreneurs and the workforce: who is the most important?

Mandatory literature:

- 2018 budget of the Republic of Latvia. – Riga: Ministry of Finance, 2018. - http://www.fm.gov.lv/lv/budzets_2018/

5. session (lecture). International Trade. Main theoretical approaches.

Mandatory literature:

- Krugman, P. What Do Undergrads Need To Know About Trade? – *The American Economic Review*. – 83(2) – pp. 23–26.
 - Appleyard, D. R., Field, A. J. *International Economics: Trade Theory and Policy*. - Boston: Irwin, McGraw-Hill, 1998. – pp. 19-41, 167-170.
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6. session (lecture). Global economy challenges for societies and countries.

Mandatory literature:

- Strange, S. *The Retreat of the State. The Diffusion of the Power in the World Economy*. – Cambridge: Cambridge University Press, 1996. – pp. 3-65.
 - Cockburn, A. 21st Century Slaves// *National Geographic*. – 204(3), 2003.
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7. session (lecture). Global governance and actors.

Mandatory literature:

- Braithwaite, J., Drahos, P. *Global Business Regulation*. – Cambridge: Cambridge University Press, 2000. – pp. 15-36.
 - Patomäki, H. *Democratising Globalisation: The Leverage of the Tobin Tax*. – London, New York: Zed Books, 2001. – pp. 39-71.
 - Gill, S. Globalization, Market Civilization and Disciplinary Neoliberalism// *Millennium*. - 24(3), 1995. – pp. 399-423.
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8. session (lecture). Financial history. Monetary systems.

Mandatory literature:

- Eichengreen, B., Sussman, N. *The International Monetary System in the (Very) Long Run*. – International Monetary Fund, 2000.
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9. session (lecture). Banks and their structural role in economy. Central banks.

Mandatory literature:

- Maxfield, S., Gatekeepers Of Growth The International Political Economy Of Central Banking In Developing Countries, Princeton: Princeton University Press, 1997, pp. 3-49.
 - Elgie, R., Thompson, H., *The Politics of Central Banks*, London: Routledge, 1998, pp. 142-161.
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10. session (lecture). Economic development stages of Latvia and modern challenges.

Mandatory literature:

- Aslund, A., Dombrovskis, V. *How Latvia Came through the Financial Crisis*. – Washington, D.C.: Peterson Institute for International Economics, 2011. – pp. 5-16.
- Austers, A. *How Great Is Latvia's Success Story? The Economic, Social and Political Consequences of the Recent Financial Crisis in Latvia*. – Friedrich Ebert Stiftung, 2014.

11. and 12. session (seminars). Human and its economic choices. Presentations of student reports.

GENERAL COURSE REQUIREMENTS AND GRADING

The cumulative score of the grades acquired in the course constitutes the diploma grade. Students have to take into account the following requirements and grading criteria:

Active participation during the lectures and seminars - 30%

Essays - 25%

Report - 30%

Exam - 15%

The aim of the **report** (individual research paper) is to develop the skills to analyse. Therefore it cannot be of descriptive character. It should be written on the stated question, not on the general topic. It is not an essay and does not mean that you simply have to express your opinion. You need to choose between different opinions and angles of particular topic and provide arguments for your choice. Report has to include three aspects:

to clearly indicate the problems of the theme;

to investigate the problem via evaluation of at least three arguments and statistical data;

to conclude with your own arguments, research results and recommendations.

The report has to be no less than 5000 words long. Written in English or Latvian. Each case of PLAGIARISM will be examined by the Faculty commission with possible expel of the student. All views and data which are not produced by the student in his own work must be referenced in accordance with the scientific requirements and formatting.

Timely submission of **essays** (no less than 1500 words) and reports is a compulsory part of the course. Reports, report presentations and essays should be submitted electronically in pdf **in the online system**. Essay can be written and submitted in Latvian or English.

Seminar attendance is compulsory. If student is not present or active during seminars, an essay on the topic indicated in the seminar should be written in double the amount (i.e. no less than 3000 words).

The obligatory **literature** and lectures are mutually complementary and they do not substitute each other.