

University of New Hampshire

Spring Semester, AY 2017-18

Political Science 561: The International Political Economy

TAKE-HOME EXAMINATION I (15%)

Due at the beginning of class on 9 April 2018

I expect, and will grade accordingly, that you will comply with the following:

- 1) Essays will be single-spaced with normal default spacing, 1" margins, and of required length or the handwritten equivalent. You will use a font with a size of 11 or 12 and a face such as Times New Roman or the equivalent. Examples of faces you will not use are *courier new* and **O C R**. *Failure to use an appropriate font can cost a 0.5 cut on each essay. Excessively short essays can cost a 0.5 cut for each such essay.*
 - 2) If the requirement is for a "short essay," such an essay will closer in length to a ½ page than not.
 - 3) Each essay will begin with a topic sentence or a thesis statement. *Failure to do this will cost 0.25 each essay.*
 - 4) Remember the need to give credit where credit is due. Look again at the syllabus section on citing sources and plagiarism. When you draw from a reading or another source, credit the reading or source with a note in the form – (Bressler, p. 180). *If I find generally inadequate sourcing, I will assign a cut of up to full grade. If there is inadequate sourcing in an essay, I will assign a cut of 0.5 to that essay.*
 - 5) You may collaborate, in accordance with the syllabus, on essays marked with a ♦. **In this exam, these are the tasks at 10 & 16.** For all other tasks, you may not collaborate. You may, however, use another student's class notes (not exam notes), but this must be done without reference to a specific question. In other words, you cannot just say something like: "Let me see your notes pertaining to question 32." If you collaborate on a marked question or use material gained from another student, credit that student with a footnote in the form – (Sarah Smith).
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(Before responding to tasks 1 through 10, you might wish to review your responses to tasks 24 through 36 on Exam II.)

MON 26

Topic: The International Monetary System (I)

Cohn, Chapter 6, "International Monetary Relations," pp. 131-140

My website: *Boundless*, "Exchange Rate Systems"

Review the section on balance of payments; also see Exam I.

1. (6) **In a ½-page essay**, describe how states try to correct imbalances in the balance of payments.

Wikipedia, "Foreign exchange market," the section on "Determinants of exchange rates"

2. (5) **In a ½-page essay**, *describe* the four determinants of exchange rates.

Topic: The International Monetary System (II)

Cohn, Chapter 6, “International Monetary Relations,” pp. 140-153

My website: *NYT*, “The Good Old Days of the Gold Standard, Not Really, Historians Say,” 12/1/2015

3. (4) **In a short essay**, *describe* how the classic gold standard worked.
 4. (4) **In a short essay**, *describe* the argument against the gold standard.

Wikipedia, “International Monetary Fund,” sections 1, 2 & 5

5. (6) **In a ½-page essay**, *describe* the functions of the IMF.
 6. (2) **In a paragraph**, *describe* the qualifications and benefits of the IMF.
 7. (2) **In a paragraph**, *describe* voting power in the IMF and the effects of the quota system.

My website: *IMF*, A Factsheet, “How the IMF Helps to Resolve Balance of Payments Difficulties”

8. (4) **In a short essay**, *describe* how the IMF helps resolve balance of payments difficulties.

WED 28 MAR

Topic: The International Monetary System (III)

My website: *The Economist*, “The global monetary system: Not floating, but flailing,” 5 July 2014

9. (6) **In a ½-page essay**, *discuss* what *The Economist* means by “the global monetary system: not floating, but flailing,”

Cohn, Chapter 6, “International Monetary Relations,” pp. 157-165

My website: *NYT*, “China Creates a World Bank of Its Own, and the US Balks,” 12/4/2015

My website: *NYT*, “China Steps Up but Its Currency Still Has Dues to Pay,” 12/5/2015

10. ♦ (6) **In a ½-page essay**, *discuss* the future of the dollar as the key currency.

MON 2 APR

Topic: International Financial Crises

Cohn, Chapter 7, “Financial Crises,” pp. 173-181, 192-194, 196-198 & 205-207

11. (4) **In a short essay**, *define* a debt crisis.
 12. (5) **In a ½-page essay**, using the origins of the 1980s debt crisis, *describe* the causes of a debt crisis.
 13. (6) **In a ½-page essay**, using the 2008 global financial crisis, *describe* what Cohn believes were the causes of that crisis.

Topic: Sovereign Wealth Funds

My website: World Economic Forum, “What is a Sovereign Fund,?” 13 October 2017.

14. (5) **In a ½-page essay**, *describe*:
 a. What is a sovereign fund?

- b. What are the purposes of sovereign funds?
- c. What are the problems of sovereign funds, as discussed in this article?

Topic: International Finance Governance

My website: Frieden, "Governance of International Finance (draft)," November 2016, section 1, pp. 3-15 and conclusion, pp. 32-36 (You might wish to also consider what you wrote in Exam I, task 9, about Drezner, "The Irony of Global Economic Governance – The System Worked," Oct 2012.)

15. (7) **In a 3/4-page essay**, describe: the reasons for international finance governance.

WED 4 APR

Topic: Economic Regionalism

Cohn, Chapter 9, "Regionalism and the Global Trade Regime," pp. 255-258, & 261-268
Cohn, Chapter 9, "Regionalism and the Global Trade Regime," pp. 268-272

- 16. ♦ (6) **In a ½-page**, describe the issue of multilateralism versus regionalism.
- 17. (4) **In a short essay**, describe the three explanations for the rise of regional integration.
- 18. (5) **In a ½-page**, describe the issue of the GATT/WTO and RTAs.

My website: The Economist – "A divided union"

- 19. (1) What might the enlargement of the EU distract the EU states from doing?
- 20. (1) What is the EU's central achievement and what might threaten that achievement?

My website: The Economist – "Peace in our time"

- 21. (1) What is the issue that might cause an importing of instability into the EU rather than exporting of stability?
- 22. (1) Why were the central European states eager to join the EU and why are they not too keen on a "closer union?"

My website: The Economist – "Passport to Prosperity"

- 23. (1) What makes the "European social model" unsustainable?
- 24. (1.5) How many states are in the euro-zone and how are all EU states linked?

Topic: The Illicit Global Economy: A Dark Side of Globalization

My website: NSC, "Transnational Organized Crime, Definition," 13 January 2016

My website: NSC: "Transnational Organized Crime, 13 January 2016

- 25. (2) **In a paragraph**, describe/define transnational organized crime.
- 26. (4) *List and describe* the elements of transnational organized crime.