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Diplomacy Syllabi

School of Diplomacy and International
Relations

Summer 2017

DIPL 4114/6113 International Financial Institutions

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International Financial Institutions

DIPL 4114 / 6113

Summer 2017

Instructor Information

Instructor: Prof. Martin S. Edwards

Office: 106 McQuaid Hall

Office Hours: Monday 10-12 or 3-5 and by appointment

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Course Description

This class analyzes the dynamics of international finance through the studying the structure and work of the international financial institutions. It covers the basics of the international financial system and explores the potential for international cooperation in the field of development.

Course Objectives

At the end of this course, students will be able to:

- Explain the rationale for creating international organizations and distinguish between the functions of the IMF and World Bank
- Describe how the influence of the IMF and World Bank differs across country contexts
- Identify how existing empirical studies of the IMF and World Bank contribute to policy debates about them
- Understand some of the challenges that countries face in working with the IMF and World Bank

Course Materials

All readings for the course are available on Blackboard.

Prerequisite Information

There are no prerequisites for this class. Students who have not taken courses in Economics might wish to review the supplementary resources listed for each module. Students should also review the Research Guide developed by Seton Hall Library staff for this course, which is located at <http://library.shu.edu/international-financial-inst-edwards>. Students who feel they need a refresher on how to use the library can find extremely helpful references materials here: <http://library.shu.edu/how-to-videos>.

Expectations

Students are expected to:

- Use their Seton Hall email address when emailing the professor

- Review the how to get started information located in the course content area
- Introduce yourself to the class during the first week by posting a self-introduction in the appropriate discussion forum
- Interact professionally online with the professor and peers
- Review and follow the course calendar
- Submit assignments by the corresponding deadline

In return, I will:

- Respond to discussion boards, blogs, and journal postings within two days
- Respond to student emails within 24 hours
- Grade assignments within three days of the assignment deadline

Grading Policies

Your grade in this class will be based on the following:

Six Blog Posts (10% of final grade each, for a total of 60%)

Six Discussion Board Posts (5% of final grade each, for a total of 30%)

Six Discussion Board Replies (1% of final grade each, for a total of 6%)

One Meta-Cognitive Introduction Short Paper (4% of final grade)

Specifics on each of these assignments are detailed below.

Please note that grading rubrics for all assignments are posted on Blackboard.

Grade Ranges			
A	95% - 100%	C+	77% - 79%
A-	90% - 94%	C	73% - 76%
B+	87% - 89%	C-	70% - 72%
B	83% - 86%	D+	65% - 69%
B-	80% - 83%	D	60% - 64%
F		< 59%	

Please note that late work can only be accepted for documentable reasons, and that extra credit is not available.

Course Schedule

This class is divided into six modules. More detail follows below.

	Dates	Assignments
Module One	Tuesday May 16 th through Saturday May 20 th	One blog post One Meta-Cognitive Introduction Short Paper One discussion board post One discussion board reply
Module Two	Sunday May 21 st through Friday May 26 th	One blog post One discussion board post One discussion board reply

Module Three	Saturday May 26 th through Friday June 2 nd	One blog post One discussion board post One discussion board reply
Module Four	Saturday June 3 rd through Thursday June 8 th	One blog post One discussion board post One discussion board reply
Module Five	Friday June 9 th through Wednesday June 14 th	One blog post One discussion board post One discussion board reply
Module Six	Thursday June 15 th through Wednesday June 20 th	One blog post One discussion board post One discussion board reply

Module One – Introduction and Background (May 16 – May 20)

Learning Objectives:

- Explain the rationale for creating international organizations
- Summarize rival explanations for where the autonomy of international organizations comes from
- Distinguish between the functions of the IMF and World Bank
- Summarize issues facing US policy makers in dealing with the IMF and World Bank

Required Readings:

- Ngaire Woods *The Globalizers: The IMF, the World Bank, and their Borrowers* (Ithaca: Cornell University Press, 2006), pp. 15-38.
- Kenneth Abbott and Duncan Snidal. 1998. Why States Act Through Formal International Organizations *Journal of Conflict Resolution* 42(1):3-32.
- Michael Barnett and Martha Finnemore. 1999. The Power, Politics, and Pathologies of International Organizations *International Organization* 53(4):699-732.
- U.S. Congressional Research Service. International Monetary Fund: Background and Issues for Congress. (R42019; July 17, 2014), by Martin A. Weiss.
- U.S. Congressional Research Service. Multilateral Development Banks: How the United States Makes and Implements Policy. (R41537; April 29, 2014), by Rebecca M. Nelson and Martin A. Weiss.

Supplemental Readings:

- Review the following links under the “About the IMF” section of the IMF website (<http://www.imf.org/external/about.htm>)
 - The IMF at a Glance
 - Fast Facts
 - Our Work
 - Organization and Finances
 - Governance
 - History

- Review the following links under the “About the World Bank” section of the World Bank website (<http://www.worldbank.org/en/about>)
 - What We Do
 - Organization
 - History
- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>
 - You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module One Assignments:

- 1) Introductory blog post (Due by Wednesday May 17 at 5pm)
 - a. Introduce yourself to me and to your colleagues in a short blog post of about 200 words. Be sure to cover the following questions:
 - i. Tell us your background: Where are you from? Where do you call home?
 - ii. What drew you to the School of Diplomacy?
 - iii. What are your interests in this subject of the course?
 - iv. What do you hope to do after graduation?
 - v. If you have taken an online course before, do you have any tips for other students?

- 2) Meta-Cognitive Introduction Short Paper (Due by upload to Prof Edwards by Thursday May 18th at 5pm)
 - a. Introduce yourself to Prof Edwards by telling me how you learn. In an essay of no more than two pages (double-spaced, 12 point font, 1” margins), please answer the following questions. You will need to upload this paper to Blackboard, as it is not public:
 - i. What do I want to get out of this course?
 - ii. What do I need to do to achieve my goal?
 - iii. What are the barriers that I often create that diminish my learning, and how can I change these behaviors?
 - iv. How will I respond if I start to struggle in this course?
 - v. If you have taken an online course before, please let me know.

- 3) Discussion Board Posts and Replies (Post due by Thursday May 18th at 5pm; Reply due by Friday May 19th at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Thursday May 18th at 5pm. Please also make a REPLY to one of your colleagues’ posts in an entry of 100-150 words by Friday May 19th at 5pm.

Module Two – Surveillance and Conditional Lending at the International Monetary Fund (May 21 – May 26)

Learning Objectives:

- Describe how the IMF’s influence differs across country contexts
- Summarize the multiple challenges posed by the question “Does the IMF Matter?”
- Describe the barriers to making IMF surveillance meaningful
- Analyze what existing studies suggest about how IMF conditionality should be designed

Required Readings:

- Beth Simmons. 2000. International Law and State Behavior: Commitment and Compliance in International Monetary Affairs. *American Political Science Review* 94(4):819-835.
- Martin S. Edwards and Stephanie Senger. 2015. Listening to Advice: Assessing the External Impact of IMF Article IV Consultations of the United States, 2010–2011. *International Studies Perspectives* 16(3):312-326.
- Martin C. Steinwand and Randall W. Stone. 2008. The International Monetary Fund: A Review of Recent Evidence. *Review of International Organizations* 3(2): 123-149.
- Irfan Nooruddin and Joel W. Simmons. 2006. The Politics of Hard Choices: IMF Programs and Government Spending. *International Organization* 60(4):1001-1033.
- Axel Dreher and Martin Gassebner, 2012. Do IMF and World Bank Programs Induce Government Crises? An Empirical Analysis. *International Organization* 66(2):329-358.

Supplemental Readings:

- Review the following factsheets from the IMF website:
 - Surveillance: <http://www.imf.org/en/About/Factsheets/IMF-Surveillance>
 - Lending: <http://www.imf.org/en/About/Factsheets/IMF-Lending>
- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>
 - You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module Two Assignments:

- 1) Analytic blog post (Due by Wednesday May 24 at 5pm)
 - a. A skill that you need to sharpen is the ability to translate the findings of academic research into policy implications. To do this, please write a blog post of 500-600 words in which you answer ONE of the following questions:
 - i. Taking the lessons of the readings for this module, how can IMF surveillance be better designed?
 - ii. Taking the lessons of the readings for this module, how can IMF lending be better designed?

- 2) Discussion Board Posts and Replies (Post due by Thursday May 25th at 5pm; Reply due by Friday May 26th at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Thursday May 25th at 5pm. Please also make a REPLY to one of your colleagues' posts in an entry of 100-150 words by Friday May 26th at 5pm.

Module Three – Conditional Lending at the World Bank (May 27 – June 2)

Learning Objectives:

- Describe how the World Bank's influence differs across country contexts
- Summarize the multiple challenges posed by the question "Does the World Bank Matter?"
- Describe the challenges the World Bank faces in designing lending programs
- Analyze what existing studies suggest about how World Bank lending should be designed

Required Readings:

- Axel Dreher, Jan-Egbert Sturm, and James Raymond Vreeland. 2009. Development aid and international politics: Does membership on the UN Security Council influence World Bank decisions? *Journal of Development Economics* 88(1):1-18.
- Christopher Kilby. 2015. Assessing the impact of World Bank preparation on project outcomes. *Journal of Development Economics* 115:111-123.
- Wendy Hunter and David S. Brown. 2000. World Bank Directives, Domestic Interests, and the Politics of Human Capital Investment in Latin America. *Comparative Political Studies* 33(1):113-133.
- Matthew S. Winters. 2010. Choosing to Target: What Types of Countries Get Different Types of World Bank Projects. *World Politics* 62(3):422-458.
- Catherine Weaver. 2007. The World's Bank and the Bank's World. *Global Governance* 13(4):493-512.

Supplemental Readings:

- Review the following:
 - World Bank evaluation results here: <http://scorecard.worldbankgroup.org/>
 - Tabs on "about results" and "aid effectiveness" here <http://www.worldbank.org/en/results/overview#1>
- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>

- You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module Three Assignments:

- 1) Analytic blog post (Due by Tuesday May 30 at 5pm)
 - a. A skill that you need to sharpen is the ability to translate the findings of academic research into policy implications. To do this, please write a blog post of 500-600 words in which you answer the following question: Taking the lessons of the readings for this module, how can World Bank lending be better designed?

- 2) Discussion Board Posts and Replies (Post due by Wednesday May 31st at 5pm; Reply due by Thursday June 1st at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Wednesday May 31st at 5pm. Please also make a REPLY to one of your colleagues' posts in an entry of 100-150 words by Thursday June 1st at 5pm.

Module Four – The IFIs respond to the Global Economic Crisis (June 3 – June 8)

Learning Objectives:

- Analyze the costs and benefits of proposed reforms to the IFIs
- Understand the limits of the IMF's leverage in developed countries
- Analyze the lessons of the Global Economic Crisis for reforming the IMF and World Bank

Required Readings:

- Group of 20. 2009. London Summit Final Communique.
- United Nations. 2009. Report of the Commission of Experts of the President of the United Nations General Assembly on Reforms of the International Monetary and Financial System. Chapters One and Four.
- International Monetary Fund. 2011. IMF Performance in the Run-Up to the Financial and Economic Crisis. Independent Evaluation Office.
- Mark Weisbrot, Rebecca Ray, Jake Johnston, Jose Antonio Cordero and Juan Antonio Montecino. 2009. IMF-Supported Macroeconomic Policies and the World Recession. Center for Economic and Policy Research. Pages 1-9.
- Ali Barak Guven. 2012. The IMF, The World Bank, and the Global Economic Crisis: Exploring Paradigm Continuity. *Development and Change* 43(4):493-512.

Supplemental Readings:

- Review the following:
 - Independent Evaluation Group. 2011. The World Bank Group's Response to the Global Economic Crisis : Phase 1. Washington, DC: World Bank. <https://openknowledge.worldbank.org/handle/10986/2277>

- Jorgen Elmeskov, “[The General Economic Background to the Crisis](#)” Paper for G20 Workshop “Causes of the Crisis: Key Lessons” Mumbai, 24-26 May, 2009.
- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>
 - You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module Four Assignments:

- 1) Analytic blog post (Due by Tuesday June 6 at 5pm)
 - a. A skill that you need to sharpen is the ability to translate the findings of academic research into policy implications. To do this, please write a blog post of 500-600 words in which you answer the following question: *Taking the lessons of the readings for this module, why was the UN’s influence in managing the response to the Global Economic Crisis so meager? Should it be strengthened, and how could it be?*
- 2) Discussion Board Posts and Replies (Post due by Wednesday June 7th at 5pm; Reply due by Thursday June 8th at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Wednesday June 7th at 5pm. Please also make a REPLY to one of your colleagues’ posts in an entry of 100-150 words by Thursday June 8th at 5pm.

Module Five – The IFIs Respond to Regional Development Banks (June 9 – June 14)

Learning Objectives:

- Connect policy developments to theoretical insights from the first part of the course
- Analyze the US policy response to the development of NDB and AIIB
- Identify potential areas of complementarity and competition between the IFIs and NDB and AIIB

Required Readings:

- Raj M. Desai and James Raymond Vreeland. 2011. Global Governance in a Multipolar World: The Case for Regional Monetary Funds. *International Studies Review* 13(1):109-121.
- Hongying Wang. 2016. New Multilateral Development Banks: Opportunities and Challenges for Global Governance. Council on Foreign Relations Discussion Paper.
- Scott Morris. 2016. Responding to AIIB: U.S. Leadership at the Multilateral Development Banks in a New Era. Council on Foreign Relations Discussion Paper.

Supplemental Readings:

- Review the following:
 - U.S. Congressional Research Service. Asian Infrastructure Investment Bank (AIIB) (R44754; February 3, 2017), by Martin A. Weiss.
 - <https://fas.org/sgp/crs/row/R44754.pdf>
- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>
 - You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module Five Assignments:

- 1) Analytic blog post (Due by Monday June 12 at 5pm)
 - a. A skill that you need to sharpen is the ability to translate the findings of academic research into policy implications. To do this, please write a blog post of 500-600 words in which you answer the following question: *If you were advising the IMF Managing Director OR the President of the World Bank Group, how would you advise them to meet the challenge of these new development banks?*
- 2) Discussion Board Posts and Replies (Post due by Tuesday June 13th at 5pm; Reply due by Wednesday June 14th at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Tuesday June 13th at 5pm. Please also make a REPLY to one of your colleagues' posts in an entry of 100-150 words by Wednesday June 14th at 5pm.

Module Six – The Future of the IFIs (June 15 – June 20)

Learning Objectives:

- Analyze the costs and benefits of proposed reforms to the IFIs
- Understand the limits of the IMF's leverage in developed countries
- Understand the challenges that both the IMF and World Bank face in the coming years

Required Readings:

- Daniel Drezner. 2012. The Irony of Global Economic Governance: The System Worked. Council on Foreign Relations Working Paper.
- Scott Morris and Madeleine Gleave. 2015. The World Bank at 75. Center for Global Development Policy Paper 058.
- Barry Eichengreen and Ngaire Woods. 2015. The IMF's Unmet Challenges. *Journal of Economic Perspectives* 30(1):29-52.

Supplemental Readings:

- Students wanting further economics background can consult the following economics reference e-books available from the University Library:
 - Rhona C. Free *21st Century Economics: A Reference Handbook*. London: SAGE, 2010. Internet resource. <http://setonhall.worldcat.org/oclc/828869694>
 - Frederick F. Wherry *The Sage Encyclopedia of Economics and Society*. London: SAGE, 2015. Internet resource. <http://setonhall.worldcat.org/oclc/936331906>
 - You should also review the Research Guide developed by Seton Hall Library staff for this course: <http://library.shu.edu/international-financial-inst-edwards>

Module Six Assignments:

- 1) Analytic blog post (Due by Sunday June 18 at 5pm)
 - a. A skill that you need to sharpen is the ability to translate the findings of academic research into policy implications. To do this, please write a blog post of 500-600 words in which you answer the following question: *If you were advising the IMF Managing Director OR the President of the World Bank Group, how would you advise them to best meet any of the challenges posed in this week's readings?*
- 2) Discussion Board Posts and Replies (Post due by Monday June 19th at 5pm; Reply due by Tuesday June 20th at 5pm)
 - a. There will be a number of questions on the discussion board derived from the readings for this module. Please make a POST answering one of the questions in an entry of 200-300 words by Monday June 19th at 5pm. Please also make a REPLY to one of your colleagues' posts in an entry of 100-150 words by Tuesday June 20th at 5pm.

Technology Service Desk

The first point of contact for any technology related question or problem is Seton Hall University's Technology Service Desk. Contact the Technology Service Desk by phone by calling (973) 275-2222 or via e-mail at servicedesk@shu.edu.

The Technology Service Desk is staffed by IT professionals Monday through Friday from 8 a.m. through 11 p.m. The Technology Service Desk provides phone support for most University applications, including the Blackboard Learning Management System, Microsoft Windows, and the Microsoft Office suite.

For more tips and technical information, go to [Seton Hall's Technology Blog](#).

Statement on Students with Disabilities

It is the policy and practice of Seton Hall University to promote inclusive learning environments. If you have a documented disability you may be eligible for reasonable accommodations in compliance with University policy, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, and/or the New Jersey Law against Discrimination. Please note that students are not permitted to negotiate accommodations directly with professors. To request accommodations or assistance, please self-identify with the Office for Disability Support

Services (DSS), Duffy Hall, Room 67 at the beginning of the semester. For more information or to register for services, contact DSS at (973) 313-6003 or by e-mail at DSS@shu.edu.

Academic and Professional Integrity Policy

Students are expected to follow the Academic and Professional Integrity Policy outlined in the Student Handbook and that of the School of Diplomacy and International Relations.

Plagiarism and other forms of academic dishonesty will be reported to the administration, and will result in a failing grade for the course and up to possible dismissal from the School of Diplomacy. See university and school standards for academic conduct here:

<http://www13.shu.edu/offices/student-life/community-standards/upload/Seton-Hall-University-Student-Code-of-Conduct.pdf>

<http://www.shu.edu/academics/diplomacy/academic-conduct.cfm>

In addition to the policies noted above, students are expected to exemplify the following attributes:

1. **Dependability:** Students are reliable, timely, and consistent in their presence and preparation for courses at the university.
2. **Respect & Empathy:** Students are respectful in their address, writing, language, and physical space toward faculty and colleagues.
3. **Open-mindedness:** Students respect the context and experience of others in online discussions.
4. **Integrity:** Students submit original work, fully cite all sources associated with the development of their work (including information from the internet), and recognize that the university fully supports the use of anti-plagiarism software in support of academic integrity. Original student work is expected at all times.
5. **Passion for the profession:** Students display in action, word, and commitment their passion for the international relations profession.

Policy on Incompletes

Incompletes will be given only in exceptional cases for emergencies. Students wishing to request a grade of Incomplete must provide documentation to support the request accompanied by a Course Adjustment Form (available from the School of Diplomacy Main Office) to the professor *before* the last day of class. If the incomplete request is approved, the professor reserves the right to specify the new submission date for all missing coursework. Students who fail to submit the missing course work within this time period will receive a failing grade for all missing coursework and a final grade based on all coursework assigned. Any Incomplete not resolved within one calendar year of receiving the Incomplete or by the time of graduation (whichever comes first) automatically becomes an “FI” (which is equivalent to an F). It is the responsibility of the student to make sure they have completed all course requirements within the timeframe allotted. Please be aware that Incompletes on your transcript will impact financial aid and academic standing.