WHAT IS INTERNATIONAL POLITICAL ECONOMY (IPE)?

IPE is defined as an analytical effort to break down the barriers that separate and isolate the disciplines of politics, economics, and sociology and their methods of analysis, seeking a comprehensive understanding of mainly international, if not global, issues and events (Balaam, D.N. & Dillman, B., 2008).

IPE employs three major analytical perspectives and four international structures that combine elements of economics, politics, and sociology to describe and explain international and global problems and issues in a way that cannot adequately be addressed by each of those disciplines alone (Balaam, D.N. & Dillman, B., 2008).

IPE is much more strongly connected to the discipline of political science than it is to economics. The reason is: IPE is an outgrowth of international relations. International relations put a heavy importance on “high politics” which focuses on military-strategic issues. However economic concerns are seen as “low politics” and considered relatively unimportant.

However many scholars think that economics and military-strategic issues have similar importance among and between the nations thus this concern lead to the emergence of international political economy as a distinct field of study (beginning in the 1970s).

WHAT IS GLOBALIZATION (AND WHY IT IS IMPORTANT)?

There are many ways to describe the term ‘globalization’. For a simple description we can say that “globalization is a complex and multinational (economic, political, social, technological and cultural) process that involves a compression of time and space (Harvey, 1989). The time-space compression, most simply, is a situation in which geographic distance has become less and less an obstacle to communication and information flows, to production, and to the movement of goods, people, ideas and capital around the World. Ex: Internet.

Globalization, also means increasing interconnectedness, through which the actions and activities of states, societies, organizations, and people in one place can have significant reverberations in many other places, virtually anywhere on the planet.
Globalization has expanded the influence and power of a range of nonstate or transnational entities. Corporations are among the most important of these entities, but so too are Nongovernmental organizations (NGOs), regulatory agencies, associations, social movements, and the like—many of which “treat the whole planet as their actual or potential clients” (Scholte, 2001).

**Why Do Scholars Disagree?**

As with all social sciences, IPE ultimately studies the behavior and actions of human beings, which means that, unlike the physical world of natural sciences, the social World is populated by subjects with the capacity to think, learn, and make willful choices. Social world is also composed of historically contingent structures, institutions, and systems of beliefs (cultures). The term historically contingent means that major elements of our social world are the product of specific and sometimes unique processes and circumstances. In every country, too, there are often dramatic differences—including differences in national identity and culture—between different time periods. To fully understand or explain the social world, then it is not enough that we find the “universal key” to individual behavior: we must also try to understand how the broader social, economic and cultural contexts in which individuals live, alter, shape, and constrain—in both subtle and dramatic ways—the behavior of people and types of societies, polities, and economies they produce. Therefore, there couldn’t be a one theory that might explain everything.