

Politics of the World Economy
INR-3702
Spring 2009

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Introduction

This course examines the relationship among three of the most important aspects of the global political economy: the state, the market, and the multinational corporation. Concentrating on the period that spans 1945 to the present, we will examine how competing theoretical perspectives interpret this relationship, and how this relationship has changed in recent decades. In particular, we will focus our attention on the process that many have labeled “globalization,” or the rapid and deepening movement of goods, services and money across the borders of states. Along the way, the course will be organized around a series of thematic questions that will guide the presentation of material, including the following: What role have states played in facilitating globalization? What role have multinational corporations played? What has been the role of the market, especially the high-tech revolution, in facilitating globalization? What are the primary global institutions that have been established to facilitate this process? Who are the winners and losers in this process? Is globalization currently in crisis? Why or why not?

Course Requirements

Exams

Students will be expected to attend class lectures and to participate in class discussion. The course will be focused around lectures and readings, with lectures interspersed with discussion. Students will be graded based on the quality of work on a multiple choice quiz, a midterm exam, a paper assignment and a final exam. The multiple choice quiz will ask students to answer 10 questions covering material from lectures and readings. The midterm exam will require students to answer one long essay question. The question will be chosen by the instructor from a group of three essay questions that will be provided to students prior to the exam. However, students will not know which one of the three questions will be chosen for the midterm. The final exam will consist of two long essay questions. The instructor will choose the two essay questions randomly from a group of four questions that will be presented to students prior to the final. As with the midterm, students will not know which of the two questions will be chosen for the final.

Paper Assignment

The paper is required to be 9-10 pages in length and is required to include citations of at least 5 scholarly sources, which may include journal articles and/or books, and is due April 3. Students must use either footnotes or endnotes to cite every source that is used in the paper, and must include a bibliography that lists all sources used in the paper. Failure to do so will result in an automatic F for the course, and could result in disciplinary action if there is evidence of plagiarism.

For the paper assignment, students will be expected to examine some aspect of global political economy, with the dual goals of EXAMINING THEORETICAL DEBATES pertaining to your topic and of EXPLAINING the CAUSES of a particular phenomenon. The following are examples of good paper topics:

- 1) Explain why two or more countries signed a particular trade agreement. What are the major theoretical debates about the causes and consequences of this trade agreement?
- 2) Explain the causes and/or consequences of an agreement between a particular country and the International Monetary Fund or the World Bank. What are the major theoretical debates surrounding this issue?
- 3) Explain the power relationship between a particular multinational corporation and a specific country by examining an investment agreement between a corporation and a state that allows the corporation to establish investments inside that state's borders. What are the major theoretical debates surrounding this issue?
- 4) Trace how a particular product gets produced and marketed in the global economy by focusing on the POLITICS of the production process. In other words, how do governments subsidize the product and why? Explore the relationship between owners of the product and workers who produce the product.

These are suggestive ideas, and you are not necessarily limited to these options. However, you must choose a topic that is not too broad. In other words, your topic should be focused around a very specific question and a limited number of actors (a specific country, a specific global institution, a specific trade agreement, etc.). If you have any questions about a possible topic, feel free to e-mail me for approval and guidance.

Course Grade

The course grade will be broken down as follows:

Multiple Choice Quiz:	50 points
Midterm Exam:	100 points
Paper:	100 points
<u>Final Exam:</u>	<u>200 points</u>
Total:	450 points

Out of 450 total points, students will receive an A that have attained anywhere from 93 to 100 percent of total points; an A- for 90-92 percent; a B+ for 88-89 percent; a B for 83-87 percent; a

B- for 80-82 percent; a C+ for 78-79 percent; a C for 73-77 percent; a C- for 70-72 percent; a D+ for 68-69 percent; a D for 63-67 percent; a D- for 60-62 percent and an F for 59 percent or lower.

Course Readings

The following books are required for this course, and should be available at the University Bookstore.

- Chang, Ha-Joon. *Bad Samaritans*. Bloomsbury Press, 2008.
 Cohn, Theodore. *Global Political Economy*. Pearson Longman, 2008.
 Kloby, Jerry. *Inequality, Power and Development*. Humanities, 2003.
 Morris, Charles. *Trillion Dollar Meltdown*. Public Affairs Press, 2008.
 Oatley, Thomas. *The Global Economy: Contemporary Debates*. Longman, 2004.

Course Schedule

<u>Date</u>	<u>Topic</u>	<u>Readings</u>
Jan. 5	Introduction	None
Jan. 7	The Institutional Framework	Cohn, chapters 1, 2
Jan. 9	The Realist Perspective	Cohn, chapter 3
Jan. 12	The Liberal Perspective	Cohn, chapter 4
Jan. 14, 16	Historical-Structuralism	Cohn, chapter 5 Kloby, pp. 9-92
Jan. 19	MLK Holiday; University Closed	
Jan. 21, 23	International Monetary Relations	Cohn, chapter 6
Jan. 26, 28, 30	Foreign Debt	Cohn, chapter 7 Oatley, part V
Feb. 2, 4, 6	The Global Financial Crisis	Morris, pp. 37-169
Feb. 9	Multiple Choice Test	None
Feb. 11, 13	Global Trade Relations	Cohn, chapter 8
Feb. 16, 18, 20	Regionalism and Global Trade	Cohn, chapter 9 Chang, pp. 19-64

Feb. 23	The Economic Impact of Trade	Oatley, Part I Chang, pp. 65-83
Feb. 25	The World Trade Organization	Oatley, Part II
Feb. 27	Midterm Exam	None
March 2, 4, 6	The Multinational Corporation	Cohn, chapter 10 Kloby, pp. 93-118
March 9, 11, 13	Foreign Direct Investment	Chang, 84-144
March 16-21	Spring Break	None
March 23, 25, 27	Debating Sweatshops	Oatley, Part III
March 30, April 1, 3	State Power: Elites, Classes and Interest Groups	Kloby, chapters 5, 6
April 3	Paper Due	
April 6, 8, 10	International Development	Kloby, chapters 7, 8 Cohn, chapter 11
April 13, 15, 17	Challenges to Power?	Kloby, chapter 9 Cohn, chapter 12
April 20-25	Final Exam Week	