

GLOBALIZATION

Fall 2002
17.195-196

This seminar explores changes in the international economy and their effects on domestic politics, economy, and society. Is globalization really a new phenomenon? Is it irreversible? What are effects on wages and inequality, on social safety nets, on production, and innovation? How does it affect relations between developed countries and developing countries? How globalization affects democracy? These are some of the key issues that will be examined.

The seminar is open to undergraduates and graduate students. Some prior work in political science or economics is strongly recommended. For undergraduates there will be an additional one section meeting (one hour) to be scheduled at the first meeting of the class. Graduate students will be expected to do most of the recommended as well as the assigned readings. The requirements for undergraduates and graduate students are (1) to complete each week's assigned reading before class; (2) two essays on assigned topics. The papers require thinking about issues raised in readings and class discussion. They should be about 12-15 typed double-spaced pages. Students who wish to write a major research paper instead of the two essays should meet during the first month of term with the instructor and discuss an outline of the research.

All the books and articles are on reserve in Dewey library.

Class #1 INTRODUCTION AND OVERVIEW

Tina Rosenberg, "The Free Trade Fix" in *New York Times* Sunday Magazine, August 18, 2002.

"Globalisation and its critics" A Survey of Globalisation, September 29, 2001, *The Economist* available at:
www.economist.com/surveys/showsurvey.cfm?issue=20010929

Bernard Cassen, "To Save Society," *Le Monde Diplomatique*, (May 1997).

RECOMMENDED READING:

William Greider, One World, Ready or Not, chapters 1-2,14

Thomas L. Friedman, The Lexus and the Olive Tree, chs. 1-6

PART I Globalization: A New Economic Order? The Historical Antecedents

Class #2 Domestic and International Economies in the 19th Century

Reading: Karl Polanyi, The Great Transformation, chapters 3-6, 12, 21.

There will be section meeting but no class this week (Between Class #2 and #3). Please use the week to read whichever readings from Class #1 you may not have read before the first class.

Class #3 **Globalization before World War One:**

Norman Angell, The Great Illusion, chs. 1-4

Paul Hirst and Grahame Thompson, Globalization in Question,
chs 1, 2 (2nd edition)

Class #4 **The Postwar Settlement: Trade, Welfare and Economic Growth**

Jagdish Bhagwati, Protectionism

RECOMMENDED READING

John Ruggie, "International Regimes, Transactions, and Change:
Embedded Liberalism in the Postwar Order," International
Organization (Spring 1982).

Paper topic to be distributed. Paper due at start of class #5.

NO CLASS THIS WEEK (Between Class #4 and #5). Section will meet.

Class #5 **The Debate over Trade Today: The Critics**

PAPER DUE AT START OF CLASS

Readings:

"Citizen's Guide to the WTO"

David Morris, "Free Trade: The Great Destroyer," in Jerry Mander and Edward Goldsmith, The Case Against The Global Economy, pp. 218-228.

Herman Daly, "Free Trade: The Perils of Deregulation," in Jerry Mander and Edward Goldsmith, pp. 229-238

PART II CREATING THE GLOBAL ECONOMY

Class #6 Capital Flows

Reading: Susan Strange, Casino Capitalism, chapters 1,2,6

"Fear of Finance" A Special Survey of The Economist
September 1992.

Jeffrey Frieden, "Invested Interests: The Politics of National Economic Policies in a World of Global Finance,"
International Organization, vol. 45 (1991) 425-51.

Class #7 Multinational Enterprises

Paul Hirst and Grahame Thompson, Globalization in Question, chapter 3

"The World as a Single Machine," A Manufacturing Survey in The Economist,
http://www.economist.com/surveys/PrinterFriendly.cfm?Story_ID=168615

P. Gourevitch, R.E. Bohn, D. McKendrick, "Who is Us?
The Nationality Problem in Globalization of Production"

RECOMMENDED:

John Dunning, Multinational Enterprises and the Global Economy,
chapters 1.2

Class #8 Globalization and Development

Reading: Hirst and Thompson, chapter 5

Xavier Sala-i-Martin, "The Disturbing 'Rise' of Global Income Inequality,"
NBER Working Paper x8904, April 2002

WSF International People's Tribunal on Debt.

RECOMMENDED READING:

World Bank, The East Asian Miracle, (Oxford University Press),
Overview , chs. 1-3 (pp. 1-104)

Part III. CONSEQUENCES OF GLOBALIZATION

Class #9 Does Globalization Increase Unemployment and Inequality?

The second paper topic will be distributed. Paper due at start of class #11.

Dani Rodrik, Has Globalization Gone Too Far?

Class #10 Does Globalization Destroy the Power of the State? Are Reform and Redistribution Still Possible?

Reading:

Suzanne Berger and Ron Dore, eds., National Diversity and Global Capitalism. Read Berger, Boyer, Wade, Streeck, and Dore.

Geoffrey Garrett, "Global Markets and National Politics: Collision Course or Virtuous Circle," *International Organization*, vol. 52, no. 4, Autumn, 1998.

RECOMMENDED READING:

Suzanne Berger, "Globalization and Politics," Annual Review of Political Science, vol. 3 (2000)

Class #11 Globalization and Democracy

Ralph Nader and Lori Wallach, GATT, NAFTA, and The Subversion of The Democratic Process," in Jerry Mander and Edward Goldsmith, *The Case Against the Global Economy*, pp. 92-107.

