THE US IN THE GLOBAL ECONOMY

POL 3833
Fall 2014
TTTh 2:30-3:45
West Bank Skyway 20
Office Hours: W. 1:00-3:00
TA: Ryan Halen

Professor James R. Hollyer
Social Sciences 1380
(612) 624-0030
jhollyer@umn.edu
www.jameshollyer.com
TA Office Hours: TBD
TA Office: 1214

Course Description

Globalization has been a defining force driving markets – and, hence, shaping politics – over the past 20 years. Global financial flows and imbalances are implicated in financial crises both recent and past, the mobility of firms and migrants across international borders has important distributional and regulatory consequences, even as rising levels of trade create new ‘winners’ and ‘losers.’ This class examines the domestic political implications of and policy responses to globalization, with a particular – though not exclusive – focus on globalization’s influence on US politics.

Assignments

Final Exam
Take Home Midterm
Two Policy Papers (∼ 4-5 pages)

Grading

Final Exam (40%)
Midterm (20%)
Policy Papers (15% each)
Participation (10%)

Recommended Texts:

All reading materials will be available via the course eReserves site
Readings

September 2: Introduction/First Day of Class

*The Rise of the Global Economy – An Overview*

September 4


September 9


*International Trade and Trade Politics*

September 11: Trade Theory


September 16: From the Economics to the Politics of Trade


September 18: Evidence: Individual Attitudes toward Trade

September 23: Empowering Exporters


September 25: Trade Agreements – From Domestic to International Politics


September 30: Recent Trade Negotiations (note, each of these readings is a brief Op-Ed style piece)

First Policy Paper Due


October 2: Trade, Uncertainty and Government Spending


*Global Supply Chains and Foreign Direct Investment*

**Take Home Midterm Handed Out**

**October 7:** The New Trade – Global Supply Chains


• NPR *Planet Money* podcast series (each podcast is about 9 minutes long) [http://www.npr.org/series/248799434/planet-moneys-t-shirt-project](http://www.npr.org/series/248799434/planet-moneys-t-shirt-project)
  – *How Technology and Hefty Subsidies Make U.S. Cotton King*
  – *Planet Money Spins a Yarn and Makes Perfect T-Shirt*
  – *Two Sisters, A Small Room and the World Behind a T-Shirt*
  – *Nixon and Kimchi: How the Garment Industry Came to Bangladesh*
  – *The Giant Book that Creates and Destroys Entire Industries*

**October 9:** The Economics of Foreign Direct Investment


Take Home Midterm Due

October 14: Politics and FDI: The Risk of Expropriation


October 16: Politics and FDI: Partisanship


October 21: Intellectual Property Protections

Second Policy Paper Due


October 23: Bilateral Investment Treaties

October 28: Trade, Outsourcing and Inequality Between and Within Nations


Global Portfolio Investment, Exchange Rates and Financial Crises

October 30: International Macro and the Impossible Trinity


November 4: The Politics of Exchange Rate Systems


November 6: Optimal Currency Areas, Fiscal Union and the Euro?

November 11: The Economics of Financial Crisis


- Chapters 1,2 and 4 in Carmen M. Reinhart and Kenneth S. Rogoff. *This Time is Different: Eight Centuries of Financial Folly*. Princeton University Press, 2009

November 13: The Political Determinants of Crises and Bailouts


Migration:

November 18: Migration Patterns Past and Present


November 20: Responses to Immigration


Governing the Global Economy:

**November 25:** Pressures for and Responses to Transnational Governance


**November 27** – Thanksgiving Break

**December 2:** Inter-state Cooperation

- Meredith Wilf. Credibility and distributional effects of international banking regulations: Evidence from us bank stock returns. 2013 September

**December 4:** Is Democratic Sovereignty Possible Under Globalization?


**December 9** – Review for Final/Office Hours

**December 18 (10.30am - 12.30pm): Final Exam**
STANDARD STATEMENT ON COURSE REQUIREMENTS: POLITICAL SCIENCE DEPARTMENT

(Note: For further information, please see the University "Classroom, Grading, and Examination Procedures" brochure online at http://www.cla.umn.edu/cgep/)

1. The two grading systems used are the ABCDF and S-N. Political Science majors must take political science courses on the ABCDF system; non-majors may use either system. In all political science courses the bottom line for the S grade is the equivalent of the C- grade; in other words, what is normally considered as D level work will be assigned a grade of N on the S-N system. All students, regardless of the system used, will be expected to do all work assigned in the course, or its equivalent as determined by the instructor.

2. The instructor will specify the conditions if any, under which an 'Incomplete' will be assigned instead of a grade. No student has an automatic right to an I. The instructor may set dates and conditions for makeup of work, if it is to be allowed. The Department of Political Science administers a general make-up exam every quarter for students who have written permission from the Instructor to make up a missed final examination. Inquire at the Undergraduate Advising office (1482 Social Sciences) for the date scheduled for the make-up.

3. Inquiries regarding any change of grade should be directed to the instructor of the course. A student who alleges unfairness on the part of an instructor is entitled to file a grievance with the Department's Grievance Committee.

4. Students are responsible for class attendance and all course requirements, including deadlines and examinations. The instructor will specify if class attendance is required or counted in the grade for the class.

5. The College does not permit a student to submit extra work in an attempt to raise his or her grade, unless the Instructor has specified at the outset of the class such opportunities afforded to all students.

6. The College has defined scholastic misconduct broadly as "any act that violates the rights of another student in academic work or that involves misrepresentation of your own work." Scholastic dishonesty includes (but is not necessarily limited to): cheating on assignments or examinations; plagiarizing, which means misrepresenting as your own work any part of work done by another; submitting the same paper, or substantially similar papers, to meet the requirements of more than one course without the approval and consent of all instructors concerned; depriving another student of necessary course materials; or interfering with another student's work. Instructors may define
additional standards beyond these. Further information is available at http://www1.urnn.edu/regents/policies/academic/Student_Conduct_Code.pdf

7. The U of M is committed to providing all students equal access to learning opportunities. Disability Services (DS) is the campus office that works with students who have disabilities to provide and/or arrange reasonable accommodations. Students who have, or think they may have, a disability (mental health, attentional, learning, vision, hearing, physical or systemic), are invited to contact Disability Services to arrange a confidential discussion at 612-626-1333 (TTY) or ds@umn.edu. Students registered with DS, who have a letter requesting accommodations, are encouraged to contact the instructor early in the semester to discuss accommodations outlined in their letter. Further information is available at the Disability Services website: http://ds.umn.edu/

8. University policy prohibits sexual harassment as defined in the 12/1111998 policy statement. The full statement is available at: http://www1.umn.edu/regents/policies/humanresources/Sex.Harassment.html Complaints about sexual harassment should be reported to the University Office of Equal Opportunity at 419 Morrill Hall.

9. As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, and feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student’s ability to participate in daily activities. University of Minnesota services are available to assist you with addressing these and other concerns you may be experiencing. You can learn more about the broad range of confidential mental health services available on campus via the Student Mental Health Website at http://www.mentalhealth.umn.edu/