

Note from Prof. Kaya on 10/30/20:

While the *broad* topics are unlikely change, specific readings and the sequence in which topics are presented might change before the beginning of the semester.

Syllabus is subject to change. Please check Canvas for updates, which the instructor will inform you about via email, once the course has begun.

BEPP289/789: Nations, Politics, and Markets

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Class Schedule (Zoom): Tuesdays and Thursdays 10.30am-12:00pm
(see Canvas for Zoom link)

Office hours for Prof. Kaya: Tuesdays and Thursdays 1.00-2.00pm
(see Canvas for Zoom link)

Office Hours for the TA: TBA.

Course Objectives

This course is intended to deepen understanding of the major contemporary issues, and their historical roots and antecedents, in the world economy for students who are interested in a career in international business or public affairs. Many economics courses focus on economic theory or statistical methods with some applications to the real world. This course is the opposite: a minimum of formal theory with the focus on key analytical concepts, institutions, alternative schools of thought, historical developments, and current issues. The emphasis is on the “big picture” of global economic developments and the evolution of economic thought over the last one hundred years.

The course is built around the interplay between events, economic theories and policies. The topics include: financial market booms and busts; business cycles; monetary and fiscal policies; inequality; the social welfare state; technological change and economic growth; and international trade and financial arrangements. The time period covers: the Roaring Twenties; the Great Depression; the post war Golden Age (1945-1973); the stagflation of the 1970s; the Thatcher-Reagan-Greenspan-Bush era of market liberalization (1980-2007); the financial crisis and Great Recession of 2007-2010; and the Brexit-Trump rejection of globalization. The course also explores different schools of thought, such as Keynesian and Austrian. Student presentations will chronicle and compare economic policy and performance of different countries and regions across the world.

Prerequisite: Introductory Economics.

Note about Lecture Slides:

I will post my pre-lecture slides on Canvas by 9.30am, the morning of our class. Please check Canvas for post-lecture slides as well (I will not always want to reveal every single slide *before* the class so as not to inhibit class discussion). Please also note that my slides are going to be more wordy than if I were presenting to a different audience; since you will be using the slides to review the material and prepare for exams, I will include more words than ideal. All this said, you will definitely need to take notes in class (all the information cannot be contained on the slides).

Readings

We will rely on the following books. The decision whether or not to purchase is up to you. I recommend you purchase the Frieden book (make sure it is the 2020 version) and also check the pages assigned from the other books before making the decision to purchase. Passages from these books will *not* be placed on Canvas.

- Jeffrey Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century*, Norton 2020. Herein referred to as the Frieden book.

The Frieden book provides a good background to a number of issues, so consider having it handy.

- John Kenneth Galbraith, *The Great Crash 1929*, Houghton-Mifflin, 1954, reprinted 2009.
- Nouriel Roubini and Stephen Mihm, *Crisis Economics*, Penguin 2010.

Other readings will be available in the course packet or posted on Canvas. **All readings are required except those readings designated by # which are recommended but not required.** You are also expected to keep up with current events by reading the *Financial Times*, *Wall Street Journal*, *NY Times*, or other major news sources. Short news articles will be posted by the instructor, when relevant for class.

For each session, I include a list of fundamental questions. You should think of these questions while you are doing the readings and should be able to answer them (with greater sophistication over time) by the end of the lecture.

Grading

Two in-class exams	25% each (dates: 03/09/21; 04/29/21)
Short/Essay	15% (due date: 2/9/21)
Class Attendance/Participation	20%
Group Presentation	15%

Exams: I will post example questions on Canvas. To preview, each exam will contain three types of questions. Type I question will be evaluating your understanding of key concepts and asking you to write a limited number of sentences in answering a question related to the concept. Type II question will have you read something short, which we didn't directly discuss in class (but obviously pertaining to the topics under analysis in the class) and ask you to explain it concisely. Type III question will involve a graph/figure/numbers (as it always done in class) and ask you a specific question. You may also be asked to draw a graph based on what you have learned in the class. Again, please refer to sample questions approximately a month before the exam.

Exam 2 is non-cumulative and will have the same structure as Exam 1, but with the following difference: I will ask you a basic question based on a student presentation. (I will have multiple questions and will naturally not accept answers on your own topic of presentation.). Slides for the student presentations will be posted on Canvas.

Short Essay: There is a strict 750-word limit on this essay (no appendices please, but figures are not included in the word count). Please edit your work, so that your sentences are precise. See Canvas for further suggestions, how we will evaluate the paper, and the questions (posted the first week of the semester). For the paper, you shouldn't need to do outside research (i.e. class lectures and readings should suffice), but you may find it useful to read more pages from the Frieden book or do some supplementary readings.

Class Attendance/Participation:

You are expected to come to class prepared. The required readings, and ideally also the additional suggested readings, should be completed before class, and you should be ready to discuss the economic concepts and the details of the cases when you arrive. The instructor may cold-call and solicit classroom comments. Successful participation in class and in your presentation group will reflect positively on your class participation grade, as will regular attendance and on-time arrival. Submission of student presentation peer feedback forms will also reflect on your class participation grade.

If you are going to miss class for a medical or non-medical reason please do not contact the Professor directly, but instead use the official Course Absence Report system through the UPenn Registrar.

- Please see the Zoom etiquette document on Canvas.
- I will take attendance and will expect you to show your face on Zoom (even if you are not speaking). If you anticipate problems with this, please contact me in advance.
- You will have 2 excused absences – I don't need to know why you missed/will miss the class (it could be a personal day, illness, religious holiday, etc.). Beyond these 2 days, please let me know of the reason for your absence. Again, please use the Course Absence Report system.

- If you miss 4 or more classes without being excused for a serious reason (with proper note from the Deans), you will lose the Attendance/Participation grade.
- I value collegiality, engagement with the material and with your peers. I value improvement over the course of the semester (and will provide an opportunity for you to self-assess).

Student (Team) Presentations:

Overview: Students will be in teams of about 3 to 4 for each presentation, depending on class size. Presentations should explore and communicate your research on the topic as it relates to concepts and themes from relevant sessions in this course.

Format: You are (essentially) free to choose the format of your presentation. It is acceptable to use a straight-forward Power Point presentation, but you are encouraged to consider other formats, such as:

- A media hearing, a game show, a press interview
- A congressional or regulatory hearing enactment (real or imagined), negotiations between government officials and international bureaucrats or financiers
- An internal business strategy deliberation among a firm's decision-makers and advisors

You should try to be creative in choosing the format that best communicates the substantive issues involved and how they relate to the topics of this course. Presentations that emphasize analytical thinking (by you, the firms involved, the policy-makers, opponents to a policy change, etc) are better than factual summaries of the issue. Make sure to clearly explain any course concepts you use as opposed to mentioning but not providing complete explanations. Do not include videos produced by other organizations (it is fine to include videos produced by your presentation group). We encourage you to integrate insights from other Wharton classes, research, reports, etc. but your slides should be your own work and you should cite all sources you use. Try to make it fun, but keep it clean, and keep it professional.

Each group presentation should run twenty-five minutes in total. This includes both time for the presentation and audience participation through either a Q&A session or other means. In a team presentation, this time should ideally be distributed (approximately) equally across the team members.

The TA is there to provide feedback at both the formulation and the rehearsal phases. Ideally, you should rehearse, reformulate, and rehearse again in the last few days before your presentation.

Citations: You are allowed to use figures, graphs, etc. from existing research but you should put a citation on the slide whenever you use such materials to indicate attribution. You should also include a works cited at the end of the presentation. We expect that you will not copy whole slides or longer portions of other presentations for use in this class.

Hand in: Team participants must hand in a PowerPoint (or pdf) of the full presentation via email (cc'ing all teammates) latest by 10am the morning of the presentation. Please name the file with your section and topic.

Topics, Dates, and Sign-up Logistics: Team group assignments are handled through an online survey. Presentation sign up will be announced in class and electronically. *Please note the following:*

- You will fill out a form indicating your preferences over topics and potential team members, and we will assign you to a group doing our best to accommodate preferences.
- Students not signed up by the presentation sign-up deadline will be randomly assigned to one of the remaining groups.
- No student will be permitted to change groups after the presentation sign-up deadline. There are no exceptions to this policy (this is to maintain fairness to all students who might want to switch after the deadline and the difficulties in re-organizing groups).

Grades: The professor will grade each team project, also reviewing the feedback of your fellow students. The grading sheet for the presentations is posted on Canvas (first week of the semester). Each team project will receive one group grade. All students in the team will receive the same grade for their team assignment. Students who fail to participate fully in team presentations will lose credit on their class participation grade.

Tutoring Support

Students experiencing difficulty in this course should seek assistance from the Penn Tutoring Resource Center. Refer to the Wharton Undergraduate homepage for the schedule of walk-in tutoring hours. Private tutors from the Tutoring Center can be obtained (without cost) through the recommendation of a professor or professional advisor in the Undergraduate Division. Students who wish to inquire more about tutoring, study skills, learning disabilities, test-taking strategies, time management, or reading/writing coaching should call 215-573-9235 for more information.

Part I: Overview of Main Epochs and Issues

The overview portion of the course provides a broad synopsis of eras and issues we will examine in detail in the rest of the course. For example, you will get a sense of the major periods of economic integration (high levels of international trade and financial globalization), but the details of some of these epochs will be examined later in the course.

1. The Highs and Lows of Global Economic Integration I (1/21/21)

- Richard Baldwin and Philippe Martin, “Two Waves of Globalization: Superficial Similarities Fundamental Differences,” NBER Working Paper No. 6904, February 1999.
- Frieden book, Chapters 6 and 7. “All That is Solid Melts into Air...” and “The World of Tomorrow”

#Charles Kindleberger, *The World in Depression*, Chapter 14, “An Explanation of the 1929 Depression,” revised edition 1986.

Michael Bordo, "The Second Era of Globalization is not yet Over: a Historical Perspective," *NBER Working Paper 23786*, September 2017.

2. The Highs and Lows of Global Economic Integration II (1/26/21)

- Frieden, Chs. 11, 12.
- John Gerard Ruggie, “International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order,” Volume 36(2), *International Organization* (Spring, 1982). Focus on sections 1-3 (pp. 385-404).

#Douglas Irwin, *Free Trade Under Fire*, Ch. 7, pages 239-259.

#Barry Eichengreen, “Institutions and Economic Growth in Post-War-Europe, September 1999.
<http://www.econ.berkeley.edu/~eichengr/research/vanark.pdf>

Basic Questions for Sessions 1 and 2:

- ⇒ By the end of these sessions, you should be able to identify key periods of integration and disintegration in the global economy.
- ⇒ What are the major similarities and differences in the different episodes of global economic integration, namely economic globalization?

⇒ What is the “embedded liberalism compromise”? Why is it important? Is it still a valid concept?

I will have intentional repetition in the first three sessions.

3. **Uneven Economic Globalization and Development** (1/28/2021)

- Frieden book. Chapter 4. “Failures of Development.”
- Douglas North, “Institutions and Economic Growth: A Historical Introduction,” *World Development*, 1989.
- Daron Acemoglu and James Robinson, “Ten Reasons Countries Fall Apart,” *Foreign Policy* 2012.

#Frank Levy and Peter Temin, “Inequality and Institutions in 20th Century America,” MIT Department of Economics Working Paper No. 07-17, 2007.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=984330

#Claudia Goldin and Lawrence Katz, “The Future of Inequality,” *The Milken Institute Review*, Third Quarter 2009.
http://www.economics.harvard.edu/faculty/goldin/files/GoldinKatz_Milken.pdf

Basic Questions for Session 3:

- ⇒ I want you to be able to answer the following question by the end of this session: What are three, four more factors that explain inequality?
- ⇒ What are different types of economic inequality?
- ⇒ What does Frieden think of the Acemoglu, Robinson argument?

Part II: Economic Theories and Concepts

At this point, I expect everyone to be settled into class and having familiarized themselves with the broad contours of economic globalization and how the relationship between states and markets have evolved. In Part II, we will delve into greater detail about the large issues and begin developing a more micro-picture.

Review chapters from introductory economics text on monetary and fiscal policy.

4. Fiscal Policy (2/2/2021)

- Roubini and Mihm, Chapter 6.
- Willem Buiter, “Why Fiscal Sustainability Matters,” *VoxEU*, January 2014.
- Jason Furman, “The New View of Fiscal Policy and its Application” *VoxEU*, Nov 2016.
- Cassidy, John. 2013. The Reinhart and Rogoff Controversy: A Summing Up. *The New Yorker*. [Link here](#).

#Carlos Vegh, “Fiscal Policy in Emerging Markets: Procyclicality and Graduation,” *NBER Reporter* 2015. <http://www.nber.org/reporter/2015number4/vegh.html>

Bernard Akitoby, “Raising Revenue,” *Finance and Development*, March 2018.

Basic Questions for Session 4:

- ⇒ What are the different fiscal interventions a government can do? What are the different benefits and costs associated with these interventions?
- ⇒ What are some indicators you would use in assessing a country’s fiscal health? Think of the upsides and downsides of these measures.
- ⇒ What does fiscal space mean?

In-class exercise on fiscal policy: Please open a Google doc to answer the question I will pose to you in class. You will spend some time in groups coming up with answers and then we will discuss your answers. Please DON’T use the Internet during this exercise. It is not graded; rather, it is about creativity and applying the tools you have learned in class.

5. Monetary Policy (2/4/2021)

- Roubini and Mihm, Chapter 7.
- Alberto Alesina et al, “Climbing Out of Debt,” *Finance and Development*, March 2018.
- Jane Ihrig, Ellen Meade and Gretchen Weinbach, “Rewriting Monetary Policy 101: What’s the Fed’s Preferred Post-Crisis Approach to Raising Interest Rates,” *Journal of Economic Perspectives*, Fall 2015.# Kaya, Ayse, Stephen Golub, Mark Kuperberg, and Feng Lin. 2019. “The Federal Reserve’s Dual Mandate and the Inflation-Unemployment Tradeoff.” *Contemporary Economic Policy* 37(4): 641-651.

#Giovanni Dell’Arica, Pau Rabanal and Damiano Sandri, “Unconventional Monetary Policies in the Euro Area, Japan and the United Kingdom,” *Journal of Economic Perspectives*, Fall 2018.

Basic Questions for Session 5:

- ⇒ What are the advantages of using monetary policy to handle an economic downturn?
- ⇒ What are the disadvantages of using monetary policy?

6. The Rise and Fall (and the Re-rise?) of Keynesian Economics (2/9/2021)

- “The Battle of the Letters: Keynes vs Hayek, 1932, Skidelsky vs Besley 2010,” <http://www.cobdencentre.org/2010/07/the-battle-of-the-letters/>.
- Brad DeLong, “America’s Only Peacetime Inflation: The 1970s,” in Christina Romer and David Romer, eds., *Reducing Inflation: Motivation and Strategy* (University of Chicago Press), 1995. http://www.j-bradford-delong.net/pdf_files/Peacetime_Inflation.pdf.
- Frieden book, Chapter 10.
- Peter Temin and David Vines, “Why Keynes is Important Today,” *VoxEU*, November 14, 2014.

#J. M. Keynes, *The General Theory*, Ch. 12.

Milton Friedman, “The Role of Monetary Policy,” *American Economic Review*, 1968.

#Robert Solow, “On Theories of Unemployment,” *American Economic Review* 70(1), March 1980.

Kaya, Ayse, Stephen Golub, Mark Kuperberg, and Feng Lin. 2019. “The Federal Reserve’s Dual Mandate and the Inflation-Unemployment Tradeoff.” *Contemporary Economic Policy* 37(4): 641-651.

James Tobin, “Keynesian Policies in Theory and Practice,” reprinted in Tobin, *Policies for Prosperity*, 1987.

Basic Questions for Session 6:

- ⇒ Having learned about both fiscal and monetary policy, what is your synopsis of Keynesianism relates to these two instruments of economic intervention?
- ⇒ What has unseated Keynesianism? Or, do you think it has been unseated?
- ⇒ What are the multiple legacies of Keynesianism?

7. International Monetary Relations and Exchange Rate Regimes I (2/11/2021)

Review chapters from introductory economics textbook on the balance of payments and exchange rates.

- (on the Gold Standard) Frieden book, pages 13-21 (“Global Capitalism Triumphant” until “Specialization and Growth”) plus pages 43-45 (“Supporters of the Golden Pillars”) pg.173-192 (from “The Established Order Collapses” until “Out with the old”).
- (on the Bretton Woods fixed e rate regime). Frieden book Chapters 11 and 12. There is a little bit on trade here, but I am not taking out, since it will be useful for the upcoming sessions.

8. International Monetary Relations and Exchange Rate Regimes II (02/16/2021)

- Jeffrey Frankel, “No Single Currency Regime is Right For All Countries or At All Times,” *Princeton Essays in International Finance* No. 215, December 1998. (section 5 optional).
- Maurice Obstfeld and Alan Taylor, “International Monetary Relations: Taking Finance Seriously,” *Journal of Economic Perspectives*, Summer 2017.
- Martin Feldstein, “The Case Against EMU,” *The Economist*, June 13, 1992. DeGrawe et al, “Reply to Feldstein” *The Economist*, July 4, 1992.
- Barry Eichengreen, “Euro Malaise: From Remission to Cure,” *The Milken Review*, January 2018. www.relooney.info/0_New_7688.pdf

Questions for Session 7:

- ⇒ What was appealing about the Gold Standard?
- ⇒ Why did the Gold Standard end up failing?
- ⇒ What are the primary differences between the Gold Standard and the Bretton Woods regime?

Questions for Session 8 (you may be able to better answer some of these questions after my lecture):

- ⇒ What is the monetary trilemma?
- ⇒ Why are developing countries drawn to fixed exchange rate regimes?
- ⇒ Is there one type of exchange rate regime that makes more sense for the current era?

9. Why do Financial Crises Happen? (02/18/2020)

- Charles Kindleberger, *Manias Panics and Crashes*, 1978, Chapter 2, “Anatomy of a Typical Financial Crisis”, Chapter 3 “Speculative Manias.”
- Roubini and Mihm, Chs. 1, 2.
- Minsky, Hyman. 1992. “The Financial Instability Hypothesis.” The Jerome Levy Economics Institute of Bard College.
- I will discuss the Reinhart & Rogoff book, *This Time is Different*, during my lecture.

James Tobin, “On the Efficiency of the Financial System,” reprinted in Tobin, *Policies for Prosperity*, 1987.

Thomas Friedman, *The Lexus and the Olive Tree*, Ch. 7 “The Electronic Herd” 2000.

Questions for Session 9 (you may be able to better answer some of these questions after my lecture):

- ⇒ What are the similarities and differences in the theories you have learned about as to why financial crises happen?
- ⇒ What are different types of financial crises and what are their primary manifestations?

10. Review for Exam 1 (02/23/2021)

Please note that I will not just recap what we have discussed, I will also provide a synthesis.

11. Exam 1 – in-class (02/25/2021)

PART III. Contemporary Issues in the Governance of the Global Economy

The Great Depression versus the Great Recession (3/2, 3/4/2021)

12. 3/2 on the Great Depression:

- John Kenneth Galbraith. 1954/1997. *The Great Crash: 1929*. Chapters 1, 3, 5.

(“Vision and Boundless Hope and Optimism”, “In Goldman, Sachs We Trust”, “The Crash”)

13. 3/4 on the Great Recession:

- Stephen Golub, Ayse Kaya and Michael Reay, “The Federal Reserve in the Run-Up to the Financial Crisis” *VoxEU*, September 8, 2014. <http://www.voxeu.org/article/federal-reserve-run-global-crisis>
- Gillian Tett, “Faith-Based Finance: How Wall Street Became a Culture of Risk,” *Foreign Affairs* July/August 2019.
- Roubini and Mihm, Chs. 3-5.

#Paul Krugman, “How did Economics Get it So Wrong?” *NY Times Magazine*, September 2, 2009 http://www.nytimes.com/2009/09/06/magazine/06Economic-t.html?_r=1

#Roubini and Mihm, Chs. 8-9.

#John Taylor, “Getting Back on Track: Macroeconomic Lessons from the Financial Crisis,” Federal Reserve Bank of Saint Louis *Review*, May-June 2010.

Basic Question for Sessions 12 and 13:

- ⇒ What are the similarities and differences between the Great Depression and the Great Recession?
- ⇒ What is the role the Federal Reserve played in these two economic crises?

14. The European Debt Crisis (3/9/2021)

- Lane, Philip R. 2012. “The European Sovereign Debt Crisis.” *Journal of Economic Perspectives*, 26 (3): 49-68.

- Eichengreen, Barry and Charles Wyplosz. 2016. “Minimal conditions for the survival of the euro”. A VoxEU.Org online book.

Basic Question for Sessions 14:

- ⇒ What are the similarities or connections between the European debt crisis and the 2008 American (global) financial crisis?
- ⇒ Why is Europe fundamentally different than the American context?
- ⇒ How did pre-crisis rules in Europe affect the crisis?
- ⇒ How did some of these rules change in the course of/ due to the crisis?

15. Lenders of Last Resort (3/16/2021)

- Morgenthau, Henry. US Secretary of the Treasury’s closing address to the 1944 Bretton Woods conference (where the IMF and the World Bank were created).
- Reinhardt, Carmen M. and Christoph Trebesch. 2016. “The International Monetary Fund: 70 Years of Reinvention.” *Journal of Economic Perspectives* 30(1): 3- 28.
- Charles Kindleberger, *Manias Panics and Crashes*, 1978. Chapter 10. “International Lender of Last Resort”

Aditi Sahasrabudde. 2019. Drawing the line: the politics of federal currency swaps in the global financial crisis, *Review of International Political Economy*, 26:3, 461-489

Basic Question for Session 15:

- ⇒ How has IMF lending changed over time?
- ⇒ Who is the main international lender of last resort?
- ⇒ Do you think IMF should be reformed to be a more effective lender of last resort? What are those reforms you would recommend?

16. Economic Development: Still Uneven (3/18/2021)

Background: Frieden book, Chapter 19.

- Rodrik, Dani. 2007. *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth*. Princeton: Princeton University Press. Chapter 1.

- Banerjee, Abhijit V. and Esther Duflo. 2019. *Good Economics for Hard Times*. “From the Mouth of the Shark”. Chapter 2.
- Robert Wade, “After the Crisis: Industrial Policy and the Developmental State in Low-Income Countries, *Global Policy* 1(2), 2010.

#Anne Krueger, “Government Failures in Development,” *Journal of Economic Perspectives* 4(3), Summer 1990.

Basic Question for Session 16 (lecture will include discussions on the World Bank):

- ⇒ What would you tell a Martian as to what engenders economic development?
- ⇒ How does corruption hamper economic growth? (lecture)
- ⇒ Can international economic organizations (namely, multilateral economic institutions) be fruitfully involved in engendering global economic development?

17. Backlash Against Globalization I: The Rise and Fall of International Trade I (3/23/2021)

- Frieden book. Chapter 3 “Success Stories of the Golden Age.”; Chapter 13 “Decolonization and Development”; review pages 287-290.
- Bowen, Renee and Lawrence Broz. 2020. Designing an International Economic Order: A Research Agenda. [Link](#).
- Clyde Prestowitz, “Free Trade is Dead,” *Washington Monthly*, July-August 2016.

Banerjee, Abhijit V. and Esther Duflo. 2019. *Good Economics for Hard Times*. “From the Mouth of the Shark”. Chapter 3.

Basic Question for Session 17:

- ⇒ By this session, you should be clear when international trade was relatively high.
- ⇒ Was trade ever “free”? If yes, when was the heyday of free trade?
- ⇒ What theory best explains the obstacles to maintain free trade (across borders)?
- ⇒ Does free trade benefit developing countries as much as advanced economies?

[There will be intentional spillover in my lecture between Sessions 18 and 19]

18. Backlash Against Globalization II: Populism (3/25/2021)

- Rodrik, Dani. 2019. Many Forms of Populism. [Link here](#).
- Colantone, Italo and Piero Stanig. 2016. Globalization and Brexit. [Link here](#).
- Naoi, Megumi. 2020. Survey Experiments in International Political Economy: What We (Don't) Know About the Backlash Against Globalization. *Annual Review of Political Science* 2020 23(1): 333-356

Basic Questions for Sessions 18:

- ⇒ What is populism?
- ⇒ What are different forms of populism?
- ⇒ To what extent do material factors explain the backlash against economic globalization?
- ⇒ What is a survey experiment? What are the promises and pitfalls of this method in ascertaining the backlash against economic globalization?

No class on 03/30

19. Goodbye US-Post War Order? (4/1/2021)

- Martin Wolf, “The Long and Painful Journey to World Disorder,” *Financial Times*, January 5, 2017.
- Swaminathan Aiyar, “Twenty Five Years of Indian Economic Reform: A Story of Private-Sector Success, Government Failure and Institutional Weakness,” *Cato Institute Policy Analysis* October 2016.
- Christopher McNally, “Sino-Capitalism: China’s Emergence and the International Political Economy,” *World Politics*, October 2012.

Basic Questions for Sessions 19:

- ⇒ How does the rise of China affect the global economy and the post-war multilateral economic order?
- ⇒ What are the primary contours of Chinese foreign economic aid (wait until after lecture)?

- ⇒ How does the AIIB affect, if at all, the post-war multilateral economic order (wait until after lecture)?
- ⇒ Is BRICS a useful concept?

<https://www.cnn.com/2019/04/11/what-happened-to-brazil-russia-india-and-china-as-the-brics.html>

Sharma, Ruchir. 2012. "Broken BRICS: Why the Rest Stopped Rising". *Foreign Affairs*, November/December.

20. Future of Economic Globalization : Covid-19 and beyond (4/6/2021)

- Reinhart, Carmen and Vincent Reinhart. 2018. "The Crisis Next Time". *Foreign Affairs* Link here. (You can listen instead of reading if you wish)
- Wren-Lewis, Simon. "The economic effects of a pandemic." In *Economics in the Time of COVID-19* edited by Richard Baldwin, Beatrice Weder di Mauro 06 March 2020. [Link](#).
- Bollky, Thomas J. and Chad P. Bown. 2020. "The Tragedy of Vaccine Nationalism." *Foreign Affairs* 99(5).
- *Financial Times* articles (Canvas).

Jannick Damgaard et al, "The Rise of Phantom Investments," *Finance and Development*, September 2019.

Aditi Kumar and Eric Rosenbach, "The Truth about the Dark Web," *Finance and Development*, September 2019.

Questions for Session 20:

- ⇒ Is Covid-19 a threat to economic globalization?

Student Presentations 04/08-04/22/2021

Students should conduct their own research for these issues. I recommend using the assigned books as well as the *Financial Times*, *The New York Times*, and *The Wall Street Journal* to begin your research. The goal is to apply the concepts and themes to specific regions. You may find that the region's experience reflects the macro discussions we have had, or it diverts from it in important ways. Inevitably, there is variation within regions. If you choose specific countries to focus on, please make sure you are clear why you chose these countries (personal connections do not suffice). For instance, consider whether they are representative/emblematic of countries' experiences? Ultimately, you also need to address how the experiences of this country may be unique, idiosyncratic.

If there are topics you feel passionately about that are not included below, feel free to let me know.

<i>Date/Theme</i>	<i>Topic</i>
<p>21. 04/08 <i>Regions in the Global Economy</i></p>	<p><u>Presentation 1) Transition Economies</u> How have the experience of formerly communist countries been different in the global economy? How can we map their experience onto main epochs we discussed in class?</p> <p><u>Presentation 2) Sub-Saharan Africa</u> How has the experience of Sub-Saharan Africa been different in the global economy? How can we map their experience onto main epochs we discussed in class? Make sure to be clear on the legacy of colonization.</p> <p><u>Presentation 3) The Middle East</u> How has the experience of the Middle East been different in the global economy? How can we map their experience onto main epochs we discussed in class? Make sure to be clear on the legacy of colonization and empires.</p>
<p>22. 04/13 <i>Multilateral Economic Institutions and Regions</i></p>	<p><u>Presentation 4) Latin America & The Bretton Woods Institutions</u> Both historically and contemporarily, Latin America has borrowed from the IMF and the World Bank. Discuss this experience. You can narrow down your question, but make sure your reasoning and justification (in narrowing down) are clear.</p> <p><u>Presentation 5) Sub-Saharan Africa & The Bretton Woods Institutions</u> Both historically and contemporarily, Sub-Saharan Africa has borrowed from the IMF and the World Bank. Discuss this experience. You can narrow down your question, but make sure your reasoning and justification (in narrowing down) are clear.</p> <p><u>Presentation 6) Regional Development Banks</u> AIIB is a regional development bank we discussed in class, but there are others.</p>

	Teach the audience about these regional development banks. What is your key questions in analyzing these banks? Why?
23. 04/15 <i>Asian Economic Growth and Integration</i>	<p><u>Presentation 7) “Asian Economic Miracle”</u></p> <p>Focus on the debates about how Asia grew (see the World Bank report on the Asian economic miracle and controversies surrounding it). Teach the reader about this region and its economic growth over time. Consider variation within the reason, the Chinese economic liberalization, and other key dimensions.</p> <p><u>Presentation 8) Trade Relations in Asia</u></p> <p>How has trade within the region and between the region and other parts of the world evolved over time? (Do not neglect colonization). What are its main features today?</p> <p><u>Presentation 9) Asian Experience with the IMF and Regional Monetary Cooperation</u></p> <p>The 1997 financial crisis in Asia is hugely important for the region, for the world, and for the region’s relations with the IMF. Give the reader a detailed (since lecture will discuss it at points) of this crisis, focusing on its short- and long-term implications and how it still affects the region’s relations.</p>
24. 04/20 <i>Varieties of Capitalism</i>	<p>While the overwhelming majority of countries in the world have transitioned to market-based economies (away from communist, command-economies), there are still significant differences across these countries in terms of firm-market, business-government, firm-firm relations as well as welfare policies. These presentations should give us a sense of these differences. One of the canonical works in this field is the <i>Varieties of Capitalism</i> by Hall and Soskice. When possible, discuss countries comparatively to others. For instance, how do Scandinavian countries differ from the German model? What are some similarities between South Korea and Japanese economic development models? How has the history of colonization, if at all, affected the Korean experience? Is the Indian experience with transition to trade and investment liberalization similar to others or different? The American context may always be a good comparison point.</p> <p><u>Presentation 10 The Scandinavian Countries</u></p> <p><u>Presentation 11 South Korea & Japan</u></p> <p><u>Presentation 12 India in a Comparative Perspective</u></p>
25. 04/22 <i>Inequality – National and Regional Patterns</i>	<p><u>Presentation 13) Inequality within North America and Europe</u></p> <p><u>Presentation 14) Inequality within Latin America</u></p> <p><u>Presentation 15) Inequality within Asia</u></p>

	We will have discussed intra- and inter-country inequality. Now gives us a more detailed, micro-picture sense of inequality and poverty trends over time in these regions and how they relate to the politics of globalization, such as the rise of populism, backlash against economic globalization, the receptivity of states and people to MNC (multinational corporations).
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26. Review for Exam 2 (04/27/2021)

As noted above, Exam 2 will cover all the material since Exam 1 (i.e. it is non-cumulative). The only difference is you will be asked questions on the student presentations and have to answer one (you cannot answer questions on your own presentation).

27. Exam 2 in Class (04/29/2021)

End of syllabus.