

“Economic Globalization: Pros & Cons” Syllabus

CORE-105-014

Spring 2019

Wednesdays 5:30-8:00 PM

3 credits

Instructor

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Economic globalization refers to the increasing integration of national economies across the world through intensified cross-border movement of goods, services, technology and capital. Some view it with trepidation, as a juggernaut of untrammled capitalism marked by such economic interdependence that countries become even more vulnerable to the destructive impact of market shifts. To others, it is a powerful force for good that opens and modernizes societies, empowering consumers and challenging producers; spurring economic efficiency and thus prosperity; undermining national monopolies and promoting innovation; redistributing capital, skills and know-how from rich to poor countries; and encouraging the adoption of better practices in many fields of endeavor and policy.

You will read and discuss a variety of authors to understand these opposing views on the economic, financial, political, and social challenges that have arisen. The learning objectives are to enhance your understanding of the concept of economic globalization – its theoretical principles, practical applications, and policy implications. The expected learning outcomes are the ability to apply concepts and theories from economics and political economy to explain the phenomenon of economic globalization; exposure to sophisticated literature and empirical studies on key aspects of economic globalization; and awareness of facts, trends, hypotheses, and statistical analyses on globalization and international trade, poverty, inequality, capital flows, migration and offshoring.

Complex Problems Learning Outcomes

Your Complex Problems seminar uses scholarly methods of inquiry—like diverse perspectives, critical reading, communication, reflection, and integrative learning—to study multi-faceted real-world problems or enduring questions. The content of your seminar is designed as a vehicle for learning and practicing those methods of inquiry, which are the course’s learning outcomes. These outcomes will help you to enact your curiosity and cultivate intellectual flexibility in preparation for future work at the university and beyond.



Diverse Perspectives

- A. Complexity
- B. Multiple Perspectives
- C. Awareness
- D. Civility



Communication

- A. Audience
- B. Sources
- C. Organization



Critical Reading

- A. Summary
- B. Response
- C. Conversation



Reflection

- A. Feedback
- B. Metacognition



Integrative Learning

- A. Connect

Course Requirements and Grading

This is a guided discussion course, and your attendance and active participation in the form of comments and questions is expected. The required textbook, which will be read cover-to-cover, is:

Douglas A. Irwin, *Free Trade Under Fire: Fourth Edition*, Princeton NJ: Princeton University Press, 2015. This book may be purchased, rented or read electronically for free through the AU Library, see <https://www-jstor-org.proxyau.wrlc.org/stable/j.ctt9qh0ch>, or else downloaded from the class Blackboard site.

The course requirements are, first, weekly multiple-choice quizzes containing ten questions each (total of 70) questions, administered (including timed at an average of 2 minutes per question) via Blackboard and taken on your own – but always ahead of each class, starting ahead of Week #2 class (January 23) and ending with Week #9 class (March 20). The purpose of these quizzes, which account for 10% of the total class score, is to encourage you to keep up with the readings, and to help you prepare for class participation and for the exams.

The second course requirement involves class attendance and participation, including a team presentation of your joint report. You are expected to attend all classes, do the required readings, and contribute to class discussions, which constitute an essential part of the course. Simply showing up and pretending to pay attention, or offering uninformed opinions or wild guesses, does not count as participation. It involves active engagement in each class discussion; demonstrating your thorough reading of the assigned materials; offering opinions based on facts or referenced others; and asking and answering relevant questions. Class participation accounts for 10% of the total class score, and your team's presentation accounts for another 10% (total of 20%).

The third course requirement entails two (2) in-class, closed-book, non-cumulative, multiple-choice exams. The purpose of these objective tests is to measure your understanding and application of the reading materials and class discussion. The exams account for 20% of the total class score each (40% in total).

The fourth course requirement is the delivery of a quality team report that meets the specifications detailed further below and is uploaded to Blackboard on or before midnight on Wednesday, May 1. The report accounts for 30% of the total class score.

The fifth course requirement is to attend the co-curricular activities, which are integral to the Complex Problems curriculum, and will entail visits to the two premier, official international economic institutions headquartered in Washington DC: The International Monetary Fund (IMF) and The World Bank Group (WB). If either of the organized visits will conflict with your academic or employment obligations, or falls under the category of an excused absence, you must consult with me before the end of January or ASAP after that to plan for a meaningful alternative activity – or else you will be penalized.

Briefings are held at IMF headquarters at 10:00-11:30 AM and 2:00-3:30 PM on Tuesdays and Thursdays, and at World Bank headquarters on Tuesdays and Thursdays 10:00-11:30 AM. Ahead of the planned class visits, which will be arranged for one of those days/times, and to obtain the necessary background on these top multilateral agencies, you should read the briefing that starts with the following page: <http://www.globalization101.org/category/issues-in-depth/imfworld-bank/> The full briefing is also available as a downloadable file at <http://www.globalization101.org/uploads/File/IMF/imfall.pdf> In addition, please visit ahead of time the respective institutional websites: <https://www.imf.org/en/About> (with sections on What

We Do, Organization & Finances, Governance, and History) and <http://www.worldbank.org/en/about> (read at least the section on the International Bank for Reconstruction and Development, <http://www.worldbank.org/en/who-we-are/ibrd>).

The final grade distribution will be curved to reflect the performance of the class. The top-scoring among the class will be eligible for an “A” or “A-” letter grade; those scoring somewhat above, at, or somewhat below the median – most students – will be assigned a grade in the “B+” to “B-” range; and those scoring substantially below the median will receive a final grade in the “C” or lower categories.

Class Attendance Policy

The learning outcomes of the Complex Problems curriculum are not possible without regular attendance in class; in view of this, you should plan to attend every class meeting. Please keep the following in mind:

- According to American University’s Undergraduate Regulations, “Excused absences include major religious holidays (posted annually by the Office of the Provost and Kay Spiritual Life Center or verified by the Kay Spiritual Life Center as an excused absence for religious observance), medical or mental health events, approved disability-accommodation-related absences, and approved varsity athletic team events.” For an absence to be excused, you must supply proper documentation (or notice in the case of a religious obligation) in a timely manner. To preserve your privacy, only the Dean of Students Office can provide documentation for absences due to mental-health or medical issues.
- Unexcused absences are all other instances of your inattendance. More than three unexcused absences may be grounds for course failure.
- Excessive absences, excused or unexcused, can change the nature of the course so that it is impossible for you to achieve the learning outcomes. In these cases, you must consult with me about options, including withdrawal, medical leave, or course failure.

Co-curricular activities are integral to the Complex Problems curriculum. Faculty and Program Leaders plan co-curricular activities as a meaningful component of the students’ academic experience; however, to the degree that a Complex Problems co-curricular activity conflicts with students’ academic or employment obligations, or would fall under the category of an excused absence, it is not mandatory. If such reasons prevent attendance at a co-curricular activity, students should determine, with their professor, a meaningful alternative. Options might include a different date for the activity, an alternative but similar activity, or some other supplemental assignment that enacts the intellectual work of the co-curricular event.

Important Information for All Students

Standards of academic conduct: All students are governed by American University’s Academic Integrity Code (AIC). The AIC details specific violations of ethical conduct that relate to academic integrity. By registering, you have acknowledged your awareness of the AIC, and you are obliged to become familiar with your rights and responsibilities as defined by the code. All of your work (whether oral or written) in this class is governed by the provisions of the AIC. Academic violations include but are not limited to: plagiarism, inappropriate collaboration, dishonesty in examinations whether in class or take-home, dishonesty in papers, work done for one course and submitted to another, deliberate falsification of data, interference with other students’ work, and copyright violations. The adjudication process and possible penalties are listed in American University’s AIC booklet, which is also available on the American University website. Being a member of this academic community entitles each of us to a wide degree of freedom and the pursuit of scholarly interests; with that freedom, however, comes a

responsibility to uphold the high ethical standards of scholarly conduct. Details about the AIC can be found on the AU website (www.american.edu/academics/integrity).

Students with disabilities: If you wish to receive accommodations for a disability, please notify me with a letter from the Academic Support and Access Center. As accommodations are not retroactive, timely notification at the beginning of the semester, if possible, is strongly recommended. To register with a disability or for questions about disability accommodations, contact the Academic Support and Access Center at 202-885-3360 or asac@american.edu, or drop by the ASAC in MGC 243.

Academic support resources: All students may take advantage of the Academic Support and Access Center (ASAC, MGC 243) for individual academic skills counseling, workshops, tutoring, peer tutor referrals, and supplemental instruction. Additional academic support resources available at AU include the Bender Library, the Department of Literature's Writing Center (located in the Library), the Math Lab in the Department of Mathematics & Statistics, and the Center for Language Exploration, Acquisition, & Research (CLEAR) in Asbury Hall. A more complete list of campus-wide resources is available in the ASAC.

In the event of an emergency: In an emergency, American University will implement a plan for meeting the needs of all members of the university community. Should the university be required to close for a period of time, we are committed to ensuring that all aspects of our educational programs will be delivered to our students. These may include altering and extending the duration of the traditional term schedule to complete essential instruction in the traditional format and/or use of distance instructional methods. Specific strategies will vary from class to class, depending on the format of the course and the timing of the emergency. Faculty will communicate class-specific information to students via AU e-mail and Blackboard, while students must inform their faculty immediately of any absence. Students are responsible for checking their AU e-mail regularly and keeping themselves informed of emergencies. In the event of an emergency, students should refer to the AU Student Portal, the AU Web site (www.prepared.american.edu) and the AU information line at (202) 885-1100 for general university-wide information, as well as contact their faculty and/or respective dean's office for course and school/college-specific information.

Counseling resources: The Counseling Center (x3500, MGC 214) offers intake and urgent care services, counseling and consultations regarding personal concerns, self-help information, and connections to off-campus mental health resources.

Writing resources: The Writing Center (x2291, Bender Library, 1st floor) provides writing consultants to assist students with writing projects. Students must call to set up a free appointment. See www.american.edu/cas/writing/index.cfm

Diversity and inclusion resources: The Center for Diversity and Inclusion (x3651, MGC 201) is dedicated to enhancing LGBTQ, Multicultural, First Generation, and Women's experiences on campus and to "advance AU's commitment to respecting & valuing diversity by serving as a resource and liaison to students, staff, and faculty on issues of equity through education, outreach, and advocacy." See www.american.edu/ocl/cdi/index.cfm

Confidential victim resources: A program of the Health Promotion and Advocacy Center (x3276, Hughes Hall 105), OASIS (the Office of Advocacy Services for Interpersonal and Sexual Violence) provides free and confidential victim advocacy services for American University students who are impacted by all forms of sexual violence (e.g. sexual assault, rape, dating or domestic violence, sexual harassment, or stalking) – either directly or indirectly. To

schedule an advocacy meeting with one of AU's confidential victim advocates, visit their You Can Book Me page at auhpac.youcanbook.me

Class Schedule

Week #1: January 16: Class Orientation and Introduction

Required reading: Huwart and Verdier ("Economic Globalization: Origins & Consequences" Excerpt), pp. 1-67.

Week #2: January 23: The United States in a New Global Economy?

Required reading: Irwin, chapter 1. Remember to take the quiz before class.

Week #3: January 30: The Case for Free Trade: Old Theories, New Evidence

Required reading: Irwin, chapter 2. Remember to take the quiz before class.

Week #4: February 6: Protectionism: Economic Costs, Political Benefits?

Required reading: Irwin, chapter 3. Remember to take the quiz before class.

Week #5: February 13: Trade, Jobs, and Income Distribution

Required reading: Irwin, chapter 4. Remember to take the quiz before class.

Week #6: February 20: Test #1 covering Week #1-5 readings; Team meetings

Week #7: February 27: Relief from Foreign Competition: Antidumping and the Escape Clause

Required reading: Irwin, chapter 5. Remember to take the quiz before class.

Week #8: March 6: Developing Countries and Open Markets

Required reading: Irwin, chapter 6. Remember to take the quiz before class.

March 13: No Class: Spring Break

Week #9: March 20: The World Trading System: The WTO, Trade Disputes, and Regional Agreements

Required reading: Irwin, chapter 7. Remember to take the quiz before class.

Week #10: March 27: Test #2 covering Week #7-9 readings; Team meetings

Week #11: April 3: Team meetings

Week #12: April 10: Team meetings

Week #13: April 17: Team presentations: Globalization & Poverty; Globalization & Inequality

Week #14: April 24: Team presentations: Globalization & Capital Flows; Globalization & Migration; Globalization & Offshoring

Week #15: May 1: Report due before midnight, submitted via Blackboard.

Instructions for the Report Assignment

You must work on this report as a team; the team effort will receive a single score, meaning that all team members will receive the same presentation and report scores. The title of your team's report should be "Globalization and Poverty: Pros and Cons," or "Globalization and Inequality: Pros and Cons," or similar.

The body of your team's report cannot be longer than 3,000 words, but the bibliography and footnotes may be as many and long as your team wishes. The report must cover the pros and cons of the economic globalization topic you've been assigned, demonstrating the application of concepts learned in class and derived from (most but not all) the specialized readings posted for your topic in Blackboard, plus at least 5 book or academic-journal sources that your team finds and cites in the report.

You are welcome to also find and cite relevant articles or other materials from magazines (e.g., *Current History* or *Foreign Affairs* or *The Economist*) or reputable websites and blogs (e.g., <https://www.cfr.org/> or <http://www.globalization101.org/> or <https://www.nytimes.com/column/thomas-l-friedman>), but these citations do not count toward the minimum of 5 extra book or academic-journal sources.

All facts, opinions, quotations, and paraphrasing of material that is not your own must be credited to the original source, by way of an in-line citation to a source appearing in your bibliography and to a specific page number, in order to avoid even the appearance of plagiarism. For example:

Very little is known about how private (as opposed to official) capital inflows have impacted poverty reduction in the poorest countries, particularly in Sub-Saharan Africa (Smith 2014, 22).

The complete citations should be included in a bibliography at the end, where they are to be listed in alphabetical order by the last name of the author, followed by the year, title, publisher, volume/month/day, and URL, if available. For example:

Banks, Arthur (2017), "All You Wanted to Know About Economic Globalization but Were Afraid to Ask," *Journal of Globalization Studies*, Vol. 12, No. 3, 198-217.

Gutiérrez, John (2016), "The Pros and Cons of International Migration," in *Harvard Working Papers No. 54*, December, 8-12, <http://www.harvard.edu/publ/bppdf/bispap54a.pdf>.

Smith, Fredrick (2014), *Role of Capital Inflows in Southeast Asia* (Cambridge, MA: MIT Press).

Footnotes should be used when you wish to expand on a minor point made in the text, and they should be numbered consecutively. For example:

¹² For additional examples of how official statistical information on poverty and inequality was misrepresented in China during the rule of Mao Zedong, see Banks 2017, 201-04.

As mentioned previously, violations of the AIC will not be treated lightly, and disciplinary actions will be taken against you or all team members should violations occur. Also, let me know if you become aware of any violations of the AIC by other students.

Please observe the following conventions:

- (a) use Word software and activate its language (English U.S.) and spell-check features;
- (b) specify single-line spacing and insert page numbering;
- (c) pick a file name that consists of the last names of the team members, e.g., “Bordeaux Chen González Morris Report.docx”;
- (d) make sure that your team’s spelling, vocabulary, grammar, and punctuation are the best that they can be;
- (e) keep track of your word count and don’t exceed 3,000 for the report’s body; and
- (f) upload to Blackboard by the due date/time.

Reports which do not observe these conventions will be penalized.