

Global Studies 100A
Globalization: Governance and Conflict
Winter 2017
TR 3:30pm-4:45pm

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Office Hours: Tuesdays 1:30-3:00 and by appointment. Sign up at:
<https://www.wejoinin.com/sheets/bdyvm>
Course website: <https://ccle.ucla.edu/course/view/17W-GLBLST100A-1>

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Description

Who, if anyone, governs the world economy? Why do countries succeed or fail to cooperate in setting their economic policies? When and how do international institutions help countries cooperate? When and why do countries adopt good and bad economic policies? This course examines how domestic and international politics determine how the global economy is governed. We will study the politics of monetary, trade, international investment, and immigration policies to answer these questions. The course will approach each topic by examining alternative theoretical approaches and evaluate these theories using historical and contemporary evidence. There will be an emphasis on applying concepts through the analysis of case studies.

Books

There are two required books for this course. Both will also be on reserve at the library:

- Oatley, T., 2015. *International political economy*. Longman. 5th edition (noted as Oatley on the schedule)
- Frieden, J.A., 2006. *Global capitalism*. *New York and London: WW Norton* (noted as Frieden on the schedule)
- We will also use three Harvard Business School cases. You can order them online from <http://cb.hbsp.harvard.edu/cbmp/access/57289691>.

All readings marked with an asterisk (*) will be provided on the course website.

Requirements

* Note: I do not have an office phone. Email to get in touch with me.

This course meets for lecture twice a week and for section once a week. Lecture attendance is required on case study days and strongly recommended on all other days. Section attendance is required. Assignments include:

- Midterm exam (25%): The midterm will be given in class on February 9th. There will be no make-up midterm exams unless a student has to be away from campus on university business or due to an emergency.
- Final exam (30%): The final exam will be given on March 22nd, 11:30am-2:30pm, location TBA. There will be no make up final exams a student has to be away from campus on university business or due to an emergency.
- Case studies (20%): The case study component of the course consists of two parts:
 - Lecture attendance and participation (5%): Students will come to lecture and participate in the discussion using the OPT software on their phone or other device. Students who speak in lecture will be given extra credit.
 - Case study paper (15%): students will write one paper on one of the cases over the course of the quarter. The paper will be a response to the decision point questions at the end of the case. Paper due dates will be chosen in section during the first week. The paper will be no more than 3 double-spaced pages with 1-inch margins and 12-point times new roman font; the TA's will stop reading after 3 pages.
- Section quizzes (10%): There will be a quiz at the beginning of each section on the readings. The quiz will have a total of no more than 5 questions. Each quiz is worth 10 points; students will automatically be given 5 points for showing up to section. The worse 2 quiz grades are dropped.
- Section participation (15%): Students are required to participate in sections. Students who attend but do not participate will receive no more than 50% credit for the day. Students who actively participate will be given full credit for the day. This is not to punish introverts; learning how to contribute to a discussion is an important skill for all future careers.

Other Policies

- *OPT*: We will be using OPT to do in-class polling and anonymous questions. Please bring a smartphone or tablet to use it.
- *Computers in class*: There are no computers allowed at lecture unless you get prior authorization from the professor. Taking notes on laptop computers leads to worse performance outcomes (see: <http://www.npr.org/2016/04/17/474525392/attention-students-put-your-laptops-away>) and distracts other students (see: <http://www.theglobeandmail.com/news/national/professors-push-back-against-laptops-in-the-lecture-hall/article26046828/>). You may take notes/ bring readings to class on tablets; they should lay face down on the desk.
- *Lecture slides*: I will try to post the lecture slides online prior to class. Feel free to print them and take notes directly on them, as they will often contain key words and charts or tables for your reference. The slides are NOT replacements for coming to lecture.
- *Switching sections*: **We can't switch students to different discussions unless a student finds someone else who is willing to switch with them and we can't have more than 25 students in each discussion.** If you have additional questions, please contact idps@international.ucla.edu.

- *Correcting Errors in Grading:* Requests for grading correction should clearly and succinctly state the unambiguous error you believe has occurred. Errors in grading due to illegible or garbled answers are not subject to correction. Students who have been graded incorrectly should petition for a correction in writing to Professor Peters. Requests should be at least 1 paragraph and should be no longer than 1 page in length and must focus on the specifics of the grading error. Requests should **occur within a week of the work being returned**. The entire graded work should be resubmitted; there is no guarantee that grades will rise as, statistically, positive and negative errors in grading are equally likely. If the request arises because you think different students have been graded differently, all the affected students should submit their work as a group (there is no guarantee that only upward adjustments will occur.) Note that this policy applies only to specific and unambiguous errors, not to such items as disputes over grading policies, protests about the form or content of an examination, or claims of learning not displayed in the work. Requests for a correction, which do not state, with particularity and specificity, the error to be corrected will be rejected.

Students with Disabilities

Students needing academic accommodations based on a disability should contact the Office for Students with Disabilities (OSD) at (310)825-1501 or in person at Murphy Hall A255. When possible, students should contact the OSD within the first two weeks of the term as reasonable notice is needed to coordinate accommodations. For more information visit www.osd.ucla.edu.

Schedule

January 10: Introduction; What is Globalization and Why Should States Cooperate?

This lecture will provide an introduction to the course. It will provide a brief overview of what globalization is and what forms it has taken over the last two centuries. It will address what types of problems global governance can address and begin discussing some of the problems that make cooperation so difficult.

- Frieden “Prologue”
- “Who Runs the World? Wrestling for Influence,” *The Economist*, July 5, 2008 (<http://www.economist.com/node/11664289>).
- William Nordhaus, 2005. “The Problem of Global Public Goods” (<http://nordhaus.econ.yale.edu/PASandGPG.pdf>).

January 12: Trade I: Why open trade? Why restrict trade?

This lecture will examine the state-centric reasons why states have opened trade and why they have closed trade. This will include comparative advantage and gains from trade; intellectual arguments for trade protection; the costs of protection; the ways in which states can protect their markets from trade; and the security externalities of trade.

- Oatley 46-53, Ch. 5
- Frieden Ch. 1, 39-43, 64-68, Ch. 9

January 17: Trade II: The distributional consequences of trade

This lecture will briefly present the Specific-Factors and Heckscher-Ohlin models of international trade and then discuss their implications for the politics of trade. We will then focus on how these economic factors interact with collective action problems, political regimes,

electoral institutions, etc. to influence how preferences about trade are aggregated and policy is made.

- Oatley Ch. 4
- Frieden 105-111
- *Rogowski, 1989. *Commerce and Coalitions: How Trade Affects Domestic Political Alignments* Ch. 1
- *Alt and Gilligan, 1994. "The Political Economy of Trading States: Factor Specificity, Collective Action Problems, and Domestic Political Institutions"

Section week of Jan 17th: Debate the merits of the Trans-Pacific Partnership. Why has there been so much opposition to the TPP? Readings from the *Washington Post* "Monkey Cage" blog

- What's wrong with restricting trade? <http://tinyurl.com/jlo3te5>
- Why is the TPP so long? <http://tinyurl.com/zykaqpf>
- Does the TPP reflect US interests? <http://tinyurl.com/z8u574b>
- Do voters care about trade? <http://tinyurl.com/hhvgtu7>

January 19: Trade III: International Institutions and Trade

This lecture introduces the GATT and WTO and the historical context in which this institution emerged. The lecture will focus on alternative theories that explain the existence of the GATT/WTO and its salient features.

- Oatley Ch. 2, 53-68
- Frieden 287-292, 409-412, 457-471
- *Barton, Goldstein, Josling, and Steinberg, 2006. *The Evolution of the Trade Regime*, Ch. 2

January 24: Trade IV: Trade and Development & Labor Standards

This lecture examines the effects of trade on development. Should states open their economies to trade or protect them to develop?

- Oatley Ch. 6 & 7
- Frieden Ch. 13, 18

Section week of Jan. 24th: Debate should NAFTA stay or go?

January 26: India's Trade Liberalization Case Study (Case study papers due by 5pm on Jan. 25)

This lecture will also feature a discussion component in which we will go through the case and analyze what the Indian government did and what we think it should have done.

- India Case Study

January 31: The Politics of Foreign Direct Investment

This lecture will go through the reasons for foreign direct investment and the rise of the multinational corporation. It will provide an overview of the benefits of FDI and the incentives that governments face to expropriate it.

- Oatley Ch. 8
- *Pandya, 2010. "Labor Markets and Demand for Foreign Direct Investment"

- *Li and Resnick, 2003. “Reversals of Fortunes: Democratic Institutions and Foreign Direct Investment Inflows to Developing Countries

Section week of January 31: Debrief of the India Case Study and Additional Debate

February 2: The Regulation of Foreign Direct Investment II

This lecture will cover how states regulated foreign direct investment and multinational corporations both domestically and through international agreements.

- Oatley Ch. 9
- *Simmons, 2014. “Bargaining over BITs, Arbitrating Awards: The Regime for Protection and Promotion of International Investment”
- *Wellhausen, 2015. *The Shield of Nationality* ch. 2 &3

February 7: China FDI Case Study (Case study papers due by 5pm on Feb. 6)

This lecture will also feature a discussion component in which we will go through the case and analyze what the Chinese government did and what we think it should have done.

- China Case Study

Section week of February 7th: Case study debrief and continued discussion

February 9: MIDTERM

February 14: Migration I: Why do people move and what are the effects on the receiving country.

This lecture will discuss the reasons for migration and the effects of immigrants on the receiving country. The lecture will provide a brief overview of the history of immigration and immigration policies over the last one hundred and fifty years.

- *Massey, Douglas S. et al., 1993. “Theories of International Migration”
- *Orrenius and Zavodny, 2012. “Economic Effects of Migration: Receiving States”

February 16: Migration II: The Politics of Migration in Receiving States

This lecture discusses the political and economic determinants of immigration policies that regulate the flow of people across national borders. We will consider a number of research questions such as: What accounts for variation across countries and time in how restrictive immigration policies are? Why did countries typically choose a combination of liberal immigration policies and restrictive trade policies in the late 19th century and the reverse for much of the 20th century? What are the determinants of political conflict over immigration?

- Frieden p. 50-54
- *Hainmueller and Hopkins, 2015. “The Hidden American Immigration Consensus”
- *Peters, 2015. “Open Trade, Closed Borders: Immigration in the Era of Globalization”

February 21: Migration III: The Politics of Migration in Sending States

This lecture discusses the political and economic determinants of emigration policies that regulate the flow of people across national borders as well as the effects of emigration on economic and political development. Why have some countries open their borders while others restrict emigration? What are the effects of remittances? Is there a brain drain or a brain gain?

- *Miller and Peters, 2016. “Restraining the Huddled Masses”
- *Kapur, Devesh. 2003. “Remittances: The New Development Mantra.”
- *Clemens, Michael. 2007. “Do Visas Kill? Health Effects of African Health Professional Emigration.”

February 23: Migration IV: “The Other Side of Immigration”

In this lecture, we will watch “The Other Side of Immigration.” Based on over 700 interviews in rural Mexico, *The Other Side of Immigration* asks why so many Mexicans migrate to the United States and what happens to the families and communities they leave behind.

- No readings

February 28: European Migration Crisis Case Study (Case study papers due by 5pm on Feb. 27)

This lecture will also feature a discussion component in which we will go through the case and analyze what the German government did and what we think it should have done.

- European Migrant Crisis Case

Section week of February 28: Case study debrief and continued discussion.

March 2: The International Monetary System I: Exchange Rate Regimes and the History of the International Monetary System

This lecture will introduce the concept of exchange rate regimes and go through the history of the international monetary system from the late 19th century to today.

- Oatley Ch. 10 & 11
- Frieden 30-39, 43-50, 111-126, ch. 8, ch. 12

March 7: The International Monetary System II: The Politics of Exchange Rate Regimes

This lecture will discuss the politics behind the international monetary system. It will ask who are the winners and losers from different regimes and how they influence exchange rate politics.

- Oatley Ch. 12 & 13
- *Frieden, 2014. *Currency Politics* Ch. 1

Section week of March 7: Debate—Should the US resume the Gold Standard?

March 9: The International Monetary System III: Financial Crises

This lecture will discuss financial crises, from the 1980s Latin American Debt Crisis through the 2008 Financial Crisis. We will go over their effects, potential remedies, and the politics of those remedies.

- Oatley Ch. 14 & 15
- Daniel Drezner, 2012. “The Irony of Global Economic Governance: The System Worked” (<http://www.cfr.org/international-organizations-and-alliances/irony-global-economic-governance-system-worked/p29101>).
- Chinn and Frieden, 2011. *Lost Decades*, Ch. 1, 5

March 14: The Euro Crisis, The European Union & Brexit

This lecture will discuss the European Union, the Euro crisis, and the causes and consequences of Brexit.

- Frieden, 2014. *Currency Politics* Ch. 4
- Krugman, 2012. *End this Depression Now!* Ch. 10 & 11

Section week of March 14: Review for Final Exam

March 16: Conclusion: Historical Precedents and Where do we go from here?

- Krugman, 2011. “Depression and Democracy”
<http://www.nytimes.com/2011/12/12/opinion/krugman-depression-and-democracy.html>
- De Bromhead, Eichengreen, and O’Rourke, 2012. “Right-wing political extremism in the Great Depression” <http://voxeu.org/article/right-wing-political-extremism-great-depression>

March 22: FINAL EXAM 11:30AM-2:30PM, Room TBA