

PS208 The Political Economy of Globalization

Seminar Leader: Gale Raj-Reichert

Course Times: Wednesdays & Fridays 2:00pm - 3:30pm

Location: P24, Seminar Room 8

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Office Hours: Wednesday and Friday 12pm to 1pm and by appointment

Course Description

This course engages on the topic of 'globalization', understood here as the interconnectedness of economic activity across borders, since World War II. We will focus on understanding how powerful thinkers and domestic and global political institutions helped shaped policies, practices and outcomes of different patterns of globalization. There is a greater focus on these outcomes for countries of the Global South. Organized in three parts, the course begins by chronicling the rise of Keynesianism and its strategy for reconstruction and economic development after the World War II. Next, we turn to the shift towards neoliberal market economies during the 1980s and examining its ideology and policies which became a cornerstone of the Thatcher and Reagan years and which were spread globally, in particular for countries in the Global South, by the Bretton Woods institutions and the World Trade Organization throughout the 1990s. Finally, we will focus on the rise of globalized industries which emerged as part of foreign investment practices by multinational corporations supported by liberalization-friendly regulations and the more recent shift, since the early 2000s, towards global outsourcing and the formation of vast global production networks.

Requirements

Required readings: In the Course Reader.

In-class participation

It is expected that core readings are completed *before* each seminar as our discussions will be based on them. Please read actively – try to relate what you are reading with what you already know and have gained knowledge about the topic from other courses or from your own personal interests and explorations (engage in a personal self-reflective discussion). Take notes, be critical, ask questions, and come to class prepared to share!

Participating in different ways, either through larger group discussions or in small group/partner exercises, is an integral part of the learning process and it is expected that every student makes a good effort in this regard.

Course assignments, grade breakdown and deadlines

1. Discussion participation **20%**

Half of this grade will be based on in-class discussions of the readings and also include participation in small group work or in pairs. The second half of this grade will be based on discussions of your policy memo outline and presentation of your research report outline.

2. Two discussion papers **20% per response paper (40% in total)**

Choose two seminar week readings (this includes the two readings for both days of the seminar week) (one seminar week from the first half of the semester and the second seminar week from the second half of the semester) and write a discussion paper which compares and contrasts the two readings. The discussion paper must do the following: 1) discuss the problematic for each reading (what problem, issue, process or event is focused on in the reading?); 2) explains the conceptual or theoretical framework used by the author(s) to understand the problematic; and 3) your assessment on the strength and weaknesses of the author(s) analyses, findings, and conclusions in a comparative fashion.

Word count is between 1,000 and 1,250 words (not including the references). Please use the Chicago Style of Referencing.

Each discussion paper for the week's readings must be emailed to me BEFORE the first class of that week on Wednesday. For example, if you are writing a discussion for week 4, you must email me your discussion paper BEFORE 2:00pm on the Wednesday of week 4.

3. Final research paper **40%**

Choose a topic relevant to the course themes, develop a research question and write a research paper. The word count of the research paper is between 3,000 to 3,500 words (not including references). Please use the Chicago Style of Referencing. The deadline for the research paper is Friday 19 May, 6pm via email

In preparation for the research paper, you will be required to write a 1.5 page outline of the research paper, which will be presented and discussed in class. This exercise is considered part of your participation grade. The instructions for the outline are the following:

1. Choose a topic relevant to the themes covered in class.
2. Develop a research question and case study you will analyze to answer the question.
3. Write an outline for the paper (refer to the presentation instructions on what to include in your outline). You will share this outline in advance with everyone in the class. The outline must not be longer than 1.5 pages.

4. Give a 10–15-minute presentation* based on the outline of your paper. This can include a powerpoint presentation. Your presentation will be followed with a questions and answer and discussion period. If there are specific areas in which you would like feedback from the audience, please note this during your presentation.

Presentations of paper outlines will be scheduled during weeks 11 and 12.

*Your outline presentation must include the following topics:

I. Introduction – what is the topic? Think of an issue which relates to what we have covered in class or is about the political economy of globalization (e.g. core-periphery and dependency between the Global North and the Global South, neoliberalization, globalized production, the role of multinational corporations, the role of the state, etc.). Come up with a research question and a case study on this topic. See Section III below for ideas on a case study.

In this section of the outline briefly introduce the topic you have chosen – noting why it is important and/or interesting – and present the research question.

Write at three or four sentences. Keep this brief and concise.

II. Concepts and theories – in this section you want to include what concept and/or theory (or multiple concepts and/or theories) you will use when answering the research question in your analysis (section III). Examples of concepts and theories are structural and dependency theory, other economic development theories, the idea of how free markets should function, Washington Consensus neoliberalism, post-Washington Consensus neoliberalism, the role of foreign direct investment and development, global production networks/global commodity chains/global value chains, etc.

Please write three to five sentences on this at minimum.

III. Analysis – in this section you will answer the research question through analysis of a ‘case study’. A case study will include the following:

a) an event which has occurred or is occurring (e.g. financial crisis, the onset of economic or other types of government policies, the rise of outsourcing, interventions by international organizations, etc.)

b) in a location (e.g. a specific country, region of the world, city or area within a country, or globally)

c) implicating a set of actors or institutions (e.g. World Bank, IMF, a government agency, a specific company, an international trade agreement, civil society organisations, workers, etc.)

d) with an effect or outcome (e.g. on the economy, people (livelihoods, incomes, wages, etc.), communities, the environment, etc.)

Write five to seven sentences here at minimum.

Note: you can include some background information like additional information to explain the topic better. This can include historical or current events and data and other types of evidence which helps us better understand the breadth and context of your topic.

IV. Conclusion – this section will conclude the entire paper, however, you do not have to include it in your presentation as you will only know this after writing the paper.

**IT IS HIGHLY RECOMMENDED THAT YOU DISCUSS YOUR FINAL RESEARCH PAPER WITH ME DURING OFFICE HOURS

Academic Integrity

Bard College Berlin maintains the highest standards of academic integrity and expects students to adhere to these standards at all times. Instances in which students fail to meet the expected standards of academic integrity will be dealt with under the Code of Student Conduct, Section 14.3 (Academic Misconduct) in the Student Handbook.

Attendance

Attendance at all classes is a crucial part of the education offered by Bard College Berlin. To account for minor circumstances, two absences from twice-per-week courses or the equivalent (e.g. one absence from a once-per-week course) should not affect the participation grade or require documentation.

More than two absences without valid reasons will reduce the participation grade.

Bard College Berlin does not offer credit for any course in which a student has missed more than 30% of classes, regardless of the reasons for the absences. The full Bard College Berlin attendance policy can be found in the Student Handbook, Section 2.8.

Policy on Late Submission of Papers

Assignments that are up to 24 hours late can be downgraded up to one full grade (from B+ to C+, for example). Assignments more than 24 hours late will not be accepted. Letters of accommodations from students must be shared with me at the start of the semester.

Schedule

| Week | Topic |
|------|--------------|
| 1 | Introduction |
| 2 | Keynesianism |

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|----|--|
| 3 | Rise of neoliberalism (Anti-Keynes group; the political project of Thatcher and Regan) |
| 4 | Spreading neoliberalism globally I (focus on Bretton Woods) |
| 5 | Spreading neoliberalism globally II (focus on WTO) |
| 6 | Anomaly: East Asian miracle |
| 7 | Foreign direct investments |
| 8 | Fragmentation of production (focus on MFA deviations) |
| 9 | Globalized production I |
| 10 | Globalized production II |
| 11 | Presentations |
| 12 | Presentations |
| 13 | Future of globalization post Covid19 |
| 14 | Wrap-up discussion |

Week 1 – Introduction

The first week starts with a brief overview of what will be covered in the course. We will examine early economic policies, ideas and institutions following the second world war, especially towards industrialization and international trade. The second seminar will consider different conceptual approaches to institutional analysis of markets will be examined, including structuralism versus economic liberalism and free market approaches.

Wednesday 1 February

Ha-Joon Chang (2003) Chapter 2 - The market, the state and institutions in economic development, *Rethinking Development Economics*, Anthem Press.

Friday 3 February

Ha-Joon Chang (2007) Chapter 2 – Understanding the relationship between institutions and economic development – some key theoretical issues, *Institutional Change and Economic Development*, United Nations University Press.

Week 2 – Post-World War 2

Power and unequal development will be considered in this context, as shaping relations between nation states (developed and developing) in the post war era. Strategies of economic development based around Keynesian ideas of import substitution will be discussed. This will set the scene for a comparative discussion on ideas of export led growth in the upcoming weeks – illustrating shifts or a battle of ideas over economic development.

Wednesday 8 February

Palma, G. (2003) Chapter 6 - The Latin American Economies During the Second Half of the Twentieth Century - from the Age of 'ISI' to the Age of 'The End of History', *Rethinking Development Economics*, Anthem Press.

Friday 10 February

C. Kay (1989) Chapter 1 - The Challenge from the Periphery, *Latin American Theories of Development and Underdevelopment*, Routledge

C. Kay (1989) Chapter 2 - The Structuralist School of Development, *Latin American Theories of Development and Underdevelopment*, Routledge

Week 3 – The rise of neoliberalism

The rise of neoliberalism is linked to a paradigmatic shift in economic ideologies and a political project. We will discuss how neoliberalism won in the battle of ideas for economic growth during the 1980s.

Wednesday 15 February

Harvey, D. (2005) Chapter 2 – The construction of consent, *A Brief History of Neoliberalism*, Oxford University Press.

Friday 17 February

Harvey, D. (2005) Chapter 3 – The Neoliberal State, *A Brief History of Neoliberalism*, Oxford University Press.

Payne, A. (2005) Chapter 4 – Contending ideas, *The Global Politics of Unequal Development*, Palgrave.

Week 4 – The spread of neoliberalism globally I: the Bretton Woods institutions

The establishment of the post second world war international institutional frameworks were essential for the spread of neoliberal ideas and policies. We will discuss the Bretton Woods institutions this week. Relationships between national and international forms of governance will also be considered. These different perspectives will be considered in relation to the role of public and private institutions as well as regulations, voluntary codes and norms - setting the scene for current debates over the role of institutions in a global era.

Wednesday 22 February

Peet, R. (2009) Bretton Woods: emergence of a global economic regime, chapter 2 in *Unholy Trinity: the IMF, World Bank and WTO*, Zed: London.

Friday 24 February

Woods, N. (2014) Chapter 2 - The Globalizing Mission, *The Globalizers: the IMF, the World Bank, and their Borrowers*, Cornell University Press.

Week 5 – The spread of neoliberalism globally II: International trade agreements

In addition to the Bretton Woods institutions, the World Trade Organization has played an important and arguably a binding role in spreading liberal economic policies globally.

Wednesday 1 March

Bello, W. (2000) The Iron Cage: The World Trade Organisation, the Bretton Woods Institutions and the South. *Capitalism, Nature, Socialism*, Vol. 11, No. 1.

Friday 3 March

Hopewell, K. (2015) Different paths to power: The rise of Brazil, India and China at the World Trade Organization, *Review of International Political Economy*, Vol. 22, No. 2.

Week 6 – What role for the state and a new political economy?

Wednesday 8 March

Leftwich, A. (1995) Bringing politics back in: Towards a model of the developmental state, *The Journal of Development Studies*, Vol. 31, No. 3.

Peck, J. and Tickell, A. (2002), Neoliberalizing Space, *Antipode*, Vol. 34.

Friday 10 March

Ong, A. (2006) Chapter 3 – Graduated sovereignty, *Neoliberalism as exception: Mutations in citizenship and sovereignty*, Duke University Press.

Week 7 – Multinational corporations and foreign direct investments

Wednesday 15 March

te Velde, D.W. (2006) *Foreign direct investment and development: An historical perspective*, Overseas Development Institute.

Friday 17 March

Dicken*, P. (2015) Chapter 5 – Transnational corporations: The primary ‘movers and shapers’ of the global economy, *Global Shift*, Guilford Press.

(* The different chapters by Dicken, P. in the course reader are out of order. Please make sure to read the correct chapter accordingly)

Week 8 – Global fragmentation of production

Wednesday 22 March

Dicken, P (2015) Chapter 1 - What in the world is going on?, *Global Shift: Mapping the Changing Contours of the World Economy*, The Guildford Press (7th edition).

Dicken, P. (2015) Chapter 14 - Fabric-ating Fashion: The Clothing Industries, *Global Shift: Mapping the Changing Contours of the World Economy*, The Guildford Press (7th edition).

Thursday 24 March

Dicken, P., Kelly, P., Olds, K. and H. W.-c. Yeung (2001): Chains and networks, territories and scales: towards and analytical framework for the global economy, *Global Networks*, 1(2), pp. 89-112.

Week 9 – Globalized production I

Wednesday 29 March

Gereffi, G. (2014) Global value chains in a post-Washington Consensus world, *Review of International Political Economy*, Vol. 21, No. 1.

Thursday 31 March

Topik, S. (2009) Historicizing commodity chains: Five hundred years of the global coffee commodity chain, *Frontiers of Commodity Chain Research*, Stanford University Press.

Week 10 – Globalized production II

Wednesday 12 April

World Bank (2020) World Development Report: Trading for Development in the age of Global Value Chains. <https://openknowledge.worldbank.org/bitstream/handle/10986/32437/211457ov.pdf>

Friday 14 April

Taplin I. M. (2014) Global Commodity Chains and Fast Fashion: How the Apparel Industry Continues to Re-Invent Itself, *Competition & Change*, Vol. 18, No. 3.

Chan, J., Pun, N. and Selden, M. (2013), Politics of global production, *New Technology, Work and Employment*, Vol. 28.

Week 11 – Individual presentations

Wednesday 19 April and Friday 21 April

Week 12 – Individual presentations

Wednesday 26 April and Friday 28 April

Week 13 – Future of globalization

Wednesday 3 May

Alami, I. et al. (2022) Geopolitics and the ‘New’ State Capitalism, *Geopolitics*, Vol. 27, No. 3.

Friday 5 May

Kallis, G., Kerschner, C-, and Martinez-Alier, J. (2012) The economics of degrowth, *Ecological Economics*, Volume 84.

Week 14 – Wrapping up

Wednesday 10 May

Mazzucato, M. (2021) ‘A new global economic consensus’, *Project Syndicate*, <https://www.project-syndicate.org/commentary/cornwall-consensus-rebuilding-global-governance-by-mariana-mazzucato-2021-10>

Friday 12 May

Wrap-up discussion