RPOS 473Z: Economic Relations in the Global System
Spring Semester 2010
Class number 16653
Tuesdays, 4:15-5:35 in and Thursdays, 4:15-5:35 in HU115

Professor Holly Jarman
Office Hours for Professor Jarman: Tuesdays and Thursdays 3-4pm in Humanities B16, please email hjarman@albany.edu for appointments at other times.

Course Summary

What are the consequences of the recent financial crisis for global politics? Why do industrialized countries feel the need to give grants, loans and special trade preferences to developing countries? How do political factors shape global markets? The course tackles these questions by analyzing some broad themes: part one places the course in the context of the recent crisis, part two examines domestic pressure to change the system, and part three deals with multiple levels of policymaking. By the end of the course, you should have an appreciation of the underlying structural and political differences between modern industrial countries and how these affect the allocation of aid, finance, and trade preferences. This course combines elements of global politics, comparative politics and public policy, and is aimed at upper level undergraduates who want to write about and reflect on these topics in some depth. This course is a writing intensive version of POS350 Comparative Foreign Economic Policy, and is not recommended for students who have already taken that class. At the end of this course, students should be able to:

• discuss the global economy with others, using evidence from contemporary sources to construct coherent arguments in writing and in person.
• evaluate trade, aid and financial policies in depth: explain why an existing policy came to be, debate its effectiveness, and identify potential alternatives.
• compare US debates with those in other countries and at the global level, and discuss those differences with others.

This course can be taken to fulfill the University at Albany upper level writing intensive requirement of the General Education program. The learning objectives for social science courses are as follows:

1. Social science courses enable students to demonstrate an understanding that human conduct and behavior more generally are subject to scientific inquiry.
2. Social science courses enable students to demonstrate an understanding of the difference between rigorous and systematic thinking and uncritical thinking about social phenomena.
3. Social science courses enable students to demonstrate an understanding of the kinds of questions social scientists ask and the ways they go about answering these questions.
4. Social science courses enable students to demonstrate knowledge of the major concepts, models, and issues of at least one discipline in the social sciences.
5. Social science courses enable students to demonstrate an understanding of the methods social scientists use to explore social phenomena, such as observation, hypothesis development, measurement and data collection, experimentation, evaluation of evidence, employment of mathematical analysis, employment of interpretive analysis.

Required Texts

There are no required texts for this class. All the readings are available on our Blackboard site, which can be accessed at https://bls.its.albany.edu/webct/logon/615445628001.

What I Expect From You

- Please come prepared. I expect you to read all of the required texts for each class before you come to class. Come to class ready to discuss, debate and disagree with the arguments they contain, with your fellow classmates, and me!
- Please be respectful of other people’s opinions. This does not mean that those opinions should or will go unchallenged, but that we all agree to listen carefully to one another and offer constructive criticism.
- Assignments should be submitted to Blackboard by 12 noon on the day of the deadline. 5 points will be deducted from late assignments for every day that they are late, unless there are mitigating circumstances (see below). If for some reason Blackboard does not allow you to upload, simply send the assignment by email to me at hjarman@albany.edu – assignments submitted by email before the deadline are still considered on time, but Blackboard submission is strongly preferred as it stops assignments from getting lost in my inbox.
- Please respect the university’s policy on academic integrity, available at: http://www.albany.edu/undergraduate_bulletin/regulations.html. Using someone else’s argument without citing their work, quoting an article, book, web site or other source without giving the source, claiming as your work a paper written by someone else, and resubmitting a paper you wrote for another class are all examples of plagiarism. Plagiarism is considered to be a serious matter, even if it was not intentional. Plagiarism could result in any of the following, depending on the seriousness of the case: requirement to rewrite the affected assignment, lowering the assignment or the course grade by a full grade or more, failing the assignment or the course, or withholding permission to withdraw from the course.

There are no prerequisites for this course. The course is graded A-E. Formal requirements, in addition to full participation in class discussion on the basis of the assigned readings, are:

1. Weekly Quizzes 40%
2. Attendance and Participation 20%
3. Final Research Paper 40%
1. Weekly Quizzes

I expect you to come to class having read and thought about all the assigned readings for that class. One quiz per week will be available on Blackboard, based on the readings for that week. Each quiz will ask five straightforward comprehension questions about the readings – they are designed to test your understanding of what you have read. Each quiz is worth a maximum of 5 marks, and your top 8 quizzes will count towards your final grade. **Quizzes expire each Thursday before class and there will be no opportunities to make up quizzes that you miss.**

2. Participation in Class Discussions

The quality of your contributions to the in class exercises will be evaluated, accounting for 20% of your grade. Attendance alone will only gain you 10 points, so participation is key!

3. Research Paper

Each student will be assigned a country at random at the start of the semester. (You are free to swap these country assignments with your classmates in the first week only, but not after that point!) During the semester, you will draft a research paper which addresses a topic of your choice from the course in relation to your country e.g. the impact of the economic crisis on Iceland. Class discussions and other activities are designed to allow you to gradually build up your knowledge and draft a text.

What You Can Expect From Me

- **Instructor accessibility:** I will hold regular office hours each week in Humanities B16. Please try to come and see me during those hours. If you can’t come to office hours due to a conflict with another class or a work commitment (and only for those reasons), I can arrange an alternative meeting time with you – but be aware that you might have to wait a bit longer for an appointment. Many problems can be solved if you bring them to my attention early enough, so please come to me sooner rather than later.
- **Grading:** If you submitted your assignment on time, you have the right to get the graded work returned to you within a reasonable timeframe (approximately one week), with a set of written comments.
- **Right to appeal:** if you believe your grade is wrong for whatever reason, I encourage you to visit me in my scheduled office hours to talk about the problem. However, I ask that you do so within two weeks of receiving the grade. Appeals about assignments that are more than two weeks old will not be considered unless there are mitigating circumstances. Making an appeal is no guarantee that your grade will be raised: it may go up, down or stay the same depending on the results of the review.
- **Mitigating circumstances:** From time to time, unforeseen circumstances mean that students will have to miss classes or assignments. In such circumstances, please let me know the situation as soon as it is practical, so that alternative arrangements can be made.
- **Alternative class requirements:** Please contact me at the start of the course if you require alternative assessment arrangements e.g. extra time to finish assignments. If you
are new to the university, you may wish to contact UAlbany’s Disability Resource Center, http://www.albany.edu/disability/index.shtml

Class Schedule and Reading List

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<td>NO CLASS</td>
<td>January 21&lt;sup&gt;st&lt;/sup&gt;</td>
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<td><strong>January 26&lt;sup&gt;th&lt;/sup&gt;</strong></td>
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<td>Global Financial Institutions I</td>
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<td><strong>February 23&lt;sup&gt;rd&lt;/sup&gt;</strong></td>
<td>Old Crisis, New Crisis</td>
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<td>Doha Development Agenda</td>
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<td>Emerging Economies</td>
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<td>Copenhagen Summit</td>
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<td>Politics of Aid</td>
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<td>Revised Draft Paper Due</td>
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<td>Measuring Success</td>
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Section One: The Global Economic System in Crisis

**January 26<sup>th</sup>, The Financial Crisis I: What went wrong?**
Watch the video ‘The Credit Crisis Explained’, available on Blackboard.
January 28th, The Financial Crisis II: Who’s to blame?

February 2nd, The Financial Crisis III: Stimulus
Take a look at http://www.recovery.gov/Pages/home.aspx, the administration’s stimulus tracking web site.

February 4th, The Financial Crisis IV: Global Implications
Class Exercise: In addition to Prasad and Sorkin, read one article of your choice from your country list below, and look up the relevant economic statistics using the links provided. What have been the implications of the crisis for your country? What key problems do you face? How timely and effective are the global or national solutions on the table?

February 9th, Global Economic Institutions I: The Bretton Woods Institutions

February 11th, Global Economic Institutions II: The Future of Summitry
Class Exercise: In addition to Bénassy-Quéré, read one article of your choice from the country list below, and consult the membership lists using the links provided. What role has your country taken to date in relation to the global economic institutions? Is this role likely to change with the greater emphasis on the G20? What are your preferred options for reform?

Section Two: Trade and Growth

February 18th, ‘Old Crisis, New Crisis’: Trade in Historical Context

February 23rd, Trade, Growth, and Development

February 25th, Participating in Global Trade
Class Exercise: In addition to Rodrik, read one article from your country list below, and look up relevant trade statistics using the links provided. How does your country participate (or not) in global trade? What are the main challenges you face in doing so? What changes to the international trade regime would you like to see?

March 2nd, The Doha Development Agenda
Please also familiarize yourself with “The WTO in Brief” at http://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr00_e.htm.

March 4th, The Future of Doha?
Class Exercise: In addition to Rodrik and Mattoo, read one article from your country list below, and research your country’s position on the Doha negotiations. Who are your allies? Who do you disagree with, and on what issues? To what extent do you support the Doha round process, and why?

March 9th, China and Other ‘Emerging Economies’

March 11th, China’s Global Role


**March 16th, The Global Economy and the Environment**

Edward Gresser, ‘GEO Politics’ p49-61 in *Democracy* 14 (Fall 2009).


*Class exercise: Using the links provided, research your country’s position on climate change. If you participated in the Copenhagen summit, what was your role? What are the potential effects of a) climate change and b) new environmental regulations on your economy?*

**Section Three: Development**

**March 23rd, The Politics of Aid**


Dambisa Moyo ‘Dead Aid: why aid is not working and how there is a better way for Africa’ p3-47, Farrar, Straus and Giroux: New York.

**March 25th, Aid…and altruism. Who gives what to whom?**


DAC Glossary [http://www.oecd.org/glossary/0,2586,en_2649_33721_1965693_1_1_1_1,00.html](http://www.oecd.org/glossary/0,2586,en_2649_33721_1965693_1_1_1_1,00.html)

OECD Aid for Trade Statistics [http://www.oecd.org/document/21/0,3343,en_2649_34665_43230357_1_1_1_1,00.html](http://www.oecd.org/document/21/0,3343,en_2649_34665_43230357_1_1_1_1,00.html)

Also, familiarize yourself with the OECD’s Donor Aid Charts at [http://www.oecd.org/countrylist/0,3349,en_2649_34447_1783495_1_1_1_1,00.html](http://www.oecd.org/countrylist/0,3349,en_2649_34447_1783495_1_1_1_1,00.html)

OECD Aid Statistics [http://www.oecd.org/department/0,3355,en_2649_34447_1_1_1_1,00.html](http://www.oecd.org/department/0,3355,en_2649_34447_1_1_1_1,00.html)

*Class Exercise: In addition to Alesina, read one article of your choice from your country list below, and look up the aid statistics (as donor or recipient) relevant to your country. What kinds of aid do you give/receive and for what purpose? Roughly what proportion of your GNP is donated/received aid? Is this the right amount? Do you think your country benefits from being an aid donor/recipient? Why or why not?*

**April 6th, Delivering Aid I, Institutions**


April 8th, Delivering Aid II, Donor Organizations and Aid to fight AIDS

April 13th, Debt and Development I

April 15th, Debt and Development II
Class Exercise: How indebted is your country? Who are your creditors? What might explain this pattern of debt? What are your future prospects for clearing the debt and/or obtaining future finance? What are the positive and negative consequences of the debt?

April 20th, 22nd and 27th, Microfinance Project
Class Exercise: In addition to the readings, review the information provided about Rockefeller College’s previous investment in microfinance projects. Over the course of the three classes, we will develop a forward plan to reinvest our funds over the next six months.

April 29th, Measuring Success