

**GLOBALIZATION 17.195-17.196**  
Fall 2003  
E52-175 – M 3-5:00pm

**Professor Suzanne Berger**  
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This seminar explores changes in the international economy and their effects on domestic politics, economy, and society. Is globalization really a new phenomenon? Is it irreversible? What are effects on wages and inequality, on social safety nets, on production, and innovation? How does it affect relations between developed countries and developing countries? How globalization affects democracy? These are some of the key issues that will be examined.

The seminar is open to undergraduates and graduate students. Some prior work in political science or economics is strongly recommended. For undergraduates there will be an additional one section meeting (one hour) to be scheduled at the first meeting of the class. Graduate students will be expected to do most of the recommended as well as the assigned readings. The requirements for undergraduates and graduate students are (1) to complete each week's assigned reading before class; (2) two essays on assigned topics. The papers require thinking about issues raised in readings and class discussion. They should be about 12-15 typed double-spaced pages. Students who wish to write a major research paper instead of the two essays should meet during the first month of term with Suzanne Berger and discuss an outline of the research.

All the books and articles are on reserve in Dewey library. All of the books in print have been ordered for the class and are at The Coop. Readings denoted by a # can download, <http://stellar.mit.edu/S/course/17/fa03/17.196/index.html>.

## **September 8 Introduction and Overview**

# Tina Rosenberg, "*The Free Trade Fix*," in New York Times Sunday Magazine, August 18, 2002. (on stellar site)

# "*Globalisation and its critics*" *A Survey of Globalisation*, , *The Economist* September 29, 2001, [www.economist.com/surveys/showsurvey.cfm?issue=20010929](http://www.economist.com/surveys/showsurvey.cfm?issue=20010929)

# Bernard Cassen, "*To Save Society*," *Le Monde Diplomatique*, May 1997.  
<http://mondediplo.com/1997/05/globalisation3156>

### RECOMMENDED

William Greider, *One World, Ready or Not*, chapters 1-2, 14  
Thomas L. Friedman, *The Lexus and the Olive Tree*, chs. 1-6

## **Part I: Globalization: A New Economic Order? The Historical Antecedents**

### **September 15                      Domestic and International Economies in the 19th Century**

Karl Polanyi, The Great Transformation, chapters 3-6, 12, 21

### **September 22                      STUDENT HOLIDAY**

There will be section meeting but no class this week. Please use the week to read whichever readings from September 9 you may not have read before the first class.

### **September 29                      Globalization before World War One**

# Norman Angell, The Great Illusion, chs. 1-4

Paul Hirst and Grahame Thompson, Globalization in Question, chs 1, 2 (2<sup>nd</sup> ed.)

### **October 6                              The Postwar Settlement: Trade, Welfare and Economic Growth**

Jagdish Bhagwati, Protectionism

#### RECOMMENDED

# John Ruggie, *“International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Order,”* International Organization (Spring 1982)

Paper topic to be distributed. Paper due at start of class, October 20.

### **October 13                              Columbus Day**

NO CLASS. Section will meet.

**October 20**

**The Debate over Trade Today: The Critics**

PAPER DUE AT START OF CLASS

# "Citizen's Guide to the WTO" (on stellar )

# David Morris, "Free Trade: The Great Destroyer," in Jerry Mander and Edward Goldsmith, The Case Against The Global Economy, pp. 218-228.

# Herman Daly, "Free Trade: The Perils of Deregulation," in The Case Against The Global Economy, pp. 229-238

**Part II: Creating the Global Economy**

**October 27**

**Capital Flows**

Susan Strange, Casino Capitalism, chapters 1, 2, and 6

# "Fear of Finance" A Special Survey, The Economist, September 1992.

# Jeffrey Frieden, "Invested Interests: The Politics of National Economic Policies in a World of Global Finance," International Organization, vol. 45 (1991) 425-51.

**November 3**

**Multinational Enterprises**

Hirst and Thompson, Globalization in Question, chapter 3

# "The World as a Single Machine," A Manufacturing Survey, The Economist, [http://www.economist.com/surveys/PrinterFriendly.cfm?Story\\_ID=168615](http://www.economist.com/surveys/PrinterFriendly.cfm?Story_ID=168615)

# P. Gourevitch, R.E. Bohn, D. McKendrick, "Who is Us? The Nationality Problem in Globalization of Production" <http://isic.ucsd.edu/papers/whoisus.shtml>

RECOMMENDED

John Dunning, Multinational Enterprises and the Global Economy, chs. 1 & 2

**November 10**

**VETERAN'S DAY HOLIDAY**

## **November 17                      Globalization and Development**

Hirst and Thompson, Globalization in Question, chapter 5

# Xavier Sala-I-Martin, "The Disturbing 'Rise' of Global Income Inequality," NBER Working Paper x8904, April 2002 <http://papers.nber.org/papers/W8904>

# WSF International Peoples' Tribunal on Debt (on stellar)

### RECOMMENDED

World Bank, The East Asian Miracle, (Oxford University Press), Overview, chs. 1-3 (pp. 1-104)

## **Part III: The Consequences of Globalization**

### **November 24                      Does Globalization Increase Unemployment and Inequality?**

Dani Rodrik, Has Globalization Gone Too Far?

The second paper topic will be distributed. Paper due at start of class Dec 9

### **December 1                      Does Globalization Destroy the Power of the State? Are Reform and Redistribution Still Possible?**

Suzanne Berger and Ron Dore, eds., National Diversity and Global Capitalism. Read Berger, Boyer, Wade, Streeck, and Dore

Geoffrey Garrett, "Global Markets and National Politics: Collision Course or Virtuous Circle," *International Organization*, vol. 52, no. 4, Autumn, 1998

### RECOMMENDED

# Suzanne Berger, "Globalization and Politics," *Annual Review of Political Science*, vol. 3 (2000)

### **December 8                      Globalization and Democracy**

# Ralph Nader and Lori Wallach, "*Gatt, NAFTA, and The Subversion of The Democratic Process*," in Mander and Goldsmith, The Case Against the Global Economy, pp. 92-107