

## **ECON 312: Economics of Globalization**

Fall Semester, 2009-2010

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**Goals:** Globalization has aroused great controversy. This course examines the reasons for the integration across borders of the markets in goods and the factors of production, and the consequences of these trends. In the first part of the course we discuss the history of globalization and the emergence of international public goods. Next we analyze the consequences of international trade, the migration of labor, and global financial flows. We then examine the implications of globalization for growth and poverty, the environment and governance.

**Prerequisites:** The prerequisite for the course is ECON 201.

**Readings:** The main text for the course is:

Lomborg, *Global Crises, Global Solutions* (2<sup>nd</sup> ed.)

The other readings are available through electronic reserves or the readings conference on the class conference.

**Requirements:** The course grade will be determined by the results of four short papers (15% each), a joint presentation (15%), class participation (5%) and a final paper (20%).

**Class Conference and Blogs:** We have a FirstClass conference that we will use to post announcements, answer questions, etc.

**Office Hours:** Wednesdays from 11 – 12 noon and Thursdays from 3 – 4 p.m.

**Honor Code:** All members of the course are expected to adhere to the Honor Code of Wellesley College.

I.	Introduction	9/8, 9/11, 9/15
	1. Background	
	2. History	
	Das, <i>The Economic Dimensions of Globalization</i> , Chs. 1 - 2.	
	Bordo, Eichengreen and Irwin, 1999, "Is Globalization Today Really Different Than Globalization a Hundred Years Ago?" in Martin Richardson (ed.), <i>Globalisation and International Trade Liberalisation</i> , Ch. 3	
II.	IPGs and IGOs	9/18, 9/22
	1. International Public Goods	
	2. Intergovernmental Organizations	
	Kaul, Grunberg and Stern, 1999, "Defining Global Public Goods," in Kaul, Grunberg and Stern (eds.), <i>Global Public Goods</i>	
	Sandler, 2004, <i>Global Collective Action</i> , Ch. 2	
	Transnational Terror (Lomborg, Ch. 9)	9/25
	FIRST PAPER	10/6
III.	Trade	9/29, 10/6, 10/9
	1. Comparative Advantage	
	2. Trade Restrictions	
	3. Trade Policies	
	Salvatore, 2005, <i>Introduction to International Economics</i> , Chs. 3.2-3.6, 4.2-4.5, 5.2-5.5, 6	
	Goldin and Reinert, 2006, <i>Globalization for Development</i> , Ch. 3	
	Irwin, "Trade and Globalization," in Weinstein (ed.), <i>Globalization: What's New</i> , Ch. 2	
IV.	Migration	10/13
	Salvatore, 2005, <i>Introduction to International Economics</i> , Ch. 9.10, Appendix 9.2	
	Goldin and Reinert, 2006, <i>Globalization for Development</i> , Ch. 6	
	Borjas, "Globalization and Immigration," in Weinstein (ed.), <i>Globalization: What's New</i> , Ch. 4	
	Barriers to Trade and Migration (Lomborg, Ch. 8)	10/16
	Security Challenge (Lomborg, Ch. 2)	10/20
	SECOND PAPER	10/23

V.	Finance	10/23, 10/27, 10/30, 11/6
	1. Exchange Rates	
	2. Balance of Payments	
	3. Monetary Unions	
	4. Capital Flows and Crises	
	Salvatore, <i>Introduction to International Economics</i> , 2005, Chs. 11.2-11.3, 11.5, 10, 15.1-15.8	
	Isard, <i>Globalization and the International Financial System</i> , 2005, Ch. 4	
	TANNER CONFERENCE	11/3
	Financial Instability (Eichengreen, “Financial Stability,” International Task Force on Global Public Goods)	11/10
VI.	Growth and Poverty	11/10, 11/13
	Salvatore, <i>Introduction to International Economics</i> , 2005, Ch. 8	
	Williamson, “Did the Washington Consensus Fail?” 11/6/02	
	Dollar, 2005, “Globalization, Poverty, and Inequality” in Weinstein (ed.), <i>Globalization: What’s New</i> , Ch. 5	
	Goldin and Reinert, 2006, <i>Globalization for Development</i> , Ch. 2	
	THIRD PAPER	11/17
	Hunger and Malnutrition (Lomborg, Ch. 7)	11/20
	Educational Outcomes (Lomborg, Ch. 4)	11/24
	THANKSGIVING	11/27
VII.	Environmentalism	12/1
	Frankel, 2005, “The Environment and Economic Globalization,” in Weinstein (ed.), <i>Globalization: What’s New</i> , Ch. 6	
	Climate Change (Lomborg, Ch. 5)	12/4
	Air Pollution (Lomborg, Ch. 1)	12/8
VIII.	Governments	12/11
	Rodrik, “Feasible Globalizations,” in Weinstein (ed.), <i>Globalization: What’s New</i> , Ch. 8	
	FOURTH PAPER	12/11