POLITICAL RESPONSES TO ECONOMIC GLOBALIZATION

INR 4011-0001 | Fall 2021 Tue. & Thu. 3:05-4:20 p.m. BEL 0005

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COURSE DESCRIPTION

This course examines the politics of international economic relations with a focus on political responses to economic globalization. Drawing largely from the scientific literature in the field of international political economy, the course surveys the welfare and distributional aspects of international trade, investment, and migration as they relate to the politics of national and international economic policymaking. Topics include: the winners and losers from globalization; the determinants of trade policies; the politics of exchange rate regimes and capital controls; the politics of foreign direct investment, multinational corporations, and offshore outsourcing; global governance and the international regulation of trade and finance; the politics of immigration policy; and contemporary responses to globalization, such as the rise of populism in developed and developing countries alike.

COURSE OBJECTIVES

At the end of this course, students will be able to:

- summarize and explain key arguments and empirical findings in the scientific literature on the political responses to economic globalization;
- apply the theories and arguments discussed in class to other cases;
- evaluate the contemporary public debate on the political causes and consequences

of economic globalization.

REQUIREMENTS

Reading: This course is <u>reading-intensive</u>, requiring approximately 80-100 pages of reading per week, and it is essential that you keep up. Students are expected to attend all lectures having read the assigned material in advance.

Participation: Participation is integral to the course and a component of your final grade. Class participation must demonstrate that you have done the readings and are able to critically engage them. Your final participation grade will be based on your active participation in lectures and in-class group activities.

Group activities: There will be 6 to 8 in-class group activities throughout the semester, which will be based on the assigned readings. The activities will involve in-class discussions in groups, but students will turn in their own individual answers to the assignment. These in-class assignments will be graded *passlfail*.

Exams: There will be three non-cumulative, multiple-choice exams that will draw from the readings and lectures.

Missed assignments: Make-up exams, activities, and participation will be considered for excused absences only. As per the Florida State University Attendance Policy, excused absences include documented illness, deaths in the family and other documented crises, call to active military duty or jury duty, religious holy days, and official University activities. These absences will be accommodated in a way that does not arbitrarily penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness.

Consideration will only be given when I am contacted prior to or within two days after a missed assignment with appropriate documentation from the Dean of Students. The Dean of Students' office, where these claims may be presented, is located at Suite 4100 University Center (Stadium A).

Grade breakdown: Your final grade in this course will be calculated as follows:

- Participation: 5%;
- In-class group activities: 5%;
- 1st midterm exam: 25%;
- 2nd midterm exam: 30%;
- Final exam: 35%.

Final grade: I adhere to FSU's standard number-to-letter grade conversion scheme

(shown below) for your final grade. Final grades ending in .5 or higher are automatically rounded up to the nearest whole percentage point.

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93% and above: A 86-83%: B 76-73%: C 66-63%: D 92-90%: A- 82-80%: B- 72-70%: C- 62-60%: D- 89-87%: B+ 79-77%: C+ 69-67%: D+ 59% and below: F
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In my experience, students who keep up with the readings, attend lectures regularly, and ask questions when they are confused or unsure about the material tend to do well in classes like this one. Students who do not do these things often struggle.

READINGS

There is no required textbook for this class. All readings will be made available electronically on Canvas.

GRADE APPEALS

Grade appeals must be made in writing, with an explanation of why additional points are deserved, no sooner than one week after a graded exam is returned—to allow for appropriate reflection—and no later than two weeks after a graded exam is returned.

TECHNOLOGY POLICY

I strongly encourage you to take notes by hand and discourage the use of laptops and tablets. The evidence suggests that taking notes by hand, as opposed to typing them, is more conducive to effective learning. However, the use of laptops and tablets is left to your own discretion and allowed exclusively for class-related activities (note-taking only). Cellphones are not allowed. The use of electronic devices for any other purposes is not permitted, as it distracts your colleagues and disrupts the class.

UNIVERSITY ATTENDANCE POLICY

Excused absences include documented illness, deaths in the family and other documented crises, call to active military duty or jury duty, religious holidays, and official University activities. These absences will be accommodated in a way that does not arbitrarily penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness.

ACADEMIC HONOR POLICY

The Florida State University Academic Honor Policy outlines the University's expectations for the integrity of students' academic work, the procedures for resolving alleged violations of those expectations, and the rights and responsibilities of students and faculty members throughout the process. Students are responsible for reading the Academic Honor Policy and for living up to their pledge to "...be honest and truthful and...[to] strive for personal and institutional integrity at Florida State University." (Florida State University Academic Honor Policy, found at http://fda.fsu.edu/Academics/Academic-Honor-Policy)

AMERICANS WITH DISABILITIES ACT

Students with disabilities needing academic accommodation should: (1) register with and provide documentation to the Student Disability Resource Center; and (2) bring a letter to the instructor indicating the need for accommodation and what type. Please note that instructors are not allowed to provide classroom accommodation to a student until appropriate verification from the Student Disability Resource Center has been provided. This syllabus and other class materials are available in alternative format upon request. For more information about services available to FSU students with disabilities, contact the:

Student Disability Resource Center 874 Traditions Way 108 Student Services Building Florida State University Tallahassee, FL 32306-4167 (850) 644-9566 (voice) (850) 644-8504 (TDD) sdrc@admin.fsu.edu www.disabilitycenter.fsu.edu

FREE TUTORING FROM FSU

On-campus tutoring and writing assistance is available for many courses at Florida State University. For more information, visit the Academic Center for Excellence (ACE) Tutoring Services' comprehensive list of on-campus tutoring options—see http://ace.fsu.edu/tutoring or contact tutor@fsu.edu. High-quality tutoring is available by appointment and on a walk-in basis. These services are offered by tutors trained to encourage the highest level of individual academic success while upholding personal academic integrity.

SYLLABUS CHANGE POLICY

Except for changes that substantially affect implementation of the evaluation (grading) statement, this syllabus is a guide for the course and is subject to change with advance notice.

COURSE PLAN

Aug. 24: Course Overview

Aug. 26: Comparative Advantage and the Gains from Trade

• Cletus C. Coughlin, K. Alec Chrystal, and Geoffrey E. Wood. Protectionist Trade Policies: A Survey of Theory, Evidence, and Rationale. In Jeffry A. Frieden and David A. Lake, editors, *International Political Economy: Perspectives on Global Power and Wealth*. Routledge, New York, fourth edition, 2000.

PART I. OPPOSITION AND SUPPORT FOR INTERNATIONAL TRADE

Aug. 31: The Distributional Consequences of Trade: The Factor Model

- Ronald Rogowski. Political Cleavages and Changing Exposure to Trade. The American Political Science Review, 81(4):1121–1137, 1987.
 Pages 1122-27 only (remaining pages optional).
- *Recommended*: Listen to the *FT Alphachat* episode, "David Autor on what we now know about trade." Available at Apple Podcasts and Spotify.

Sep. 2: Sources of Opposition and Support for Trade: Material Self-Interest

- Kenneth F. Scheve and Matthew J. Slaughter. Labor Market Competition and Individual Preferences Over Immigration Policy. *The Review of Economics and Statistics*, 83(1):133–145, 2001.
- Anna Maria Mayda and Dani Rodrik. Why are some people (and countries) more protectionist than others? *European Economic Review*, 49(6):1393–1430, 2005.

Sep. 7: Sources of Opposition and Support for Trade: In-Group Favoritism

• Diana C. Mutz and Eunji Kim. The Impact of In-group Favoritism on Trade Preferences. *International Organization*, 71(4):827–850, 2017.

Sep. 9: Sources of Opposition and Support for Trade: Fair Trade

• Sean D. Ehrlich. The Fair Trade Challenge to Embedded Liberalism. *International Studies Quarterly*, 54(4):1013–1033, 2010.

Sep. 14: Education and Trade Preferences

• Jens Hainmueller and Michael J. Hiscox. Learning to Love Globalization: Education and Individual Attitudes Toward International Trade. *International Organization*, 60(2):469–498, 2006.

Sep. 21: Consumer Interests and Trade Preferences

• Andy Baker. Why is Trade Reform so Popular in Latin America? A Consumption-Based Theory of Trade Policy Preferences. *World Politics*, 55(3):423–455, 2003.

Sep. 23: Do Voters' Preferences on Trade Matter?

• Alexandra Guisinger. Determining Trade Policy: Do Voters Hold Politicians Accountable? *International Organization*, 63(3):533–557, 2009.

Sep. 28: 1st MIDTERM EXAM

PART II. THE POLITICS OF GLOBAL MONEY AND FINANCE

Sep. 30: Are Trade Deficits Bad?

- Robert Z. Lawrence. Five Reasons Why the Focus on Trade Deficits Is Misleading. *PIIE Policy Brief*, No. 18-6:1–8, 2018.
- Recommended: K. Alec Chrystal and Geoffrey E. Wood. Are Trade Deficits a Problem? Federal Reserve Bank of St. Louis Review, 70(1), 1988.

Oct. 5: Individual Attitudes toward Trade Deficits

• Jeremy Spater. Deficit Anxiety: Current Account Balance and Trade Preferences. *Working Paper*, 2019.

Oct. 7: Political Responses to Exchange Rate Policy

 Jeffry A. Frieden. Globalization and Exchange Rate Policy. In Ernesto Zedillo, editor, The Future of Globalization, pages 344–357. Routledge, New York, 2008.

Oct. 12: Mass Politics of Capital Controls in Developing Countries

• David A. Steinberg and Stephen C. Nelson. The Mass Political Economy of Capital Controls. *Comparative Political Studies*, 2019.

PART III. OPPOSITION AND SUPPORT FOR THE GLOBALIZATION OF PRODUCTION

Oct. 14: Economic Insecurity and the Globalization of Production

• Kenneth Scheve and Matthew J. Slaughter. Economic Insecurity and the Globalization of Production. *American Journal of Political Science*, 48(4):662–674, 2004.

Oct. 19: Responses to FDI in Developing Countries

• Sonal S. Pandya. Labor Markets and the Demand for Foreign Direct Investment. *International Organization*, 64(3):389–409, 2010.

Oct. 21: Sources of Opposition to Offshore Outsourcing

• Edward D. Mansfield and Diana C. Mutz. US versus Them: Mass Attitudes toward Offshore Outsourcing. World Politics, 65(4):571–608, 2013.

Oct. 26: 2nd MIDTERM EXAM

PART IV. POLITICAL RESPONSES TO IMMIGRATION

Oct. 28: Why Do People Move?

• Ian Goldin, Geoffrey Cameron, and Meera Balarajan. Leaving Home: Migration Decisions and Processes. In *Exceptional People: How Migration Shaped Our World and Will Define Our Future*. Princeton University Press, Princeton, 2012.

Nov. 2: Responses to High-Skilled and Low-Skilled Immigration

• Jens Hainmueller and Michael J. Hiscox. Attitudes toward Highly Skilled and Low-skilled Immigration: Evidence from a Survey Experiment. *American Political Science Review*, 104(1):61–84, 2010.

Nov. 4: Education and Attitudes Towards Immigration

• Jens Hainmueller and Michael J. Hiscox. Educated Preferences: Explaining Attitudes Toward Immigration in Europe. *International Organization*, 61(2):399–442, April 2007.

Nov. 9: Sources of Opposition: Nativism vs. Economic Anxiety

- Judith L. Goldstein and Margaret E. Peters. Nativism or Economic Threat: Attitudes Toward Immigrants During the Great Recession. *International Interactions*, 40(3):376–401, 2014.
- Listen to the *FT Alphachat* episode, "Immigration: comparing this wave to the last" (interview with Leah Boustan and Margaret Peters). Available at Apple Podcasts and Spotify.

Nov. 11: Veteran's Day. No Class.

PART V. DEMOCRACY, POPULISM, AND THE GLOBALIZATION BACKLASH

Nov. 16: Globalization, Democracy, and the Nation-State

• Dani Rodrik. How Far Will International Economic Integration Go? *The Journal of Economic Perspectives*, 14(1):177–186, 2000.

Nov. 18: Winners and Losers in the Recent Wave of Globalization

• The Economist. "Shooting an elephant." September 17, 2016.

Nov. 23: Economic Globalization and Populism

• Dani Rodrik. Populism and the economics of globalization. *Journal of International Business Policy*, 1(1):12–33, 2018.

Nov. 25: Thanksgiving Day Holiday. No Class.

Nov. 30: Economic Voting, Group Identity, and the Globalization Backlash

• Leonardo Baccini and Stephen Weymouth. Gone For Good: Deindustrialization, White Voter Backlash, and US Presidential Voting. *American Political Science Review*, 115(2):550–567, 2021.

Dec. 2: Course Conclusion & Review for Final Exam

Dev. 7 (Tuesday, 5:30 p.m. – 7:30 p.m.): FINAL EXAM
