

University of New Brunswick – Fredericton
DEPARTMENT OF POLITICAL SCIENCE
Political Science 3713 – Winter 2014

The Global Economy: Power, Production, Profits and People
Dr. Carolyn Bassett

Class Time:	T Th 2:30-3:50	Location:	T207
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About the course: This course explores the politics of global economic relations with a focus on the North-South dimension. This year, we will critically examine the global economic crisis of 2008, seeking to understand its causes, history, and possible future trajectory.

Readings: Course readings are available electronically via D2L.

Course requirements and grading scheme:

Essay (due April 8):	40%
Class presentation:	10%
Assignment 1 (due Feb 11)	5%
Assignment 2 (due Mar 25)	15%
Take-home exam (due April 26)	20%
Attendance and class discussion:	10%

Attendance and participation: The course follows a lecture and discussion format, and you will be expected to participate regularly in class discussion. Attendance will be taken every class and it is your responsibility to ensure that your presence has been noted. You will be expected to have done the assigned readings before each class.

About the assignments:

Assignment 1: The first assignment will ask you to draw on course readings to explain two key concepts that are central to the course: financial capital, monetary system. Answers should be approximately 500 words apiece, be properly documented using APA format, and be submitted on D2L. The due date is February 11.

Assignment 2: The second assignment will ask you to compare and contrast the four competing explanations of the causes of the 2008 global financial crisis discussed in class (February 27, March 11, March 13, March 18) and determine which explanation you find most convincing. Answers should be approximately 1500 words, be properly documented using APA format, and be submitted on D2L. The due date is March 25.

Take-home examination: The take-home will ask you to answer two questions based on the course material. Answers will draw on course readings, and should be approximately 1000 words apiece, be properly documented using APA format, and be submitted on D2L. The due date is April 26.

Essay: The course essay will be an investigation and critical analysis of the post-2008 financial / political crisis of one country. You can choose whichever country you like, limited only by two criteria: (1) everyone in the course must pick a different country and (2) students completing the course for IDS credit must pick a “developing” country for their case. The essay should be approximately 4000 words in length, and incorporate both traditional library research materials (books, academic journal articles) supplemented by more up-to-date, “popular” but credible sources (newspapers, magazines). In addition, you should use at least 5 course readings for the essay. All sources used in your essay must be fully referenced. Use in-text citations and APA format including a complete bibliography – an on-line reference guide has been provided via the course D2L (but don’t follow their essay formatting guidelines). All essays must be submitted electronically.

Class presentation: You will present your country case-study in class towards the end of the term. Your presentation should be brief – approximately 5-10 minutes – highlighting your key findings to date. After your presentation, you will be responsible for responding to questions about your research.

Late policy: Assignments will be accepted up to 2 weeks after the due date, except for the final essay (which cannot be accepted after April 9) and a late penalty of 2% per day will be applied. All grades and comments on assignments will be posted on D2L.

Schedule of topics and readings:

January 7 – The global economic crisis of 2008 – why does it matter?

No readings.

January 9 – Introduction to the global economic crisis of 2008 – Iceland’s story

Michael Lewis (2011), *Boomerang*, New York: WW Norton, 1-39.

January 14 – The global economic crisis of 2008 – assets, financialization and regulation

Robin Blackburn (2008), The Subprime Crisis, *New Left Review* 50, 63-106.

January 16 – The US banking crisis – the epicenter

No additional readings.

January 21 – What is financial capital?

Richard Peet (2011), Contradictions of Finance Capitalism, *Monthly Review* 63.7, focus on 18-top of 27; Peter Dicken (2011), *Global Shift*, 6th edition, London: Guildford, 367-398.

January 23 – An overview of the global monetary system

Eric Helleiner (2011), The Evolution of the International Monetary and Financial System, *Global Political Economy*, 3rd ed, ed. J Ravenhill (Oxford UP), 215-243.

January 28 – Role of crises in (re)regulation – changes within the system, changes to the system

Fareed Zakaria (2008), The Future of American Power, *Foreign Affairs* 87.3, 18-43.

January 30 – Global economic crisis of the 1930s

Chris Harman (2009), *Zombie Capitalism*, Chicago: Haymarket, 143-157; R O'Brien and M Williams (2007), *Global Political Economy: Evolution and Dynamics*, 2nd edition, Palgrave, 106-115.

February 4 – Reregulation in the 1940s – the Bretton Woods Institutions and the US-led economic system

Benjamin J Cohen (2001), Bretton Woods System, *Routledge Encyclopedia of International Political Economy*, ed RJ Barry Jones, Routledge; R O'Brien and M Williams (2007), *Global Political Economy: Evolution and Dynamics*, 2nd edition, Palgrave, 133 (note this is the second half of the chapter assigned for January 30).

February 6 – The dollar crisis, the end of the dollar standard, and the move to financialization

Review Helleiner (2011), 229-243; Susan Strange (1986), *Casino Capitalism*, London, Blackwell, 1-24.

February 11 – The Third World debt crisis of the 1980s and Mexico's peso crisis

Robert K Schaeffer (2003), Understanding Globalization, 2nd edition (Rowman and Littlefield), 95-113; Susanne Soederberg (2004), *The Politics of the New International Financial Architecture*, London: Zed, 29-61. **Assignment 1 due.**

February 13 – Constitutionalizing the neo-liberal order in the 1980s and 1990s

Stephen Gill (1995), Globalisation, Market Civilisation and Disciplinary Neoliberalism, *Millennium* 24.3, 399-423; Robert Hunter Wade (2003), What Strategies are Viable for Developing Countries Today? *Review of International Political Economy* 10.4, 621-644.

February 18 – The Asia crisis of the 1990s and de/reregulation

Joseph Stiglitz (2004), *Globalization and its Discontents* New York: WW Norton, 89-132; Robert Wade and Frank Veneroso (1998), The Gathering World Slump and the Battle over Capital Controls, *New Left Review* 1/231, 13-42.

February 20 – Effects of the 2008 crisis – the US and Europe

Richard Florida (2009), How the Crash will Reshape America, *The Atlantic*, 303.2, 44-56; Don Peck (2011), Can the Middle Class be Saved? *The Atlantic*, 308.2, 60-78; K Farnsworth and Z Irving (2012), Varieties of Crisis, Varieties of Austerity, *Journal of Poverty and Social Justice* 20.2, 133-147.

February 25 – Effects of the 2008 crisis – the industrializing world

Ho-Fung Hung (2008), Rise of China and the Global Overaccumulation Crisis, *Review of International Political Economy* 15.2, 149-179; Claudio Katz (2012), The Singularities of Latin America, *Socialist Register* 48, 200-216.

February 27 – Why this crisis? Liberal explanations – over-regulation? under-regulation? mis-regulation?

Jeffrey Friedman (2009), A Crisis of Politics, Not Economics, *Critical Review* 21.2-3, 127-183; JE Stiglitz (2010), The Financial Crisis of 2007-8 and its Macroeconomic Consequences, *Time for a Visible Hand*, ed. S Griffin-Jones, JA Ocampo and JE Stiglitz, Oxford UP, 19-49.

March 11 – Why this crisis? Power and geopolitics – the decline of US

Immanuel Wallerstein (2006), The Curve of American Power, *New Left Review* 40, 1-20; Joseph S Nye (2010), The Future of American Power, *Foreign Affairs* 89.6, 2-12.

March 13 – Why this crisis? Radical explanations I – defeat of working class / neutering of democracy

Wolfgang Streek (2011), The Crisis of Democratic Capitalism, *New Left Review* 71, 5-29; Richard Sandbrook (2011), Polanyi and Post-neoliberalism in the Global South, *New Political Economy* 16.4, 415-443.

March 18 – Why this crisis? Radical explanations II – structural features of modern capitalism

JB Foster and F Magdoff (2008), Financial Implosion and Stagnation, *Monthly Review* 60.7, 1-29; Barry Gills (2010), Going South, *Third World Quarterly* 31.2, 169-184.

March 20 – Responses to the global crisis – liquidity injections and their implications

Carmen S Reinhart and Kenneth S Rogoff (2010), Growth in a Time of Debt, NBER Working Paper 15639, 1-25; Ho-fung Hung (2012), Sinomania: Global Crisis, China's Crisis? *Socialist Register* 48, 217-234.

March 25 – Responses to the global crisis – reaffirming and deepening liberal regulation

GJ Ikenberry (2010), The Liberal International Order and its Discontents, *Millennium* 38.3, 509-521; Paul Cammack (2012), The G20, the Crisis and the Rise of Developmental Liberalism, *Third World Quarterly* 33.1, 1-16. **Assignment 2 due.**

March 27 – Regulatory alternatives – post-Keynesian regulatory options

Bruno Jetin and Suzanne De Brunhoff (2000), The Tobin Tax and the Regulation of Capital Movements, *Global Finance*, ed. W Bello, N Bullard and Kamal Malhotra, London: Zed, 195-214; Joseph E Stiglitz (2010), *Freefall*, New York: WW Norton, 184-209.

April 1 – Regulatory alternatives – degrowth

JB Foster (2011), Capitalism and Degrowth – an Impossibility Theorem, *Monthly Review* 62.8, 26-33; Joan Martinez-Alier (2009), Socially Sustainable Economic De-Growth, *Development and Change* 40.6, 1099-1119.

April 3 – Resistance and revolutionary possibilities?

David McNally (2012), Slump, Austerity and Resistance, *Socialist Register* 48, 36-63, focus on pp 49-56; Minqi Li (2011), The Rise of the Working Class and the Future of the Chinese Revolution, *Monthly Review* 63.2, 38-51; Jodi Dean (2013), Occupy Wall Street: After the Anarchist Movement, *Socialist Register* 49, 52-62.

April 8 – Conclusion – what will be the meaning of the 2008 global economic crisis?

No readings. **Essay due.**

About academic honesty and plagiarism:

The University of New Brunswick places a high value on academic integrity and has a policy on plagiarism, cheating and other academic offences.

Plagiarism includes:

1. quoting verbatim or almost verbatim from any source, including all electronic sources, with acknowledgement;
2. adopting someone else's line of thought, argument, arrangement, or supporting evidence without acknowledgement;
3. submitting someone else's work, in whatever form with acknowledgement;
4. knowingly representing as one's own work any idea of another.

Examples of other academic offences include: cheating on exams, tests, assignments or reports; impersonating somebody at a test or exam; obtaining an exam, test or other course materials

through theft, collusion, purchase or other improper manner, submitting course work that is identical or substantially similar to work that has been submitted from another course; and more as set out in the academic regulations found in the Undergraduate Calendar.

Penalties for plagiarism and other academic offences range from a minimum of F (zero) in the assignment, exam or test to a maximum of suspension or expulsion from the University, plus a notation of the academic offence on the student's transcript. For more information, please see the Undergraduate Calendar, Section B, Regulation VII.A, or visit <http://nocheating.unb.ca>. It is the student's responsibility to know the regulations.