This seminar explores the various effects of globalization on individuals in the United States and abroad. It integrates material from a variety of sub-disciplines in economics, including international trade, international finance, growth theory, labor economics, industrial organization, and political economy. Discussion of each core topic is model-based and informed by empirical evidence from the recent economic literature. The objectives of the course are to (1) deepen students’ understanding of the basic forces at play as globalization takes place, and their implications for individuals’ well-being; (2) sharpen students’ ability to critically evaluate policy issues, both theoretically and empirically; and (3) develop students’ ability to craft tightly reasoned economic reports.

**Grading**

Students will be evaluated on the basis of a midterm (20 percent), a final (20 percent), writing assignments (30 percent), homeworks (15 percent) and in-class participation (15 percent).

**Readings**

The course will draw on a variety of sources, many of which will be posted on CANVAS. You are not required to purchase a textbook, but multiple chapters from the following books will be treated and you may wish to acquire a copy. Copies of the first three books will be on reserve:


**Group Work Policy (statement excerpted from Peter Schott’s syllabus)**

No student’s name should appear on a group project if the student has not contributed to the production of the project. The following is an example of unacceptable conduct: Neo agrees to
produce a case write-up, putting Trinity’s name on the case write-up. Trinity agrees to repay Neo by producing a subsequent assignment on his own.

In group work, all group members are responsible for the integrity of work that is submitted. Group members should always question other members about the source of material and analysis that is being included in group projects. If a group member has any concerns about the integrity of material being submitted by the group, that group member should discuss those concerns with the instructor.

**Caution: this outline will be adjusted as the course progresses**

**Course Outline**

(Required readings are marked with asterisks.)

**I. Facts and Issues**

**A. Dimensions of globalization: the historical record**

*Krugman, Obstfeld and Melitz, Chap. 2.


**B. Frictions inhibiting globalization**


Ghemawat, Pankaj “Actually, the world isn't flat", TED talk, June 2012.


C. Grand perspectives on globalization


Frankel, Jeffrey “Does Trade Fuel Inequality?” Project Syndicate (January 2, 2018)

II. A Closer look at the linkages

A. Goods and services trade: basic theory

*Krugman, Obstfeld and Melitz, Chap. 3, 4, 5.


B. Openness and intra-national inequality


C. Multinationals, offshoring and the fragmentation of production

*Krugman, Obstfeld and Melitz, Chap. 8


Johnson, Robert and Guillermo Noguera (2011) “The Value-Added Content of Trade.” VOX


D. International migration

*Krugman, Obstfeld and Melitz, pp. 73-78, 273-74, and 656-58.


Clemens, Michael “There is no Evidence that Immigrants Hurt any American Workers,” Vox.com (August, 2017)


E. Globalization, innovation and growth


F. International capital flows and financial crises

*Krugman, Obstfeld and Melitz, Chapters 20 and 22


III. Policy Analysis

A. Domestic policy dilemmas in an increasingly global world

*Krugman, Obstfeld and Melitz, Chapters 9-12.


Trebilcock, M. (2014) *Dealing with Losers*, Chapters 1, 2, 5, and 7


B. Globalization, sovereignty and international policy coordination


**IV. Summary and Case Study Presentations**
Economics Department Policies

Academic Integrity

Guidelines for the Department of Economics, Penn State University* The ability of the University to achieve its purposes depends upon the quality and integrity of the academic work that its faculty, staff and students perform. Academic freedom can flourish only in a community of scholars which recognizes that intellectual integrity, with its accompanying rights and responsibilities, lies at the heart of its mission. Observing basic honesty in one's work, words, ideas, and actions is a principle to which all members of the community are required to subscribe.

All course work by students is to be done on an individual basis unless an instructor clearly states that an alternative is acceptable. Any reference materials used in the preparation of any assignment must be explicitly cited. In an examination setting, unless the instructor gives explicit prior instructions to the contrary, whether the examination is in-class or take-home, violations of academic integrity shall consist of any attempt to receive assistance from written or printed aids, or from any person or papers or electronic devices, or of any attempt to give assistance, whether the one so doing has completed his or her own work or not. Other violations include, but are not limited to, any attempt to gain an unfair advantage in regard to an examination, such as tampering with a graded exam or claiming another's work to be one's own.

Violations shall also consist of obtaining or attempting to obtain, previous to any examinations, copies of the examination papers or the questions to appear thereon, or to obtain any illegal knowledge of these questions.

Lying to the instructor or purposely misleading any Penn State administrator shall also constitute a violation of academic integrity.

In cases of a violation of academic integrity it is the policy of the Department of Economics to impose the most severe penalties that are consistent with University guidelines.

*Part of the text in this section has been directly obtained from sections of an earlier document concerning academic integrity on Princeton University's website (particularly Rights, Rules, Responsibilities, page 1 and pages 52-65). The most current version of this document can be found here (Links to an external site.).

Valid Excuses and Missed Evaluative Events

During the course many possible situations may arise that would result in your inability to attend class, attend exams, or perform at a minimally acceptable level during an examination. Illness or injury, family emergencies, certain University-approved curricular and extra-curricular activities, and religious holidays can be legitimate reasons to miss class or to be excused from a scheduled examination.
In the case of your own illness or injury, confirmation from a physician, physician's assistant, a nurse-practitioner, or a nurse is required. Be advised that University Health Services cannot provide such verification unless they have provided treatment and the student authorizes release of information to the instructor. Further, barring extraordinary circumstances, the confirmation must be available to the instructor prior to the missed course event.

With regard to family emergencies, you must provide verifiable documentation of the emergency. Given the vast array of family emergencies the instructor will provide precise guidance as to what constitutes adequate documentation. Unless the emergency is critical you should notify the instructor in advance of your absence from the scheduled course event. In cases of critical emergencies, you must notify the instructor within one week of your absence.

For University-approved curricular and extra-curricular activities, verifiable documentation is also required. The student should obtain from the unit or department sponsoring the activity a letter (or class absence form) indicating the anticipated absence(s). The letter must be presented to the instructor at least one week prior to the first absence.

In the case of religious holidays, students should notify the instructor by the third week of the course of any potential conflicts.

If a student misses a class during which an evaluative event (e.g., a quiz or an exam) takes place, and the student has a valid excuse, he or she will receive a course grade based on their remaining course work. If the student does not provide a valid excuse, he or she will receive a score of zero for the missed evaluative event.

**Disabilities**

The Pennsylvania State University encourages qualified people with disabilities to participate in its programs and activities and is committed to the policy that all people shall have equal access to programs, facilities, and admissions without regard to personal characteristics not related to ability, performance, or qualifications as determined by University policy or by state or federal authorities. If you anticipate needing any type of accommodation in this course or have questions about physical access, please tell the instructor as soon as possible.

**Communicating concerns**

Students with concerns about this course are encouraged to communicate them promptly to the instructor. Those who feel uncomfortable doing so should utilize the Department suggestion box located on the window sill in 608 Kern. Their concerns will be forwarded to the instructor anonymously.