INTL 102: Economics, Politics, and International Change: The Modern World Economy

This course examines the evolution of the world economy from the late nineteenth century to the present. Our purpose is to describe the historical trends in the international economy and explain the causes and the consequences of these trends. Students will come away with the basic tools they need to understand the world economy and the politics of international economic relations.

The history of the modern world economy divides into three periods: The Golden Age (1870-1913) was a period of extensive globalization that was, in some respects, more deeply integrated than today. The Golden Age came to an end with the Interwar Interregnum (1919-1939), which saw nations abandon the world economy and turn inward behind high protectionist trade barriers and restrictions on international capital flows. Postwar Globalization (1945-2014) saw the gradual reemergence of the world economy, a trend that is now threatened by politics, anti-globalization forces, and crises in global finance.

Prerequisites: Familiarity with political science and economics is helpful but not required. We will cover the necessary material.

Requirements:
1) Midterm examination (30% of total grade).
2) Final examination (50%).
3) Section participation (20%).

Both exams are composed of two equally-weighted parts: Part I: Short-Answer Identifications and Part II: Essay Question(s). The identifications on Part I will be drawn from a longer list that will be distributed before each exam. You should define each ID and discuss its significance in the context of this course. Answers should be 1 or 2 paragraphs in length. The essay questions on Part II will incorporate material from both the readings and the lectures. There will be one essay question on the midterm exam and two essay questions on the final exam.

Books (available for purchase at the bookstore and on reserve at Geisel Library).


Other readings are marked with an asterisk (*) and are available electronically via TritonEd.
Reading tips: Do the assigned readings by the day for which they are assigned. The reading load is moderate though not evenly distributed. Pay particular attention to weeks with heavier reading and plan accordingly.

Academic Integrity: Integrity of scholarship is essential for an academic community. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind. Your cell phone must be off your person and out of reach during exams. All suspicions of academic misconduct will be reported to the Academic Integrity Office according to university policy.

PART I: INTRODUCTION

Lecture 1 (Jan 10): Course Overview
- Frieden, Lake, Broz, Introduction, pp. 1-19
- Jeffrey Frankel, Globalization of the Economy, in Frieden, Lake, Broz, pp. 63-81.

Lecture 2 (Jan 12): Understanding International Trade and Trade Policy

Lecture 3 (Jan 17): Understanding International Finance and Exchange-Rate Policy
- Frieden, Lake, Broz, Money and Finance, pp. 217-221.
- Jeffry Frieden, Globalization and Exchange Rate Policy, in Frieden, Lake, Broz, pp. 286-296.

PART II: THE GOLDEN AGE, 1873-1914

Lecture 4 (Jan 19): Prologue to the late 19th century: Mercantilism and the rise of the United States
- Frieden, Lake, Broz, Historical Perspectives, pp. 83-86.
- Frieden, Prologue: Into the Twentieth Century.
- Cheryl Schonhardt-Bailey, Free Trade: Repeal of the Corn Laws, in Frieden, Lake Broz, pp. 87-97.

Lecture 5 (Jan 24): Overview of "The Golden Age."
- Frieden, Chapter 1, Global Capitalism Triumphant.
- Frieden, Chapter 2, Defenders of the Global Economy.

Lecture 6 (Jan 26): Movement of Money, Capital, and People
- Frieden, Chapter 3, Success Stories of the Golden Age.

**Lecture 7 (Jan 31): Divergent Patterns of Development**
- Frieden, *Chapter 4, Failures of Development*.

**Lecture 8 (Feb 2): Opposition to Globalization**
- Frieden, *Chapter 5, Problems of the Global Economy*.
- Frieden, *Chapter 6, All that is Solid Melts into Air*.

**MIDTERM EXAM: Tuesday, February 7 (bring blue books)**

**PART III: INTERWAR INTERREGNUM, 1918-1939**

**Lecture 9 (Feb 9): World War I, Recovery, and Collapse**
- Frieden, *Chapter 7, The World of Tomorrow*.
- Frieden, *Chapter 8, The Established Order Collapses*.

**Lecture 10 (Feb 14): Responses to the Great Depression**
- Frieden, *Chapter 9, The Turn to Autarky*.
- Frieden, *Chapter 10, Building a Social Democracy*.

**PART IV: POSTWAR GLOBALIZATION, 1945-2012**

**Lecture 11 (Feb 16): Settlement and Reconstruction**
- Frieden, *Chapter 11, Reconstruction East and West*.

**Lecture 12 (Feb 21): The Bretton Woods System and Beyond**
- Frieden, *Chapter 15, The End of Bretton Woods*.

**Lecture 13 (Feb 23): Decolonization and Development**
- Frieden, *Chapter 13, Decolonization and Development*.

**Lecture 14 (Feb 28): Multinational Corporations**

**Lecture 15 (Mar 2): From Oil Crises to Debt Crisis**
- Frieden, *Chapter 16, Crisis and Change*.

**Lecture 16 (Mar 7): Patterns of Global Integration**
- Frieden, *Chapter 17, Globalizers Victorious*.
- Frieden, *Chapter 18, Countries Catch Up*.

**Lecture 17 (Mar 9): Tensions in Developing Countries**
- Frieden, *Chapter 19, Countries Fall Behind*.

**Lecture 18 (Mar 14) Tensions in Industrialized Countries**
- Frieden, *Chapter 20, Global Capitalism Troubled*.

**Lecture 19 (Mar 16): Current Globalization Controversies**
- Jeffrey A. Frankel, *Globalization and the Environment*, in Frieden, Lake, Broz, pp. 511-539

**FINAL EXAMINATION:** Tuesday 8:00-11:00am (confirm this yourself and be sure you can attend. There will be no make-up exams).