

## 27438 - Globalisation, Development and History

### Información del Plan Docente

<b>Academic Year</b>	2016/17
<b>Academic center</b>	109 - Facultad de Economía y Empresa
<b>Degree</b>	417 - Degree in Economics
<b>ECTS</b>	5.0
<b>Course</b>	4
<b>Period</b>	First semester
<b>Subject Type</b>	Optional
<b>Module</b>	---

### **1.Basic info**

#### **1.1.Recommendations to take this course**

1. Be able to read English.
2. Have some knowledge of econometrics.
3. Be able to read, tables, figures, etc.
4. Knowledge of theories and techniques of International Economics is recommended.
5. Class participation is also recommended.

#### **1.2.Activities and key dates for the course**

### **2.Initiation**

#### **2.1.Learning outcomes that define the subject**

1. Understanding the meaning of globalization.
2. Knowledge of the relationships between globalization and economic growth throughout history, in particular from the early nineteenth century onwards.
3. Be able to distinguish between more and less globalized periods.
4. Empirical knowledge of the causes and effects of globalization.
5. Empirical knowledge of processes of integration in three markets&mdash;goods and services, labour, and capital&mdash;and relationships between them.

## 27438 - Globalisation, Development and History

6. Be able to use the knowledge of the history of globalization to better understand the current globalization wave.
7. Think in terms of economic policy.
8. Be able to read scientific literature (books and articles in specialized journals).

### 2.2.Introduction

Globalization, Development and History deals with definitions, chronology, background, causes and effects of integration and disintegration processes in three main markets—goods and services, labour, and capital—throughout history, as well as relationships between them and economic policy responses.

### 3.Context and competences

#### 3.1.Goals

Globalization, Development and History is aimed at understanding the integration and disintegration processes in three main markets—goods and services, labour, and capital—throughout history, in particular from the early nineteenth century onwards.

#### 3.2.Context and meaning of the subject in the degree

The final goal of this course is to use history to better understand the present.

#### 3.3.Competences

#### 3.4.Importance of learning outcomes

This course aims to contribute to the better understanding of the current globalization wave that students will face. Learning from the past may help.

### 4.Evaluation

This course is made up of two parts: theoretical and practical.

The theoretical part is provided by the teacher through lectures. In the practical part, the students discuss particular issues.

Each part makes up 50% of the final mark.

At the end of the semester, students have to take the final written exam. To pass this course students have to pass both parts, theoretical and practical (i.e. obtain at least 2.5 points in each part).

The final exam represents 80% of the final mark. The final exam consists of one or two questions on both the theoretical and practical parts. The exam lasts about one hour or one hour and a half, and only about one sheet of paper can be used. Students not only need to demonstrate their acquired knowledge and their ability to reason in economic terms, but

## 27438 - Globalisation, Development and History

also their writing skills.

A mandatory presentation represents the remaining 20% of the final mark. Usually in pairs, students need to present a scientific article (assigned by the teacher) in one of the practical classes (the date is also assigned by the teacher). Just before the presentation, students need to deliver a (hard-copy) 1,000 word analysis of the article. The aim of the presentation is to assess students' synthesis capacity, clarity, critical reasoning, and the ability to answer questions from the audience. Students should meet with the teacher at least one week before the presentation to receive advice. (The grades obtained through the presentation stays valid for the second exam date)

### 5. Activities and resources

#### 5.1. General methodological presentation

This course is made up of two parts: theoretical and practical.

#### 5.2. Learning activities

The theoretical part is an overview of globalization, provided by the teacher through lectures—two hours per week during September, October and November; one hour per week during December and January. Lectures are based on books and scientific papers from specialized journals (plus further material provided by the teacher).

In the practical part, the students (usually in pairs) discuss and present scientific papers or book chapters that delve into specific issues introduced in the theoretical part—two hours per week during September, October and November; one hour per week during December and January. This is a compulsory requirement to pass the course.

#### 5.3. Program

##### 1. Introduction to globalization

###### 1.1 What is globalization? When did it begin?

###### 1.2 Main causes

###### 1.3 Main effects

###### 1.4 Further effects

##### 2. Goods and services market: circa 1815-1913, 1913-1945, and from 1945 onwards

###### 2.1 Background of globalization

###### 2.2 Increasing commerce and changing patterns: circa 1815-1913

###### 2.2.1 Origin and destination countries. Type of products

## **27438 - Globalisation, Development and History**

2.2.2 Causes and effects

2.3 Disintegration of international markets: 1913-1945

2.3.1 The effect of WWI

2.3.2 The effect of the Great Depression

2.4 The effect of WWII

2.5 New causes of increasing commerce from 1945 onwards

2.6 Trade policies and divergent results: 1945-1980

2.7 Fast re-integration of markets from 1980 onwards

2.8 New features and effects of commerce from 1980 onwards

3. International migration: circa 1820-1913, 1913-1945, and from 1945 onwards

3.1 Changes in migration patterns

3.2 The increase in international migration: circa 1820-1913.

3.2.1 Origin and destination countries

3.2.2. Causes and effects of migrations on origin and destination countries, and immigrants

3.3 The end of the Atlantic labour market, and Asian migrations, 1913-1945

3.3.1 The end of the Atlantic labour market; intra-European migrations

3.3.2 Asian migrations

3.4 The resurgence of mass migration from 1945 onwards; changes in origin and destination countries

3.5 Principal current migration systems

3.6 Causes and effects of migrations on origin and destination countries, and immigrants

3.7 Current migration policies

## 27438 - Globalisation, Development and History

3.8 New features of international migrations. Perspectives

4. Capital markets circa 1830-1931, 1931-1945, 1945-1971, and from 1971 onwards

4.1 Background of modern capital markets

4.2 The emergence of the world capital market in the early nineteenth century

4.3 The macroeconomic trilemma. Exchange rate regimes

4.4 Increased capital exchanges before 1914

4.4.1 The Gold Standard

4.4.2 Origin and destination countries. Market integration

4.4.3 Causes and effects of capital movements on origin and destination countries

4.5 Changes and problems in the inter-war period.

4.6. The slow resurgence of capital markets in the Bretton Woods period

4.7. The acceleration of capital market integration from 1971 onwards

4.8. Features of the new global capital market

5. Complement and substitute relations between factor and product markets

5.1. Relations between commerce, migration and capital

### **5.4.Planning and scheduling**

SCHEDULE

(Subject to unexpected changes)

Week 1

Introduction to GDH. Job assignment in the practical part

## 27438 - Globalisation, Development and History

Weeks 1, 2 and 3

Unit 1. Introduction to globalization

Practical part. Compulsory readings:

1. Rodrik, D. (2011): *The Globalization Paradox. Democracy and the Future of the World Economy*. New York: Norton & Company, pp. 184-206 [chapter 9, The Political Trilemma of the World Economy].

2. Neumayer, E. and De Soysa, I. (2005): "Trade openness, foreign direct investment and child labor". *World Development* 33 (1): 43-63.

3. Kabeer, N. (2004): "Globalization, labor standards, and women's rights: dilemmas of collective (in)action in an interdependent world". *Feminist Economics* 10 (1): 3-35.

Weeks 4, 5 and 6

Unit 2. Goods and services market

Practical part. Compulsory readings:

4. Bohlin, J. (2010): "The income distributional consequences of agrarian tariffs in Sweden on the eve of World War I". *European Review of Economic History* 14 (1): 1-45.

5. Autor, D. H., Dorn, D. and Hanson, G. H. (2016): "The China Shock: Learning from Labor Market Adjustment to Large Changes in Trade". *Annual Review of Economics* 8.

Weeks 7, 8 and 9

Unit 3. International migration

Practical part. Compulsory readings:

6. Hatton, T. J. and J. G. Williamson (1998): *The Age of Mass Migration. Causes and Economic Impact*. New York and Oxford: Oxford University Press, pp. 154-177 [Chapter 8, Absorbing the Immigrant: The Impact on Americans].

7. Nickell, S. and J. Saleheen (2015): The impact of immigration on occupational wages: evidence from Britain. Bank of England Staff Working Paper No. 574.

Weeks 10, 11 y 12

Unit 4. Capital markets

Practical part. Compulsory readings:

8. Clemens, M. and Williamson, J. G. (2000): Where did British foreign capital go? Policies, fundamentals and the Lucas paradox, 1870-1913. NBER WP 8020.

9. Papaioannou, E. (2009): "What drives international financial flows? Politics, institutions and other determinants". *Journal of Development Economics* 88: 269-281.

Weeks 13 and 14

Unit 5. Relations between factor and product markets

Practical part. Compulsory readings:

10. Parsons, C.R. (2012): Do Migrants Really Foster Trade? The Trade-Migration Nexus, a Panel Approach 1960-2000. World Bank Policy Research Working Paper 6034.

Week 15

Review

**5.5. Bibliography and recommended resources**