



THE CHINESE UNIVERSITY OF HONG KONG
INTERNATIONAL SUMMER SCHOOL (JULY SESSION)
29 JUNE – 2 AUGUST 2021

UGEC2353 WORLD ECONOMIC ORDER

No. of Credits: 3

Time: Tuesday, Wednesday & Thursday 16:30 – 19:15 (GMT +8)

Location: Online (Please click [here](#) to access the Zoom link; Password is shown in the announcement)

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COURSE DESCRIPTION

This course aims to provide students the foundational knowledge on the operation of the world economy and examine how social, political, and institutional factors contribute to creating global economic order. It examines the intertwining and interaction of economics (wealth creation) and politics (political power) in global affairs.

As an introductory course to Global Political Economy (GPE), the course will first offer a general survey of the key concepts and major theoretical perspectives in the study of GPE. In the second part, the course will cover various policy issues and discuss how the world economy is transformed by globalization, focusing on the development of various international and regional institutions that govern the current economic order. The course will be concluded with a discussion of the latest global economic governance trends, with a particular focus on the transforming role of national states and the endeavours of international development on poverty and inequality reduction.

Remarks

UGEC2353 is double-coded with GLSD2501. Not for CUHK students who have taken GLSD2501.

EXPECTED LEARNING OUTCOMES

After the completion of the course, students should be able to:

1. Describe the evolution of the world economic order and identify how different factors contribute to the growth and stability of the world economy;
2. Understand the basic concepts, theories, and analytical approaches in understanding the power relations that underlie world economic order;
3. Critically analyse the basic characteristics, process, and operation of the modern world economy and its interaction with national, regional, and international politics and institutions;
4. Describe and analyse the roles and functions of major international institutions and organizations, such as IMF, WTO, and World Bank, etc.;
5. Analyse the role of the nation-states in the context of the globalized economy and
6. Critically reflect the role and impacts of global capitalism on human society, less developed countries, and socio-economic development.

TEACHING PATTERN AND METHODS

The class consists of **10 three-hour lecture sessions** and **3 three-hour seminar sessions**:

1. **The lecture sessions** will focus on critically analyse the basic characteristics, process, and operation of the modern world economy and its interaction with national, regional and international politics and institutions;
2. **The seminar sessions** will allow students to review the concepts and theories acquired in lectures to real-life current issues and debates in the contemporary world economy. Students will form a presentation group to give a small group presentation and make constructive critics against another presentation. The detailed instructions of the seminar presentation will be announced after the add-drop period.

TEXTBOOK

Cohn, Theodore H. 2016. *Global Political Economy: Theory and Practice*. 7th edition. Abingdon, Oxon: Routledge. – Available in CUHK library (in the form of e-book)

ADDITIONAL REFERENCE BOOKS

- Gilpin, Robert. 2011. *Global Political Economy: Understanding the International Economic Order*. Princeton, N.J.: Princeton University Press. – Available in CUHK library (in the form of e-book)
- Reisman, David. 2019. *Global Political Economy: Beyond the Nation-States*. Cheltenham, Gloucestershire: Edward Elgar Publishing Limited. – Available in CUHK library (in the form of e-book)

WEEKLY (OPTIONAL) READINGS

Please refer to the reading list attached to each lecture outline of that week.

ATTENDANCE

Students should report all leave and absences, including sick leave and absences from class, to their course teacher and the Office of Academic Links. In case of illness/injury necessitating absence, a medical certificate is required as documentary evidence. A student who has been absent for a continuous period exceeding two consecutive days shall be considered to have withdrawn from the International Summer School. All fees paid will not be refunded.

GRADING WEIGHTS

Seminar presentation (in the form of recorded PowerPoint)	25%
Peer group critics	10%
Midterm quiz	20%
Final examination	45%

ASSIGNMENT SUBMISSION & FEEDBACK

Seminar presentation and critics (25% + 10%)

Students are required to form a student presentation group and prepare a PowerPoint presentation based on one of the assigned themes in Session 11, Session 12, and Session 13. The presentation (25%) will be 30 minutes, and it is suggested that the students conducted a pre-recorded presentation (either in the form of a recorded PowerPoint or video). The student group will also be assigned to make critical comments (10%) to another student group's presentation. The presentation and critics will be marked first on a group-basis, followed by individual adjustment via the in-group peer evaluation system.

Online midterm quiz (20%)

An online midterm quiz will be arranged at the last-hour of Session 8. The online midterm quiz will consist of multiple-choice, true or false, fill-in-the-blank, and matching questions. The midterm quiz will cover the materials from Lecture 1 to Lecture 6.

In-class Final examination (45%)

A mixed-mode of an in-class online final examination will be arranged at the last summer class session. The final examination will consist of multiple-choice, true or false, fill-in-the-blank, matching questions, and short essay questions. The final examination will cover materials from Lecture 1 to Lecture 10 and potentially the content presented by the student groups during the seminar sessions.

COURSE DESCRIPTOR

- A: Outstanding performance on all learning outcomes.
- A-: Generally outstanding performance on all (or almost all) learning outcomes.
- B: Substantial performance on all learning outcomes, or high performance on some learning outcomes which compensates for less satisfactory performance on others, resulting in overall substantial performance.
- C: Satisfactory performance on the majority of learning outcomes, possibly with a few weaknesses.
- D: Barely satisfactory performance on a number of learning outcomes
- F: Unsatisfactory performance on a number of learning outcomes, or failure to meet specified assessment requirements.

CLASS SCHEDULE

Introduction

Session 1: Housekeeping and An Overview of Contemporary World Economy

Key Ideas

- An introduction to International Political Economy
- The world economic order since WWII
- The impact of (economic) globalisation and post-Cold War politics

Readings

- ✧ Cohn (2016). Chapter 2.
- ✧ Gilpin (2011). Chapter 1.

Part A: Major Theories and Concepts in International Political Economy

Session 2: Theories of IPE (I) – (Neo-)Mercantilism and (Neo-)Liberalism

Key Ideas

- The basic tenets of (neo-)mercantilism and its implications to the contemporary world system
- The basic tenets of (neo-)liberalism and its application to global economic governance

Readings

- ✧ Cohn (2016), Chapter 3, and Chapter 4.
- ✧ Gilpin (2011), Chapter 3, and Chapter 4.

Session 3: Theories of IPE (II) – Critical Perspectives and the Rise of New Economic Theories

Key Ideas

- The (neo-)Marxist critiques to neo-classical and neo-liberal theories of IPE
- The impact of technology, gender, and the environment in shaping the theoretical development of IPE

Readings

- ✧ Cohn (2016), Chapter 5.

- ✧ Gilpin (2011), Chapter 5, and Chapter 6.
- ✧ Reisman (2019), Chapter 2.

Session 4: The National System of Political Economy and its Interactions with the World

Key Ideas

- The national factors of political economy and its contribution to foreign policy
- The interactions between domestic politics and international political economy

Readings

- ✧ Gilpin (2011), Chapter 7.
- ✧ Reisman (2019), Chapter 3, and Chapter 4.
- ✧ Mansfield, E. D., H. V. Milner and P.B. Rosendorff. 2000. "Free to Trade: Democracies, Autocracies and International Trade." *American Political Science Review* 94:305 – 321.

Part B: Global Economic Governance and Selected Policy Issues

Session 5: The International Trading System (I) – Global Regimes and Regional Integration

Key Ideas

- An introduction to the global trade regime: from GATT to WTO
- Regionalism and regional free-trade agreement – a response to globalisation

Readings

- ✧ Cohn (2016), Chapter 8, and Chapter 9.
- ✧ Gilpin (2011), Chapter 8.
- ✧ Reisman (2019), Chapter 6.

Session 6: The International Trading System (II) – Global Production and Logistics, Foreign Direct Investment and the Role of Multinational Companies

Key Ideas

- The global production, transaction, and transportation of goods and services
- Foreign direct investment and the role of SOE and MNC in international trade

Readings

- ✧ Cohn (2016), Chapter 10.
- ✧ Gilpin (2011), Chapter 11.
- ✧ Reisman (2019), Chapter 5, and Chapter 9.

Session 7: The International Monetary System (I) – Inter-National Liquidity and Global Financial Regime

Key Ideas

- An introduction of the global financial regime: IMF and World Bank
- Global capitalism and the rise of regional multilateral financial arrangements

Readings

- ✧ Cohn (2016), Chapter 6.
- ✧ Gilpin (2011), Chapter 9.
- ✧ Reisman (2019), Chapter 10.

Session 8: The International Monetary System (II): Global Fundraising and Financial Crises

Key Ideas

- The concept of global financial market and the role of investment banks
- The (root) causes of two financial crises and the political dynamics behind

Readings

- ✧ Cohn (2016), Chapter 7.

- ✧ Helleiner, E. 2011. "Understanding the 2007 – 2008 Global Financial Crisis: Lessons for Scholars of International Political Economy." *Annual Review of Political Science* 14: 67 – 87.
- ✧ Hall, P. 2012. "The Economics and Politics of the Euro Crisis." *German Politics* 21(4): 355 – 371.

Online Midterm Quiz to be scheduled at Session 8

Session 9 Governing Economic Globalisation (I) – Global Inequality and the Poverty Reduction

Key Ideas

- The concept of "global development" and North-South cooperation
- The impact of (economic) globalisation to global poverty reduction

Readings

- ✧ Cohn (2016), Chapter 11.
- ✧ Gilpin (2011), Chapter 15.
- ✧ Reisman (2019), Chapter 8.

Session 10: Governing Economic Globalisation (II) – Developing Countries, Alternative Models of Global Political Economy

Key Ideas

- The liberal world order, the Washington Consensus and the critiques against the Anglo-Saxon model
- The developing countries, the developmental state and the rise of an alternative model

Readings

- ✧ Cohn (2016), Chapter 12.
- ✧ Reisman (2019), Chapter 7.
- ✧ Hayashi, S. 2010. "The Developmental State in the Era of Globalisation: Beyond the Northeast Asian Model of Political Economy." *Pacific Review* 23(1): 45 – 69.
- ✧ Zhou, W. and M. Esteban. 2018. "Beyond Balancing: China's Approach towards the Belt and Road Initiative." *Journal of Contemporary China* 27(112): 487 – 501.

Part C: Seminars on Critical Issues in Global Political Economy

Session 11: Student Presentations on Global Political Economy (I) – The Role of State in "Market Economy"

Key Topics

- *Laissez-faire capitalism* versus developmental capitalism – the role of government and industrial policy
- Should economic protectionism be accepted? The merits and demerits of free trade

Suggested Readings

- ✧ Farrell, H. and A. Newman. 2010. "Making Global Markets: Historical Institutionalism in International Political Economy." *Review of International Political Economy* 17(4): 609 – 638.
- ✧ Lam, Newman M. K. 2001. "Government Intervention in the Economy: A Comparative Analysis of Singapore and Hong Kong." *Public Administration and Development* 20: 397 – 421.
- ✧ Stiglitz, J. 2003. "Globalisation and the Economic Role of the State in the New Millennium." *Industrial and Corporate Change* 12(1): 3 – 26.

Session 12: Student Presentations on Global Political Economy (II) – Globalisation, Regionalism and Regionalisation

Key Ideas

- Globalisation and its impact – to both developed countries and developing countries

- The future of globalisation post-COVID-19 – a more fragmented global political economy?

Readings

- ✧ Grugel, J. and Ruggirozzi, P. 2012. "Post-neoliberalism in Latin America: Rebuilding and Reclaiming the State after Crisis." *Development and Change* 43(1): 1 – 21.
- ✧ Horner, R., S. Schindler, D. Haberly and Y. Aoyama. "Globalisation, Uneven Development and the North-South 'Big Switch'." *Cambridge Journal of Regions, Economy and Society* 11(1): 17 – 33.
- ✧ Oldekop, J. A. et. al. 2020. "COVID-19 and the Case for Global Development." *World Development* 134. [<https://doi.org/10.1016/j.worlddev.2020.105044>]
- ✧ Olivie, I. and M. Gracia. 2020. "The End of Globalisation? A Reflection on the Effects of the COVID-19 Crisis Using the Elcano Global Presence Index." *ARI* 60/2020. Madrid: Elcano Royal Institute.
[https://www.researchgate.net/profile/Iliana_Olivie/publication/341131506_The_end_of_globalisation_A_reflection_on_the_effects_of_the_COVID-19_crisis_using_the_Elcano_Global_Presence_Index/links/5eb031a445851592d6b88093/The-end-of-globalisation-A-reflection-on-the-effects-of-the-COVID-19-crisis-using-the-Elcano-Global-Presence-Index.pdf]

Session 13: Student Presentation on Global Political Economy (III) – The US-China Competition, Trade War and the New Order of Global Political Economy

Key Ideas

- The Belt and Road as a New Marshall Plan? The Economic and Political Implications of Belt and Road and the Marshall Plan
- A Trade War or A Hegemonic War? Great Decoupling and the Rise of Competitive Politico-Economic Order

Readings

- ✧ Liu, W. and M. Dunford. 2016. "Inclusive Globalisation: Unpacking China's Belt and Road Initiative." *Area Development and Policy* 1(3): 323 – 340.
- ✧ Flint, C. and C. Zhu. 2019. "The Geopolitics of Connectivity, Cooperation, and Hegemonic Competition: The Belt and Road Initiative." *Geoforum* 99:95 -101.
[<https://doi.org/10.1016/j.geoforum.2018.12.008>]
- ✧ Liu, T. and W. T. Woo. "Understanding the U.S.-China Trade War." *China Economic Journal* 11(3): 319 – 340.
- ✧ Shen, S. and W. Chan. 2018. "A Comparative Study of Belt and Road Initiative and the Marshall Plan." *Palgrave Communication* 4(32). [<https://doi.org/10.1057/s41599-018-0077-9>]

In-class final examination to be scheduled at Session 14

ACADEMIC POLICIES

Attention is drawn to University policy and regulations on honesty in academic work, and to the disciplinary guidelines and procedures applicable to breaches of such policy and regulations. Details may be found at <http://www.cuhk.edu.hk/policy/academichonesty/>.

With each assignment, students will be required to submit a signed declaration that they are aware of these policies, regulations, guidelines and procedures.

- In the case of group projects, all students of the same group should be asked to sign the declaration, each of whom is responsible and liable to disciplinary actions should there be any plagiarized contents in the group project, irrespective of whether he/she has signed the declaration and whether he/she has contributed directly or indirectly to the plagiarized contents.
- For assignments in the form of a computer-generated document that is principally text-based and

submitted via VeriGuide, the statement, in the form of a receipt, will be issued by the system upon students' uploading of the soft copy of the assignment. A user manual of VeriGuide can be found at: [https://academic.veriguide.org/academic/documents/VeriGuide Academic Student User Manual CUHK .pdf](https://academic.veriguide.org/academic/documents/VeriGuide%20Academic%20Student%20User%20Manual%20CUHK.pdf).

Assignments without the properly signed declaration will not be graded by teachers.

Only the final version of the assignment should be submitted via VeriGuide.

The submission of a piece of work, or a part of a piece of work, for more than one purpose (e.g. to satisfy the requirements in two different courses) without declaration to this effect shall be regarded as having committed undeclared multiple submission. It is common and acceptable to reuse a turn of phrase or a sentence or two from one's own work; but wholesale reuse is problematic. In any case, agreement from the course teacher(s) concerned should be obtained prior to the submission of the piece of work.