IR 213: The Global Economy

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Office Hours: Tues 3:30-4:30 (TRO 172), Weds 3:30-4:30 (VKC 305)
SoS B9
Today’s Plan

• Introductions
• Clickers
• Where this course fits
• Course logistics
• Core Puzzle, Core Skills
How the Clickers Work

- Multiple choice questions in lecture
  - Click in your answer
  - Results go up right away

- It is also an easy way for me to administer pop quizzes on the reading.

- Your clicker has a unique ID number
  - You get participation points just for answering.
  - To get quiz credit you actually have to get questions right.
Testing the Clickers

• I am a:
  A. Freshman
  B. Sophomore
  C. Junior
  D. Senior or Super-Senior
Testing the Clickers

• My major is (probably):
  A. International Relations
  B. IR/Global Business
  C. Other Social Science (i.e. business, econ, sociology, anthropology...)
  D. Arts/Humanities
  E. Natural Sciences
  F. Other
Testing the Clickers

• I have had the following economics training (choose the most advanced that applies):
  
  A. Supply and De-what?
  B. A little bit in high school (not AP)
  C. AP econ in high school
  D. 1 university econ class
  E. More than 1 university econ class
How to Register Your Clicker

• Login to blackboard
• Select IR 213
• Look under tools, find “Turningpoint Anywhere Registration Tool”

• For general info on these clickers, go to http://www.turningtechnologies.com/responsesystemsupport/producttraining/usc-clicker-site/student-site/
  • To get there, just google “turning technologies usc student site”
Building Blocks

- Math -> Physics -> Chemistry -> Biology

![Diagram showing relationships between fields]

Sociology
Economics
Political Science
Political Science: 4 parts

• Political Theory:
  • Political philosophy and the Big Ideas
  • Normative Questions: What SHOULD the world look like?

• Comparative Politics:
  • Political institutions -> Quality of Life
  • ??? -> Political institutions

• American Politics:
  • How do american political institutions work?
  • Political behavior: How do Americans work? (e.g. why do they vote?)
International Relations: Two Big Questions

• Why War?
  • Security

• Why are poor countries poor and rich countries rich?
  • International Political Economy
Goals of the Course

• Build the toolkit: Master the core principals of international economics
• Apply these core economic principles to the puzzles of international political economy
• Develop the skills to analyze future puzzles
  • Actors, Interests, Institutions
  • Writing
Course Logistics

• Buy the 13th Edition of your textbook.
• All other readings will be posted to my website
• Syllabus will be updated as the term progresses
  • New revisions announced in lecture
  • Keeping up to date is your responsibility
The Work in This Course

• 3+ Homework Assignments
  • Do these partially in section
• 2 (very) short papers
  • These are intense
• Midterm and Final
  • “Complete” study guides
  • Absolutely no surprises
• Reading Quizzes
  • These are easy
Your Grade

• Lecture and Section Participation: 10%
• Reading Quizzes: 10%
• Homework Assignments: 15%
• 2 Short Papers: 15% each
• Midterm: 15%
• Final: 20%
How To Do Well in This Class

• Read before class
• Review your class notes before section
• Collaborate
• Develop a full study guide for the exams (with your classmates!)
• Work through several drafts of your paper

• This course is hard
• The grading is designed to reward hard work
Academic Integrity

• I grade on a curve. If someone cheats, they harm everyone else.

• I encourage collaboration, but I demand you do your own work, and give proper credit to others’ ideas.
The Big Puzzles in IPE

• Why are poor countries poor and rich countries rich?
• Why do we still have so many barriers to trade, if economists tell us they are a bad idea?
• Why do people (labor) move so much less freely than goods, services, and capital?
• Why is the IMF so powerful? Why is it so controversial?
• Is the European Union going to collapse?
• How do I get rich? How do I save the world?
And this is a log scale...
What About the Population Bomb?
What about modern health crises?

Globally new HIV infections peaked in 1997.
Spending by U.S. Households

- **Food**: 1900, 1950, 2003
- **Housing**: 1900, 1950, 2003
- **Apparel**: 1900, 1950, 2003
- **Healthcare**: 1900, 1950, 2003
- **Entertainment**: 1900, 1950, 2003
• pull more pics from http://www.ourworldindata.org/
Group Activity

• What is the most optimistic or encouraging fact/idea you took away from that video?

• What is the most pessimistic or discouraging fact/idea?

• What is one question you don’t know that answer to now that you want to know by the end of the course?
What is the deal with Africa?

• What statement best describes development in Africa since decolonization?
  • A. Everything has gotten better as fast as anyone could have hoped
  • B. Wealth has increased a lot, but health outcomes have lagged
  • C. Health outcomes have improved a lot, but wealth has lagged
  • D. Quagmire. Things just haven’t been improving much.
Why are poor countries poor and rich countries rich?

• How to be rich:
  • Endowments: Fertile land, natural resources, no tropical diseases, ports, good neighbors
  • Political institutions and policy: Efficient court system, economic openness, public investment in education and infrastructure
    • Democracy?
• The war trap:
  • War -> economic stagnation -> institutional fragility -> War
• The resource curse: Lootable resources (oil, diamonds)
  • Provide incentives to “capture” the government
  • Repression becomes an effective strategy