

# EUROPE AND THE POLITICAL ECONOMY OF GLOBALISATION

Professeur(s) : Colin HAY

Année universitaire 2017/2018: Paris School of International Affairs – Fall semester

## BIOGRAPHICAL INFORMATION

<http://www.sciencespo.fr/centre-etudes-europeennes/fr/chercheur/colin-hay>

## COURSE OUTLINE

### Part 1: Demystifying Globalisation

#### Session 1: Introduction: What is Globalisation?

Defining globalisation. What does it mean and what is at stake in defining the term? Globalisation as condition (end-state), process of transition or tendency (to which they are counter-tendencies)? Globalisation as economic, political and cultural interdependence. How global is global? How trans-national is global? The uneven geography of globalisation. The impact of the crisis.

#### Required reading

- Held, D. and McGrew, A. (2007) *Globalisation/Anti-Globalisation*. Cambridge: Polity – chapter 1.

#### Sessions 2 and 3: Economic Globalisation

What is economic globalisation and is it happening? Are trade and cross-border financial transactions evidence of globalisation? Globalisation as economic interdependence? The hyper-globalisation thesis and the sceptical position. Evidence of economic interdependence in (and beyond) Europe – trade, foreign direct investment, financial flows.

#### Required reading

- Hay, C & Wincott, D. (2012) *The Political Economy of European Welfare Capitalism*. Basingstoke: Palgrave - chapter 3.
- Watson, M. (2001) 'International Capital Mobility in an Era of Globalisation', *Politics*, 21 (2), 81-92.

### **Session 4: The Politics of Globalisation**

What is political globalisation and is it happening? Is the EU evidence of and/or an agent of globalisation? Globalisation as post-international relations. The challenge to realism and the defence of realism. Global and regional governance. Perforated sovereignty and the demise or transformation of the nation-state.

#### **Required reading**

- Hay, C. (2013) 'International Relations Theory and Globalisation', in T. Dunne, M. Kurki and S. Smith (eds.) International Relations Theory. Third edition. Oxford: Oxford University Press.

### **Session 5: The Cultural Political Economy of Globalisation**

Consumerism and the cultural political economy of globalisation. Globalisation as cultural homogenisation v globalisation as cultural diversification. The McDonaldisation thesis. The anti-globalisation movement – the first genuinely global social movement? The cultural politics of globalisation in Europe.

#### **Required reading**

- Held, D. and McGrew, A. (2007) Globalisation/Anti-Globalisation. Cambridge: Polity – chapter 3.

### **Session 6: Globalisation and/or Regionalisation**

Is regional economic integration evidence of globalisation? Is European integration a form of globalisation or a means of protecting European states from globalisation? Is it a tendency or a counter-tendency to globalisation? What has been the relative pace of globalisation and regional integration in Europe in recent decades? The 'triadisation' thesis. Gravity models of trade.

#### **Required reading**

- Hay, C. (2014) 'Globalisation's Impact on States' in J. Ravenhill (ed.) Global Political Economy. Oxford: Oxford University Press.

## **Part II: The challenge of globalisation in Europe**

### **Session 7: Globalisation and competitiveness**

What is competitiveness, what does an economy need in order to be competitive and what's globalisation got to do with it? Can competitiveness be measured – and, if so, how? Is competitiveness a 'dangerous obsession' and why does Krugman think it is? Can competitiveness be understood differently? What is a 'competition state' and how does it differ from a 'welfare state'?

**Required reading**

- Krugman, P. (1996) 'Competitiveness: A Dangerous Obsession', in Pop Internationalism. Cambridge, MA: MIT Press — this also appears in Foreign Affairs, March/April 1994, 28-44.

**Session 8: Globalisation and capitalist institutional diversity**

Do capitalist economies come in varieties – if so, how many and of what type? What characterise liberal and coordinated market economies in Hall and Soskice's 'varieties of capitalism' perspective. Is globalisation an agent of convergence? Is there any evidence for either the simple or dual convergence thesis? How might the global financial crisis lead us to rethink some of this?

**Required reading**

- Hay, C. and Wincott, D. (2012) The Political Economy of European Welfare Capitalism. Basingstoke: Palgrave – chapter 6.

**Session 9: Globalisation and the future of the nation-state in Europe**

How has globalisation been seen as a threat to the sovereignty and autonomy of the nation-state – and how might this be applied to the nation-state in Europe today? Has globalisation precipitated a profound and irreversible crisis of the nation-state or has it (merely) led to a change in its form? What is meant by the 'competition state' (Cerny) and is this the new form of the nation-state in Europe today? How might globalisation be held to account democratically and are globalisation and democracy in tension with one another?

**Required reading**

- Cerny, P. G. (1997) 'Paradoxes of the Competition State: The Dynamics of Political Globalisation', Government and Opposition, 32 (2), 251-74.

**Session 10: Globalisation and the future of social democracy**

What is social democracy and is there any evidence of its survival in an era of globalisation? Does globalisation reward neoliberalism and penalise social democracy? If so, in what ways and through what mechanisms? What evidence can we find for such mechanisms? What is the 'third way' and is it genuinely social democratic or a leftish inflection of neoliberalism? Does the global financial crisis threaten to bury social democracy or might it prove an agent in its resuscitation?

**Required reading**

- Giddens, A. (1998) *The Third Way*. Cambridge: Polity – especially chapter 1.

### **Session 11: Globalisation and the future of the welfare state in Europe**

Is the European welfare state a casualty of globalisation? What has happened to European welfare diversity since the 1980s? Are European welfare states as generous and inclusive as once they were? Is globalisation the key factor here – or are there others? How has the European welfare state been recast and what are its prospects today?

#### **Required reading**

- Hay, C. (2005) 'Too Important to Leave to the Economists? The Political Economy of Welfare Retrenchment', *Social Policy and Society*, 4 (2), 1-9, 2005.

### **Session 12: The global financial crisis: A crisis of globalisation?**

The global financial crisis – what happened and who's to blame? What does the global financial crisis tell us about globalisation and the way in which it has been governed? How did the crisis unfold and how did it prove contagious? Is this a crisis of debt or growth? What are its lasting legacies likely to be and how might it be solved? Is austerity the answer?

#### **Required reading**

- Hay, C. and Wincott, D. (2012) *The Political Economy of European Welfare Capitalism*. Basingstoke: Palgrave – chapter 7