

**D. How We Got to Now: Global Markets in a Turbulent World**  
**Stephen Nelson, Associate Professor, Political Science**  
**Thursdays, 1:00 - 2:30 p.m., Norris University Center**

Market globalization has arguably served as the single most powerful force shaping international and domestic politics in recent decades. But what kinds of political arrangements were necessary for markets to “go global?” Was the push for more deeply globalized markets a necessity or a mistake? How will market globalization weather emerging challenges? In this course we will explore the political and institutional bedrock that promoted the globalization of markets over the past seventy years. Studying the political origins of market globalization will help us make better sense of the contemporary challenges posed by the rise of nationalist-populists in many countries and the fragmenting effects of the COVID-19 public health crisis and geopolitical turbulence.

**Sep. 26 Globalists, Regionalists, and Nationalists: Three Views of the Merits and Pitfalls of Globalized Markets**

We begin the course by delving into three vying worldviews on the merits and drawbacks of market globalization. We’ll see echoes of the three perspectives in historical and contemporary political debates around the creation and maintenance of global markets in the domains of trade, production, and financial capital.

**Oct. 3 NO CLASS**

**Oct. 10 The Birth and Death of the First Age of Market Globalization, 1870-1929**

Market globalization might have reached its apex just before the eruption of the global financial crisis in 2008 but isn’t a brand-new phenomenon. In the years between 1870 and 1929 people, businesses, and countries around the world grew increasingly connected through burgeoning global markets for goods, commodities, capital, and labor. What gave rise to the first age of globalization? And what caused the foundations of the first age of globalization to crumble by the end of the 1920s?

**Oct. 17            “If Goods Don’t Cross Borders, Armies Will:”  
Freeing Trade after 1945**

The collapse of globalized markets in the 1930s ushered in a period of protectionism, self-sufficiency, and war. Domestic markets for goods and services were shielded from foreign competition by high tariff barriers and other protectionist measures, and cross-border commerce was mostly between geostrategic allies and within imperial zones of domination. After the end of the Second World War, American policymakers aimed to re-open their “free” (non-communist) sphere of influence to international trade. By the 1990s pro-trade advocates had succeeded – beyond their wildest dreams – in the effort to bring down trade barriers and to open foreign markets to imports. How did they do it? In this session, we’ll examine the key decision points that reopened the world economy and discuss who won and who lost when free trade went global.

**Oct. 24            How the Stuff We Buy Gets Made: The Promise  
and Perils of Globalized Supply Chains**

The goods and commodities we consume used to be geographically “bundled.” Into the 1970s, the American automobile industry was clustered around Detroit, for example. But in the last forty years production was geographically unbundled: components were sourced and assembled in far-flung supply chains before the final product made its way to the shelves (or stacked in a corner in one of Amazon’s massive warehouses). Globalized production lowered prices for common consumer goods, but the revolution in how stuff gets made hasn’t been costless. This lecture will foreground the ways in which workers enmeshed in global supply chains have been affected by the global revolution in production.

**Oct. 31            Guns, Gold, and the Rise of the U.S. Dollar  
as a Global Currency**

According to the Beatles, “money don’t get everything.” That might be true, but without a form of money that people around the world trust, the globalization of markets wouldn’t be possible. Since 1945 the U.S. dollar has served as a de facto world currency. How did the dollar rise to the peak of the global currency pyramid? How did “dollar hegemony” pave the way for market globalization? Is the U.S. dollar’s peak position durable, or will confidence in the currency collapse?

**Nov. 7                    A World Made of Money: Unleashing Financial Capital  
from Behind National Borders**

In the middle of the Great Depression, the famous British economist John Maynard Keynes distilled the conventional wisdom of the age: “Let goods be homespun whenever it is reasonably and conveniently possible; and, above all, let finance be primarily national.” Thirty years after Keynes wrote those words, financial capital broke free from national regulatory controls. The emergence of a massive pool of global financial capital offers the prospect of enrichment – but perhaps with the cost of the occasional outbreak of devastating financial market crises. In this session we’ll explore the causes and consequences of financial globalization.

**Nov.14                    NO CLASS**

**Nov. 21                    Developing Countries and Globalized Markets:  
Opportunities or Obstacles?**

Economic nationalists feared that opening poorer countries’ markets to global competition would lead to foreign domination and exploitation, replicating the pernicious anti-developmental effects of imperialism. For a long time, and in many Global Southern countries, the nationalist view shaped economic policymaking. But in the 1990s policymakers pivoted – often under intense pressure from officials in the U.S. Treasury Department and the International Monetary Fund – away from protectionism and embraced open markets. Has market globalization been a boon or a bane for developing countries? Are there lessons to be learned from the developmental “miracles” experienced by countries like South Korea, Taiwan, and China?

**Nov. 28                    NO CLASS**

**Dec. 5            Deep Roots of the Nationalist-Populist Backlash**

The advocates for global markets have been on the back foot since 2016, the year of Donald Trump's election in the U.S. and the Brexit referendum in the UK. In many countries, nationalist-populist political parties and politicians have rejected globalized markets and pursued policies oriented to a different kind of international economy – one that's less integrated, more restricted, and oriented toward the pursuit of national rather than global objectives. We'll spend time in this session connecting the effects of market globalization to the resurgence of nationalist-populists in recent years.

**Dec. 12            The End (?) of Our Age of Market Globalization and  
What Might Come After**

The concluding session will review key ideas from prior lectures and grapple with the major challenges currently facing globalized markets. If we've entered an age of "deglobalization," what changes can we expect?

Stephen Nelson's research and teaching interests center on the politics of global economic governance. His book, *The Currency of Confidence: How Economic Beliefs Shape the IMF's Relationship with its Borrowers* (Cornell University Press, 2017), was awarded the 2018 Peter Katzenstein Prize for Outstanding First Book in International Relations, Comparative Politics, or Political Economy. In 2019 he was a recipient of the Distinguished Teaching Award from Northwestern's Weinberg College of Arts & Sciences.