

Issues in Global Economic and Financial Security

PAI 715 M001

Instructor	Dr. Bejoy Das Gupta	Phone	1-202-413-8395
Office	1616 Rhode Island Ave, NW, Washington DC	E-mail	dasguptabejoy@gmail.com
Office Hours	By appointment (typically before or after class)		

Course Description:

Over the past decade, the world economy has been hit hard by the global financial crisis, and, more recently, by the COVID-19 shock. Concurrently, there has been a pushback against globalization, accompanied by rising concerns brought on by stagnant wages and growing inequality. Accordingly, there is a need for policymakers to focus on policies to lift the global economy out of its current morass and achieve more sustainable and inclusive growth taking into account environmental, social and corporate governance (ESG) concerns.

The course will discuss economic and financial security issues through the prism of the global financial crisis, the COVID-19 shock and structural and political changes being triggered around the world. The focus will be on applied economics and finance, and their importance as analytical tools in policy discussions on economic security and development. This course will be less narrowly technical, more policy and political economy oriented, but nonetheless appropriate for students concentrating in development, finance and trade. There will be guest speakers on special topics.

Additional Course Description:

We will begin by developing the analytical framework and then applying it to key countries/regions (US, China, Japan, India, MENA, and other topics, time permitting). We will take stock of shocks, causes, policy responses, prospects, and challenges in the face of recent economic and political events. We will look at ways of ensuring global financial stability, including appropriate policies to recover from and ward-off crises, and help create the conditions for sustained economic expansion. Other key topics include drivers of capital flows, climate change concerns, geopolitical risk, oil, commodity markets and time permitting the role of digitalization/finance in promoting development.

Prerequisite / Co-requisite:

None

Audience:

Graduate students studying international relations, political science, economic development, public administration or a related field.

Credits: 3

Learning Objectives:

The course seeks to address the subjects raised above, providing students with an understanding of the key drivers of economic and financial security for a country.

Bibliography/ Texts / Supplies – Required:

For readings, we will use publications of the IMF, World Bank, BIS, OCED and central banks around the world. The IMF publishes the World Economic Outlooks (WEOs), Regional Outlooks, Country Article IV reports and others such as the Fiscal Monitor and Spillovers report. It is also an excellent source of tracking the COVID-19 policy response country-by-country. The Kansas Fed's Jackson Hole seminar series is another excellent source. Detailed readings will be given during the course. Relevant financial press articles will be used.

Course Requirements and Expectations:

Students will be expected to participate in group discussions, lead class discussions and write a policy note.

Grading:

Grades will be based on three components:

Class Participation (30% of the grade) – participating in group discussions.

Class Presentation (30% of the grade) – leading class discussions.

A 4-page Policy Note (40% of the grade) -- Each student will write and present a policy memo on a topic that encompasses the student's interest and material covered in the course.

Course Specific Policies on attendance, late work, make up work, examinations if outside normal class time, etc.:

To be worked out with professor on a case by case basis.

Syracuse University Policies: Syracuse University has a variety of other policies designed to guarantee that students live and study in a community respectful of their needs and those of fellow students. Some of the most important of these concern:

Diversity and Disability (ensuring that students are aware of their rights and responsibilities in a diverse, inclusive, accessible, bias-free campus community) can be found here, at: <https://www.syracuse.edu/life/accessibilitydiversity/>.

Religious Observances Notification and Policy (steps to follow to request accommodations for the observance of religious holidays) can be found here, at: http://supolicies.syr.edu/studs/religious_observance.htm

Orange Success (tools to access a variety of SU resources, including ways to communicate with advisors and faculty members) can be found here, at: <http://orangesuccess.syr.edu/getting-started-2/>

Disability-Related Accommodations: Syracuse University values diversity and inclusion; we are committed to a climate of mutual respect and full participation. There may be aspects of the instruction or design of this course that result in barriers to your inclusion and full participation in this course. I invite any student to meet with me to discuss strategies and/or accommodations (academic adjustments) that may be essential to your success and to collaborate with the Office of Disability Services (ODS) in this process.

If you would like to discuss disability-accommodations or register with ODS, please visit their website at <http://disabilityservices.syr.edu>. Please call (315) 443-4498 or email disabilityservices@syr.edu for more detailed information.

ODS is responsible for coordinating disability-related academic accommodations and will work with the student to develop an access plan. Since academic accommodations may require early planning and generally are not provided retroactively, please contact ODS as soon as possible to begin this process.

Academic Integrity Policy: Syracuse University's Academic Integrity Policy reflects the high value that we, as a university community, place on honesty in academic work. The policy defines our expectations for academic honesty and holds students accountable for the integrity of all work they submit. Students should understand that it is their responsibility to learn about course-specific expectations, as well as about university-wide academic integrity expectations. The policy governs appropriate citation and use of sources, the integrity of work submitted in exams and assignments, and the veracity of signatures on attendance sheets and other verification of participation in class activities. The policy also prohibits students from submitting the same work in more than one class without receiving written authorization in advance from both instructors. Under the policy, students found in violation are subject to grade sanctions determined by the course instructor and nongrade sanctions determined by the School or College where the course is offered as described in the Violation and Sanction Classification Rubric. SU students are required to read an online summary of the University's academic integrity expectations and provide an electronic signature agreeing to abide by them twice a year during pre-term check-in on MySlice.

Syracuse University "stay safe" pledge and COVID-19 safety protocols: Syracuse University's Stay Safe Pledge reflects the high value that we, as a university community, place on the well-being of our community members. This pledge defines norms for behavior that will promote community health and wellbeing. Classroom expectations include the following: wearing a mask that covers the nose and mouth at all times, maintaining a distance of six feet from others, and staying away from class if you feel unwell. Students who do not follow these norms will not be allowed to continue in face-to-face classes; repeated violations will be treated as violations of the Code of Student Conduct and may result in disciplinary action.

Course Schedule: Week/ lecture, topic for the week/lecture, is below.

Classes 1-4: Developing the framework for analyzing Economic and Financial Security for countries against the backdrop of the COVID-19 Pandemic and the earlier Global Financial Crisis. The building blocks are Macroeconomic Stability, Growth-Enhancing Structural Reforms, Politics and Institutions, and Global Spillovers/Externalities. We will consider them with examples drawn from countries around the world. We will also analyze drivers of private capital flows to emerging markets, importance of push and pull factors against the backdrop of global policy and political uncertainty. Without a revival in private capital flows, emerging markets external positions and economies will remain under pressure.

Classes 5 and 6: Economic and Financial Security issues in the United States, the epicenter of recent crises. What went wrong and why; public health response and economic stabilization measures to alleviate the COVID-19 shock; is enough being done for recovery; what are the challenges facing the next administration – preparing response for a possible second wave, eventually exiting stimulus, dealing with high unemployment, secular stagnation, and advancing structural reforms (e.g. health, social security, climate change mitigation; enhancing productivity; responding to geopolitical concerns).

Class Presentations #1 and #2: Students will make presentation; After student presentations, there will be a group discussion and wrap up.

Class 7: First Guest Speaker on Country Risk Analysis.

Classes 8 and 9: Economic Issues in China. Assessing China's response to the COVID-19 shock; persisting vulnerabilities from the earlier global financial crisis; progress in rebalancing the economy; understanding why China is turning more economically assertive and nationalist; what are the implications for the world; COVID-19 challenges to the belt road initiative; and how China is handling trade and geopolitical challenges. *Class Presentations #3 and #4.*

Class 10: Reviving Japan from its long stagnation; three arrows of Abenomics, COVID-19 and what needs to change. *Class Presentations #5.*

Class 11: Economic Issues in India. Adjusting to the COVID-19 shock; using policy levers to stabilize the economy; how to leverage India's strengths and mitigate weaknesses to achieve sustained strong and inclusive growth; where should the emphasis be on structural reforms; how should India respond to domestic and external security challenges.

Class 12: Second Guest Speaker on policy challenges in the Middle East against the backdrop of COVID-19, collapse in commodity prices and geopolitical tensions.

Classes 13 and 14: Student presentations of Policy Notes.