Course Title: Transnational Economic Governance

Lecturer: Prof. Dr. Sigrid Quack

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<tr>
<th>Course number</th>
<th>1355</th>
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<tr>
<td>Location/Room</td>
<td>MPIfG, Paulstr. 3, Conference room</td>
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<tr>
<td>Time</td>
<td>Tuesday, 10 – 11.30 am, beginning 20 April 2010</td>
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<tr>
<td>Credit Points</td>
<td>6 ECTS</td>
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<tr>
<td>Type of course</td>
<td>English</td>
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1. Objectives

The course aims to provide students with a conceptual and contextual framework for understanding transnational economic governance in the age of globalization. It will introduce students to key issues and sources in transnational governance research, drawing on contributions from sociology, political science, organization and legal studies. The aim is to stimulate critical and interdisciplinary thinking and to enable students to develop conceptual and empirical research tools.

2. Prerequisites

Ideally, students should have prior academic knowledge in one of the following thematic fields: sociology of globalization, political sociology, international relations and/or organisations, new modes of governance, European governance, international and European law. However, given the interdisciplinary nature of the course, the most important prerequisite is a vivid research interest in the field under study.

3. Relevance for study programs

The course addresses CGS, IMPRS and other doctoral students of the WiSo-Faculty as well as MA and advanced Diploma students who are planning a bachelor/master or diploma thesis in this thematic field.

4. Registration

There are 10 seats available for doctoral students who should register for this course before 10 March 2010 sending an email to Professor Quack (quack@mpifg.de). (Additional 10 seats are reserved for MA and Diploma students who will register via KLIPS). The course will start on 20 April 2010 and will be taught once a week during the term.

5. Contents

The seminar focuses on the development, dynamics and implications of emerging forms of transnational governance in the global economy – public, private, and hybrid. The sessions will deal with trends in economic globalization, new forms of governance at the national and transnational level, governance arrangements in specific problem fields (financial markets, environmental products, food and safety, labour relations, etc.), their accountability and legitimacy and conceptual frameworks to compare and make sense of them.

The syllabus and complete reading list will be made available online before the beginning of the course: http://www.mpifg.de/people/sq/teach_en.asp
6. Working requirements and assessment method

The course will be taught through a combination of lectures, student presentations and discussion. You are expected to come regularly to class having done the assigned reading and be ready to discuss it. In addition, you are expected to complete the following assignments:

1) Submit **5 brief response memos** (no more than 1 single-spaced page) on the week’s readings. These memos are intended to prepare the ground for class discussions by requiring participants to set out their initial reactions to the reading in written form. Each memo should identify at least one question that you would like to discuss in class. The memos need to be posted on the iversity platform by **Sunday 8 pm** before the class at the latest.

2) Give a short **verbal presentation** of key findings of the reading and questions for discussion (not longer than 15 minutes, done in groups of two) in one of the seminar meetings.

3) Write a **critical review** (4-5 single spaced pages) of an annual/policy report by an international/governance organisation (due mid-term). A list of reports to be chosen from will be provided during the second session of the seminar. The review should be posted on the iversity platform by **Sunday, 30 May 12 pm** at the latest.

4) Write a **research paper** (approx. 15 single spaced pages) assessing a specific form of transnational governance, defined as an organizational arrangement aimed at regulating or resolving a public problem of transnational scope. The topic should not be too broad (e.g. Fair Trade Labellings Organisation International and not certification schemes as such; the Clean Cloth Campaign and not labour codes in general; the International Swaps and Derivatives Association and not private governance in financial markets, etc.). A **two page proposal for the research paper** containing a suggested title, subject and an outline should be posted on the iversity platform by **Sunday, 20 June 12 pm** at the latest and discussed in a meeting with Sigrid Quack soon afterwards. The final version of the research paper is due to be uploaded to the iversity platform by **Friday, 6 August 12 am** at the latest.

**Summary of deadlines:**

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Date</th>
<th>Time</th>
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<tr>
<td>Five response memos on reading for the next seminar session (approx. 1 page)</td>
<td>Flexible</td>
<td>Sunday 8 pm</td>
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<tr>
<td>Critical Review of policy report</td>
<td>30 May</td>
<td>12 pm</td>
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<tr>
<td>Two page proposal for research paper</td>
<td>20 June</td>
<td>12 pm</td>
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<tr>
<td>Research paper (approx. 15 pages)</td>
<td>6 August</td>
<td>12 am</td>
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The final grade for the seminar will be based on the following evaluation criteria:

- Response memos, critical review and class participation (50%)
- Research paper (50%)

8. Co-ordination/Contact

Professor Sigrid Quack, quack@mpifg.de
Student assistant Christian Weiland, weiland@mpifg.de
<table>
<thead>
<tr>
<th>No</th>
<th>Date</th>
<th>Topic</th>
<th>Issues to be discussed</th>
<th>Form</th>
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<tbody>
<tr>
<td>01</td>
<td>20.4.</td>
<td>Introduction</td>
<td>Overview on topic and course, planning</td>
<td>Presentation lecturer</td>
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<td>Discussion</td>
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<td>02</td>
<td>27.4.</td>
<td>Economic Globalization: Controversies over its nature, reach and impact</td>
<td>Globalization – myth or reality? What is new? How to conceptualize economic globalization: Inter-national vs. globalized economy; extensity, intensity, velocity and impact propensity of global flows and interconnections</td>
<td>Student presentation Student memos Discussion</td>
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<td>03</td>
<td>4.5.</td>
<td>Weberian states in question: The rise of and challenges to governance theory</td>
<td>Developments in modern theory of governance: From planning, to policy development and implementation; extensions of governance paradigm; global governance by, with and without government; multi-level governance; multi-layered and polycentric governance without a unified authority</td>
<td>Student presentation Student memos Discussion</td>
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<td>04</td>
<td>11.5.</td>
<td>Bringing transnational relations (back) in</td>
<td>Theoretical, methodological and empirical transnationalism; transnationalism as response to realist IR in political sciences and world systems/society in sociology/organizational neo-institutionalism; geographic and actor-based dimensions</td>
<td>Student presentation Student memos Discussion</td>
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<tr>
<td>05</td>
<td>18.5.</td>
<td>Pieces of transnational economic governance: Actors, principles and processes</td>
<td>Overview on different types of individual and organized actors (business, state, civil society); different types of governance rules (legal, non-legal; principles, standards, guidelines); processes (law-making, standard-setting, organizing, mobilizing)</td>
<td>Student presentation Student memos Discussion</td>
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<td>Week</td>
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<td>Topic</td>
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<td>06</td>
<td>25.5. Pentecost</td>
<td>No class</td>
<td>Reading week</td>
<td>Preparation of critical review of annual/policy report to be submitted by May 31st.</td>
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### Opening up the state for transnational economic governance

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<td>09</td>
<td>15.6.</td>
<td>No class</td>
<td>Reading week</td>
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### The role of private authority and civil society in transnational economic governance

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<th>Week</th>
<th>Date</th>
<th>Topic</th>
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<tr>
<td>10+</td>
<td>22.6.</td>
<td>Private authority and self-regulation: MNEs, business associations and corporate networks</td>
<td>What is private authority? How does it lead to rule setting and following? How strong or fragile is business? Which actors have easy or difficult access to private governance? What types of governance forms are generated by private actors? Cases: Diamonds/OTC derivatives</td>
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<td>Student presentations Student memos Discussion of cases</td>
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<td>11+</td>
<td>29.6.</td>
<td>NGOs, social movements and civil stakeholder participation in governance</td>
<td>What types of NGOs exist? How do they operate? Transnational activist networks and movements. Rise of private certification schemes in forest and labor. Political struggles over governance. Cases: Labor/copyright</td>
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<td>12+</td>
<td>6.7.</td>
<td>Institutional interaction and fragmentation: interconnections and gap</td>
<td>How do the different pieces fit together? Do they complement or contradict each other? What kind of gaps do exist?Links between legalization of world politics and private governance Cases: WTO and certification/private military force</td>
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<td>Summing up: Effectiveness, accountability and legitimacy</td>
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<td>13+</td>
<td>13.7.</td>
<td>Impact and effectiveness: How does transnational governance play out on at national and local level?</td>
<td>Is there a global convergence of rule application, or do we find local and national variation? Isomorphic pressures versus learning. Relative effectiveness of governance; effectiveness in developing countries</td>
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<tr>
<td>14</td>
<td>20.7.</td>
<td>Accountability and legitimacy challenges</td>
<td>How does the piecemeal and fragmented nature of transnational governance impact on its effectiveness? Which challenges arise for accountability and legitimacy?</td>
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Readings

Recommended introductory reading:


Recommended textbooks and readers:


Recommended empirical sources and materials:


To be continued

Readings by session

1. Introduction (April 20)
   Voluntary introductory reading

2. Economic Globalization: Controversies over its nature, reach and impact (April 27)


**Evidence to be discussed:**


http://www.econrsa.org/wkshops/tradepolicy/session1day1.pdf

Wolf, Martin (2009) “This crisis is a moment, but is it a defining one?”, *Financial Times* May 19.

3. **Weberian states in question: The rise of and challenges to governance theory (May 4)**


http://www.arena.uio.no/publications/wp99_35.htm


**Further Readings**


Historical Statistics of Angus Maddison: http://www.ggdc.net/maddison/


4. **Bringing transnational relations (back) in (May 11)**


Further Readings

5. Pieces of transnational economic governance: Actors, principles and processes
(May 18)


6. Reading week - Pentecost (May 25) No Class

7. International organizations, agencies and transgovernmental networks (June 1)


Cases to be discussed:

a) Reform of the IMF


About the IMF: http://www.imf.org/


b) Role of central banker networks in the crisis


8. Multi-level regulation and governance in the European Union (June 8)


Cases to be discussed:

a) Governance of European energy sector

b) Governance of food safety in the European Union

Further Readings


9. Reading week (June 16) – No class

10. Private authority and self-regulation: MNEs, business associations and corporate networks (June 26)


Cases to be discussed:

1. Kimberley process in the diamond industry

2. Over-the-counter derivatives markets before and after the financial crisis


11. NGOs, social movements and civil stakeholder participation in governance
(June 29)


Cases to be discussed:

a) Anti-sweatshop campaigns and labor governance


11. Struggles over copyright


12. Institutional interaction and fragmentation: interconnections and gaps (July 6)


Cases to be discussed:
a) World Trade Organisation and certification


b) Private military mercenries


13. Impact and effectiveness: How does transnational governance play out on at national and local level? (July 13)

*Convergence or divergence?*

Effectiveness

Cases to be discussed:

a) Forest certification


Espach, Ralph (2006) „When is sustainable forestry sustainable? The Forest Stewardship Council in Argentina and Brazil”, Global Environmental Politics 6, 2, pp. 55-84.


b) Insolvency law


14. Accountability and legitimacy challenges (July 20)

