

## Lecture 10 – November 21

Martin Wolf, *Why Globalization Works*, ch. 9

1. Wolf argues that countries that have grown economically have chosen economic liberalization and global integration. What do you make of his claim that this is the “heart of the matter [and] all else is commentary.” (p.144)
2. Wolf argues that it is disingenuous for critics of globalization to focus on inequality, and that poverty is a better metric through which to judge its merits. What rationale does he use to justify this claim? Do you agree that it is not useful to use inequality to make judgments about globalization?
3. Wolf concludes that a fall in inequality among countries has offset a rise in inequality within them (p.151). What is the difference between these two facts? What factors might explain the rise in within-country inequality and simultaneous fall in between-country inequality? What are the implications for the role of national governments?

Dani Rodrik, *Has Globalization Gone Too Far?*

1. Rodrik argues that continued globalization is dependent on the continued ability of governments to provide social welfare. What, according to Rodrik, is the effect of trade and capital openness on the capacity of governments to provide these services?
2. How does increased openness exacerbate social tensions, according to Rodrik?
3. Compare Rodrik’s argument with that of Wolf. How might you use Rodrik to criticize Wolf’s assertion that criticisms of globalization are nothing but “commentary”?
4. What procedural and substantive changes should be made to the WTO, according to Rodrik? Can you think of other changes in this or other international institutions that might help mitigate the pernicious effects of openness he outlines?

Robert Wade, *Winners and Losers*

1. Arguments on whether inequality within and between countries is rising or falling turn largely on measurement issues. What are the main differences in the methods used to measure inequality, according to Wade? Which do you think is the most useful approach for measuring inequality, or do you think, like Wolf, that poverty is the most appropriate focus of research?

2. Why has inequality widened according to Wade? What are the implications of the points he raises, if any, for the case for continued openness?