The second exam will cover all material (readings and lectures) since the first exam (“Financial Crises” through “Comparative Capitalisms”). The exam is divided into three parts as outlined below. **Please note that the essay will count for a higher percentage of your grade than on the first exam.**

### Part I: Objective Questions:
As on the first exam, this section will have a series of objective questions (multiple choice, fill in the blank, etc.) based on the following terms and concepts discussed in class and/or in the reading.

- International Monetary Fund (IMF)
- Asian Financial Crisis (1997-98)
- Argentinean Financial Crisis (2001-02)
- Moral Hazard
- ‘Triad’ of FDI
- Spillover Effects
- Product Innovation v. Process Innovation
- ‘Social Dumping’
- Product Life Cycle
- Super 301
- Thomas Friedman’s ‘Flat World’
- Sources of Globalization
- First Era of Globalization (~1850-1914)
- Second Era of Globalization (1989-Present)
- Aspects of Global Integration for the US
- Global Liberalization
- Globalized Production
- How Capitalist Economies Differ
- Corporate Governance
- Employment Protection Legislation (EPL)
- Economic Culture
- Organized (Social) Market Economy
- Oligarchic Economy
- Elements of a Financial Crisis
- Mexican Peso Crisis (1994-95)
- Prisoner’s Dilemma
- TNCs (Definition & Significance)
- Reasons for FDI
- Transfer Pricing
- Outsourcing
- Intellectual Property Rights
- TRIPS
- ‘Social Dumping’
- Deterritorialization
- Richard Florida’s ‘Spiky World’
- Trends in Global Trade and Finance
- Cold War System (1945-89)
- Diff’s between Two Eras of Globalization
- Thomas Friedman’s ‘Golden Straightjacket’
- Globalization and Technology
- ‘Moore’s Law’
- Equity v. Bank Financing (and implications)
- Inter-Firm Relations
- Wage Bargaining (centralize/decentralized)
- Liberal Market Economy
- Statist Economy
- Types of Capitalism and Globalization

### Part II: Articles on Globalization:
In this section you will be asked to summarize AND critique Niall Ferguson’s “Sinking Globalization” and Rawi Abdelal and Adam Segal’s “Has Globalization Passed Its Peak?” Your critique should answer: (a) Was their analysis sound? (b) Do you agree with their conclusions/policy proposals?

### Part III: Essay:
In this section you will have to answer the following essay question:

**Q:** Is globalization good for the United States? First, what is globalization? Second, in the net, does it make us economically better off or worse off? Who tends to benefit from globalization? Who loses? What policies can be implemented to counter the shortcomings of globalization? Third, is globalization likely to continue apace? Should the US actively pursue policies to ensure that this happens? Finally, overall, is globalization a Good Thing?

* This refers to the article on “The Globalization Index”, *Foreign Policy*, Nov/Dec, 2006. [Handout]. Review the graph on the first two pages on how American integration differs from other countries.