

Regional Integration: North America

Master de Recherche, mention Relations Internationales spécialité Economie

Spring Semester 2008-2009

Wednesday 12.30 – 14.30

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Objectives of the Course

o Acquaint students with US trade policy and the process by which it is developed.

o Acquaint students with the US policy towards bilateral and regional agreements and with the provisions of the NAFTA and other more recent bilateral trade agreements

Method

The class will be a mixture of lecture and discussion. Reading assignments will be given for each session.

Assessment

The grade will be based 75% on a final 5 page paper and 25% on class participation

Course Plan

Class 1: The US Constitution and US Regulation of International Economic Affairs.

This session will discuss the inherent and delegated powers of the US president and the US Congress in the conduct of international economic relations; the domestic legal effect of international agreements, and the respective roles of the States and the Federal Government. This discussion will include an explanation of the development and evolution of "fast-track"/"trade promotion authority"

Class 2: US Trade Policy Formation Process

This class will present an overview of the complex process by which the US government's trade policies and laws are developed. We will examine the interaction between the Executive Branch, the Congress, NGOs, Civil Society, individual citizens and corporations in the development of US trade policies and laws.

Class 3-4 : The Players: The Congress, the Executive, and the Private Sector

These classes will begin with an examination of the operation of the Congress and the Executive branch in dealing with international trade issues. We will discuss the roles of individual members of Congress, the various Congressional committees and the numerous executive branch agencies. This discussion will include an explanation of the disproportionate influence of representatives of certain states. We will also discuss the influence of partisan/electoral politics. Also discussed will be the expected impact of the recent mid-term Congressional elections on US policy towards the WTO, FTAs and trade more generally.

The classes will conclude by studying the role of the private sector. This will include the ever-more complex manner by which the corporate sector seeks to make its influence felt, the growing role of NGOs and civil society and the diminished attention to the individual consumer. We will discuss the disproportionate influence of key interest groups. And, we will look at the impact of the recent Congressional elections on the influence of various interest groups.

Class 5-6 Regionalism

These classes will begin with an analysis of the US policy vis a vis bilateral and regional agreements often referred to as "competitive liberalization". We will study the key provisions of the many regional and bilateral trade agreements the US has entered in the past decade and discuss their likely impact on the global trading system.

The classes will conclude with a more detailed examination of the NAFTA. We will discuss the history of the negotiations, its key provisions and the many criticism of the agreement from the NGO community, general public, and members of Congress. We will also discuss the evolving policy of the Obama Administration, including the impact of the NAFTA on the 2008 election.

Class 7: The Future

This class will discuss the likely path of future US trade policy under the new Democratic Congress and Administration. We will discuss the impact of (1) the increased importance of trade with developing nations, both in the WTO and in bilateral agreements; (2) the rise of China and India (3) the increase in offshoring, and (4) evidence of growing income inequality.

General References

- American Trade Politics, 4th edition, I.M. Destler, IIE, 2005 ISBN 0-88132-382-9
- Foreign Affairs, Special Edition 2005, Freer Trade? Essays by Jagdish Bhagwati, C. Fred Bergsten, Carla Hills, Charlene Barshefsky, Peter D. Sutherland, Arvind Panagariya, William R. Cline. www.foreingaffairs.org
- The United States and the World Economy, edited by C. Fred Bergsten, IIE 2005 ISBN 0-88132-380-2
- Students will also be required to keep up to date on current developments by reading the Financial Times and the Wall Street Journal

Readings:

A Reader is available