

**Economics 327: The Global Firm – A Calderwood Seminar in Public Writing**  
**Spring 2019**  
**Thursdays 1:20-4:10 pm in ALLB 004**

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**General Course Information**

**Description:** Students will combine their knowledge of economics, including macro, micro, and quantitative methodologies, with their skills at exposition in a variety of formats. Students will study and write about current economic issues related to firm-level decisions (e.g., where to locate production) and the economic consequences of these decisions at home and abroad for different shareholders (e.g., employment, regulation). Assignments may include newspaper articles and opeds, book reviews, and interviews with economists and the lay public. Class sessions will be organized as workshops devoted to reviewing underlying economic content and then revising and critiquing the economic content and writing of student work.

**Prerequisites:** Students must have already completed Econ 301 and Econ 302.

**Class format:** The course will be organized around a series of writing assignments. Roughly an hour of each class meeting will be devoted to class discussion and lecture related to the week's readings, which is intended to clarify the theories, concepts, methodologies, etc. used in the readings. The remainder of each class will be dedicated to students discussing their work and the work of their classmates. Each assignment will be done in pairs with one student in the role of writer and the other in the role of editor.

**Attendance policy:** This class will be conducted in a workshop format. Attendance at these meetings is required. It is essential that students make a sincere effort to attend every class.

**Writing assignments:** Each student will be expected to complete six written assignments due, roughly, every other week. On those weeks when a student does not have an assignment due (i.e., he/she is not acting as a "Writer"), the student will serve as an "Editor" on another student's news story. Each student also will be expected to submit rewrites of his/her most recent assignment in the weeks when he/she is an "Editor". These pairings will change for each assignment but your assignment to a particular group (A or B) will not change during the semester. Writer-editor pairings will change each week so that you all have an opportunity to read the work of different writers and give feedback on different writers' work. Assignments will range in length, roughly, from 400 to 1600 words.

**Policy on extensions:** Extensions will not be granted in this course. Each student's work is dependent upon every other student faithfully completing the assignments according to the deadlines. If you do not turn in your work on time, I will initiate a conversation with you about dropping the class.

**Grading:** Grading will be based on the quality of written assignments including rewrites, editorial work and classroom participation. The emphasis on evaluating student work, first, will be on its economic

content and, second, on the quality of its exposition. There are no examinations in this course. A portfolio of the semester's work is due on the last day of the semester.

**Course readings:** All readings will be posted to the course google drive except for the two books, which students are expected to purchase online. Students are expected to make use of their relevant texts from previous courses (e.g., 300-302). Course assignments may relate to material in multiple applied fields of economics (e.g., trade, finance, labor, development).

**Honor Code:** In accordance with the Honor Code, submitting another person's work as your own constitutes plagiarism and will not be tolerated. Although public writing assignments do not include academic citations, students should integrate acknowledgment of sources into their assignments as necessary. If you have any questions about proper attributions, please let me know.

**Students with Disabilities:** Wesleyan University is committed to ensuring that all qualified students with disabilities are afforded an equal opportunity to participate in, and benefit from, its programs and services. To receive accommodations, a student must have a disability as defined by the ADA. Since accommodations may require early planning and generally are not provided retroactively, please contact Accessibility Services as soon as possible. If you have a disability, or think that you might have a disability, please contact Accessibility Services in order to arrange an appointment to discuss your needs and the process for requesting accommodations. Accessibility Services is located in North College, Rooms 021/022, or can be reached by email ([accessibility@wesleyan.edu](mailto:accessibility@wesleyan.edu)) or phone (860-685-5581).

### Course Mechanics

Students enrolled in this course will be randomly assigned to one of two groups, Groups A and B. Throughout the semester, each group will serve on alternate weeks as either Writers or Editors. Editing assignments will rotate weekly enabling each student in Group A (B) to serve as an Editor to a student in Group B (A). Two assignments will not follow this format – the first and the last. In these cases, students may submit articles with a joint by-line. Also, the last article will not be peer-edited.

Class meetings will be devoted to analyzing student articles. It is essential that the following system is adhered to. Each week's Writers must file their stories in Word (not Google Docs) in the course's moodle forum by 9:00 am on the Wednesday prior to the class meeting devoted to their assignment. Penalties will be imposed on late or missing work.

Editors will be assigned to Writers one week in advance of a story's deadline. Writers must submit a draft of their article to their Editors no later than the Monday prior to the Wednesday morning deadline. The Writer must have time to rewrite the news story in response to the Editor's comments. A "marked-up" draft (using Word's track changes) of the Writer's story should be emailed to the Writer and to me by the story's Editor.

Each student must read and be prepared to discuss all stories written for every class session. Each student should come to class with a list of substantive comments or questions concerning the economic arguments and writing of each submission.

This system of Writers, Editors, and classroom review of student articles can only work if each individual acts in a responsible manner. Writers must write the first draft of their stories in time for their Editors to be able to review them. Editors must return stories in a timely manner enabling their Writers to rewrite their drafts. Writers must file their final stories in time for the rest of the class to carefully

review them prior to class meetings. All class members must read all assigned material and allocate time between our submission deadline, Wednesday at 9:00 am, and Thursday at 1:20 pm to read, take notes and formulate specific questions about the contributions of other class members. Finally, all students must be willing to engage **actively** in discussion during class meetings. The success of this course depends upon the class' interdependence and on each student's commitment to making the course a worthwhile experience.

With our rigorous writing schedule, the readings assigned for each class are very short, typically 1 academic article to be read carefully. Some assignments, however, will require a longer commitment of time due to their length (the two books) or your personal reaction to the reading (unpredictable!).

Please note that *all assignments* will assume a knowledge of the subject matter that cannot be limited to the assigned reading, and that requires a larger knowledge of economic theory, current events and issues, and public discussion (in newspapers, magazines, websites, and media) of such matters. Students should keep tabs on materials that appear in the national media during the semester – for example, the *New York Times*, *Wall Street Journal*, etc. We may read a few recent articles and op-eds together in class, but canvassing current examples of articles, critiques, reviews, and op-eds will help you understand better how to enter the public conversation. In addition, many of our assignments will also require a certain amount of research, sometimes on the internet, sometimes in print sources, in order to produce intelligent op-eds as well as critical essays.

All assignments will benefit from your creativity, inventiveness, originality, and initiative.

### **Writing assignments**

All files should be named as **FirstName\_#1\_#2.docx** where the #1 would be the assignment number (right column on schedule) and #2 would be the draft number (1 → editor; 2 → class for workshopping; 3 → final to professor) or **FirstName1\_FirstName2\_#1\_#2** if a joint submission (e.g., Abigail\_1\_#.docx where the # would be 1-3, as appropriate; or, if coauthored with “Anonymous”, Anonymous\_Abigail\_1\_#).

For each assignment, please list at the top of the first page:

- Name(s) of Authors
  - Target publication (url of target publication)
  - Word count (for article, not including title and this information)
1. **Article for a national newspaper (800 words):** Please write an article for this newspaper on this week's readings. Your goal is to capture the breadth and depth of the article and any important implications for your newspaper's readers.
  2. **Case study for a business or industry focused publication (800 words):** The distinction from the 1<sup>st</sup> assignment is that you will now focus on one company, issue, or location (e.g., how is Detroit affected by international trade in autos?, supply chain management for automobile windshield wipers, how is Toyota deciding what to produce in each location). Otherwise, you will again try to capture both the breadth and depth of the current week's reading and include any important implications for your newspaper's readers. It is appropriate to intersperse opinions into both the presentation of relevant portions of the reading and the discussion of implications.
  3. **Book Review (1200 words):** Please give the reader a general sense of the topics covered in the book. Make sure to put the book into a larger context and introduce the speaker and his/her

credentials. Remember you are writing this review as the economics expert, so make sure to address the validity of the content. Think about how the material does or does not draw on economic theory, the sample of firms and scenarios examined in the book, and what the broader population of firms that could have been examined might look like. In addition, please talk about how effective the writing and the organization of the books are at convincing, educating, and inspiring the reader. Which kind of reader would enjoy the book?

4. **Textbook feature box (400 words):** Please indicate the level of your target textbook (e.g., high school, lower-level econ course (Econ 101-299), or upper-level econ course (Econ 300+). Select one concept from this week's reading and write a short definition of the concept, and be sure to include an example. It would be helpful if you could present a sense of how or why the concept is viewed differently by various constituents. (Example: caffeine could be defined, and various sources of caffeine identified. You could then say some cultures do not partake of caffeine at all for certain reasons while there are no such beliefs about caffeine in other groups.)
5. **Op-Ed for a newspaper of student's choice (700 words):** Please choose a topic of economic importance related to this week's readings that is controversial or needs attention. This is a much more personal piece of writing, so your excitement for the topic and your personal conviction have to come across and you should be telling a story in a personal voice. However, remember you are writing this as an economist, so make sure to back up your argument with well-researched data. This should be a call to action.
6. **Feature article (1600 words):** Please pick one concept loosely related to today's reading about how political climate affects international business (trade or FDI) and choose one application (e.g., a country, an industry, or a firm). You will need to interview at least three people, including at least one academic (not necessarily an economics professor), and you will probably need to supplement your interviews with some research. This article should be targeted at a general interest publication, which you will name, and should speak to their audience.

**Portfolio:** Please submit your portfolio on moodle, preferably as a Word file. The portfolio should include the workshopped draft of each assignment along with the final version. The article workshopped in our last class session will also be revised and included in this portfolio. The assignments should be compiled in chronological order.

Please add a 1-2 page cover memo to the portfolio containing reflections on your work. In doing so please address the following questions:

- How have your analytical reasoning skills and the depth of understanding of economics concepts developed over the semester?
- Has writing for the general public changed the way you read about and assess research in the economics discipline? Has it changed how you approach assignments in other classes?
- How have your writing skills developed over the course of the semester? What do you see as your biggest area of improvement and what as a continued challenge?
- What do you consider your best piece of work this semester and why?
- How important was peer editing to the development of your writing skills?
- Are there other ways in which you feel your knowledge or abilities developed this semester?

Save the file (including, in order, the memo, and all drafts of all assignments) as **LastName\_FirstName\_Portfolio.docx** (e.g., Hornstein\_Abigail\_Portfolio.docx).

The following is a preliminary schedule of our workshop sessions, which may be modified.

<b>Date</b>	<b>Topic for class discussion</b> • <b>Readings</b>	<b>Writers: assignment</b> • <b>Theme</b>
Jan. 24	Writing for the general public, course overview; role of a firm <ul style="list-style-type: none"> <li>• Video of Michael Porter’s TED talk video titled “Why business can be good at solving social problems”, available online at <a href="https://youtu.be/0ilh5YYDR2o">https://youtu.be/0ilh5YYDR2o</a></li> </ul>	A, B: paragraph <ul style="list-style-type: none"> <li>• Role of firm</li> </ul>
Jan. 31	What are firms and MNEs <ul style="list-style-type: none"> <li>• Holmström, Bengt, and John Roberts, 1998, “The boundaries of the firm revisited,” <i>Journal of Economic Perspectives</i>, 12(4).</li> <li>• <u>Aggressive</u> skim of Ch 2 of Cohen, Stephen D., 2007, <i>Multinational Corporations and Foreign Direct Investment: Avoiding Simplicity, Embracing Complexity</i>, Oxford University Press.</li> </ul>	A: 1 <ul style="list-style-type: none"> <li>• What is a firm</li> </ul>
Feb. 7	Why firms go international <ul style="list-style-type: none"> <li>• Conconi, Paola, André Sapir, and Maurizio Zanardi, 2016, “The internationalization process of firms: From exports to FDI,” <i>Journal of International Economics</i>, 99.</li> </ul>	B: 2 <ul style="list-style-type: none"> <li>• Corporate expansion</li> </ul>
Feb. 14	How FDI affects economic growth <ul style="list-style-type: none"> <li>• Borensztein, Eduardo, Jose De Gregorio, and Jong-Wha Lee, 1998, “How does foreign direct investment affect economic growth?,” <i>Journal of International Economics</i>, 45.</li> </ul>	A: 2 <ul style="list-style-type: none"> <li>• Impact of FDI on growth</li> </ul>
Feb. 21	Empirical determinants and effects of FDI <ul style="list-style-type: none"> <li>• Blonigen, Bruce A., 2005, “A review of the empirical literature on FDI determinants,” <i>Atlantic Economic Journal</i>, 33.</li> </ul>	B: 1 <ul style="list-style-type: none"> <li>• Empirical evidence surrounding FDI</li> </ul>
Feb. 28	Taxes <ul style="list-style-type: none"> <li>• Torslov, Thomas R., Ludvig S. Wier, and Gabriel Zucman, 2018, “The missing profits of nations,” NBER Working Paper 24701.</li> <li>• Please see supplemental materials (e.g., slides) at <a href="http://gabriel-zucman.eu/missingprofits/">http://gabriel-zucman.eu/missingprofits/</a></li> <li>• Students will self-divide into groups to present one of four articles published about this study (posted to course drive)</li> </ul>	
Mar. 7	Bottom of the pyramid (book) <ul style="list-style-type: none"> <li>• London, Ted, 2016, “The base of the pyramid promise: Building businesses with impact and scale,” Stanford Business Books.</li> </ul>	A: 3 <ul style="list-style-type: none"> <li>• Poverty</li> </ul>
Mar. 28	Impacts of FDI on labor market – wages <ul style="list-style-type: none"> <li>• Haskel, Jonathan, Robert Z. Lawrence, Edward E. Leamer, and Matthew J. Slaughter, 2012, “Globalization and U.S. wages: Modifying classic theory to explain recent facts,” <i>Journal of Economic Perspectives</i>, 26(2).</li> </ul>	B: 4 <ul style="list-style-type: none"> <li>• Wages (and labor market)</li> </ul>
Apr. 4	Impacts of FDI on labor market – total employment <ul style="list-style-type: none"> <li>• Desai, Mihir A., C. Fritz Foley and James R. Hines Jr., 2009. “Domestic effects of the foreign activities of US multinationals,” <i>American Economic Journal: Economic Policy</i>, 1(1).</li> </ul>	A: 4 <ul style="list-style-type: none"> <li>• Employment (and labor market)</li> </ul>

Apr. 11	Corporate social responsibility (book) <ul style="list-style-type: none"> <li>Bader, Christine, 2014, "The evolution of a corporate idealist: When girl meets oil," Bibliomotion.</li> </ul>	B: 3 <ul style="list-style-type: none"> <li>CSR</li> </ul>
Apr. 18	Impacts of ethnic and social culture and history <ul style="list-style-type: none"> <li>Siegel, Jordan I., Amir N. Licht, and Shalom H. Schwartz, 2011, "Egalitarianism and International Investment," <i>Journal of Financial Economics</i>, 102(3).</li> </ul>	A: 5 <ul style="list-style-type: none"> <li>Ethnicity, religion, beliefs</li> </ul>
Apr. 25	Government regulation <ul style="list-style-type: none"> <li>Djankov, Simeon, Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer, 2002, "The regulation of entry," <i>Quarterly Journal of Economics</i>, 117(1).</li> </ul>	B: 5 <ul style="list-style-type: none"> <li>Regulation</li> </ul>
May 2	Political environment <ul style="list-style-type: none"> <li>Durnev, Art, Ruben Enikolopov, Maria Petrova, and Veronica Santarosa, 2015, "Politics, instability, and composition of international investment flows," <i>Journal of Corporate Finance</i>, 30.</li> </ul>	A,B – 6; can have joint bylines <ul style="list-style-type: none"> <li>Uncertainty and/or politics</li> </ul>
May 8	Final portfolio due by last day of classes <sup>1</sup>	A/B: Portfolio

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<sup>1</sup> Technically, this is due at 5pm on the last day of classes (May 8<sup>th</sup>) but students may have an automatic extension, without penalty, until the end of reading period. Thus, the final deadline for the portfolio to be submitted via email is 11:59pm on Monday, May 13<sup>th</sup>.