

Prof. Sobredo ATTENDANCE

- PRINT your FULL NAME
- Major and Year (Freshman, Soph, etc.)
- How many ETHN classes have you taken?
- What is your goal in university?
- What is your educational goal for this class?

Ethnic Studies

Professor: James Sobredo, Ph.D.

Office: Amador Hall 563A

Syllabus is located online at:

www.csus.edu/aas/sobredo

Dr. J. Sobredo

World Trade, Global Economy, Globalization & Global Migrations

Brief History of International & World Trade

- **Hellas: Alexander the Great (356-323 BCE)**
 - Egypt, Middle East, India, Asia (Silk Road)
- **Ancient Rome: Roman Empire**
 - Egypt, Africa, Middle East, Europe, UK, India
- **Venice & Marco Polo: Silk Roads**
- **Dutch East India Company (1602)**
 - 1st Multinational Corporation & issued STOCKS
- **British East India Company**



Why Did European Explorers “Sail the Ocean Blue”?

- **GOAL** = Asia & the Spice Islands
- **LOCATION**=National Secret
 - Arabs kept the routes secret
 - Led Europeans to believe it was in Africa
- **Enormous Profits: Magellan 10,000 times!**
 - Indonesia’s Spice Islands = the source
 - Venice = Europe’s main market place
- Marco Polo & overland route

China Today

- Largest Economic Boom in History
- Largest Population
- 2nd Largest Econ (2010)
- **Paul Krugman**, Princeton (Econ) & Nobel Prize 2008): LARGEST economy in 15 years
- IMF says 2016

Source: <http://www.latimes.com/world/population/>

Beyond 7 billion

After remaining stable for most of human history, the world's population has exploded over the last two centuries. The boom is not over: The biggest generation in history is just entering its childbearing years. The coming wave will reshape the planet, and the impact will be greatest in the poorest, most unstable countries.

BY KENNETH R. WEISS :: PHOTOGRAPHY BY RICK LOOMIS

STORIES VIDEOS **WORLD MAP** PHOTOS NARRATED GRAPHICS

Population Hunger Water Emissions Contraception Source | Key

Total population by country

1990 2010 2050 2100

2012 Warning from World Bank

China faces crisis without economic reforms - World Bank

China could face an economic crisis in the next 20 years if Beijing does not quickly overhaul its development model, World Bank and Chinese government researchers warned on Monday.



World Bank President Robert Zoelick said the case for reform is compelling because China has now reached a turning point in its development path. Photo: Reuters

AFP
11:03AM GMT 27 Feb 2012


The world's second-largest economy was at a "turning point" and the need for deep reforms was urgent, the analysts said in a report forecasting China's economic growth would nearly halve in the next two decades.

World Bank 2012 Report: Wall Street J. 23 Feb. 2012



China Turned to Risky Devaluation as Export Machine Stalled

By KEITH BRADSHAW AUG. 17, 2015




Across China, millions of workers and thousands of companies are feeling the pain of the country's slowing economy, as sales slip and incomes drop.
Adam Osato for The New York Times

HONG KONG — When Prime Minister Li Keqiang convened the Chinese cabinet last month, the troubled economy was the main topic on the agenda.

Email Share

What's the Latest

- For the third day in a row, China's central bank on Thursday **devalued the currency**, the renminbi, this time by 1.1 percent against the dollar.
- The total devaluation since Tuesday is 4.4 percent, the **biggest drop in decades**.
- Government officials, in an **unexpected news conference** on Thursday, stressed that the currency was not in free fall.
- **Global markets appeared to respond** to the assurances. The Shanghai composite index ended the day higher.
- The devaluation reflects **weakness in the Chinese economy**.
- A weaker currency would make **goods more affordable for overseas buyers**, but it risks tensions with trading partners like the United States.



Real Life Example: NY Times, 20 August 2015

Future of China's Economy
Quartz (Atlantic Magazine), 20 July 2015

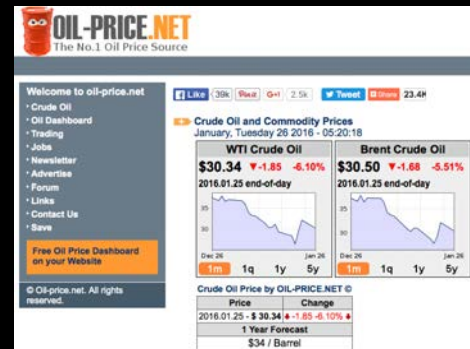
Class Discussion:

What Has this Got to Do with:

1. The U.S. dollar's strength?
2. The Price of Gasoline in the United States?

*** EXPLAIN WHY ***

Price of Crude Oil/barrel



Bloomberg Business News

Before it's here, it's on the Bloomberg Terminal.

Energy & Oil

Crude Oil & Natural Gas

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME ET	2 DAY
GLCOM WTI Crude Oil (Nymex)	USD/BBL	29.79	-0.58	-1.9%	MAR 16	04:47:04	
COKCOM Brent Crude (ICE)	USD/BBL	29.92	-0.58	-1.9%	MAR 16	04:47:04	
CRUOJOM Crude Oil (Tokyo)	JPY/ML	21680.00	+490.00	+2.3%	JUN 16	04:48:41	
NATCOM Natural Gas (Nymex)	USD/MMBtu	2.21	+0.05	+2.3%	FEB 16	04:39:28	

Bloomberg Business News: 3. 24.2015

Bloomberg Business

ETHN 110 & ETHN 114

- Syllabus
- ASSESSMENT
- **GRADES: 300 pts**
 - 2 exams = 200 pts
 - SCANTRON 60%
 - Essays 40%
 - Oral History = 50 pts
 - Class work = 50 pts
 - Total = 300 pts
- **EVERYTHING is submitted online SacCT**
- Professor LECTURES & then allows discussion
 - No PPT available
 - See 80 yr old Berkeley Prof
- **WAIT until lecture presentation is done before you ask questions**
- Discussion time after lecture presentation
- **Longer discussions on assigned topics on SacCT**
- *Try to have fun in class :)

Price of Oil^{71%} & Gasoline: Supply & Demand

- **Suppliers**
 - OPEC
 - Russia
 - Canada
 - United States
 - Texas, Alaska, Oklahoma, N. Dakota
- **Demand by customers**
 - United States
 - China
 - India
- **Disasters**
 - *refineries explode
- **Politics**
 - *Niall Ferguson
- **Commodities Traders**
 - *they determine the PRICE of oil/gas

Bloomberg Business News: 3. 24.2015

**Bloomberg
Business**

Professor's analysis/POV:
Shadow Banking



More Problems for China

Disputed Islands & Taiwan




"China's New Island in the S Chia Sea"
BBC, 21 June 2015



Behind Deadly Tianjin Blast, Shortcuts and Lax Rules

点击查看中文原文 | Read in Chinese

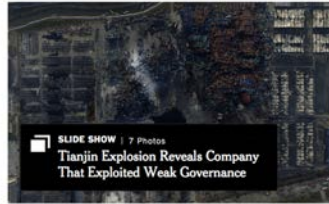
By ANDREW JACOBS, JAVIER C. HERNÁNDEZ and CHRIS BUCKLEY AUG. 30, 2015

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TIANJIN, China — One partner was the son of a local police chief, the other an executive at a state-run chemicals firm. After meeting at a dinner party, they started a company here to handle the export of the most dangerous chemicals made in China, promising "outstanding service" and "good results."

Within two years, Rui Hai International Logistics had built a reputation as the go-to place for businesses looking to ship hazardous materials to customers abroad, a niche market that had been dominated by sluggish state enterprises.

Rui Hai offered lower prices, a no-hassle approach to paperwork and quick government approvals. Business was brisk. It seemed like another success story for the Binhai New Area, a thriving economic development zone established here by the ruling Communist Party around one of China's busiest seaports.



China Stringer Network/Routers

SLIDE SHOW | 7 Photos
Tianjin Explosion Reveals Company That Exploited Weak Governance

Tianjin Explosion Reveals Company That Exploited Weak Governance



An aerial picture of the site in Tianjin, China, where warehouse explosions on Aug. 12 killed 145 people and injured more than 700. Rui Hai International Logistics, which owns the warehouses, has become a symbol of the high cost of rapid industrialization in a closed political system rife with corruption.



Soldiers worked on Thursday to neutralize sodium cyanide at the explosion site in Tianjin.
Geo LI/European Pressphoto Agency

2 of 2



At least 44 people were killed, including 12 firefighters, and hundreds were injured in thunderous blasts that were felt miles away. An unknown number of people were missing.
Wu Hong/European Pressphoto Agency

Apple Stock Prices: iPhones are "Made in China"



'PH economy very resilient,' amid China, US woes

ABS-CBNnews.com
Posted at 09/02/2015 7:27 PM



MANILA - The Philippine economy remains resilient to "external shocks," particularly the slowdown in China's economic growth and possible effects of the US Federal Reserve rate hike, National Treasurer Roberto Tan said on Wednesday.

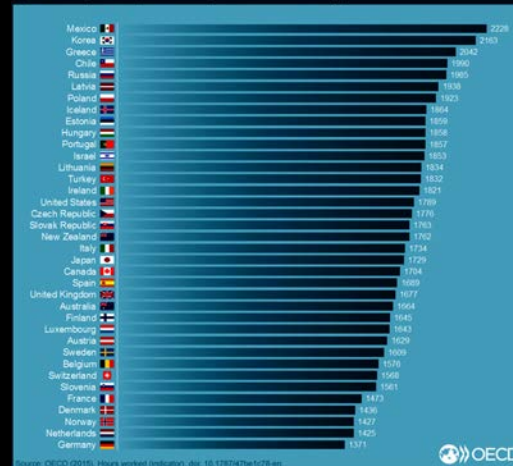
Tan said the country's resiliency to external risks can be attributed to reforms that are being undertaken by the government.

http://www.infomine.com/investment/metal-prices/crude-oil/5-year/

5-year Chart of Oil Prices



Hours worked per year
Average, 2014 (2013 for Belgium, Korea and Turkey)



Key Terms/Concepts

- **Silk Roads** = 1st major international trade to Asia
- Alexander the Great
- **Magellan & 10,000 profit**
- Dutch East India Comp.
 - 1602 multinational, stocks
- **China = #2 Economy**
- China's currency
- IMF 2012 warning: China
- Prof. Paul Krugman's prediction of China
- IMF 2016 Prediction
- Shadow banking
- China's population
- **Germany = #1 econ.**
 - *Workers work least number of hours
- Why devalue Chinese currency?
- China's future: Japan or USA?
- **OIL:** OPEC & Russia

Oral History Project

ETHN 110 & ETHN 114

Go over in detail

* * *

ETHN 119:

Video-interviews & Daguhoy Lodge Project