

Globalization and the Transformation of Local Economies

Spring 2016

Instructor: Prof. Meenu Tewari
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Office hours: Thursdays, 2 – 5 pm

Class meets: T, R: 11:00 – 12:15, Hamilton 0150 (Davie 101 from 1/19)

Course Description

Walk down Franklin Street or into any Wal-Mart store, or at the gas station where you fill up your car, and you will enter into the international economy of the 21st century. These days it is hard to go far without encountering someone or something that is part of the global economy. The global economy is all around us, and everyday we interact with people and processes that are a part of global networks of production, trade, work, and consumption.

Globalization draws strong reactions – political, social or economic. As global borders become more porous, international integration is held responsible for the erosion of local economies, the destabilization labor markets, the loss of good jobs through out-sourcing and for rising inequality around the globe. Add to it financial volatility, threats of terrorism and yes, climate change. This, according to many, is the dark side of globalization.

At the same, the unprecedented economic integration of our times is lauded by many as the engine that has powered the globe to new heights of economic innovation, creativity and development that is helping pull millions out of poverty around the world.

What, though, is the *'lived'* experience of globalization? This is the central question this course asks

This seminar examines some of the many varieties of globalization that are experienced by different people in different places, and at different times. It explores the contradictions that co-exist, and examines how globalization impacts – indeed shapes – economic, political, social and spatial structures of regional and local landscapes. In other words it asks what elements of social, political, and economic life must we consider as we reflect on the question of how to thrive in an increasingly interconnected global economy.

Using directed readings, participatory class exercises, and cases that cut across developed and developing countries, we will focus on how economic integration and global

pressures are changing local economies. Specifically, we will apply the concepts we learn in class to understand the effects of globalization on North Carolina's economy or any city/economy you wish to analyze. For example, you may ask how global pressures are affecting jobs, communities, local industries and skills in the region of our choice.

The objectives of the course are to:

1. Expose students to some of the many debates on globalization and help them critically analyze, unpack and question the assumptions behind various claims;
2. Help students develop a more grounded conception of global processes viewed through the lens of particular places, people, institutions, and contexts;
3. Identify the importance of agency – that is, the roles played by different actors – from national and local governments, private businesses, NGOs, citizens and international organizations in global and local processes;
4. Expose students to qualitative and ethnographic approaches to conducting research, including interviewing skills;
5. Understand processes in empirical contexts and appreciate the fact that all perspectives carry their own ‘political’ frameworks. Owning these frameworks, or at least making them explicit, can pave the way for meaningful dialog and progressive action that can help reconcile or narrow the space between oppositional positions and differences;
6. Demonstrate the importance of going beyond arguments that favor a single ‘right’ approach to instead help students find their own voice as they navigate through this complex terrain;
7. Expose students to arguments about comparative economic development, planning, and reflective practice in a global context.

Design of the course:

The course is designed as a seminar. High levels of class participation are mandatory. Every student is expected to come to class prepared – i.e., having completed all assigned readings and any homework exercises that are required. Respectful exchange that is mindful of, and accepting of differences in opinion is critical. The quality of participation is important, not just quantity and being able to ask good questions is as important as being able to answer them.

The class will draw on three key learning traditions: (i) learning through discussion; (ii) learning through group exercises; (iii) learning through good writing. After setting the stage in the first few classes I will refrain from lecturing and will instead look to the class to jointly walk us through the material through guided discussion, debates, reflection and blogging on pre-organized questions. Writing and interviewing skills are two new skills that students can expect to take away from the class, in addition to knowledge and insights into the substance of the course. I strongly encourage you to work with the writing center to turn in good quality work. : <http://www.unc.edu/depts/wcweb/>

*Course Requirements:

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| 1. Two short interview-based assignments: | 25% |
| 2. Class presentations on cases (with a partner): | 20% |
| 3. 2 Short (1-2 page) reflections (on assigned Qs):
and a regular blog on the course readings | 20% |
| 4. Group term assignment**: | 25% |
| 5. Class participation: | 10% |

* Assignments will be detailed out and finalized after our first meeting.

** After the first meeting I will determine if it would be better to replace the group assignment by a take home final exam (essay based).

Late Assignments

I will deduct a half-letter grade for each day an assignment is late. Exceptions will be made in the case of documented medical or family emergencies. Contact me as soon as you know there will be a conflict with a deadline.

The Honor Code

“The Honor Code represents UNC-Chapel Hill students' commitment to maintain an environment in which students respect one another and are able to attain their educational goals. As a student at Carolina, you are entering a community in which integrity matters--integrity in the work you submit, and integrity in the manner in which you treat your fellow Carolina community members.” <http://newstudents.unc.edu/content/view/24/77/>

Other Resources on campus

- The Writing Center: <http://www.unc.edu/depts/wcweb/>
- Academic Success Program: <http://www.unc.edu/depts/lds/>
- Learning Center: <http://www.unc.edu/depts/acadserv/learn.html>
- Counseling and Wellness Services: <http://campushealth.unc.edu>
- UNC's Attendance Policy: http://www.unc.edu/ugradbulletin/procedures1.html#class_attendance

Cellphones and laptops

Please turn off your cellphones before entering class. If you must have your phone on during class because of an extraordinary circumstance, please let me know beforehand.

Laptops are permissible **only** for classroom work and note taking. You must turn off all other programs including web browsers, emails, instant messaging, etc. If laptops are used for anything other than classroom related work, I will politely ask you stop using your laptop during class time.

Schedule of Themes*

*Dates and readings subject to change

INTRODUCTION

(Overview and assumptions)

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| 1 | 1/14 R | Overview of the course
<i>(Interview Assignment 1 handed out)</i> |
| 2 | 1/19 T | What does globalization mean to us? Unpacking assumptions
<i>Interview based class exercise</i> |

PART I: THE GLOBAL ECONOMY – MARKETS, STATES and PLANS

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| 3 | 1/21 R | The fundamentals of the first globalization: The ‘old competition:’
Productivity, Efficiency |
| 4 | 1/26 T | Mass Production: Economies of Scale and Scope, Innovations,
Interchangeability |
| 5 | 1/28 R | <i>Visit to Davis library to learn about the datasets on the economic, social and
spatial metrics of globalization (Phil McDaniel)</i> |
| 6 | 2/2 T | Trade and Product Cycles; The Economic Base Model |
| 7 | 2/4 R | Institutions of the first globalization: ISI, Export promotion and Late –
Industrialization: <i>Cases on how the ‘NIC’s caught up</i> |
| 8 | 2/9 T | Deindustrialization and Outsourcing |
| 9 | 2/11 R | How regions responded to the ‘New Economy’ - <i>Cases (P&S)</i>
To Stay or the Leave (Berger) |
| 10 | 2/16 T | Work transformed in the New Economy’ - Dual labor markets to
internal labor markets to High Performance Work system |
| 11 | 2/18 R | Film: PBS Robert Reich when work moves away; and China Blue |

PART II: HOW PLACES AND COMMUNITIES RESPOND TO THE NEW COMPETITION

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| 12 | 2/23 T | <i>The changing nature of work: Interviews due in class for discussion
Assignment 2</i> |
| 13 | 2/25 R | Global Value Chains: Cases: |
| 14 | 3/1 T | Clusters: Silicon Valley and Relational Ties; Learning from Global Buyers |
| 15 | 3/3 R | Cities: Raliegh-Durham, New York City, Chicago, LA: Rise of new
institutions: LAANE, GIDC, Hickory, Chicago |

16	3/8 T	The New Informality: New York, LA, New Delhi
17	3/10 R	Technology and the Inequality – Planning for the Digital Age (Film or Panel Discussion);
18	3/15 T	No Class – Spring Break
19	3/17 R	No Class – Spring Break
20	3/22 T	The new technology companies: Google, Apple, Amazon, Who gets in and who stays out; Radiology, Digital Divide
21	3/24 R	The new service economy – Wal-Mart and the crisis of low wage America
22	3/29 T	Training and skill formation (Skills Myth, New Institutions): Guest speaker
23	3/31 R	<i>Homework: Watch Film: Guestworker; In Class: Mai Nguyen Guest Speaker</i>
24	4/5 T	Social Networks (Allentown vs Younstown)
25	4/7 R	Incubating Innovation (Durham Tobacco District; American Underground)
26	4/12 T	<i>Film: A Village Called Versailles</i>
27	4/14 R	Climate Change: Guest Speaker: Amanda
28	4/19 T	Student Presentations
30	4/21 R	Student Presentations
31	4/26 T	Course Wrap-up: Evaluations

Schedule of Readings

INTRODUCTION

1/14 R Overview of the course

Florida, Richard. 2005. The World is Spiky. Globalization has changed the economic playing field but has not leveled it. *The Atlantic Monthly* October. Pp. 48-51.

Hans Rosling: Data and Dynamics of Globalization
<http://www.economist.com/node/21013330>

1/19 T ***What Does Globalization Mean to US? Unpacking Assumptions Interviews discussed in class***

Carson, Iain. 1997. "The world as a single machine" *The Economist*. June 18.
Crook, Clive. 2001. "Globalization and its Critics." *The Economist*. September 27.

PART I: THE GLOBAL ECONOMY – MARKETS, STATES and PLANS

31/21 R The fundamentals of the first globalization: The 'old competition:'
Productivity, Efficiency

Rodrik, Dani. 2011. "Recasting Globalization's Narrative," and "Of Markets and States: Globalization in History's Mirror." Pp. ix-xxii, and 3-23.

Rostow, W.W. 1962. "Introduction," and "The Five Stages of Growth: Summary." In The Stages of Economic Growth. A Non-Communist Manifesto. London: Cambridge University Press. Pp 1-17 (pages. 18-58 Optional).

Optional (for future reference):

Rodrik, Dani. 1997. *Has Globalization Gone too Far?* Chapter 1: Introduction. Pp 1-9
Jacobs, J. (1969). *The Economy of Cities*, New York: Random House. Ch. 1 "Cities First—Rural Development Later" pp. 1-48.

1/26 T Mass Production: Economies of Scale and Scope, Innovations,
Interchangeability

Chandler, Alfred. 1992. "The Emergence of Managerial Capitalism." The sociology of Economic Life. Edited by M. Granovetter and R. Swedberg. Boulder CO: Westview Press. Pp. 131-158.

1/28 R *Visit to Davis library to learn about the datasets on the economic, social and spatial metrics of globalization (Phil McDaniel)*

2/2 T Trade and Product Cycles; The Economic Base Model

Malizia and Feser Chapter on Trade and Product Cycles

- 2/4 R Deindustrialization and Outsourcing
- New York Times Special Report (1996) “The Downsizing of America, Part 1. The Price of Jobs Lost”
<http://www.nytimes.com/specials/downsize/glance.html> (March 3, 1996)
- Bluestone, Barry and Harrison, Bennett “The deindustrialization of America : plant closings, community abandonment, and the dismantling of basic industry” Chapter 4.
- 2/9 T How regions responded to the ‘New Economy’ - *Cases* (P&S)
 To Stay or the Leave (Berger)
- Reich, Robert.. Who is US? HBS
Film: Roger and Me
- 2/11 R Work transformed in the New Economy’ - Dual labor markets to internal labor markets to High Performance Work systems
- Batt and Appelbaum
 Osterman
- 2/16 T Film: PBS Robert Reich when work moves away; and/or China Blue
- 2/18 R Institutions of the first globalization: ISI, Export promotion and Late – Industrialization: *Cases on how the ‘NIC’s caught up*
- Amsden cases; Industrial Policy paper
 Berger, Suzanne. 2014. How Finance Gutted Manufacturing
 Balakrishnan, Sai. 2014.

PART II: HOW PLACES AND COMMUNITIES RESPOND TO THE NEW COMPETITION

- 2/23 T *The changing nature of work: Interviews due in class for discussion*
Assignment 2
- 2/25 R Global Value Chains: Cases:
- Gereffi 1999
 Dolan and Tewari
 Veeramani and Tewari. 2014. Trade Fragmentation
 Fackler, Martin. The Toyota Way is Translated for a New Generation of Managers. New York Times
http://www.nytimes.com/2007/02/15/business/worldbusiness/15toyota.html?_r=1

- 3/1 T Clusters: Silicon Valley and Relational Ties; Learning from Global Buyers
- Saxenian, A. (1994). *Regional advantage : culture and competition in Silicon Valley and Route 128*. Cambridge, Mass.: Harvard University Press. Chapter 2.
- Piore, Michael, and Charles Sabel. *The Second Industrial Divide. Chapter on Flexible Specialization*.
- Porter, Michael. "Clusters and the New Economics of Competition." *Harvard Business Review* 76, no. 6 (November-December 1998): 77-90
- 3/3 R Cities: Raliegh-Durham, New York City, Chicago, LA: Rise of new institutions: LAANE, GIDC, Hickory, Chicago
- Florida, Richard (1996) "The Creative Class" Chapter 1.
- Ann Markusen. 2013. *Sticky Places: The Arts Economy*
- Hum, Tarry. 2009. *Mapping Global Production in New York City's Garment Industry: The Role of Sunset Park, Brooklyn's Immigrant Economy*.
- 3/8 T The New Informality: New York, LA, New Delhi
- Anastasia and Mukhija 2014 *Informality in the US*
- Benería, Lourdes. 2003. *Gender, Development, and Globalization*. New York: Routledge, pp. 1-29
- Sassen-Koob, Saskia. 1989. "New York City's Informal Economy." In: *The Informal Economy, Studies in Advanced and Less Developed Countries*. Edited by Alejandro Portes et. al. Baltimore: Johns Hopkins University Press. Pp. 60-77. (Chapter 3)
- Saskia Sassen 2015. *Exclusions*
- Sai Balakrishnan: *Economic Corridors and the New Informality*
- 3/10 R Technology and the Inequality – Planning for the Digital Age (Film or Panel Discussion);
- Readings from Pacific Standard
https://www.youtube.com/watch?v=FiK7s_0tGsg
- World Without Work. <http://www.theatlantic.com/magazine/archive/2015/07/world-without-work/395294/>
- India:http://www.nytimes.com/2008/04/13/magazine/13anthropology-t.html?_r=1
- Brazil: <http://www.nytimes.com/2016/01/12/opinion/brazils-digital-backlash.html?mabReward=CTM&moduleDetail=recommendations-1&action=click&contentCollection=Opinion®ion=Footer&module=WhatsNext&version=WhatsNext&contentID=WhatsNext&src=recg&pgtype=Blogs>

- 3/15 T No Class – Spring Break
- 3/17 R No Class – Spring Break
- 3/22 T The new technology companies and the Future of Work –I : Google, Apple, Amazon, Who gets in and who stays out;
- Radiology, Digital Divide
Benner, Apple Janitorial Workers
- 3/24 R The new service economy – Wal-Mart and the crisis of low wage America
- 3/29 T Future of Work-II: Training Institutions and skill formation (Skills Myth, New Institutions): Guest speaker
- Osterman, Paul and Rosemary Batt. 1993. "Employer-Centered Training for International Competitiveness: Lessons from State Programs." Journal of Policy Analysis and Management 12 (3):456-477.
- 3/31 R *Homework: Watch Film: Guestworker; In Class: Mai Nguyen Guest Speaker*
- 4/5 T Social Networks (Allentown vs Youngstown)
- Safford, Sean. Allentown vs Youngstown
- Chapple, Karen. 2002. I name it and I claim it, job search networks and careers for low-income women. Economic Development Quarterly 16 (4): 294-313
- 4/7 R Incubating Innovation (Durham Tobacco District; American Underground)
- Piore, Michael and Richard Lester. 2007. Innovation, the Missing Dimension.
- OR: The Green Economy
Todd Bendor Guest Lecture
The MindUnleashed. 2016. Sweden now recycles 99 percent of its trash. Here is How. <http://themindunleashed.org/2014/09/sweden-now-recycling-99-percent-trash-heres.html>
- 4/12 T *Film: A Village Called Versailles*
- 4/14 R Climate Change: Guest Speaker: Amanda Martin
- 4/19 T Student Presentations
- 4/21 R Student Presentations
- 4/26 T Course Wrap-up: Reimagining the state, markets and agency

Evaluations

Rodrik: Green Industrial Policy

Tendler: Flexible Bureaucracy

Sustainability and the base of the pyramid as an economic opportunity and social responsibility