LABOR AND THE GLOBAL ECONOMY
(Labor Studies and Employment Relations 575:363)
Fall 2012

Syllabus

Class Meetings:
Room 201
Beck Hall
Livingston Campus
Monday & Thursday, 10:20–11:40am

Prof. Tobias Schulze-Cleven
tschulzecleven@work.rutgers.edu
Phone: 848-932-1740
Office: Labor Education Center, Room 171
Office Hours: 2-4pm on Thursdays or Appt.

Course Overview:

This course examines the influence of the shifting global economy on employment patterns and living standards in the rich democracies. Contemporary challenges facing the American workforce are put into comparative perspective across both time and space to delineate alternative strategies for dealing with deepening globalization. The course will closely examine how political and economic factors have interacted in determining the conditions under which the American people and their counterparts in other advanced countries work today. In the process, we seek to answer such questions as: How much are growing inequalities in the labor market driven by globalization? Are we witnessing a global race to the bottom in social standards? What measures could be taken to improve labor market outcomes? What can US policymakers learn from other nations about how to increase the country's international competitiveness? – After taking the course, students will have a better understanding of how socio-economic systems around the world have been affected by and have engaged with the global economy.

Class Materials:

There is one required book for the class:

Dani Rodrick. 2012. *The Globalization Paradox*. New York: Norton.

All other readings will be made available to students on Rutgers Sakai (http://sakai.rutgers.edu).

Course Requirements:

Class Participation	10% of course grade
Midterm Exam	25%
Press Critique Paper	30%
Final Exam	35%

Introduction (Sept 06)
NO READING

Week 1

Global Capitalism in Crisis (Sept 10)
Deutsche Welle. 2008. Interview with Colin Crouch on Post-Democracy.
Simon Johnson. 2009. "The Quiet Coup." *The Atlantic* (May).

Perspectives on Labor (Sept 13)
Ethan Kapstein. 1996. "Workers and the World Economy: Breaking the Postwar Bargain." *Foreign Affairs* (May/June).
Renaldo Munck. 2002. *Globalisation and Labour*. London: Zed Books, 13-18.

PART I: DEMOCRATIC CAPITALISM

Week 2

Classical Perspectives: Markets and Politics (Sept 17)
Adam Smith. 1776. *The Wealth of Nations*. Very short excerpt.
Leo Panitch. 2009. "Thoroughly Modern Marx." *Foreign Policy* (May/June): 140-145.

From the "Labor Question" to "Democratic Capitalism" (Sept 20)
T.H. Marshall. 1949. "Citizenship and Social Class." – Excerpted in Christopher Pierson and Francis G. Castles, eds. 2000. *The Welfare State Reader*. Cambridge: Polity Press, 32-41.
Further Reading: Sheri Berman. 2009. "The Primacy of Economics versus the Primacy of Politics: Understanding the Ideological Dynamics of the Twentieth Century." *Perspectives on Politics* 7(3): 561-578. Pages 561-2 and 572-5 are particularly important.

Week 3

Varieties of Democratic Capitalism (Sept 24)
Gøsta Esping-Andersen. 1990. *The Three Wolds of Welfare Capitalism*. Princeton, NJ: Princeton University Press, 9-34 (chapter 1). Pages 18-34 are particularly important.

The Golden Age in the United States (Sept 27)
Christopher Howard. 2008. *The Welfare State Nobody Knows*. Princeton, NJ: Princeton University Press, 13-44 (chapter 1 & part of chapter 2).

Week 4

The Golden Age in Europe (Oct 1)

Peter Hall. 2001. "The Evolution of Economic Policy-Making in the European Union." In Anand Menon and Vincent Wright, eds. *From the Nation State To Europe?* Oxford: Oxford University Press, 214-245.

PART II: PROBING GLOBALIZATION

Globalization in History's Mirror (Oct 4)

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 24-46 (ch. 2).
Further Reading: Ibid., pages 3-23 (ch. 1).

Week 5

The Intellectual Case for Free Trade (Oct 8)

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 47-66 (ch. 3).
Further Reading: Ibid., pages 67- 88 (ch. 4).

In-Class Midterm Exam (Oct. 11)

NO READING

Week 6

Globalization as Regionalization (Oct 15)

Paul Hirst and Grahame Thompson. 1999. "The European Union as a Trade Block." In *Globalization in Question*. Cambridge: Polity, 228-255.

Technological Change & Innovation in Global Value Chains (Oct 18)

Alan Blinder. 2006. "Offshoring: The Next Industrial Revolution?" *Foreign Affairs* 85(2), 113-128.

Richard Baldwin. 2006. "Globalization: The Great Unbundling(s)." Paper contributed to the Project "Globalization Challenges for Europe and Finland." Pages 22-31 only.

Week 7

Globalization as Financialization (Oct 22)

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 89-134 (ch. 5 & 6). --- SKIM PARTS.

The Emergence of Two New Giants: India and China (Oct 25)

J. Bradford DeLong and Stephen S. Cohen. 2010. *The End of Influence: What Happens When Other Countries Have the Money*. New York: Basic Books, 91-117.

Week 8

International Migration (Oct 29)

Robyn M. Rodriguez. 2010. *Migrants for Export*. Minneapolis: University of Minnesota Press, 50-74 (chapter 3).

International Competition Reloaded (Nov 1)

Suzanne Berger (with the MIT Industrial Performance Center). 2005. *How We Compete: What Companies Around the World Are Doing to Make It in Today's Global Economy*. New York: Doubleday, 249-298 (ch. 11 & 12). --- SKIM PARTS.

PART III: HOW IS THE "GLOBAL EFFECT" PLAYING OUT?

Week 9

Changing Labor Market Structures (Nov 5)

Richard Freeman. 2005. What Really Ails Europe (and America): The Doubling of the Global Workforce." *The Globalist* (June).

Michael Spence. 2011. "Globalization and Unemployment. The Downside of Integrating Markets." *Foreign Affairs* (July/August). + Critical replies to Spence's piece.

Welfare States in Crisis (Nov 8)

Wolfgang Streeck. 2011. "The Crisis of Democratic Capitalism." *New Left Review* 71(Sept/Oct): 5-29.

Week 10

Retrenchment and Labor Market Flexibility (Nov 12)

Jacob Hacker. 2007. Failing the Middle Class. *Challenge* 50(3): 26–42.

In-Class Debate on "Does Higher Inequality Undermine American Democracy?" (Nov 15)

PRO: Tony Judt. 2009. "What is Living and What is Dead in Social Democracy?" *New York Review of Books*, December 17.

CON: Charles Murray. 2009. "Thank God America Isn't like Europe – Yet." *Washington Post*, March 22.

Week 11

Challenges to Labor Agency, Voice and Power (Nov 19)

Harold Meyerson. 2012. "If Labor Dies, What's Next?" *The American Prospect* (September).

<u>Further Reading on Cross-National Trends:</u> Richard Hyman. 2011. "Trade Unions, Global Competition and Options for Solidarity." In Andreas Bieler and Ingemar Lindberg, eds. 2011. *Global Restructuring, Labour and the Challenges for Transnational Solidarity*. London: Routledge, 16-30.

The Global Labor Governance Regime (Nov 20) – TUESDAY!

Anke Hassel. 2008. "The Evolution of a Global Labor Governance Regime." *Governance* 21(2): 231-251.

PART IV: COMPARATIVE & INTERNATIONAL PERSPECTIVES

Week 12

Rich Countries I: Denmark (Nov 26)

Thomas Bredgaard and Arthur Daemmrich. 2012. *The Welfare State as an Investment Strategy: Denmark's Flexicurity Policies*. Mimeo (forthcoming in *Oxford Handbook*). --- TRY.

Background: Robert Kuttner. 2008. "The Copenhagen Consensus." *Foreign Affairs* (March/April): 88-94.

Rich Countries II: Germany (Nov 29)

Alexander Reisenbichler and Kimberly J. Morgan. 2012. "From 'Sick Man' to 'Miracle': Explaining the Robustness of the German Labor Market During and After the Financial Crisis 2008-09." Mimeo (forthcoming in *Politics & Society*). --- TRY.

Background: Steven Rattner. 2011. "The Secrets of Germany's Success," *Foreign Affairs* (July/August): 7-11.

Week 13

Raising Labor Standards in Global Supply Chains – Part I (Dec 3)

Charles Duhigg and Keith Bradsher. 2012. "How the U.S. Lost Out on iPhone Work." *New York Times*, January 21.

Charles Duhigg and David Barboza. 2012. "In China, Human Costs Are Built Into an iPad." *New York Times*, January 25.

Raising Labor Standards in Global Supply Chains– Part II (Dec 6)

David V. Johnson Dara O'Rourke. 2012. "Think Different. Can Apple Shape Up?" *Boston Review Online*, February 8.

Dara O'Rourke. 2011. "Citizen Consumer." *Boston Review* (November/December).

Week 14

Course Review (Dec 10)

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 251-280 (ch. 12).

Week 15

Final Exam (Dec 18, 12-3pm)

CLASS PARTICIPATION

You are expected to bring questions and comments about the course material so that you can participate in class discussions. With much of our time spent learning through discussion, it is necessary for everybody to participate. I might ask students to use their questions to stimulate discussions and will ensure broad participation. It is critical that we respect one another's thoughts and address our comments at others' ideas, not at people themselves. This course is not a forum for demeaning or threatening language. If for some unavoidable reason you must miss a class, please let me know in advance through the university's absence reporting website (https://sims.rutgers.edu/ssra/) so that your absence will not remain unexplained.

KEEPING UP WITH THE NEWS

Throughout the course, students must keep up with current events by reading at least one quality newspaper (e.g. Financial Times, New York Times) and one news magazine (e.g. The Economist, The Atlantic) on a regular basis. You may also choose foreign-language publications as well, or fulfill this assignment by checking Internet and newsgroup news sources regularly. In addition, you will be expected to read any news clips handed out in class or emailed by the instructor.

GRADE DISPUTES

If you think your paper or exam has been graded incorrectly, you must submit your reasons in writing within one week of the work being handed back. You should specifically address the comments that accompany the grade on the assignment and why you feel you receive a grade in error. Your written appeal should be at least one paragraph and should not exceed one page. I will read your appeal and re-consider your grade. Please be aware that this could result in a higher, lower or unchanged grade.

ACADEMIC INTEGRITY

While I encourage students to work together to understand theories and concepts, all written work should be your own. Please do not use other students' papers or exercises for your assignments. If you cite an author or use his/her ideas, please cite properly. Plagiarized assignments will receive a failing grade.

ELECTRONIC DEVICES

There will be no use of laptops or other electronic devices during class sessions, without special permission. Laptops or other electronic devices have become valuable tools for research, writing, study and communication. But we also know that such instruments have become devices of distraction in the classroom: for networking, games, and other purposes. For in-depth learning in the course, we seek focused attention and critical thought in the classroom – and encourage research outside of the classroom. Moreover, given that I will have to read your handwriting in your exams, you should be able to take written notes that are legible to you.

PRESS CRITIQUE PAPER

(Topic due in class Nov 1. Draft due in class Nov 15. Paper due in class Nov 29)

Write a 1500-word (about 5 pages) paper reviewing press coverage of a news story about an aspect of economic globalization during the months of July-October 2012. You may review one newspaper's or news magazine's coverage of a story, or compare two or more sources' coverage. Is the coverage accurate and insightful? Is it biased? Do the reporters have a good understanding of politics and economics? How could the reporters improve the coverage? Make sure to analyze and critique the coverage, incorporate course readings and material from lectures into your analysis, and cite multiple examples from specific news clips.

EXTENSIONS AND LATE PAPERS

Extensions will be granted at the discretion of the instructor and only in the event of significant and verifiable personal emergency. In the interest of fairness to all, no extensions will be granted due to the stresses of academic life. I will accept unexcused late papers, but note that the grade will be lowered by 1/3 of a grade for each day that the assignment is due.