

LABOR & THE GLOBAL ECONOMY
(Labor Studies and Employment Relations 575:363)
Spring 2017

SYLLABUS

Class Meetings:

Room 211
Murray Hall
College Avenue Campus
Wednesday, 9:50am–12:50pm

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Office hours by appointment

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 to delineate alternative strategies for dealing with deepening economic globalization. The course will closely examine how political and economic factors have interacted in effecting globalization. Particular attention will be paid to deepening tensions between the goals of further economic integration and democratic governance.

In class discussions, we seek to answer such questions as: How has the global economy evolved? How much are growing inequalities in the labor market driven by economic globalization? Are we witnessing a global race to the bottom in social standards? What measures could be taken to improve labor market outcomes? – 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.

Learning Objectives: The student is able to...

21C Core Curriculum:

- Analyze issues of social justice across local and global contexts (Goal d).

Labor Studies and Employment Relations Department:

- Analyze issues of social justice related to work across local and global contexts (Goal 8).

School of Management and Labor Relations:

- Evaluate the context of workplace issues, public policies, and management decisions (Goal V).

Additional Course Objectives from the Instructor

- Analyze the tensions between global capitalism and democratic governance.
- Improve professional competencies such as critical thinking and problem solving; verbal and written communication; and interpersonal skills.

Course Requirements:

Class Participation	35% of the course grade
Midterm Exam	30%
Press Critique	35%

Required Class Materials:

Dani Rodrik. 2012. *The Globalization Paradox. Democracy and the Future of the World Economy*. New York: Norton.

Week 1: Probing the Relationship of Labor & the Global Economy (January 18)

Introduction

Frank Bruni. 2014. "Demanding More from College." *The New York Times*, September 6.

What is "Labor"?

Michael Zweig. 2011. *The Working Class Majority: America's Best Kept Secret*. Cornell: ILR Press, 7-39 (ch. 1: "The Class Structure of the United States").

The Global Economy: The World is Flat, isn't It?

Thomas L. Friedman. 2005. *The World is Flat*. New York: Farrar, Straus & Giroux. Excerpt.

PART I: THE EVOLUTION OF THE GLOBAL ECONOMY

Week 2: Early Patterns of Global Market Integration (January 25)

Globalization in History's Mirror

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 3-23 (ch. 1: "Of Markets and States: Globalization in History's Mirror").

Thinking at the Time: Liberalism

Adam Smith. 1776. *The Wealth of Nations*, very short excerpt.

John Paul Rollert. 2012. "Sleight of the 'Invisible Hand.'" *Opinionator, New York Times*, October 21.

Further (voluntary) reading:

Jerry Z. Muller. 2002. *The Mind and the Market: Capitalism in Western Thought*. New York: New York: Anchor Books, 51-83 (ch. 3: "Adam Smith: Moral Philosophy and Political Economy").

Week 3: The First Boom and the Collapse of Trade before World War II (February 1) – TAKE-HOME READING QUIZ!

The First Globalization

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 24-46 (ch. 2: “The Rise and Fall of the First Great Globalization”).

Thinking at the Time: Marxism

Karl Marx and Friedrich Engels. 1848. *The Communist Manifesto*, very short excerpt.

Further (voluntary) reading:

Howard Zinn. 2005 [1980]. *A People’s History of the United States, 1492-Present*. New York: HarperPerennial, 77-102 (ch. 5: “A Kind of Revolution”).

Week 4: Deepening Trade after World War II (February 8) – TAKE-HOME READING QUIZ!

The Second Globalization: Regulating Trade in a Politicized World

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 67-88 (ch. 4: “Bretton Woods, GATT, and the WTO: Trade in a Politicized World”).

Thinking at the Time: Social Democracy

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): 561-575.

Week 5: Welfare States Meet Global Value Chains (February 15)

Welfare States, including an American Variant

Christopher Howard. 2008. *The Welfare State Nobody Knows*. Princeton, NJ: Princeton University Press, 1-26 (Introduction & ch. 1: “She’s So Unusual”).

The Emergence of Global Value Chains

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

Week 6: Liberalizing Finance (February 22) – TAKE HOME READING QUIZ!

Financial Liberalization

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 89-111 (ch. 5: “Financial Globalization Follies”).

Thinking at the Time: Putting on a Golden Straightjacket?

Thomas L. Friedman. 1999. *The Lexus and the Olive Tree*. New York: Farrar, Straus & Giroux, 101-111.

Financial Crises, 1994 – ongoing

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 112-134 (ch. 6: “The Foxes and Hedgehogs of Finance”).

There are excellent videos available online that should help you understand this material of this week. If you have not had much exposure to the role of finance in capitalism, the impact of financial liberalization and the reasons behind the ensuing financial crises, please consult:

Conversations with History: The Ascent of Money | Niall Ferguson

(<http://www.uctv.tv/shows/The-Ascent-of-Money-Conversations-with-History-15580>)

Crash! A brief history of modern global capitalism | Leo Panitch

(<http://www.guardian.co.uk/commentisfree/audioslideshow/2012/nov/26/brief-history-of-global-capitalism-leo-panitch>)

Conversations with History: The Causes and Consequences of the Global Economic Collapse | Martin Wolf

(<http://www.uctv.tv/shows/Causes-and-Consequences-of-the-Global-Economic-Collapse-Conversations-with-History-16225>)

Week 7: Recasting Globalization’s Narrative (March 1)

Review

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, ix-xxii (Introduction).

Leo Panitch. 2009. “Thoroughly Modern Marx.” *Foreign Policy* (May/June): 140-145.

We will likely watch in class: Commanding Heights, episode one
(<https://www.youtube.com/watch?v=w9ms2WOZi74>)

Week 8: In-Class Midterm Exam (March 8)

[SPRING BREAK: March 13-17]

PART II: THE GLOBAL ECONOMY'S EFFECTS ON LABOR

Week 9: The Emergence of Chimerica (March 22)

Shifting Global Patterns of Interdependence

Stephen S. Cohen and J. Bradford DeLong. 2010. *The End of Influence: What Happens When Other Countries Have the Money*. New York: Basic Books, 91-117 (ch. 5: "Where Did All Their Money Come From?").

Robert E. Scott and Will Kimball. 2014. "China Trade, Outsourcing and Jobs." EPI Briefing Paper No. 385, Economic Policy Institute, Washington, DC

Week 10: The United States – Long-Standing Arrangements in Question (March 29)

Reality vs. Theory in International Trade

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 47-66 (ch. 3: "Why Doesn't Everyone Get the Case for Free Trade?").

International Pressures & Changing Labor Market Structures

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* 90(4): 28-41.

Week 11: Between Cross-National Convergence and Political Choice (April 5)

Rather than Helping "Losers" from Trade: Welfare State Retrenchment

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

Lawrence Mishel, John Schmitt and Heidi Shierholz. 2014. "Wage Inequality: A Story of Policy Choices." *New Labor Forum* 23(3): 26-31.

Tensions Cross-Nationally

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

Week 12: What Should the Goals Be? (April 12) – TALE-HOME READING QUIZ!

The Scope of Government-Sponsored Redistribution

Malte Luebker. 2012. “A Tide of Inequality: What Can Transfers Achieve?” In Nicolas Pons-Vignon and Phumzile Ncube, eds. *Confronting Finance*. Geneva: International Labour Organization, 97-102.

Lane Kenworthy. 2008. *Jobs with Equality*. Oxford: Oxford University Press, 1-9.

Going for “Predistribution”? Institutional Framing of Market Outcomes

Jacob S. Hacker. 2011. “The Institutional Foundations of Middle-Class Democracy.” In Policy Network, ed. *Priorities for a New Political Economy: Memos to the Left*. London: Policy Network, 33-37. (Focus on the “lessons,” i.e. page 35 onward)

Katrina vanden Heuvel. 2012. “Predistribution: A Big, New Idea.” *The Nation* blog, September 17. (1 page)

Liz Alderman and Steen Greenhouse. 2014. “Living Wages, Rarity for U.S. Fast-Food Workers, Served Up in Denmark.” *The New York Times*, October 27.

Week 13: What Have We Learned? (April 19) – PAPER ASSIGNMENT DUE

On the Political Trilemma of the Global Economy

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 184-207 (ch. 9: “The Political Trilemma of the World Economy”).

The Third Globalization: Liberalism Re-embedded?

Dan Breznitz and John Zysman, eds. 2013. *The Third Globalization: Can Wealthy Nations Stay Rich in the Twenty-First Century*. New York: Oxford University Press, 1-27 (Introduction: “Facing the Double Bind: Maintaining a Healthy and Wealthy Economy in the Twenty-First Century”).

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton, 230-250 (ch. 11: “Designing Capitalism 3.0”).

Week 14: How to Reach the Goals? (April 26)

Review

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

Prepare for In-Class Debates: This class believes that...

1. “Global economic forces have had the greatest effect on increasing economic inequalities in the rich democracies.”
2. “The best way to prevent further increases in economic inequalities is to get tough on companies and make it harder for them to offshore jobs.”

Appendix I – Further Information on Class Rules:

ACCESS TO READINGS

With the exception of Rodrik's book, all readings will be made available to students on Rutgers Sakai (<http://sakai.rutgers.edu>). These directions lead you to the course site:

- To log on, enter your Rutgers NetID and password in the upper right-hand corner.
- Look for the tabs at the top of the next page. Click on the tab: 38:575:363.
- Click on "resources" on the menu on the left-hand side of the next page. You should see the course syllabus and all of the course readings.

SPECIAL RULES ON ENGAGING WITH THE READINGS

Students are required to print out all assigned readings to allow for effective engagement with the material. Moreover, students are expected to bring hard-copy versions of the assigned texts to class meetings. Doing so will help with in-class discussions of the readings.

SPECIAL RULES ON ELECTRONIC DEVICES

There will be no use of laptops, tablets or smart phones during class sessions without special permission. While such instruments are important tools for research, they have also become distractions in the classroom. For in-depth learning in the course, students are asked to pay focused attention and contribute critical thought in class discussions. I will prepare PowerPoint presentations that will include the main points of each class session. The slides from these presentations will be shared with students through Sakai after each class session.

IN-CLASS PARTICIPATION & ATTENDANCE

Be prepared for class and always read the assigned materials before our meetings. 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. Rather than measuring the frequency with which you speak in class, your participation grade reflects how you balance speaking, reading, and listening. Also, don't forget to take careful notes to complement the PowerPoint slides.

Students should plan to attend every course session, and I ask you to sign in personally at the beginning of class. 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. If you are late or leave early repeatedly, and if you miss class unexcused, your participation grade will suffer.

GROUP DEBATES

The session on April 26 will be used for in-class group debates. Groups will be formed and time will be provided in class the week before for groups to coordinate their preparation for the debates. Your performance in the debate will become part of your in-class participation grade.

QUIZZES

There will be four very short take-home quizzes on the readings during the semester. If you do the assigned readings, you should have no problem doing well on the quizzes. There will be no trick questions, nor will a complete understanding of the reading be required. Rather, the quizzes are geared to helping you engage with the reading by asking you to answer some very basic questions. Your performance in the quizzes will become part of your in-class participation grade.

MIDTERM EXAM

The midterm exam covers material from the first half of the course. It will include a variety of question-answer formats (e.g. definitions, short answer, short essay).

PAPER ASSIGNMENT

The assignment asks you to critique the press coverage of a news story (“press critique”). Write a paper of 5-7 pages (double spaced) analyzing one particular instance of how the press/media has covered economic globalization’s impact on labor broadly conceived. The paper is due in class on April 19. Please see Appendix II for more information.

COMMUNICATION

Students are expected to check their Rutgers email accounts regularly for class announcements. Students are responsible for all information communicated to them via email by the instructor. Feel free to contact the instructor via email with questions or concerns about the course. I will do my best to get back to you within 24 hours. When emailing the instructor, always include “Labor & the Global Economy” in the subject line of your email.

When available, grades will be posted on the course’s Sakai site under the “PostEm” tab.

ACADEMIC INTEGRITY

While I encourage students to work together to understand theories and concepts, all written work must be your own. If you cite an author or use his/her ideas, please cite properly. Plagiarized assignments or evidence of cheating will result in a failing grade in the assignment and possibly in the course, and may result in disciplinary action by the university.

KEEPING UP WITH THE NEWS

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

Appendix II – Paper Assignment:

The paper assignment asks you to critique the press coverage of a news story. Write a paper of 5-7 pages (double spaced, 12 sized Times New Roman font, 1 inch margins) analyzing one (or two) newspaper article(s) that discuss(es)/analyze(s) the global economy's impact on labor.

The main goal of this assignment is to get you to think through the material covered in class, and to demonstrate that you can apply it outside of the immediate class context. The other goal of this assignment is to help develop your ability to write clearly and analytically. You will be graded on your understanding of the material, on how well you critique the article(s), on your consideration and evaluation of different perspectives that relate to the argument(s) you are making, on the organization of the paper, and on the quality and clarity of your writing.

You are free to choose for your critique any of a variety of article formats, including a report, a commentary/editorial, or a longer analysis. You may review one newspaper's or news magazine's coverage of a story, or compare two or more sources' coverage. Articles with strong opinion content (such as op-eds) often provide the easiest targets for thorough and convincing critiques. The article you choose to critique should be contemporary, i.e. it needs to have been published after January 2010. If in doubt about whether the article falls within the scope of the assignment, please check with me.

The paper should present a coherent critique of the chosen material, grounded in the ideas discussed in the course. Central questions to address in your analysis include: Is the coverage accurate? Is it biased? If so, what is the nature of the bias? What is the frame that the article adopts? Could the same data have been framed in a different way? Do you think any important data points or contextual perspectives are missing? Do the reporters have a good understanding of politics and economics? How could the reporters improve the coverage? For example, if the reporting builds on inaccurate assumptions, identify those assumptions and state why they are wrong. Feel free to suggest an alternative argument or set of assumptions. Make sure to keep in mind that there are real limits to what a single news article can cover. For example, a short reporting-style piece cannot go into the many complexities of real-world causal relations.

There is no particular organizational structure required for your critique. Be sure to properly describe the character of the material you pick for your review, but avoid an extended summary of the piece(s). Rather, launch into your critique and write a paper that makes a strong argument about the quality – and particularly potential weaknesses – of a piece of press coverage.

A solid press critique cites multiple examples from the analyzed coverage and demonstrates careful reading of the course material. The paper should exhibit university-level competence in grammar and style, and should properly and accurately cite all sources that are consulted in a consistent citation style.

Appendix III – Tips from Political Scientist Henry Farrell on what constitutes good student writing (useful for both the paper assignment and exam essays):¹

1. **Read the Requirements for the Assignment:** This suggestion may be taken as insulting because it is so obvious; still, it is commonly ignored in practice. Professors usually drop some very strong hints about what they are looking for. It is best to pay attention to those hints. If assignments are ambiguous, you may want to be quite clear in saying how you are interpreting the posed question.
2. **Avoid Data Dumps:** Poor essays very often ignore the question asked in a quite specific way. The student spots some topic in the assignment that seems familiar, and immediately sets about writing an essay that tells the professor everything the student knows about that topic, in no particular order. For obvious reasons, such essays rarely receive high grades. Higher education in the social sciences and liberal humanities encourages students to criticize, to analyze, and to think. Mere demonstration that one possesses a disorganized body of knowledge on a topic suggests that this encouragement has fallen on untilled ground.
3. **Cut to the Chase:** Undergraduate essays frequently begin with an extended session of throat-clearing irrelevances and vague generalities. They talk about everything except the question that has been asked. Moreover, students sometimes state and re-state the question in a manner intended to suggest that they understand it, without ever providing an actual answer.

It is important that you get the introduction right. This is your best opportunity to grab the reader's attention and to persuade her that you have something interesting to say. Don't waste it. By the time the reader has finished reading the first two sentences, she should know which question the essay addresses. By the time the reader has finished reading the first five or six, she should have a pretty good idea of how the author is going to tackle the question.

When writing, remember that an essay does not necessarily have to convince its readers (particularly if it takes a controversial stand). A paper's introduction needs to signal to the reader that the author pursues a clear question, provides a clear answer to that question, and shows a willingness to address the best arguments against the case she is making.

4. **Organize:** Many student papers wander from point to point. They tack an introduction and conclusion onto a main body that does not have any internal system of order; or they do not have a distinguishable introduction, body, and conclusion at all. **You should structure your paper/essay at three levels:**
 - **Macro-structure:** This is the broad structure of the essay itself. Unless you feel very comfortable that you are an excellent writer, it is usually best to stick to the traditional frame of an introductory section, a main body, and a conclusion. The introduction tells the reader what you are going to say. The main body tells the reader what you are saying. The conclusions tell the reader what she has just read (perhaps adding some thoughts as to its broader implications if you are feeling adventurous).

¹ This is a condensed version. For the full elaboration, check Henry Farrell's webpage at www.henryfarrell.net.

- **Meso-structure:** This is perhaps the most commonly neglected element of structured writing. It concerns the paragraphs into which your prose is organized. Each paragraph should focus on one main point. The point of each paragraph should build on that in the previous paragraph, and create the foundations of the next. Each paragraph should be a necessary part of the overall structure of your essay.
 - **Micro-structure:** What is true of the paragraph is also true of the sentence. Each individual sentence should flow in a logical and obvious way from the sentence before, and into the sentence after. This will provide your text with the coherence that it will need to successfully advance an argument.
5. **Use Simple, Direct Writing:** Good social science writing does not require striking metaphors or clever verbal constructions. Instead, it needs to communicate its arguments and evidence as clearly and unambiguously as possible. The implications for prose style are straightforward:
- Use direct language when at all possible. This not only reads better; it communicates clearly who is responsible for what.
 - Prefer simple words to complex words, and plain language to jargon. Sometimes it will be impossible to avoid jargon or obscure terms. However, it will usually be possible to use simple terms to convey your meaning. Plain language makes life easier for the reader, and it also makes it harder for the writer to get away with nonsense. If you use plain language you will be forced to confront your areas of weak understanding and to rectify them.
 - Use straightforward sentence structures rather than complex ones. Again, simple sentences usually read better. You should typically prefer simple sentences with the bare minimum of sub-clauses needed to convey your argument. Formless and incoherent sentences usually suggest formless and incoherent thought, and indeed they may plausibly cause intellectual incoherence.