

# *The Global Village: Globalization in the Modern World System*

## *Government 389*

**Spring 2010  
Th 1:10-4:00  
Room 413**

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Globalization is considered by many to be the most powerful transformative force in the modern world system. Modernization and technology have effectively made the world a smaller place with respect to the interdependence and interpenetration among nations, which are greater today than at any time in history. But while most agree on the transformative power of globalization, many disagree on its nature and its effects on modern society. Liberals hail globalization as the ultimate means to world peace and prosperity. Marxists see it as a means of reinforcing the inequality and unbalanced division of labor created by modern capitalism. Still others, such as mercantilists and nationalists, see it as a source of political instability and cultural conflict. This course analyzes globalization principally through this tripartite theoretical lens. It traces its origins and its evolution across the 19th and 20<sup>th</sup> centuries. It also tries to determine the impact of globalization on the most important dimensions of international relations today: on domestic and international political systems, on social relations, on cultural, and on international economic relations. Through analytical, critical and theoretical approaches, the course attempts to ascertain the nature and impact of globalization; and ultimately shed light on the fundamental question, To what extent is globalization a force for good and evil in the modern world system?

## Readings:

Readings not assigned for purchase will be in the reserve room as a packet, and many will be on electronic reserve as well. All readings are required. A set of observations and questions is provided under each topic to help you prepare for class discussion. Please consider the questions carefully when doing the readings and try to frame some answers which we can talk about during class.

Books recommended for purchase can be picked up at Broad Street Books on corner of Williams Street and Broad Street. These books are

Frank J. Lechner and John Boli, editors, *The Globalization Reader, 2<sup>nd</sup> Edition*

Jerry Mander and Edward Goldsmith, editors, *The Case Against the Global Economy*

Dani Rodrick, *Has Globalization Gone Too Far*

Martin Wolf, *Why Globalization Works*

## Assignments and requirements:

Assignments will consist of two research papers on topics to be assigned. Grades will be based on the following weights:

|                          |     |              |
|--------------------------|-----|--------------|
| First paper              | 20% | Due in March |
| Second Paper             | 20% | Due in April |
| Individual Participation | 20% |              |
| Group Participation      | 20% |              |
| Attendance               | 20% |              |

## Topics:

### *1. The Theoretical Context: The Three Competing Pillars of Analysis*

Robert Gilpin, *U.S. Power and the Multinational Corporation*, Chapters 1,9  
Alan Blinder, "How the Economy Came to Resemble the Model"

Christopher Chase-Dunn, “Interstate System and the Capitalist World Economy:  
One Logic or Two?”

Robert Gilpin presents the three major theories (or, scholarly traditions) of international economic relations: Liberalism, Marxism, and Mercantilism. These visions are a valuable lens through which to try to understand the main competing explanations and views of globalization. Liberals like Blinder see markets and economic exchange as pervasive in the modern world. Mercantilists like Gilpin see the state as supreme, and that economic exchange is still dominated by political forces rather than markets. Marxist like Chase-Dunn espouse the prevalence of class relations: that the unfolding of economic relations is neither neutral as Liberals claim nor state dominated as Mercantilists claim, but reflective of a greater division of labor which promotes uneven development within a capitalist division of labor. Liberals tend to see globalization in a positive light, while Mercantilists and Marxists see it as carrying significantly negative consequences. How does each theory describe the nature of globalization? What are the strengths and weaknesses of each theory? Which best describes globalization today?

## ***2. The Roots of Globalization***

Ben S. Bernanke “Global Economic Integration”

Rondo Cameron, *A Concise Economic History of the World*, Chapter 12

Robert Keohane and Joseph Nye, *Globalization Reader*, Chapter 10

Jeffrey Williamson and Kevin O’Rourke, *Globalization and History*, Chapters 1-3

Martin Wolf, *Why Globalization Works*, Chapters 7, 8

Kenichi Ohmea, *Globalization Reader*, Chapter 26

David Harvey, “Time-Space Compression” (handouts)

Globalization did not just appear out of thin air, Wolf, Cameron, Williamson, O’Rourke and Harvey trace its roots to the industrial revolution and the technological miracle of the 19<sup>th</sup> century. What precisely is the nature of this evolution? Is the globalization of the 20<sup>th</sup> century fundamentally different from the globalization of the 19<sup>th</sup> century, and how? Is there some overarching characteristic of globalization? Ohmea, Keohane, and Nye and Harvey proclaim a new age of economic interpenetration that has reshaped the political, social and economic landscape. How has globalization altered the environment which individuals occupy? Are we living in a global age right now, or do we recognize regions or localities as our primary sources of identification?

## ***3. The State versus the Market: Is the Nation-State Passé?***

Giulio Gallarotti, “The Advent of the Prosperous Society”

Ethan Kapstein, "We Are Us"

John Mearsheimer, *The Tragedy of Great Power Politics*, Chapter 2

John Meyer, John Boli, George Thomas, Francisco Ramirez, *Globalization Reader*,  
Chapter 11

Daniel Yergin and Joseph Stanislaw, "The Commanding Heights" ((handouts))

Globalists have proclaimed a transformation of international politics. We now live in a period where civil society can no longer be controlled by governments. In other words, the nation-state (once supreme) is fading in the powerful shadow of the global economy. Meyer, et. al., Yergin and Stanislaw have averred such a vision. But many would contest the extent of the market's supremacy. Indeed, Kapstein and Mearsheimer would argue that stories of the death of the nation-state are much exaggerated. Gallarotti sees globalization as a force that has caused the state to grow even more in order to protect the vital economic interests of its citizens (i.e., the guardian state). How has globalization challenged the state? Who is winning the battle? How has globalization altered the relations between citizens and their governments? What will the political map look like in 300 years? Will the nation-state still be around?

#### ***4. Tribes versus the Global Village***

Benjamin Barber, Chapters 10 and 14

Samuel Huntington, *Globalization Reader*, Chapter 5

Majid Tehranian, "Islamic Fundamentalism in Iran" (handouts)

Ann Mayer, *Globalization Reader*, Chapter 44

The process of globalization has clashed with a natural human affinity for a smaller homogeneous community (what Barber calls "tribalism"). Tribalism and national reactionism have been a natural response to the universal forces unleashed by globalism. To what extent are the two conflicting forces and to what degree do they depend upon one another? Which will ultimately prevail? Is Huntington correct in seeing the future of globalization as characterized by a clash of civilizations? Middle Eastern Islamic nations have been cited as bastions of traditional cultural identification that cuts against globalization. Looking at Iran as representative of such nations (Mayer and Tehranian), what developments do we see unfolding there? Are traditional values and a quest for Islamic community winning the battle against the universal forces of globalization in Iran?

#### ***5. Presentations on Team Assignment (Teams of Two)***

Pick any town in the U.S. and research its economic and social profile. Propose a strategy to the mayor or selectman which indicates how the town can take advantage of globalization in order to make it a richer and sounder community. Write a 10-page paper.

### ***6. The Case against Globalization: The Monster***

Dani Rodrick, *Has Globalization Gone Too Far*, Chapters 1-3

Joseph Stiglitz, *Globalization and Its Discontents*, Chapter 2

Jeremy Rifkin, *The Case Against the Global Economy*, Chapter 9

Edward Goldsmith, *The Case Against the Global Economy*, Chapter 22

Herman Daily, *The Case Against the Global Economy*, Chapter 20

Alexander Goldsmith, *The Case Against the Global Economy*, Chapter 23

Globalization has become one of the most controversial issues in the world today. It has incited a great outcry led by the political Left that has been marshaled on accusations that globalization is a dysfunctional force for nations and people. A plethora of protests across the globe, from the destruction of McDonalds restaurants in France to boycotts of GAP products, have called attention to the intensity and scale of this outcry. Diatribes against globalization run the gamut from accusations of environmental degradation to accusations of neo-colonialism. The arguments of Stiglitz, Rodrick, Rifkin, Daily and the Goldsmiths are representative of a greater literature which postures against the consequences of globalization. What are the principal critiques of globalization? Which are most persuasive, and which are the least persuasive? Can the process of globalization be manipulated or controlled in such a way as to abate its negative consequences? What actors (IMF, World Bank, WTO, nations) could effect this control? How has the IMF compromised this control according to Stiglitz? Can one make a moral case for resisting globalization (saves lives, supports the poor, etc)?

### ***7. The Case for Globalization: The Gravy Train***

Martin Wolf, *Why Globalization Works*, Chapters 1-4, 9-13

Peter Martin, "The Moral Case for Globalization" (handouts)

Ted Fishman, "The Joys of Global Investment" (handouts)

Supporters of globalization like Wolf, Martin and Fishman (support comes primarily from Smithian liberals), have taken up the gauntlet and responded to the diatribes of the Left and the nationalists. They have brought much empirical evidence to bear on the debate. Most often it shows that nations which embrace globalization by opening up their

markets to the global economy have done relatively better than nations that have resisted global forces. What precisely are cited as the most important benefits of globalization? How does a nation suffer from resisting globalization? In light of the arguments of the enemies of globalization, does the case for globalization stand up? Which side ultimately wins in your opinion? Is there some harmonious middle ground between the two sides that is a better alternative than either extreme? Finally, can one make a moral case for globalization (carries democracy, civil rights, and prosperity) as Martin does?

### **8. Presentations on Team Assignment (Teams of Two)**

Pick any underdeveloped nation, research its social/political/economic profile, and propose an optimal policy toward globalization. Should the country embrace it in full, reject it in great part, or find some optimal mix of openness and autarchy. Write a 10-page paper.

### **9. Multinational Corporations: Chariots of Globalization**

Leslie Sklair, *Globalization Reader*, Chapter 9

Tony Clark, *The Case Against the Global Economy*, Chapter 26

Jerry Mander, *The Case Against the Global Economy*, Chapter 27

William Greider, *The Case Against the Global Economy*, Chapter 28

Kai Mander and Alex Boston, *The Case Against the Global Economy*, Chapter 29

Richard Barnet and John Cavanagh, *The Case Against the Global Economy*, Chapter 31

Richard Grossman and Frank Adams, *The Case Against the Global Economy*, Chapter 32

The MNC or TNC has been targeted as the principal vehicle for globalization. For advocates and critics alike it is the key player in the game. Critics, such as Sklair, Clarke, Mander, Greider, Boston, Barnet, Cavanah, Grossman and Adams, have emphasized the political and economic power garnered by these economic Leviathans, and this power has given MNCs free license to pursue their goals to the detriment of individual and national rights and welfare. Advocates continue to stress that economic opportunities provided by MNCs are highly beneficial and most welcome by target nations (i.e., nations that invite foreign direct investment). For underdeveloped nations, these opportunities hold the key to greater wealth. Just how powerful are these actors? What is the source of the MNCs' power? Can they indeed influence governments significantly? What are the principal objectives of MNCs? Do they, or do they not, conflict with the welfare of target nations which invite them in? Are critics correct in calling for behavior codes to be placed on MNCs, or will such codes be counterproductive to target nations because they discourage investment? How can corporations be controlled? What will the MNC look like in 1000 years?

## ***10. Globalization and Culture: Old Ways versus New Forces***

Richard Barnet and John Cavanagh, *The Case Against the Global Economy*, Chapter 6

Jan Pieterse, "Globalization as Hybridization" (handouts)

Maude Barlow and Heather-Jane Robertson, *The Case Against the Global Economy*,

Chapter 5

John Sinclair, Elisabeth Jacka, and Stuart Cunningham, *Globalization Reader*, Chapter 38

John Tomlinson, *Globalization Reader*, Chapter 39

Wolf Hannerz, "Scenarios for Peripheral Cultures" (handouts)

What are the cultural effects of globalization? People disagree on the cultural impact of globalization. Some would argue that globalization has an imperialistic element with respect to culture. This view sees Western culture imposing itself on other cultures and converting them to its beliefs and practices. Some see this spread of Western culture as nothing more than American culture (Barnet and Cavanagh, and Barlow and Robertson). Others attribute far greater autonomy to the recipients, arguing that this Western influence is integrated and transformed within the parameters of local cultures (Hannerz, Tomlinson, Sinclair et. al.). Hence, culture synthesizes Western elements but is not co-opted or completely transformed (Pieterse). What precisely is the process of cultural transmission? Can we identify a particular style of globalist culture, or does each region or nation have its own distinct style? Moreover, is such cultural transmission something to be avoided or embraced? What will global culture and national cultures look like in 100 years?

## ***11. Globalization and the Environment: Titans Collide***

Giulio Gallarotti, "It Pays to be Green"

Martin Khor, *The Case Against the Global Economy*, Chapter 4

Edward Goldsmith, *The Case Against the Global Economy*, Chapter 7

Karen Lehman and Al Krebs, *The Case Against the Global Economy*, Chapter 10

Paul Wapner, *Globalization Reader*, Chapter 49

Wolfgang Sachs, *The Case Against the Global Economy*, Chapter 21

Is globalization antithetical to the environment? This has become a most controversial question in the debate over globalization. Khor, Goldsmith, Lehman and Krebs voice common arguments regarding the adverse environmental impact of globalization. For them, the global capitalist machine has left a scorched path of ecological destruction in its quest to expand markets and generate wealth. In short, environmental sacrifices have to be made in order to become rich. Gallarotti suggests ways in which the spread of economic activities may actually carry some solutions to the environmental problem.

What specifically are the ways in which globalization can hurt the environment? Is such degradation acceptable if it can promote development in poorer nations? Following Wapner's arguments, what strategies can be employed to abate the ecological consequences of globalization? Can environmentalism, as Sachs suggests, actually be used to enhance globalization?

## ***12. The Way Ahead: Taming the Monster or Riding the Gravy Train***

Martin Wolf, *Why Globalization Works*, Chapter 14

Joseph Stiglitz, *Globalization and Its Discontents*, Chapter 9

Dani Rodrick, *Has Globalization Gone Too Far*, Chapter 5

Helena Norberg-Hodge, *The Case Against the Global Economy*, Chapter 33

Wendell Berry, *The Case Against the Global Economy*, Chapter 34

David Morris, *The Case Against the Global Economy*, Chapter 37

Edward Goldsmith, *The Case Against the Global Economy*, Chapter 43

The way ahead is cloudy. Indeed individuals differ on the future of the planet under a globalized economy. Just as varied are the prescriptions for policy in the future. Wolf calls for even more globalization as a solution to the problems we face in the present world. Stiglitz and Rodrick call for measures that tame the globalist monster, looking for ways in which the consequences of economic interpenetration can be managed in a mode that abates globalization's negative effects. This will call for very different policies and institutions than we presently have. Others such as Norberg-Hodge, Berry, Morris and Goldsmith strongly recommend a retreat into a local or community political-economic space. Only in such a space can humans find a fulfilling and meaningful life. Community ties, identities and economic ventures should be developed and vigorously protected against the crushing wave of globalization. Which way will people decide to go? Will they continue to ride a wave of globalization to the detriment of a communal orientation, or will they naturally cling to their communal spaces and reinforce them in reaction to globalization? Which would end up being more beneficial to them, irrespective of their preferences? In sum, what is in store for globalization in the future? What will the world political-economy look like in 100 years?

## ***13. Presentations by Globalization Task Forces (Teams of 4)***

Teams will present reports on the following topics

What impact has globalization had on less developed nations socially, politically, and economically?

What impact has globalization had on developed nations socially, politically, and economically?

How has globalization affected the relations between rich and poor nations?