I. Course Overview and Requirements

This course explores the politics of economic globalization, with a focus on the relationships among trade, multinational corporations, and workers' rights. We consider how industries in North Carolina (textiles, furniture, and technology) have been impacted by the relocation of production (both to and from North Carolina), and the politics surrounding trade and investment policy in the state. We then compare North Carolina's experience with that of two regions and industries in the developing world -- the textile sector in Mexico (and elsewhere in Latin America) and the technology sector in China (and elsewhere in Asia).

Students are encouraged to consider local economic experiences as a component of a broader, international economic process. Global production affects North Carolina in a variety of ways, but it also has consequences -- often offsetting ones -- for workers in developing nations. For instance, while textile workers in North Carolina experience job losses, textile workers in China enjoy employment gains. The seminar, then, seeks to provide students with an understanding of the costs and benefits of multinational production, as well as with a basis for considering the ways in which economic globalization generates political demands for protection and compensation. The course presumes no background in economics; it will help students to integrate the analysis of economic events (foreign direct investment, multinational production) with a consideration of political phenomena (public policies designed to attract investment, as well as social policies aimed at compensation those who lose from economic openness). Perhaps most importantly, the seminar allows students to conduct original research on an important public policy issue -- the implications of economic openness for workers in developing nations.

Course Requirements. Students are expected to attend all class meetings, to prepare for class meetings by completing reading assignments prior to class meetings, and to participate actively in class discussions. This is a seminar, so -- especially after the introductory sections of the course -- the focus will be on discussion rather than on lecture. Multiple absences from the course will lead to a lower participation grade and, as a result, a lower overall grade.

Readings. The following books are available for purchase at the UNC bookstore and required for the course:


Other articles and book chapters also are assigned for some days. All are available on Blackboard (http://blackboard.unc.edu), under “Course Documents” and then “Course Packet.” These items are indicated with [BL] on the syllabus; on Blackboard, they are organized by date. **These readings are as important as those from the texts,** so please be sure to read them – either in electronic or printed form -- prior to class. Please email me if you can’t find a reading that is supposed to be on Blackboard.

**Methods of Evaluation.** Grades in the seminar will be based on class participation and attendance (15%); three short response papers (15%); the completion of a major research project (with individual and group components, totaling 50%); a final essay (30%).

**Class Participation.** Class participation (which, of course, requires attendance) will account for 20% of the final grade. Students are expected to attend all seminar meetings; to have done the assigned reading for that day’s seminar; and to actively participate in class discussions and debates.

**Response Papers.** Each student will write three response papers, which discuss the readings and serve as a basis for that day’s class discussion. The response papers should contain your reactions to the assigned readings for a particular day. You might discuss whether you agree/disagree with the author’s argument (and why), what sorts of additional evidence might be useful in assessing the author’s arguments, and how the readings relate to previous topics. The response papers should include very little summary or repetition of the assigned readings. The papers should be 500-700 words (approximately two double spaced pages, a little more if you have more to say).

Response papers should be posted on the “response paper” forum (under “discussion board”) of the class Blackboard site. Papers should be posted no later than 6pm on the day prior to the class (6 pm Sunday for Monday classes and 6 pm Tuesday for Wednesday classes). You’re welcome to send them earlier, but this deadline allows everyone else a chance to view and read the papers prior to the seminar.

Response papers will account for 15% of the final grade for this course. A signup list for response papers will be circulated via email after the first class meeting.

**Research Project.** Each student in the class will contribute to a group case study, which investigates the causal linkages between multinational production, on the one hand, and labor
Each group will be assigned an industry with substantial multinational sales and production (for instance, furniture, pharmaceuticals, textiles and apparel). The group’s charge is to assess the impact on workers of global production in the given industry. Has the industry relocated its production recently? What has been the impact of this relocation? How have workers in this industry fared, in terms of both individual rights and conditions (like wages, health and safety) and collective rights (including the right to organize, bargain, and strike)? Members of the group will write a report (with individual responsibility for particular sections), which will be circulated to others in the class. The group will also make a presentation of its main findings; presentations should be 20 to 30 minutes, with questions and discussion to follow.

Reports should have four main components (to be finalized at a later date); each component should be approximately 1500 words, for a total of approximately 7,500 words. You may find it useful to employ graphs, charts or tables to present some of the information collected.

- **Background and local relevance:** collect current information on the industry, at the global level: in which countries does production take place today? How have production patterns changed over time (e.g. relocations?) What are the major firms (MNCs) in the industry, and where are their sales concentrated? What is this industry’s history in, or current role in, the North Carolina economy?
- **Developing country industry:** Present information on the status of the industry in at least two developing nations, China and Mexico. (With the instructor’s approval, and on the basis of industry characteristics and student interests, other countries can be substituted). How much investment does the developing country receive in this industry? How has this changed over time (1990 to present)? Is activity in this industry for export or for domestic sales (or both)? Is production in this industry done by local subcontractors or by foreign-owned multinationals?
- **Status of workers: collective rights.** What is the status of workers in developing country locations, in terms of their ability to act collectively? Does national law allow for unionization, striking and collective bargaining? If so, do employers respect these legal rights? Are these rights restricted in export-processing zones? To what extent have NGOs, IGOs and domestic unions noted problems with collective labor rights? Where there are reports of problems for workers in the country in general, do they occur in this particular industry?
- **Status of workers: individual rights.** What is the status of workers in developing country locations, in terms of their individual labor rights and working conditions? Are there national minimum wage laws, rules on working hours, and health and safety legislation? If so, are these laws respected in the industry? To what extent have NGOs, IGOs and domestic unions noted problems with collective labor rights? Where there are reports of problems for workers in the country in general, do they occur in this particular industry?
- **Conclusion (written as a group):** what does the evidence suggest about the causal relationship between labor rights and the global economy? Do workers in the industry fare better or worse as a result of globalization? Are some kinds of global production better than others in terms of working conditions and collective rights?
The Office of Undergraduate Research has provided funding for a graduate research consultant (GRC) for this course. Our GRC (Christine Carpino, a PhD candidate in Political Science) will meet with each group to advise them on potential industries and countries to study, and on how to find various forms of information. Christine also will be available to meet with groups as their research progresses; each group should have no fewer than three meetings (one at the outset, and two along the way) with Christine. The GRC also can provide advice about how to use the evidence you collect to test hypotheses about globalization and labor rights.

The research project will account for 45% of each student’s final grade. Two grades will be given for the project – an individual grade (based on the individual’s portion of the report, and perhaps varying across group members; group members may also be asked to evaluate one another confidentially) and a group grade (based on the overall report and presentation). The individual grade accounts for 20% of the final grade, and the group grade for 25%.

Research groups will be announced on February 20. You should consult with your group and with the GRC regarding your choice of industry. Your group should notify Prof. Mosley of its choice of industry by March 8. You also may want to consult with the GRC about your choice of countries; if you want to do countries other than Mexico and China, please notify Prof. Mosley by March 27.

Research reports are due on Tuesday, April 18, by 5pm. These may be submitted via email; please be sure you receive confirmation of the receipt of your report. Groups will present their findings on April 19 and April 26.

Final Essay. The remaining 30% of students’ grades will be based on a final essay (5 to 7 double-spaced pages), drawing on materials from the course, and asking students to integrate political and economic analyses. Essay questions will be distributed on the last day of class (April 26) and will be due on May 8, the scheduled exam date for this course. Essays are to be turned in to my office (Hamilton 307) by 3pm; you may also email your essay. If you choose the latter, please be sure that you get confirmation that I’ve received it (and, if not, that you resend). “Lost email” is not an excuse for a late or missing paper.

II. Topics and Readings Schedule

Overview: Trade, Direct Investment, and Multinational Production

January 11 Class Introduction and Overview

January 16 No class, MLK Holiday

January 18 Why Trade?

January 23 Why Foreign Direct Investment?
Oatley, pp. 164-188, (Chapter 8, “Multinational Corporations in the Global Economy”)
January 25  Multinational Production and Commodity Chains


January 30 Export Processing Zones


Moran, Chapter 2, “Foreign Direct Investment in Low-Wage, Low-Skill Activities,” pp. 10-22 (focus on EPZ, some positive discussion)

February 1  Trends in Multinational Production


The Politics of Investment and Trade

February 6  Domestic Politics, Trade and Investment

Oatley, Chapter 4, pp. 68-90.


February 8  A Race to the Bottom?


February 13  Attracting and Regulating MNCs

Oatley, Chapter 9, pp. 189-202.


February 15 Attracting and Regulating MNCs

**Labor Rights and Globalization: What’s at Stake?**

**February 20 An Overview of Labor Rights**

*Research Groups Announced*

Moran, Chapter 4, “Core Standards for the Treatment of Workers around the World,” pp. 46-65


**February 22 Contemporary Labor Rights**

*[BL]* International Confederation of Free Trade Unions, Annual Survey; Solidarity Center, Justice for All, selections (summarizes contemporary labor rights problems); and Fair Labor Association, Annual Report, selections.

**February 27 Labor Conditions and Globalization: Causal Linkages**

Overview of research projects (Christine Carpino, the GRC, also will attend).


**March 1 Labor Conditions and Globalization: Causal Linkages**

Moran, Chapter 3, “Improving the Treatment of Workers at the Bottom by Providing a Path up from Below,” pp. 23-45.

*[BL]* Drusilla Brown, Alan Deardorff and Robert Stern, “The Effects of Multinational Production on Wages and Working Conditions in Developing Countries.”

**March 6 Collective Labor Rights and Globalization: Causal Linkages**

Elliott and Freeman, Introduction (pp. 1-6), Chapter 1, “Globalization versus Labor Standards?” (pp. 7-26); Chapter 2 (“The Market for Labor Standards”) pp. 27-48.

**March 8 Collective Labor Rights and Globalization: Causal Linkages**

*Deadline to notify Prof. Mosley regarding your group’s choice of industry.*


**March 11-19 Spring Break**
March 20  Corporate Social Responsibility and Labor Rights?


Evidence from Case Studies: North Carolina, Latin America and Asia

March 22  North Carolina: Transformations and Trends I (overview)


March 27  North Carolina: Transformations and Trends II (textiles and furniture)

Deadline to notify Prof. Mosley regarding your group’s choice of developing countries (default countries are China and Mexico).

[BL] Timothy Barth and Duncan Murrell, “A Short History of Stonecutter Mills and Spindale, NC”


March 29  Groups meet individually with GRC and Prof. Mosley during class time

Email a list of questions/information that your group needs by March 28, 5pm. (carpino@email.unc.edu, mosley@unc.edu)

April 3  Textiles and Furniture in the Developing World


April 5  Groups meet individually with GRC during class time
April 10  Labor Rights and Multinational Production, Mexico and China

[BL] The Solidarity Center, “Justice for All: The Struggle for Labor Rights in Mexico,” Chapters 2, 3 and 6 (report chapters are a few pages each).


April 12  North Carolina: Transformations and Trends III


April 17  Meet with your groups to finish reports (due April 18) and prepare presentations.

April 19  Group Presentations

April 24  Group Presentations

April 26  Course Wrap Up: What Should be Done?

Elliott and Freeman, Chapter 6, “Globalization and Labor Standards in Action,” pp. 111-126 (Includes a section on China)


Final Essay question to be distributed.

May 8  Final Essay Due, 3pm, Hamilton 307