The course will examine the changing international business environment and the institutions that structure the new global economy. As we enter the 21st century we are witnessing an expansion of capitalism around the globe. Such things as freer trade and currency flows are causing nations to become more tightly integrated with each other, and as a result nation states have less control over their economies than ever before. However, capitalism does not take just one form and we will examine the various guises under which it occurs, playing particular attention to differing institutional settings and the effect they have upon market relations. Multi-national corporations also are playing a more powerful role in the global economy, new technology is changing the world of work and commerce, and immigration continues to shape labour markets in rather distinctive ways.

This course will examine these and other related issues in an attempt to understand the changes, their causes and their consequences. Issues such as trade, new technology, population problems, and the role of nation states will provide the broader context for our analysis of more specific issues and industry sectors that we will discuss in the latter part of the course. Different theoretical perspectives will be assessed, particularly those that provide alternative conceptualisations of key issues.

METHOD OF ASSESSMENT

To ensure meaningful discussion of issues it is imperative that you not only attend class but also come prepared to discuss the readings and by this I mean intelligent contributions to the discussion at hand. The material can be quite complex but lends itself to in-class analysis. However, without having read the material you will not be in a position to participate in an informed manner. If you are absent, you cannot participate, and no participation will have a negative effect upon your final grade.

You will be required to write two reviews of books that are the cornerstone to important topics in our discussion. By doing this you will enable you to identify a thesis, discuss the ways authors present their substantiating material, and offer some brief critical comments. The two exams will be essay questions in which you must be able to demonstrate a grasp of the key ideas, argue a point coherently, and most importantly discuss the various aspects required by the questions. Finally, in teams, you must research
and write a 10-12 page report on an industry or sector in the US that is experiencing global competition.

**LINK BETWEEN COURSE AIMS AND METHOD OF ASSESSMENT**

Knowledge is tested by written material in exams and the two reviews, with particular emphasis upon your ability to coherently argue a particular position by assembling relevant facts and ideas.

Team work is tested by the quality of the collective report.

Writing skills must be at a level in which you can articulate an idea in an unambiguous fashion and will be tested accordingly, with feedback given after the mid-term exam and in the two reviews.

**Evaluation summary:**

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<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Exams: each</td>
<td>30%</td>
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<tr>
<td>Book reviews: each</td>
<td>10%</td>
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<tr>
<td>Research report</td>
<td>20%</td>
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<tr>
<td>Total</td>
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**COURSE OUTLINE**

*additional readings may be added to supplement the ones listed

*Introduction: overview of the course*

*History of markets, the origins of capitalist culture*

(January 14 and 23) nb no class on January 16th and 21st

Here we examine the early forms of market activity, the embryonic forms of capitalism and the growth of institutions that buttress capitalist exchange relations. We ask why capitalism emerged when it did and where it did, what its distinctive features are and how it has been sustained. We also explore the link between the growth of big business and trade and the overarching power of the state in establishing the framework for such activities.

**Centeno & Cohen: Global Capitalism, Introduction and Chapter 1; Glyn, Capitalism Unleashed, chapter 1; Hillmann, Economic institutions and the state: Insights from economic history’, Annual Review of Sociology, 2013 (ZSR library on line)**

*Globalization: production and trade*

(January 28 & 30)

Why do counties trade? Can countries change their inherent endowment in certain forms of competitiveness? Can national prosperity be created as Porter argues or is it solely an inherited feature? How has trade liberalization changed and why has trade become so politicized?

**Centeno & Cohen, Chapter 2; Glyn, chapter 4.**

*MNCs and networks in the new globalism*
(February 4th & 6th)
What is the changing role of direct foreign investment and how has it changed as different sectors have become more important? What are the trends in DFI? Are there differences in the behaviour of multi-nationals from different countries? We will examine US, German and Japanese MNCs. What do countries hope for from DFI and what are the concerns often expressed about economic colonialism?
Centeno & Cohen, Chapters 3 & 4; Carruthers, “A sociology of bubbles”; Glyn, chapters 2 & 3

Whither the state
(February 11th & 13th)
What is the role of the state in the regulation of the economy? How does this differ from country to country
Centeno & Cohen, Chapter 5; Glyn, chapters 6 & 7; Deeg and Jackson, ‘Towards a more dynamic theory of capitalist variety’ Socio-Economic Review, 2007, 5 (ZSR Library on line)

CAPITALIST DIVERSITY:
Anglo-American capitalism: neo liberal model
(February 18-20th)
What is unique about the neo-liberal model? Does such a model represent a significant departure from past practices or merely a form of institutional continuity? Is this the organisational form of capitalism that is increasingly becoming the norm?
Vietor, Chapter 12; Rogers Hollingsworth, “The institutional embeddedness of American capitalism” Harvey: Neoliberalism (Review due)

Germany and consensual capitalism
(February 25 & 27th)
Here we look at a consensual model of capitalism where institutions such as banks, local government and worker associations play an active role in shaping business activities. With high rates of unemployment and variable growth, can such a model survive?
Streeck, “German capitalism: Does it exist? Can it survive?”

Examination #1 (March 4-6th)

France and Japan
(March 18 & 20th)
Can governments pick industries to succeed (The French think so and so do the Japanese)? Can you have strong worker and welfare rights and continue to be internationally competitive? We examine whether economic growth can be sustained in these countries without abandoning a strong government role in the regulation and management of the economy.
Vietor, Chapter 2.
Asian tigers, Singapore, S. Korea and Taiwan: Export-led industrialization
(March 25 & 27th)
In examining the phenomenal growth of the Asian tigers, we examine the legacy of Japanese colonialism, the cold war, and the powerful role played by the state in shaping Export-led growth patterns.
Whitley, “Divergent capitalism in East Asia”; Vietor, Chapter 3;

China: The success of market-Leninism
(April 1 & 8th)
Can China combine a market economy with an autocratic political system? Can you create transparency to ensure best business practices or is the Chinese market so large and potentially so lucrative that western firms are willing to enter without due diligence? Does China represent the new face of capitalism?
Coase and Wang: How China Became Capitalist. Review Due

April 3rd: No class

Russia: Capitalism without market institutions/ India
(April 10th & 15th)
The Russian economy has been very cyclical in the past decade. How did the privatization process shape the subsequent success/failure of various sectors? Here we see the importance of institutions, or at least what happens when they are absent or improperly formed. India and a look at the democratic route to late developer capitalism. Will India catch up with China?
Vietor, chapters 5 & 9.

MAKING A LIVING
Labour and work in different settings
(April 17th & 22nd)
As manufacturing increasingly moves to low wage sites, what is the future for organized labour in the high wage western economies? What is the role of new technology in changing employment relations? How do firms in high wage economies remain competitive (flexibility?)?
Centeno & Cohen, Chapter 6; Glyn, chapter 5 Vietor, Conclusion.

Research report discussions
(April 24th & 29th)

May 3rd 9.00am Examination #2:

Teams:
1. Akman, Bandyk, Berczuk, Britt, Wong
2. Awad, DeSalvo, Eilbeck, Fritz
3. Hollingsworth, Juhos, Kolberg, Marple
4. Nguyen, Patrick, Puett, Remmey
5. Richter, Rolles, Saca, Salas, Shirley
6. Steelher, Vasquez, Wessels, Winters