

## **PLCY 050: Environment and Work in the Global Economy (3 credits)**

Tuesday-Thursday 12:30-1:45 p.m.  
Professor Richard Andrews  
202A Abernethy Hall  
Office hours: after class each day (T-Th 2-3), MW 4-5, or by appointment

GM 210 (210 Graham Memorial)  
[pete.andrews@unc.edu](mailto:pete.andrews@unc.edu)  
919-843-5011

The news media have been full of stories about “globalization.” But what exactly *is* “globalization,” and what impacts is it having – on us and on our own communities, on people in other countries, and on the natural environment? In what ways is it making the world a better place, and in what ways is it causing harm? And in particular, what impacts is it having – positive or negative, or both – on jobs, wages, and working conditions, and on the quality of the natural environment – and is it environmentally, economically, and socially sustainable? Is it creating a “race to the bottom,” undermining both workers and the condition of the natural environment, as some critics charge, or is it making overall work and environmental conditions better, as some of its advocates believe? And depending on the answers to these questions, what kinds of actions should citizens advocate – by businesses, by governments, by consumers and investors and others – to make sure that economic globalization creates a better rather than a worse world?

We will explore these questions both as public policy issues and as issues for our own consideration as citizens, consumers, workers, investors, and members of a university community. For better or worse, economic globalization is the reality of the world we live in: it is here to stay, in some form, short of some disastrous change that none of us would wish for. The central question therefore is not whether this is a good or a bad thing overall, but what kind of globalization will be environmentally sustainable and beneficial for all the world’s peoples – and how we might we best go about achieving this?

### **Learning objectives**

The seminar has five learning objectives:

**Substantive knowledge:** Learn about the forces that drive globalization of manufacturing, finance and other economic processes, the impacts on work, human well-being, communities and the environment that are associated with these processes, and how public policies and individual actions can influence them

**Research skills:** Learn how to use library, Internet, and primary sources such as interviews to find and evaluate information for use in research papers and discussions

**Critical thinking:** Learn how to analyze opinions and arguments for their strengths and weaknesses, to present well-reasoned and factually supported arguments, and to identify and rebut opposing arguments

**Writing skills:** Learn how to summarize and communicate succinctly the key points of another author’s work, your own critical assessment of his or her arguments, and your own creative and constructive ideas for addressing environmental and labor issues

**Oral presentation skills:** Learn how to play an effective role in leading and participating in oral discussions

## Summary schedule

### **Introduction: Where Do Things Come From?**

- August 21      Introductory session: personal introductions, course outline and expectations, first task assignment and partners
- August 23      Where do the things we buy come from, and why? (1) (*Supply chains and examples, country-of-origin labeling*)
- August 28      *Assignment due: team presentations on where things come from*
- August 28      Where do things come from, and why? (2) (*team presentations*)

### **Economic Globalization and Its Impacts**

- August 30      What is “globalization?”
- September 4      *Assignment due: library on-line research quiz*
- September 4      Possible implications for workers, communities, and the environment?
- September 6      The global trade policy system: trade agreements (GATT and WTO, NAFTA, and others)
- September 11      Arguments pro and con (1): Global trade, efficiency, and comparative advantage
- September 13      Arguments pro and con (2): Global trade, fairness, and “fair trade”
- September 18      *Paper due: critical analysis of comparative advantage/free vs. fair trade*
- September 18      What kind of global economy should we seek to achieve? What would a “good” global economy consist of: by what criteria, and with what outcomes?

### **Issues in Economic Globalization (*debate/discussions*)**

- September 20      “Bad jobs vs. no jobs”(?): should there be global minimum standards for acceptable working conditions, or for a minimum or “living” wage, or not? (*debate*)
- September 25      Child labor: should there be global standards and restrictions on child labor? (*debate*)
- September 27      Researching policy issues and home towns: Nathaniel King, UNC Library
- September 27:      *Extra event: The Lambeth Distinguished Lecture in Public Policy, 5:30 p.m., Gerrard Hall (Dr. Alice Rivlin)*
- October 2      Economic globalization and the environment: a “race to the bottom,” or something else? (*debate*)
- October 4      Global trade agreements and the environment: How can the environment be protected within the framework and principles of the GATT and WTO? Cases: the tuna-dolphin and shrimp-turtle decisions. (*debate*)

### **Economic Globalization and North Carolina (and your own home town)**

- October 9      Globalization’s impacts on North Carolina: Dr. Jason Jolley, UNC Center for Competitive Economies
- October 11      Migration, temporary work, and human trafficking: why not liberalize global trade in labor as well? (*debate*)
- October 16      Globalization and your home town: preparatory discussion
- October 18      *No class (fall break)*
- October 23      Impacts of globalization on your home town (1)
- October 25      Impacts of globalization on your home town (2)
- October 30      *Paper due: impacts of globalization on your home town, and its strategies for adapting*
- October 30      A different perspective: impacts of economic globalization on China

## **Strategies for influencing and achieving a “good” global economy**

November 1	Presidential policies toward global trade, workers and the environment: What would President Obama or a President Romney do? ( <i>debate</i> )
November 6	Corporate social responsibility and voluntary codes of conduct: Friedman vs. alternative positions ( <i>debate</i> )
November 8	Third-party codes of conduct and certification: Are consumers responsible for the impacts of making their products, and if so, can they affect them? ( <i>debate</i> )
November 13	Consumer initiatives: case study (the “Designated Supplier” Program) ( <i>debate</i> )
November 15	Supply chain mandates (Dr. Andrew Hutson, founding director of the Environmental Defense Fund – WalMart partnership for greening its global supply chain) ( <i>discussion</i> )
November 20	Government subsidies, sanctions and “dumping”: the shrimp and solar cases ( <i>debate</i> )
November 22	No class ( <i>Thanksgiving holiday</i> )
November 27	Government regulations and fees: the EU airline carbon fee case ( <i>debate</i> )
November 29	TBA
December 4	<i>All papers due, if not already submitted</i>
December 4	Last class: Emerging trends and the future of economic globalization; review and other issues

### **Topical Sessions and debate/discussions**

Consistent with the seminar format of the class, each of you will have a leadership role in planning and leading discussion and/or debate on two topics. One will be between September 20 and October 4, on a topical issue related to the impacts of economic globalization on work and/or the environment. The other will be between November 1 and 29, on a policy tool or strategy for managing globalization so as to achieve socially and environmentally beneficial results. For each session I will assign a primary background reading for everyone to read, and each of you will also prepare and distribute in advance a discussion paper of your own on the topic you have chosen.

In addition, over fall break you will each research the impacts of economic globalization and related forces on your own home town, including both background research and an interview with at least one adult who has particular knowledge or perspective on your home town’s recent changes and the forces and strategies driving it, and you will present and compare the results orally as well as submit a paper on it.

### **Course information and other materials**

A more detailed syllabus and other course materials are available on UNC’s Sakai web site (<http://Sakai.unc.edu>). This includes more detailed instructions for the assignments, a working bibliography (though by no means comprehensive) of additional readings that you might find valuable, some useful web links (again, just a few starting points – don’t stop with these), and an email list of the class through which you can send messages either to the class as a group or to specific individuals. There is also an area where you can post assignments to share with the rest of the class. Only class members have access to this site.

**As soon as possible**, visit the Sakai web site, get familiar with it, and **download an electronic copy of the syllabus** to your own computer – that way you can use the hotlinks in it to go directly to some of the readings.

## Readings

This is a seminar, in which we will explore varied sources of information and points of view rather than a single pre-packaged textbook. I don't expect you to memorize every detail of these, but rather to understand the main arguments and perspectives, differing points of view, and supporting and conflicting evidence, on the issues involved.

There are several books that are worth purchasing copies for yourself. All should be available at Student Stores, and none are as expensive as most textbooks; some may also be available at cheaper discounts on the Internet (e.g. Amazon.com).

Ryan, John C. and Alan T. Durning. 1997. Stuff: The Secret Lives of Everyday Things. Seattle, WA: Northwest Environment Watch. (*A quick read for our first week's assignment*)

Stiglitz, Joseph E. 2006. Making Globalization Work. New York: Norton. (*An excellent source of ideas on public policies affecting globalization, and one distinguished expert's proposals for how they might be improved*)

(*Recommended, not required*) Rivoli, Pietra. 2009 (2<sup>nd</sup> ed.). *Travels of a T-Shirt in the Global Economy*. NY: Wiley. (*A fascinating case study of the life of a familiar product from raw materials through production, use, discard and re-use*)

All other assigned readings will be on the course's Sakai web site, or accessible on the Internet through hot links on the syllabus, and/or in a few cases on reserve (mostly electronic) at the library. All readings on electronic reserve can be accessed through the UNC Library web site.

## Documenting source materials and avoiding plagiarism

It is very important that you develop good habits of documenting the sources both of factual statements and of the ideas, opinions, and arguments of other people that you use in any paper you write.

One basic reason for this is to be able to support the statements you make and the facts you use, both for your own future use and if anyone else should question or disagree with them. A second is to distinguish clearly between someone else's ideas and arguments and your own, and not confuse the two. And a third is to protect your own integrity against either deliberate or accidental representation of someone else's ideas or work as your own, which if intentional is known as plagiarism and is a serious violation of the UNC Honor Code and of the standards of ethical writing.

***Please download and read the handouts "Avoiding plagiarism" and "Citing sources," available on the Sakai course web site***, for more detailed suggestions on this subject.

In addition, for excellent discussions of criteria for evaluation of the quality of source materials in print or on Internet web sites, ***download and read the two handouts on "Evaluating Evidence" (print and on-line sources respectively) that are available on the Sakai web site***. For excellent handouts on many other aspects of good writing practices, see also <http://www.unc.edu/depts/wcweb/handouts/>.

## Summary of Expectations and Assignments

Expectations include:

- **Participation!** This is a seminar. Each student is responsible for participating actively in all aspects of the course, including reading and thinking about the readings and discussion questions in advance of the class at which they will be discussed, being present and participating in discussions, making presentations, questioning of presenters, and offering constructive criticism of each other's ideas.
  - **Use of electronics during class:** Please turn off all electronics during class except when they are being assigned for a specific class activity. For the sake of your own learning as well as avoiding distraction to others, **I expect no texting, tweeting, emailing, web-surfing, or multi-tasking for other purposes at any time during class.**
  - **Safe space for free-ranging discussion:** Course materials, including your own papers, comments, and discussions, are for discussion only among members of the class; the Sakai also is available only to members of the class, by password. I want each of you to feel able to propose and offer opinions on controversial issues and proposals, even ideas you may immediately disagree with yourself after suggesting them, without fear that they may be immediately posted or tweeted to others beyond the community of this class. Please respect this principle, and **do not communicate classmates' ideas beyond the class without their permission.**
  - **Food:** Since our class meets from 12:30 to 1:45 p.m., I wish very much that I could offer you the option of bringing lunch to class. Unfortunately but understandably, however, the university has a strict policy allowing **no food or drinks in classrooms**, to protect the rooms against litter and the necessity of constantly cleaning up spills and litter. **Please be sure to have lunch before class**, so that you have the energy to participate actively and so that food in the classroom does not become an issue.
  - **Each class: Bring to each class** your notes on key points in the assigned readings, **and** your own critical comments and ideas on them, and your initial answers to the discussion questions. They should be written, and can be brief or more detailed as you wish, but neat: I will review these frequently and offer additional suggestions and questions for you to consider. This is one important element of your participation grade.
- **August 21-31:** Sometime during the first two weeks of class, I would like to **meet with each of you individually** during office hours or by separate appointment, to get to know you and to learn more about your interests in the topics we will be exploring in the course and in public policy questions more generally. I hope to use what I learn from these discussions to make assignments to the various discussion topics and debates we will be exploring during the semester.
- **August 28:** Pairs report on where things come from.
- **September 4:** Assignment due: UNC Library On-Line Library Research Tutorial. See also handouts on "Evaluating Evidence," on Sakai web site.
- **September 18:** Assignment due: short paper on critical analysis of comparative advantage/free vs. fair trade

- **September 20-October 4:** Four-person teams (two on each side) will debate four major issues of economic globalization, followed by more general class discussion. For these sessions I expect the designated leaders to delve more deeply into additional background materials on the issues than the limited readings assigned to the full class, so that they can truly lead us more deeply into thoughtful discussion and debate over the facts and complexities of the issues involved. For some useful starting points for this research, see the handout on “Additional resources” on Sakai under “Handouts.” I also encourage each of you strongly to come talk with me out of class ahead of time to brainstorm ideas – I can help, and very much welcome the chance to work with each of you individually.
- **September 27: Extra event:** The Lambeth Distinguished Lecture in Public Policy, **5:30 p.m., Gerrard Hall** (Dr. Alice Rivlin). This will not be on globalization per se, but on another vitally important public policy topic—how to provide health care affordably for all Americans – presented by one of the leading public policy scholars and leaders of our time. Attendance strongly encouraged.
- **October 23-25:** oral presentations on impacts of globalization on your home town and its strategies for adapting to it; plus 5-page paper on your home town due Tuesday, October 30,
- **October 30:** Assignment due: Paper and presentation on impacts of globalization on your home town, and its strategies for adapting
- **November 1-29:** Two-person teams will lead debates and discussions of possible strategies for working toward achieving your vision for a “good” global economic system. Presentation and paper on pros and cons of this approach due by December 4 (or earlier if you wish). For these sessions too, I expect the designated leaders to delve more deeply into additional background materials on the issues than the limited readings assigned to the full class, so that they can truly lead us more deeply into thoughtful discussion and debate over the facts and complexities of the issues involved. For some useful starting points for this research, see the handout on “Additional resources” on Sakai under “Handouts.” I also encourage each of you strongly to come talk with me out of class ahead of time to brainstorm ideas – I can help, and very much welcome the chance to work with each of you individually.
- **December 4:** Assignment due: final papers and presentations on November debates/discussion topics.

### **Grades**

Grades will be based approximately as follows: 15% free/fair trade paper, 20% for the first topical presentation and paper (October), 20% for the presentation and paper on impacts of globalization on your home town, 25 % for the second topical presentation and paper, and 20% for class participation (including regular attendance, written preparation for discussions, and active and constructive contributions to discussion of topics on which you were not the leader). There will be no mid-term or final exams.

## SYLLABUS

### **August 21      Introductory session: introductions, course outline and expectations, first task assignment and partners**

**Assignment (due Tuesday, August 28).** Read the readings from Stuff, then go to a store with a partner, pick a product other than those featured in the reading, and check the tag to see where it was made. Then develop a list together of all the elements you can think of – materials, energy, manufacturing processes, labor, transport, marketing, and so on – that went into making it and getting it to you, where they might have taken place, and what impacts they might have had on workers and the environment. Consider also the discussion questions below.

### **August 23      Where do the things we buy come from, and why? (1) Supply chains and examples**

#### Readings:

Ryan, John C. and Alan T. Durning. 1997. Stuff: The Secret Lives of Everyday Things. Seattle, WA: Northwest Environment Watch. Read the Prologue (pp. 4-6); sections on Coffee (7-12), T-shirt (20-25), and Shoes (26-32); and the Conclusion (67-71).

Gereffi, Gary; Humphrey, John; and Timothy Sturgeon. 2005. The Governance of Global Value Chains. *Review of International Political Economy* 12:78–104. Read pp.82-90; and read or skim 90-100 as interested. On Sakai.

U.S. Federal Trade Commission. 1998. Complying With the Made in the USA Standard. On Sakai and at <http://www.ftc.gov/bcp/edu/pubs/business/adv/bus03.shtm> (accessed August 15, 2012)

#### - Discussion:

*Where do coffee, T-shirts, and shoes “come from?” Diagram the key steps in the “supply chain” or “value chain” of production and marketing for each one, and in what country each one occurs (bring diagrams to class to hand in). How are these chains similar and different across the three products, and why might these differences occur?*

*What environmental impacts does the production of each of these three products have? What impacts on workers? On the communities where each step takes place?*

*How does global sourcing (“supply chains”) work? What are the several different dominant patterns by which this happens, and the key points of leverage in each pattern? What factors and forces have driven the recent major shift by businesses from vertically-integrated production to global “sourcing”?*

*What does it mean to say that a product is “made” in the country on the label? What are the key elements of the FTC definition of national origin? (list these and bring to class).*

*What are the implications of this new pattern for our lives, communities, and environment, and for the lives and communities and environment of other people where the manufacturing takes place? What ethical and value questions do these production chains raise that should be considered? What public policy issues?*

**August 28      Where do things come from, and why?**

- Discussion:

*Team assignment presentations due. Be prepared to present and discuss your examples of where things come from, and their impacts along the way (1-2 Powerpoint slides would be useful, or legible diagrams). How are the answers for your product similar to and different from those for the products we discussed last time, and for each other's?*

**Economic Globalization and Its Impacts**

**August 30      What is “globalization,” and what trends and patterns of change should be included in describing it?**

Readings:

World Commission on the Social Dimensions of Globalization. 2004. Section II.2, Globalization: Its Nature and Impact. From its A Fair Globalization: Creating Opportunities for All, pp. 24-55 (Adobe pages 46-57). Sponsored by the United Nations International Labor Organization. *Skim other sections as interest and time permit.* On Sakai and on line (accessed August 15, 2012) at <http://www.ilo.org/public/english/wcsdg/docs/report.pdf>

*Economist* Survey: World Economy. 2006. *The Economist*, September 14, 2006. Read introduction and articles on “The New Titans,” “Question of Definition,” “Emerging at Last,” and “Playing Leapfrog,” pp. 1-11 and 37-41. *On Sakai.*

*(Optional)* Bronfenbrenner, Kate, and Stephanie Luce. 2004. The Changing Nature of Global Corporate Restructuring: The Impact of Production Shifts on Jobs in the US, China, and Around the Globe. Report submitted to the U.S.-China Security Commission. Read Executive Summary, pp. 2-4. *A very factual, brief summary of the U.S. job impacts of offshoring manufacturing to China and other countries.* On Sakai and on line (accessed August 15, 2012) at [http://www.uscc.gov/researchpapers/2004/cornell\\_u\\_mass\\_report.pdf](http://www.uscc.gov/researchpapers/2004/cornell_u_mass_report.pdf)

- Discussion:

*What is “globalization,” and why is it happening? What are the key forces that are now encouraging it (economic forces? political, and public policies? technological? others?)?*

*What are the main points in The Economist's presentation of globalization? How does its characterization of globalization compare with your own, and with others you have seen or read? What implications does it raise for the U.S. economy and the future of American society, and the world's? What important considerations are missing from it, if any?*

*What characteristics of the current economic globalization process are different from periods of increasing globalization in the past?*

*What is the connection between the globalization of trade, manufacturing, and marketing, and the globalization of finance capital? Between “outsourcing,” “offshoring,” and the emergence of new producers and markets? And technological change, particularly the role of computers and the information technology revolution? What are the most important economic, social, and environmental consequences of these globalizing trends?*

*Are there other aspects of economic globalization not mentioned in detail by these authors that we should also consider important?*

*Bring notes to class on key points made by the authors, and your own initial answers to the discussion questions.*

**Assignment: Information Sources (due September 4).** Complete the UNC Library on-line Library Research Tutorial at <http://www.lib.unc.edu/instruct/tutorial/> and turn in a copy of the certificate documenting your successful completion of the quiz at the end of it. (*Also read the two handouts on “Evaluating Evidence”— print and web-based – on the Sakai web site, and the readings assigned for this session*)

**September 4 Possible implications for workers, communities, and the environment?**

*-Discussion:*

*What would you expect the effects of economic globalization to be on workers (in the U.S., and also in poorer countries making goods for export)? On communities affected by economic globalization? On the natural environment? And what factors other than economic globalization would you also identify as possible causes of these effects?*

*Bring to class a written list of these effects, both positive and negative, including brief notes explaining your rationale for including them.*

**September 6 The global trade policy system: trade agreements (GATT and WTO, NAFTA, and others)**

Readings:

Gilpin, Robert. 2001. The Trading System. Chapter 8 in his Global Political Economy: Understanding the International Economic Order (Princeton, NJ: Princeton University Press). Read esp. pp. 217-233 (Adobe pages 7-15).

Stiglitz, Joseph E. 2006. Making Trade Fair. Chapter 3 in his Making Globalization Work. New York: Norton, pp. 61-102.

*- Discussion:*

*What are the most important policy principles and organizational elements of today’s global trading system, and specifically of the World Trade Organization (WTO)? Why did United States government leaders and others agree on these principles and organizations, and why did they believe that “trade liberalization” was a good idea?*

*How does the WTO work, and how do its provisions and dispute-resolution procedures affect issues such as the environmental impacts of trade?*

*What are the strongest arguments Gilpin and others offer in support of this system? Can you see any weaknesses or unresolved issues in these arguments?*

*Does the WTO create a “fair” system of global trade? In what ways yes, and in what ways no? What changes would be needed to create a truly “fair” system for global trade?*

*Bring to class for discussion your notes on initial answers to these questions.*

## September 11 Arguments pro and con (1): Global trade, efficiency, and comparative advantage

### Readings:

Suranovic, Steven M. 2007. A Lesson on Comparative Advantage. On Sakai and on line (accessed December 14, 2011) at <http://stevesuranovic.blogspot.com/2007/10/lesson-on-comparative-advantage.html>.

Schumer, Charles, and Paul Craig Roberts. 2004. Second Thoughts on Free Trade. *New York Times*, January 6, 2004. On Sakai and on line (accessed August 15, 2012) at <http://www.nytimes.com/2004/01/06/opinion/second-thoughts-on-free-trade.html>

(Optional) For a fuller discussion of this important concept, see Suranovic, Steven M. 2007. The Ricardian Theory of Comparative Advantage,” *International Trade Theory and Policy*, Chapter 2. George Washington University and International Economics Study Center. On Sakai and on line (accessed August 15, 2012) at <http://catalog6.flatworldknowledge.com/bookhub/reader/28?e=fwk-61960-chab> ); and his blog (and a thoughtful comment on it) at <http://stevesuranovic.blogspot.com/2007/04/comparative-advantage-with-factor.html> .

*The Economist*. Survey: World Economy. September 14, 2006. Read article on “More Pain Than Gain,” pp. 12-18. On Sakai.

### -Discussion:

*What is the theory of comparative advantage, and what are the key points Suranovic makes concerning this theory as a basis for supporting free trade?*

*Do you think there are any new aspects of economic globalization today that would justify a different assessment of comparative advantage and free trade than in the past? Why or why not?*

Bring to class for discussion your notes on initial answers to these questions.

## September 13 Arguments pro and con (2): Global trade, fairness, and “fair trade”

### Readings:

Suranovic, Steve. 1997. Trade Theories and Realities: Why Economists Should Study Fairness. *Challenge* 40(5): 109-124 (September 1997). On Sakai and on line (accessed August 15, 2012) at <http://internationalecon.com/Trade/Tch125/feature1.html>.

Suranovic, Steven M. 2007. Fairness in International Trade. *International Trade Theory and Policy*, Chapter 125. George Washington University and International Economics Study Center. (Click on “Introduction to Fair Trade” and then “next” to keep going – disregard other chapter buttons on left side of page). On line (accessed August 15, 2012) at <http://internationalecon.com/Trade/Tch125/Tch125.php>

Miller, Sarah. 2005. How Fair is ‘Fair Trade’? *Global Envision*, October 26, 2005. On line (accessed August 15, 2012) at <http://www.globalenvision.org/library/15/833>

(Optional): For additional points of view see also Sarah Morrison, “Fairtrade: Is It Really Fair?” *The Independent* (London), May 6, 2012. On line (accessed August 15, 2012) at

<http://www.independent.co.uk/news/world/politics/fairtrade-is-it-really-fair-7717624.html>

-Discussion:

*Read Suranovic's first reading below on why economists should study fairness. According to him, what are the implications of free trade for distributional fairness, and what questions do they raise? Under what circumstances is it appropriate for a government policy to cause uncompensated losses to some individuals; or in other words, under what circumstances is a government policy to promote free trade (or conversely, trade protectionism) fair?*

*What are Suranovic's seven kinds of fairness (see his second article)? Which (or what combination) of these definitions seems to you most useful and appropriate to evaluate the "fairness" of trade liberalization, and why?*

*How do any of these conceptions of fairness apply to the "Fair Trade" movement? Is environmental impact (as well as income distribution) also an appropriate consideration in determining trade "fairness"? Should one seek to buy "Fair Trade" products preferentially? Why or why not?*

*Bring to class for discussion your notes on initial answers to these questions.*

September 18 **Paper due (3-5 pages)**. Compare the key points in the readings concerning the economic arguments supporting a policy of free trade and/or fair trade, then provide your own critical analysis of the strengths and limitations of these theories as justifications for reducing or increasing restrictions on global trade. Do you think there are any new aspects of economic globalization today that would justify a different assessment of free trade than in the past, or that would justify policy interventions to assure "fair trade"? Why or why not?

**September 18 Discussion: What kind of global economy would we want, and why?**

*In addition to the formal paper assigned above, bring to class a brief page for discussion answering the following questions: What would be the specific characteristics of the global economy you would want to achieve? What would a "good" global economy consist in, by what criteria and with what outcomes?*

Readings:

United Nations. 2008. Millennium Development Goals Report. Read page 4 (Overview). On line (accessed August 15, 2012) at

<http://www.un.org/millenniumgoals/pdf/The%20Millennium%20Development%20Goals%20Report%202008.pdf>

Rodrik, Dani. 2002. Globalization for Whom? *Harvard Magazine*, July-August 2002, pp. 29-31. On line (accessed August 15, 2012) at <http://harvardmag.com/pdf/2002/07-pdfs/0702-29.pdf>

Discussion:

*What would be the specific characteristics of the global economy you would want to achieve? What would a "good" global economy consist in, by what criteria and with what outcomes? To what extent can we develop a vision of a desirable global economy that we would agree on?*

*In what ways does today's global economy resemble or differ from the one we would ideally want? For instance, in what ways has globalization so far helped and/or hurt the poor? The environment? Working people? Communities? Entrepreneurial initiatives? Other values you think are important? In what ways does globalization developing countries need to be governed in order to ensure that its outcomes are beneficial?*

### **Issues in Economic Globalization (debate/discussions)**

**September 20 “Bad jobs vs. no jobs”(?): should there be global minimum standards for acceptable working conditions, or for a minimum or “living” wage, or not? Why or why not? If so, what would some of their elements be? And if not, how would you propose to deal with the consequences? (debate)**

#### **Readings:**

Oxfam International. 2004. *Trading Away Our Rights: Women Working in Global Supply Chains*. Read Summary, Introduction and Chapter 1 (“Employed, Yes – But Precariously”), pp. 3-15 (Adobe page numbers); other chapters optional as you have time and interest. On line at <http://www.maketrade-fair.com/en/assets/english/taor.pdf> (accessed August 15, 2012)

Krugman, Paul. 1997. In Praise of Cheap Labor. *The Dismal Scientist*, Slate, March 20, 1997. <http://web.mit.edu/krugman/www/smokey.html> (accessed August 15, 2012)

Miller, John. 2003. Why Economists Are Wrong About Sweatshops and the Antisweatshop Movement. *Challenge* 46:93-122 (Jan-Feb 2003), 15 pp. On line (accessed August 15, 2012) at <http://www.fordschool.umich.edu/rsie/acit/Documents/Miller-Challenge.doc>

*(Optional: one recent example)* Roberts, Dexter, and Pete Engardio. 2006. Secrets, Lies, And Sweatshops. *Business Week*, November 27, 2006. On line (accessed August 15, 2012) at [http://www.businessweek.com/magazine/content/06\\_48/b4011001.htm](http://www.businessweek.com/magazine/content/06_48/b4011001.htm)

#### **-Debate:**

*What is a “sweatshop”? If you were to visit a factory (or a farm, or other workplace), how would you decide whether it was a “sweatshop” or simply a very efficient production unit? What would you look for to tell the difference?*

*Are bad jobs better than no jobs, as Krugman argues? Is that the right question – and if not, how would you reframe it? Do people have a right to protection against workplace hazards, or a right to accept hazardous jobs if they prefer the income from them? A right to a “living wage,” or just to whatever wage an employer is willing to offer them and they are willing to accept? What requirements (if any) should be imposed to assure minimum acceptable standards of working conditions and/or wages in a global economy?*

*A large fraction of the growing industrial labor force worldwide is female: in particular, young women just emerging into adulthood. Does this phenomenon represent exploitation or opportunity for them? Why? At what point are women working in global supply chains no longer given an opportunity but subjected to injustice? What policy changes should be addressed to protect women from dangerous jobs and abusive working conditions?*

*Bring to class for discussion your notes on initial answers to these questions.*

**September 25 Child labor: should there be global standards and restrictions on child labor?**

Readings:

U.S. Department of Labor. Bureau of International Labor Affairs. 1994. Executive Summary and Overview. By the Sweat and Toil of Children. Report to Congress, Vol. I. Read pp. 1-20. On line at <http://www.dol.gov/ilab/media/reports/iclp/sweat/sweat.pdf> (accessed August 15, 2012). (Optional – for further information see a few of the case studies that follow; also five subsequent volumes contain additional details).

Pierik, Roland. 2004. Child Labor Abroad: Five Policy Recommendations. *Philosophy & Public Policy Quarterly* 24(3):9-13 (Summer 2004). On line (accessed August 15, 2012) at <http://www.publicpolicy.umd.edu/files.php/ipp/vol24summer04.pdf>

-Debate:

*Who is a child? Where do we draw the line between child work and child “labor”? What is globalization’s impact on child labor in developing and developed countries? And how does child labor affect you through the global economy?*

*Should minimum working ages be different depending on the job, the society, or the economic circumstances? What restrictions, if any, should be imposed on children in the commercial work force, and what would be the expected results?*

**September 27 Researching policy issues and home towns: Nathaniel King, UNC Library**

-Discussion questions:

*Bring to class for discussion your initial notes on how you would start to do research on a public policy topic, and/or on economic and policy changes affecting your home town. What kinds of web sites or other sources would you start with, and what kinds of information and documents would you be looking for: for an introduction to the issues and ideas about more detailed and reliable sources, for actual data and trends, for deeper understanding of the issues, for the opinions of key officials and stakeholder organizations, for ... [other kinds of important information]? What questions or criteria would you use to evaluate the quality and reliability of what you find, and to find the “real” original sources of the data others are using as evidence for their conclusions and arguments?*

Readings:

On Sakai under “Resources/Handouts,” read the handouts on  
“Evaluating Information Found on the Internet”  
“Evaluating Web Pages”  
“Evaluating Evidence”

**September 27: Extra event: The Lambeth Distinguished Lecture in Public Policy, 5:30 p.m., Gerrard Hall (Dr. Alice Rivlin) Attendance not required but strongly encouraged. Dr. Rivlin will be speaking on the current crisis in U.S. health care policy, and is one of the foremost public policy scholars and policymakers in the U.S. over the past four decades.**

**October 2      Economic globalization and the environment: a “race to the bottom,” or something else?**

Readings:

Kahn, Joseph, and Mark Landler. 2007. China Grabs West’s Smoke-Spewing Factories. *New York Times*, December 21, 2007. On Sakai and on line (accessed August 15, 2012) at [http://www.nytimes.com/2007/12/21/world/asia/21transfer.html?\\_r=2&oref=slogin](http://www.nytimes.com/2007/12/21/world/asia/21transfer.html?_r=2&oref=slogin)

Porter, Gareth. 1999. Trade Competition and Pollution Standards: “Race to the Bottom” or “Stuck at the Bottom.” *Journal of Environment Development* 8:133-151. On Sakai or at <http://jed.sagepub.com/content/8/2/133.full.pdf+html>.

Davis, Graham. 1997. Book review of *Trading Up: Consumer and Environmental Regulation in a Global Economy*, by David Vogel. *Review of International Economics* 5:284-86. On line at <http://peter.beachheadonline.com/blog/files/book%20review%20of%20Vogel%20-%20Trading%20Up%20Consumer%20and%20Environmental%20Regulation%20in%20a%20Global%20Economy.pdf>

-Debate:

*How does global economic competition affect a country's environmental policies? What are the reasons for expecting economic globalization to produce a “race to the bottom” in environmental and labor practices, and what does this term mean? What reasons would produce other outcomes, such as a use of environmental standards for protectionism? or even pressures to improve environmental practices worldwide? Which argument do you find most convincing, and why?*

**October 4      Global trade agreements and the environment: How can the environment be protected within the framework and principles of the GATT and WTO – or do those principles need to be changed, or subordinated to environmental principles? Case studies: the tuna-dolphin and shrimp-turtle controversies. (Debate)**

Readings:

World Trade Organization. The Environment: A Specific Concern. Read initial sections down through section on “eco-labeling.” On line at [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/bey2\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/bey2_e.htm) (accessed August 15, 2012)

Carman, Tim. 2012. WTO: ‘Dolphin-safe’ label discriminates against Mexico. *Washington Post*, May 16, 2012. On Sakai and on line (accessed August 15, 2012) at [http://www.washingtonpost.com/blogs/all-we-can-eat/post/wto-dolphin-safe-label-discriminates-against-mexico/2012/05/16/gIQAwNccUU\\_blog.html](http://www.washingtonpost.com/blogs/all-we-can-eat/post/wto-dolphin-safe-label-discriminates-against-mexico/2012/05/16/gIQAwNccUU_blog.html)

*(Optional)* For a more detailed summary of the WTO ruling, see WTO Appellate Ruling on ‘Dolphin-safe’ Tuna Labeling, May 16, 2012. On Sakai and on line (accessed August 15, 2012) at [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds381\\_e.htm#bkmk381abr](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds381_e.htm#bkmk381abr)

Wold, Chris, and Glenn Fullilove. 2000. Analysis of the WTO Appellate Body's Decision in *Shrimp/Turtle*. Lewis & Clark Law School, February 24, 2000. On line at [http://law.lclark.edu/clinics/international\\_environmental\\_law\\_project/our\\_work/trade\\_and\\_environment/turtle\\_briefing.php](http://law.lclark.edu/clinics/international_environmental_law_project/our_work/trade_and_environment/turtle_briefing.php) (accessed August 15, 2012)

(Optional, for additional background on global environmental resources, conditions and threats affected by economic globalization) United Nations Millennium Ecosystem Assessment (2005). *Living Beyond Our Means: Natural Assets and Human Well-being*. On line (accessed February 18, 2012) at <http://www.maweb.org/documents/document.429.aspx.pdf>

-Debate:

*What did the GATT tuna-dolphin decision, the WTO shrimp-turtle decision, and the very recent subsequent decision on “dolphin-safe” product labeling say about acceptable vs. unacceptable ways of protecting marine mammals and endangered sea turtles, and what were the basic GATT/WTO principles on which those decisions were based? What were the results and the implications of those decisions for the environment? In light of those outcomes, how can endangered and other environmental resources be protected within the framework and principles of the GATT and WTO – or do those principles need to be changed, or subordinated to environmental principles?*

*For instance, should the WTO agreement be amended to incorporate specific environmental provisions, and the WTO be required to develop environmental staff competence to enforce them, or should the trade agreements be required to defer to environmental treaties in cases of conflict; or neither?*

### **Economic Globalization and North Carolina (and your own home town)**

**Written assignment: impacts of globalization on your home community (oral presentations due October 23 and 25; written paper due October 30).** Prepare an oral presentation and brief background paper on how economic globalization has affected your own home town, and what policy strategies it has used to try to survive and thrive in this new economic context. Include both background research on your town and its economy, and at least one interview, either in person or by telephone, with a knowledgeable adult who has lived in your home town for at least a decade (town manager, economic development officer, business leader, Chamber of Commerce or local/regional government economic development staffer, ...?). Ask them at least three questions (modified in your own words, and with your own follow-up questions as you find useful): (1) what were the most important changes that have happened in your town over the past decade, (2) what role (if any) has globalization played in causing or contributing to these changes, and (3) what positive and negative impacts have resulted. Then write a paper of about 5-8 pages describing what you learned from your research and you informant, and your own perspective on the information and the interview. Start on this assignment now (don't wait till the last minute). See detailed instruction sheet on the Sakai class web site.

**October 9      Globalization's impacts on North Carolina: Dr. Jason Jolley, UNC Center for Competitive Economies**

Readings:

Rives, Karen, and Joseph Neff. 2002. News & Observer three-part series on trade and jobs in NC. News & Observer, August 18-20, 2002, p. 1A. On Sakai as single set (“High price of free trade: no end in sight for N.C. job losses,” “Survivors are nimble; shoppers are winners,” and “Leaders scramble as job losses mount”)

Rives, Karen, and Joseph Neff. 2002. Ideas begin to bubble on economic renewal. News & Observer, August 20, 2002. On Sakai.

Clemmitt, Marcia. 2012. Do tax breaks for business spur employment? CQ Researcher, Volume 22, Issue 9. On Sakai.

News & Observer. Under the Dome. 2012. N.C. delegation ‘protectionist.’ News & Observer, April 25, 2012. On line (second item in story, accessed August 15, 2012) at <http://www.newsobserver.com/2012/04/25/v-print/2022847/latest-poll-shows-gap-narrowing.html>

-Discussion:

*Read the readings. What have been the most important impacts of globalization on North Carolina, both positive and negative? Are they typical of impacts in other states and communities also?*

*Think particularly about the second Rives-Neff reading, on ideas for economic renewal, and the Clemmitt reading. The strategies being used for community economic development in the context of economic globalization generally fall within two broad categories: place-based or people-based strategies. Place-based strategies seek to help a specific geographic area such as a rural/small town in North Carolina, the Research Triangle or Piedmont Triad, or the eastern or mountain North Carolina region. These strategies may offer specific tax breaks, job-training subsidies, or other benefits to companies locating in these areas; target the development of sports stadiums or other venues in these areas to spur redevelopment; or seek infrastructure and marketing assistance to build or rebuild the economy of a particular place or region. People-based strategies focus on delivering aid directly to people in the form of educational benefits or job training. Such strategies can focus on helping people acquire the skills and mobility to find economic opportunity, even if this involves moving to another community or region.*

*What are the pros and cons of each of these types of strategy? Which do you think is a better approach for North Carolina and its local governments to invest in, and why?*

*In the last decade, North Carolina has experienced rapid population growth, yet the state's available jobs have remained stagnant. Existing residents are often competing with better skilled in-migrants for employment. In some cases, existing residents are foregoing tax revenue or paying taxes to support economic development incentives for companies hiring or relocating workers from other states. What are the advantage and disadvantages of economic growth strategies driven by external recruitment of businesses (and some kinds of workers), as opposed to strategies to “grow our own” businesses and jobs from within?*

*What are some of the apparent problems associated with economic support programs, both for places and for people? What are some possible changes or reforms that could make programs like job training or tax incentives more effective for building individual worker and community competitiveness? Should government focus on more long-term competitive measures (like maintaining high standards in infrastructure, etc.) rather than the short-term solutions discussed?*

## October 11 Migration, temporary work, and human trafficking

### Readings:

Freeman, Richard B. 2006. People Flows in Globalization. Journal of Economic Perspectives, Volume 20, Number 2, Spring 2006, Pages 145–170. On Sakai and on line (accessed February 10, 2012) at [http://www.nber.org/papers/w12315.pdf?new\\_window=1](http://www.nber.org/papers/w12315.pdf?new_window=1)

U.S. State Department. 2008. Major Forms of Trafficking in Persons. June 4, 2008. On line (accessed August 15, 2012) at <http://www.state.gov/j/tip/rls/tiprpt/2008/105377.htm>

SIPA (School of Public and International Affairs, Columbia University). 2007. *SIPA News: Trafficking and Illicit Trade*. Read pp. 2-7 (Overview and agricultural work), and 24-26 (US policy on human trafficking); other sections optional as interested. On line (accessed August 15, 2012) at [http://sipa.columbia.edu/about\\_sipa/sipa\\_publications/sipa\\_news/sipanews06.pdf](http://sipa.columbia.edu/about_sipa/sipa_publications/sipa_news/sipanews06.pdf)

(Optional) World Bank. 2011. *Migration and Remittances Factbook 2011*. See esp. Highlights, pp.ix-x. On line (accessed August 15, 2012) at <http://siteresources.worldbank.org/INTLAC/Resources/Factbook2011-Ebook.pdf>

(Optional) World Bank website on migration and remittances. Explore as interested. Accessed February 10, 2012, at <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/0,,contentMDK:21924020~pagePK:5105988~piPK:360975~theSitePK:214971,00.html>

### -Discussion:

*How is labor migration treated under the current system of trade liberalization and economic globalization? Why do governments restrict labor flows but not capital flows and trade? How does trade liberalization affect the volume of migration?*

*How does the globalization of temporary work and remittances affect workers and communities in both sending and receiving countries. Who “wins” and who “loses,” and in what ways?*

*What conditions contribute to the spread of illicit human trafficking? Does globalization help cause these conditions? What policies and international efforts can/should be made to combat the negative effects of globalization as it pertains to human trafficking?*

*Why not remove all national barriers to human migration, as the GATT and WTO seek to do for more and more other factors of economic production (goods and services, and finance)? Or should we tighten controls on transboundary migration even further – and if so, in what ways?*

## October 16 Globalization and your home town: preparatory discussion

### Readings:

Read the detailed instructions for your hometown research assignment (under “Assignments” on Sakai). Bring to class a brief statement of who you plan to interview for this assignment and why they might be especially knowledgeable about its changes in the context of economic globalization. Also bring a draft list of the questions you would ask when interviewing about the effects of globalization on your community, and any other questions you want to discuss in class about how to approach this research.

- Discussion and interview preparation:

*If you were to ask someone how your community – or another community that you know well – had changed over the past ten years, what would you think of? What would you look for? What kinds of changes are important to a community? Changes in businesses, in jobs, in overall economic growth or decline? In its appearance, or in the locations and ownership of its businesses? Changes in the community's population, either increasing or decreasing, in their incomes and wealth, in what mix of people are there, and in how they are supporting themselves? Changes in the quality of schools and other public services? Changes due to the recent and still-emerging financial events, both on Wall Street and in Washington and in the related world economy? Others?*

*What kinds of impacts would you expect economic globalization to be having on these sorts of changes in American communities, such as your own? How would globalization influence them? And what forces other than globalization might also be causing or contributing to these changes? Corporate restructuring, mergers and acquisitions, “downsizing,” computerization and robotization and info technology, others? Current economic events and its developing history over the past few years? Competition from other states or local governments within the United States? Are these forces all parts of globalization, or separate from it?*

*Finally, how would you explain to such a person what you are asking them about so that they could give you good answers and examples? [In class you will be asked to interview each other on these sorts of questions, as practice.] How would you introduce yourself and your request for information? What initial explanation would you provide about how you are defining globalization and what kinds of information you are seeking? How would you frame your main questions, and what would you use as more detailed “prompts” (to clarify if they don't immediately understand your initial questions) and follow-up questions (to get more details)? How would you avoid “leading questions,” to be sure you are getting their perceptions and information and judgments and not merely a reflection of your own? And how would you keep clear distinctions between their answers and your own judgments in summarizing and reporting the results?*

**October 18**     **No class (fall break)**

**October 23**     **Impacts of globalization on your home town (1)**

-Discussion:

*Come prepared to discuss and compare your interview findings in class on impacts of globalization on your own home town (2-3 Powerpoint slides; written assignment due Tuesday, October 30). Also post a copy on the class's Sakai web site for other class members to read.*

**October 25**     **Impacts of globalization on your home town (2)**

Discussion:

*Finish presentations on globalization impacts on your home towns.*

**October 30**     **Paper due: impacts of globalization on your home town, and its strategies for adapting**

**October 30**     **A different perspective: impacts of economic globalization on China (guest: Mr. Tom Martineau, economic consultant on China, UNC System China Liaison, and president, North Carolina China Center)**

Readings:

Canadian Broadcasting Corporation. 2006. China's economic miracle: the high price of progress. CBC News Online | April 20, 2006. On line (accessed August 15, 2012) at <http://www.cbc.ca/news/background/china/>

Organization for Economic Cooperation and Development (OECD). 2005. Chronology of economic reforms in China. OECD Economic Survey of China, 2005. On Sakai.

Dollar, David. 2007. Poverty, inequality and social disparities during China's economic reforms. *An excellent study for more details on China's modern economic evolution.* On line (accessed August 15, 2012) at [http://china.usc.edu/App\\_Images/Dollar.pdf](http://china.usc.edu/App_Images/Dollar.pdf)

Hackel, Joyce. 2012. Why Chinese factory workers don't covet your iPad. Radio interview with Leslie Chang, BBC's The World, March 27, 2012. On line (accessed 10-29-2012) at <http://www.theworld.org/2012/03/why-chinese-factory-workers-dont-covet-your-ipad/>

(Optional) An Alternative Look at China's Labor Markets. *Wall Street Journal*, ChinaRealTimeReport (blog), October 22, 2012. On line (accessed 10-29-2012) at <http://blogs.wsj.com/chinarealtime/2012/10/22/an-alternative-look-at-chinas-labor-markets/>

(Optional) Chow, Gregory C. 1999. China's Economy: Reform and Perspectives. *A lengthier study for more details on China's modern economic evolution.* On Sakai and on line (accessed August 15, 2012) at <http://www.princeton.edu/~gchow/China.html>

-Discussion:

*What does globalization look like from the perspective of those who live in a rapidly industrializing country such as China, and of their government, workers, businesses and communities? How have their history, economy, and government policies led them into the place they now occupy in the global economy? How are globalization and outsourcing affecting jobs and wages in their economy, and in what ways? Is manufacturing for export to multinational corporations improving the lives of workers and the environment in these countries, or exploiting them? Are such countries competing fairly by exploiting their comparative advantages in low labor costs and natural resource endowments (and increasingly, technological modernization as well), or are they taking good jobs away from places like North Carolina by exploiting working conditions, environmental damage and/or other factors that would not be permitted in the U.S.?*

**Fair and sustainable globalization: Strategies for influencing and achieving a "good" global economy (student presentations/papers)**

**November 1 Presidential policies toward global trade, workers and the environment: What would President Obama or a President Romney do?**

Readings:

Palmer, Doug. 2012. Analysis: Rhetoric aside, Obama and Romney not far apart on trade. Chicago Tribune, August 16, 2012. On line at <http://www.reuters.com/article/2012/08/16/us-usa-campaign-trade-idUSBRE87F11420120816>

Lowrey, Annie. 2012. Obama Vow on Exports Is on Track, With Help. *New York Times*, January 20, 2012. On line (accessed August 15, 2012) at <http://www.nytimes.com/2012/01/21/business/us-on-track-to-meet-goal-of-higher-exports.html>  
See also <http://www.mittromney.com/issues/trade>

Harwood, John. 2012. The Electoral Math of Romney's Stance on Trade With China. *NYTimes*, March 22, 2012. [http://www.nytimes.com/2012/03/23/us/politics/mitt-romneys-stance-on-china-trade.html?\\_r=2&scp=1&sq=electoral%20math%20romney%20china&st=Search](http://www.nytimes.com/2012/03/23/us/politics/mitt-romneys-stance-on-china-trade.html?_r=2&scp=1&sq=electoral%20math%20romney%20china&st=Search)

(Optional) Karol, David. 2012. Congress, the President, and Trade Policy in the Obama Years. Conference paper, Woodrow Wilson Center, March 19, 2012. An excellent paper; see especially pp. 14-19 on Obama's policies. On line at <http://www.wilsoncenter.org/sites/default/files/KarolPaper.pdf>

*-Discussion:*

*Where does each potential candidate stand on trade policies and their effects on workers, the environment, and other impacts? How do the candidates' stances differ from one another, if at all? Will their beliefs affect election results? How will the candidates' positions likely affect our future if elected?*

**November 6 Corporate social responsibility initiatives and voluntary codes of conduct: Friedman vs. alternative positions**

Readings:

Friedman, Milton S. 1970. The Social Responsibility of Business is to Increase Its Profits. *New York Times Magazine*, September 13, 1970. *On Sakai*.

Hamann, Ralph. 2009. Report on Reports: Protect, Respect and Remedy: A Framework for Business and Human Rights. *Environment* 51(3): 52-56. *On Sakai*.

World Business Council for Sustainable Development. 2000. *Corporate social responsibility: making good business sense*. Read pp. 8-11. On line (accessed August 15, 2012) at <http://www.wbcasd.org/Pages/EDocument/EDocumentDetails.aspx?ID=83&NoSearchContextKey=true>

(Optional) United Nations. Universal Declaration of Human Rights. <http://www.un.org/en/documents/udhr/> and its history at <http://www.un.org/en/documents/udhr/history.shtml> (Note especially Articles 23 and 24).

(Optional) UN International Labour Office (UNILO). 1998. ILO Declaration on Fundamental Principles and Rights at Work. Summary available on line (accessed August 15, 2012) at [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_095898.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_095898.pdf)

(Optional) United Nations Economic and Social Council (ECOSOC). Commission on Human Rights. 2006. *Promotion and Protection of Human Rights: Interim report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises*. Report No. E/CN.4/2006/97, 22 February 2006. See especially paragraphs 1, 9-16, 20-30. On line (accessed August

15, 2012) at <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G06/110/27/PDF/G0611027.pdf?OpenElement>

-Discussion:

*Would you agree with Friedman that for businesses in a global economy, “there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception of fraud?” Or would you argue that businesses have any additional responsibilities beyond Friedman’s principles (consider for instance Hamann’s article, and the various United Nations declarations it references)? If so, what, and why? If not, why not? Bring to class written notes on your own initial answers to these questions.*

*If you agree with Friedman, how would you explain and justify the WBCSD’s position, an organization made up of leading business executives?*

*Finally, in light of this debate, what are the strengths and limitations of relying on voluntary private-sector “corporate social responsibility” commitments to protect workers, communities and the environment, such as “codes of conduct” or corporate voluntary commitments to UN or other codes of conduct?*

**November 8 Labeling and Third-party codes of conduct and certification: Are consumers responsible for the impacts of making their products, and if so, can they affect them?**

Readings:

Shue, Henry. 1981. Exporting Hazards. From *Boundaries: National Autonomy and Its Limits*, edited by P. Brown and Henry Shue. New Jersey: Rowman and Littlefield. Excerpted in *Law and Ethics in the Business Environment*, edited by Terry Halbert and Elaine Ingulli, West Legal Studies in Business, 2000. *On Sakai*.

Pedersen, Esben Rahbek, and Peter Neergaard. 2006. Caveat emptor – let the buyer beware! environmental labelling and the limitations of ‘green’ consumerism. *Business Strategy & Environment* 15:15-29. *On Sakai*.

Collegiate Licensing Consortium. 2000. *CLC Special Agreement Regarding Labor Codes of Conduct* (January 2000 Document). Read pp. 1, 6-8. *On Sakai*.

Elliott, Kimberley Ann, and Richard B. Freeman. 2003. Vigilantes and Verifiers. Chapter 3 in their *Can Labor Standards Improve Under Globalization?* Washington, DC: Institute for International Economics. See esp. pp.49-58. On line (accessed April 15, 2012) at [http://www.iie.com/publications/chapters\\_preview/338/3iie3322.pdf](http://www.iie.com/publications/chapters_preview/338/3iie3322.pdf)

*(Optional: examples of the effectiveness of consumer activism campaigns)* Elliott, Kimberley Ann, and Richard B. Freeman. 2003. Globalization and Labor Standards in Action. Chapter 6 in their *Can Labor Standards Improve Under Globalization?* Washington, DC: Institute for International Economics. On line (accessed August 15, 2012) at [http://www.iie.com/publications/chapters\\_preview/338/6iie3322.pdf](http://www.iie.com/publications/chapters_preview/338/6iie3322.pdf)

*(Optional) Equator Principles. (A code of conduct now required by a group of major international banks as a condition for their making loans for business projects). On line*

(accessed August 15, 2012) at [http://www.equator-principles.com/resources/equator\\_principles.pdf](http://www.equator-principles.com/resources/equator_principles.pdf)

-Discussion:

*Do you agree or disagree with Henry Shue's statement that we as American consumers are responsible for preventing harms to workers and the environment that are associated with the products we buy? Why or why not? Bring to class an initial list of your reasons for taking the position you propose to take.*

*What kinds of labeling can be used to allow (and perhaps motivate) consumers to make choices that lead to better protection of the environment, working conditions, and other social consequences of production in a global economy? How do different kinds of labeling work to affect these outcomes? What issues are involved in designing effective labels? How can effective labels be distinguished from "greenwashing"?*

*How effective can third-party codes of conduct be? What conditions are necessary for them to be successful (a) on their own terms, and (b) to leverage broader behavior change by businesses to protect workers, communities, and the environment? What strategies might make them effective, and what are the opportunities and constraints for introducing and disseminating these strategies?*

*Case study: codes of conduct by universities for suppliers of university-logo products, including UNC, Duke, and many others. Do we as consumers – or universities as the sponsors of their own "brand" logos – bear any responsibility for the conditions under which products from which we benefit are produced? What roles can universities effectively play, and what influence can they have, on labor and industrial practices of their suppliers?*

## **November 13 Supply chain mandates**

Readings:

(Review) Gereffi, Gary; Humphrey, John; and Timothy Sturgeon. 2005. The Governance of Global Value Chains. *Review of International Political Economy* 12:78–104. Read pp.82-90; and read or skim 90-100 as interested. On Sakai.

Schell, Orville. 2011. How Walmart is Changing China. *The Atlantic*, December 2011.

Kroll, Andy. 2012. Walmart Wants You to Believe It Is Changing the World. Just One Problem: China. *Mother Jones*, March/April 2012, pp. 36-44. On Sakai.

The Economist. 2012. Do campaigns for "ethical supply chains" help workers? March 31, 2012. On line at <http://www.economist.com/node/21551498>.

*(Optional: a recent case study of Apple manufacturing in China).* Duell, Mark. 2012. Inside the Chinese Factories Making iPads for Apple. *Daily Mail*, 27th January 2012. <http://www.dailymail.co.uk/news/article-2092277/Apple-Poor-working-conditions-inside-Chinese-factories-making-iPads.html>

-Discussion:

*Are supply-chain mandates an effective way of improving businesses' treatment of workers, communities, and the environment? If so, under what conditions? Why should big business customers care how their suppliers (and their subcontractors) operate, so long as they get quality product delivered at the lowest possible prices? What conditions would have to be in*

place for supply-chain mandates to work effectively, and what are the likely characteristics of kinds of companies that would be most likely – and those least likely – to satisfy these conditions? If supply chain mandates are not likely to be effective, or if only for a few kinds of companies, what would have to be done to motivate others to achieve these goals? What specific changes in public policies, incentives, stakeholder pressures (from what stakeholders?), or other factors might have a chance of improving their performance?

**November 15 Supply chain mandates (Guest: Dr. Andrew Hutson, founding director of the Environmental Defense Fund – WalMart partnership for greening its global supply chain)**

**November 20 Consumer initiatives: The Designated Supplier Program**

Readings:

Greenhouse, Steve. 2006. Factory Defies Sweatshop Label, But Can It Thrive? *New York Times*, July 17, 2010. On line (accessed August 15, 2012) at <http://www.nytimes.com/2010/07/18/business/global/18shirt.html> (follow-up story: see also <http://altagraciaapparel.com/>)

Gaus, Mischa. 2006. Students vs. Sweatshops, Round III; The Designated Supplier Program targets college clothing companies. *International Labor Rights Forum*, July 31, 2006. On line (accessed August 15, 2012) at <http://www.laborrights.org/creating-a-sweatfree-world/sweatshops/news/11153>

Duke Agrees to Reduce the Number of Factories Producing Duke Merchandise. *Duke Today*, February 13, 2006. On line (accessed August 15, 2012) at <http://today.duke.edu/2006/02/sweatshop.html>

UNC-CH Student Action With Workers. 2008. Designated Supplier Program Campaign. On line (accessed August 15, 2012) at <http://uncsaw.wordpress.com/dsp-campaign/>.

Pride in Ethical Apparel. *Daily Tar Heel*, March 1, 2012; and letter to the editor responding, March 12, 2012. On line (accessed August 15, 2012) at [http://www.dailytarheel.com/index.php/article/2012/03/pride\\_in\\_ethical\\_apparel](http://www.dailytarheel.com/index.php/article/2012/03/pride_in_ethical_apparel) and [http://www.dailytarheel.com/index.php/article/2012/03/unc\\_uses\\_fair\\_standards\\_to\\_produce\\_merchandise](http://www.dailytarheel.com/index.php/article/2012/03/unc_uses_fair_standards_to_produce_merchandise)

Levi, Margaret. 2011. Institutional Consumers. *Boston Review*, November/December 2011. On line (accessed August 15, 2012) at [http://bostonreview.net/BR36.6/ndf\\_margaret\\_levi\\_ethical\\_consumption.php](http://bostonreview.net/BR36.6/ndf_margaret_levi_ethical_consumption.php)

-Discussion:

What is the “designated supplier program?” Duke and more than a few other universities have adopted it; UNC has not – should it? Why or why not? Shouldn’t UNC be leading even more aggressively, since in most years it is the #1 university nationally in revenues from university-logo product sales? Or not?

What influence can a university like UNC, and its students, have on business practices by selective consumerism in its institutional purchasing? UNC already does selective purchasing for

*recycled paper, for energy-efficient products, and for some other products: why not also for products whose manufacturers are demonstrably committed to beneficial labor and environmental practices?*

**November 22** No class (*Thanksgiving holiday*)

**November 27** Government subsidies, sanctions and “dumping”

Readings:

World Trade Organization. (n.d.) Anti-dumping, subsidies, safeguards: contingencies, etc. Read at least the initial web page sections on “anti-dumping actions” and on “Subsidies and countervailing measures” (~3 pp.); click to read more if you have time and interest. On line at [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/agrm8\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm8_e.htm)

Shrimp dumping case study (*a series of articles combined in one reading*). On Sakai.

Hart, Melanie. 2012. Must-read Brief on China-U.S. Solar Trade Issue (~9 pp.). An excellent piece, worth reading. On line at <http://cleantechnica.com/2012/02/10/must-read-brief-on-china-u-s-solar-trade-issue/>

“Andrew”. 2012. Dumping Solar: The Case for CASE, Solar Growth and China’s Subsidies (~3 pp.). On line at <http://cleantechnica.com/2012/01/26/dumping-solar-the-case-for-case-solar-growth-and-chinas-subsidies/>

*-Discussion:*

*What is “dumping,” and what principles do the GATT and WTO provide for accurately identifying and legitimately responding to it?*

*Shrimp case: Did Southeast Asian shrimp imports represent a legitimate case of dumping? Did the Byrd law and the U.S. countervailing duties and sanctions represent a legitimate response? Why or why not? What were the implications of this controversy for workers? For the environment?*

*Solar case: Do China’s solar panel exports to the U.S. represent a legitimate case of dumping? Did the U.S. countervailing duties and sanctions represent a legitimate response? Why or why not? What were the implications of this controversy for workers? For the environment? How has the alleged “dumping” – and Chinese subsidies more generally – affected the U.S. solar industry? How might U.S. “countervailing measures” – and the U.S.’s own subsidies for its solar industry – affect the U.S. solar industry?*

*Bring to class your own initial written notes responding to these questions.*

**November 29** Government regulations and fees: the EU airline carbon fee case

Readings:

Schmidt, Jake. 2012. How the European Program to Reduce Carbon Pollution from Aviation Works. NRDC blog. On line (accessed August 15, 2012) at [http://switchboard.nrdc.org/blogs/jschmidt/how\\_the\\_european\\_program\\_to\\_re.html](http://switchboard.nrdc.org/blogs/jschmidt/how_the_european_program_to_re.html)

BBC. 2011. EU airline carbon tax backed by European Court, BBC 12-21-2011;

BBC. 2011. Court adviser says EU airline carbon cap would be legal, BBC 10-6-2011;

BBC. 2007. Q&A: Aviation emissions. BBC 8-20-2007. *All on Sakai electronically at [EU airline carbon tax backed by European Court.docx](#)*

Kanter, James. 2012. Europe Stands Firm on Airline Emissions Raising Fears of a Trade Conflict. *New York Times*, 1-6-2012.docx. *On Sakai*.

Kramer, Andrew. 2012. Opponents to European Airline Emissions Law Prepare Their Countermeasures. *New York Times*, 2-23-2012.docx. *On Sakai*.

Reuters. EU Airline Carbon Tax Plan Opponents Look To U.N. For Alternative. Posted: 08/02/2012. On line (accessed August 15, 2012) at [http://www.huffingtonpost.com/2012/08/02/eu-airline-carbon-tax\\_n\\_1732296.html](http://www.huffingtonpost.com/2012/08/02/eu-airline-carbon-tax_n_1732296.html)

-Discussion:

*Is the EU within its rights to require an airline landing or taking off in Europe to acquire permits/carbon credits corresponding to the amount of greenhouse gases emitted during the entire flight – regardless of where it originated or ended or the nationality of the airline? Is this an example of illegal extra-territoriality, or is this a legitimate policy initiative by the EU to address its own responsibilities (and perhaps the world's as well) to reduce carbon emissions? What are the key issues involved?*

*Is there a better way of addressing the need to reduce carbon emissions from the airline industry? What options might work, what are their strengths and limitations, and how might they be introduced?*

*Should international trade agreements be extended to include negotiations over environmental policy?*

**December 4** *All papers due, if not already submitted*

**December 4** **Last class: Emerging trends and the future of economic globalization; review and other issues**

*- Discussion (1):*

*What changing trends can we identify today that might most significantly shape the future evolution of economic globalization? Consider for instance the four visions presented in today's readings, and their potential implications for the future of workers, communities, and the environment in the global economy.*

*Do you think Friedman's optimism is justified that the U.S. can "thrive" in the world he envisions, if we just do the things he recommends in his final paragraph? What other policies (if any) would need to be addressed in order for it to do so?*

*What additional policies would be needed to make Friedman's world environmentally sustainable, in the face of the current trends that Speth identifies? How will the predicted wave of robotization affect work worldwide? Would the "Robin Hood tax" be a good idea, or not – what would be its pros and cons?*

*- Discussion (2):*

*Looking back over the class, what have we learned, what have we missed, what would you do differently for next year's class?*

Readings:

Friedman, Thomas. 2012. Made in the World. *New York Times*, January 28, 2012. On line at <http://www.nytimes.com/2012/01/29/opinion/sunday/friedman-made-in-the-world.html>

Speth, James Gustave. 2008. Global Warming and Modern Capitalism. *The Nation*, October 6, 2008. On line at <http://www.thenation.com/article/global-warming-and-modern-capitalism>

Markoff, John. 2012. Skilled Work Without the Worker. *New York Times*, August 19, 2012. On Sakai and on line (accessed August 19, 2012) at <http://www.nytimes.com/2012/08/19/business/new-wave-of-adept-robots-is-changing-global-industry.html?hp>

Greenhouse, Steve, and Graham Bowley. 2011. The Robin Hood Tax. *New York Times*, December 6, 2011. On line (accessed August 15, 2012) at <http://www.nytimes.com/2011/12/07/business/global/micro-tax-on-financial-trades-gains-advocates.html?scp=1&sq=robin%20hoodtax&st=Search>