

Sociology 589
The Sociology of Development and Global Capitalism
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Fall 2004

Local Economies in an Age of Global Capitalism

This graduate-level course covers an area that is conventionally known as the sociology of development. This course, however, differs from a traditional course in development in that I am attempting here to synthesize a number of different literatures into an integrated perspective that focuses on local economies in an age of global capitalism. I describe these literatures below.

In the late nineteenth and early twentieth centuries, the founders of social science were deeply involved in analyzing the social, political, and economic changes that they observed in their own societies. Most theoretical perspectives about transformative changes, which include economic growth and transformation, date from this formative period. These perspectives include neo-classical economics; two strains of Marxian analysis, one emphasizing political economy of nation states and the other emphasizing global dimensions of capitalism; a Durkheimian interpretation that economic action rests on social norms; and a Weberian view of the historical development and diffusion of Western capitalism.

Despite the continuing currency of these early perspectives, the sociology of development, as a defined area of study, dates only from the post World War II era. Starting from this period, we have gone through two and have entered a third "climate of opinion." Each climate of opinion contains a "circle of discourse" that connects what is perceived to be happening in the world to how theorists representing different perspectives analyze social, political, and economic changes. The task of the course is to recognize the sociology of theorizing the global economy, even as we try to engage in the theoretical effort ourselves.

Using a comparative, historical perspective to examine both a changing world and changing views of the world, we will outline theoretical developments in the first two periods, and then examine in depth those in the current period. In the first period immediately following World War II, a period in which the cold war developed, a number of sociologists and economists began systematically to investigate Third World societies--societies outside the capitalist and communist worlds. These observers mainly argued for a theory of inevitable endogenous change toward capitalist development and political democracy; this theory became known as modernization theory.

In the 1960s, with the outbreak of the Vietnam War and of many mass movements, social theorists turned towards Marxian analysis and historical, comparative sociology in order to decipher the changing world as then perceived. In this period, development theorists began passionately to argue for critical, trans-societal views of global change. This line of theorizing encompasses both world systems theory and theories of dependent development. Although overlapping at first and engaged in a mutual deliberative discourse, these two sets of theories were then in tension with each other and have since diverged.

In the last two decades, first with the rapprochement of the communist and

capitalist worlds and then with the collapse of communism as a state system and of Marxism as a viable political ideology, the sociology of development is in process of changing in decisive ways. No clear consensus about the best ways to conceptualize economic change has emerged. In fact, quite to the contrary, there now exist several theoretical perspectives on global and local development that do not seem to be “talking to each other.” With this course, I hope to begin a conversation among competing multidisciplinary perspectives of the current state of global capitalism and local development and the relation between the two.

This class is designed primarily as a reading course with an aim to generate a comprehensive annotated bibliography of the competing perspectives. I should stress the word “annotated.” I want each person to develop a substantial annotated bibliography of material that you have read, summarized in writing, and distributed to the class. At the end of the quarter, we will all have the benefit of each person’s work.

I like classes with a lot of student participation, and therefore I have designed this class to solicit your participation. I will take charge of the readings and discussion in the first two weeks of the quarter. The remaining period will be divided among members of the class. The topic for the week you select will also be the topic of your annotated bibliography. All bibliographies are due the final week of class so that they can be distributed to everyone in the last class period. In week you select, I will want you to lead class discussion of the readings, summarize to the class what you found in the literature relevant to your topic, and to pass out an annotated bibliography. (I should add that I will prepare some introductory remarks every week to get us started, and then I will turn it over to you.) In the early weeks of the course, that bibliography will be rather brief, because you will not have had time to do all the readings and to prepare summaries. In the final weeks of the quarter, your bibliography should be approaching its final form, and thus will be longer.

There is one other important thing to tell you. You will see an extensive list of readings. For each class period, the entire class will read in common one article-length reading, which is marked with an asterisk below. The remainder of the readings for that week will be divided up among students who are not discussion leaders for that week; they will be asked to summarize their own reading in class. The discussion leaders should read all of the readings for their assigned week. Therefore, each week, with the exception of the week you are to present, you will be responsible for reading no more than two items, one of which will be article length. This approach should give you time to work on your final bibliography. This bibliography should be 15 to 25 pages in length. It is my hope that when you leave this class you will have a lengthy, useful, and multidisciplinary bibliography on the global economy.

Class participation and your final bibliography will be the basis for your final grade.

Week One (September 30): Early Theoretical Perspectives:

I will be discussing the following theoretical perspectives and their principal theorists as they relate to national and global levels of economic development.

Adam Smith and the general lineage of classical and neoclassical economists
Karl Marx and J.A. Hobson and the tradition of national capitalism and global economic development

Institutional economists: Thorstein Veblen and William Graham Sumner
Emile Durkheim and the other advocates of a moral economy
Max Weber and advocates of historicist and diffusionist interpretations of
Western capitalism

Week Two (October 7): Modernization Theory: The First Climate of Opinion.

1. *Karl Polanyi. 1957. "The Economy as Instituted Process." Pp. 243-269 in *Trade and Market in the Early Empires*, Karl Polanyi, et.al. (eds.) Chicago: Henry Regnery Company.
2. Neil Smelser. 1963. "Mechanism of Change and Adjustment to Changes." Pp. 32-54 in *Industrialization and Society*, edited by B.F. Hoselitz and W.E. Moore. UNESCO: Mouton.
3. W.W. Rostow. 1956. "The Take-off into Sustained Growth." *Economic Journal* Vol. 66, No. 261 (March), pp. 25-48.
4. Reinhard Bendix. 1967. "Tradition and Modernity Reconsidered." *Comparative Studies in Society and History* 9 (April): 292-346.

Week Three (October 14): Globalizing Theories of Development in the Second Climate of Opinion: The Key Works

1. *Immanuel Wallerstein: 1974. "The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis," *Comparative Studies in Society and History* 16:387-415.
2. Immanuel Wallerstein, 1974. *The Modern World System: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century*. Academic Press.
3. Fernand Braudel. 1967-1979. *Civilization and Capitalism 15th-18th Century*. Three Volumes. New York: Harper & Row.
4. Fernand Braudel. 1977. *Afterthoughts on Material Civilization and Capitalism*. Baltimore: Johns Hopkins University Press.
5. Robert Brenner. 1977. "The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism." *New Left Review* 104, pp. 25-92.

Week Four (October 21): The Key Works in the Second Climate of Opinion: Political Economy Theories of National-level Economic Development, including Dependent Development.

1. *Theda Skocpol. 1973. "A Critical Review of Barrington Moore's *Social Origins of Dictatorship and Democracy*." *Politics and Society* 4, 1:1-34.
2. Barrington Moore, Jr. 1966. *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World*. Beacon Press.
3. Robert Brenner. 1976. "Agrarian Class Structure and Economic Development in Pre-Industrial Europe," *Past and Present* 70: 30-75.
4. T.H. Aston and C.H.E. Philpin (eds.), *The Brenner Debate, Agrarian Class Structure and Economic Development in Pre-industrial Europe*. Cambridge: Cambridge University Press, 1985.

5. Andre Gunder Frank. 1966. "The Development of Underdevelopment." *Monthly Review* 18, 4 (September)
6. Fernando Henrique Cardoso and Enzo Faletto. 1979. *Dependency and Development in Latin American*. University of California Press.
7. Peter Evans. 1979. *Dependent Development: The Alliance of Multinational, State, and Local Capital in Brazil*. Princeton, NJ: Princeton University Press.

Week Five (October 28): Current Climate of Opinion: National Economies and International Trade

1. *Robert C. Feenstra. 1998. Integration of Trade and Disintegration of Production in the Global Economy. *Journal of Economic Perspectives* 12, 4 (Fall), pp. 31-50.
2. Douglass C. North and Robert Paul Thomas. 1973. *The Rise of the Western World: A New Economic History*. Cambridge: Cambridge University Press.
3. Alfred D. Chandler, Jr. 1977. *The Visible Hand*. Cambridge, Mass.: Harvard University Press.
4. Deepak Lal. 1985. *The Poverty of "Development Economics"*. Cambridge, Mass.: Harvard University Press.
5. Oliver E. Williamson. 1985. *The Economic Institutions of Capitalism*. New York: The Free Press.
6. World Bank. 1993. *The East Asian Miracle*. New York: Oxford University Press.
7. John Harriss, Janet Hunter, and Colin M. Lewis. 1995. *The New Institutional Economics and Third World Development*. London: Routledge.
8. Paul Krugman. 1996. *Pop Internationalism*. Cambridge, Mass.: MIT Press
9. Joseph E. Stiglitz. 2002. *Globalization and Its Discontents*. New York: W.W. Norton.
10. Richard N. Langlois. "The Vanishing hand: The Changing Dynamics of Industrial Capitalism." *Industrial and Corporate Change* 12, 2 (April) pp. 351-385.

Week Six (November 4): Strong States and Dependent Development: Applications in East Asia.

1. *Peter B. Evans and John D. Stephens. 1988. "Development and the World Economy," in Neil Smelser (ed.). *The Handbook of Sociology*. Sage Publications.
2. *Bruce Cummings. 1984. "The Origins and Development of the Northeast Asian Political Economy: Industrial Sectors, Product Cycles, and Political Consequences." *International Organizations* 38: 1-40.
3. Alice Amsden. 1989. *Asia's Next Giant*. Oxford University Press.
4. Robert Wade. 1990. *Governing the Market*. Princeton University Press.
5. Evans, Peter, 1995. *Embedded Autonomy: States and Industrial Transformation*. Princeton, NJ: Princeton University Press.
6. Meredith Woo-Cumings (ed.). 1999. *The Developmental State*. Ithaca: Cornell University Press.

Week Seven (November 11): Embedded Capitalism: Economic Sociology, Institutions, and Economic Development

1. *Biggart, Nicole Woolsey and Mauro F. Guillén, 1999, "Developing Difference: Social Organization and the Rise of the Auto Industries of South Korea, Taiwan, Spain and Argentina," *American Sociological Review*, 64, October, 722-747.
2. Mark Granovetter: "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91 (1985): 481-510.
3. Gary G. Hamilton and Nicole Woolsey Biggart. 1988. "Market, Culture, and Authority: A Comparative Analysis of Management and Organization in the Far East." *American Journal of Sociology* 94 (1988, Supplement):52-94.
4. Hollingsworth, J. R. and Robert Boyer (eds.). 1997. *Contemporary Capitalism. The Embeddedness of Institutions*. Cambridge: Cambridge University Press.
5. Whitley, Richard D.1999. *Divergent Capitalisms: The Social Structuring and Change of Business Systems*. New York: Oxford University Press.
6. Mauro F. Guillén. 2001. *The Limits of Convergence: Globalization and Organizational Change in Argentinian, South Korea, and Spain*. Princeton: Princeton University Press.
7. Quack, Sigrid, Glen Morgan, and Richard Whitley (eds.). 2000. *National Capitalisms, Global Competition, and Economic Performance*. Amsterdam: John Benjamins Publishing Company. \

Week Eight (November 18): Flexible Specialization and the Geographies of World Capitalism

1. *AnnaLee Saxenian. 1996. "Inside-Out: Regional Networks and Industrial Adaptation in Silicon Valley and Route 128" *Cityscape: A Journal of Policy Development and Research* 2, 2, (May).
2. *Saxenian, Anna Lee. 1999a. "Comment on Martin Kenney and Urs Van Burg "Technology, Entrepreneurship, and Path Dependence: Industrial Clustering in Silicon Valley and Route 128." *Industrial and Corporate Change* 8, 1, 1999
3. *Martin Kenney and U. von Burg. 1999. "Technology, Entrepreneurship and Path Dependence: Industrial Clustering in Silicon Valley and Route 128." *Industrial and Corporate Change*. 8, 1: 67-103
4. Piore, Michael J. and Charles F. Sabel. 1984. *The Second Industrial Divide: Possibilities for Prosperity*. New York: Basic Books.
5. David Harvey. 1989. *The Condition of Postmodernity*. Oxford: Blackwell
6. Saxenian, Anna Lee, 1994, *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*. Cambridge, Massachusetts: Harvard University Press.
7. Michael Storper. 1997. *The Regional World. Territorial Development in a Global Economy*. New York: The Guilford Press.
8. Manuel Castells. 1996. *The Information Age. Economy, Society, Culture*. 3

volumes. Oxford: Blackwell.

9. Peter Dicken. 2003. *Global Shift. Reshaping the Global Economic Map in the 21st Century. 4th Edition.* New York: The Guilford Press.
10. Steven P. Vallas. 1999. "Rethinking Post-Fordism: The Meaning of Workplace Flexibility." *Sociological Theory* 17:1 (March):68-101.

Week Nine (November 30??): Global Commodity Chains, Global Production, Global Markets

1. *Gereffi, Gary, 1994, "The International Economy and Economic Development." Pp. 206-233 in *The Handbook of Economic Sociology*, edited by Neil Smelser and Richard Swedberg. Princeton: Princeton University Press.
2. Gary Gereffi and Miguel Korzeniewicz (eds.), 1994, *Commodity Chains and Global Capitalism*, Westport, Connecticut: Praeger.
3. Edna Bonacich, Lucie Cheng, Norma Chinchilla, Nora Hamilton, and Paul Ong (eds.). 1994. *Global Production: The Apparel Industry in the Pacific Rim*, Philadelphia: Temple University Press.
4. Gary Gereffi, John Humphrey, and Timothy Sturgeon. "The Governance of Global Value Chains: An Analytic Framework." *Review of International Political Economy* (Forthcoming)
5. David G. McKendrick, Richard Doner, and Stephan Haggard. 2000. *From Silicon Valley to Singapore: Location and Competitive Advantage in the Hard Disk Drive Industry*. Stanford: Stanford University Press.
6. Misha Petrovic and Gary G. Hamilton. Unpublished paper.

Week Ten (December 2): Synthesis

No additional reading