

**GIA/UAP 5034  
Spring 2006**

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**Course Syllabus**

**DEMOCRATIC GOVERNANCE OF THE ECONOMY**

Economic relationships are central to the way that a society produces and distributes the things it makes and to every aspect of the way that people live. More specifically, the organizational forms that workplaces take, and the relations that are embedded in the structure of workplaces, can enhance or virtually deny the workers in them the opportunity for autonomy, creativity and dignity in their everyday efforts to earn a livelihood. The purpose of this course is to help the student to understand how variously structured work systems enhance or detract from human rights and democracy in society at large.

This course takes an international and comparative perspective on workplace and economic relations around the world. As economies and workplaces do not arise in a vacuum but rather develop in specific interaction with states and indeed require numerous laws to define and protect their property and to sustain their contracts and exchanges (including their contracts with labor), this course will also examine the interface between state institutions and economic organizations, especially where government prescriptions and processes impede or extend democratic governance of the economy.

Over the past two decades, the economies and workplaces in the US and in much of the world have seen dramatic changes. The increasing capacity of capital to migrate internationally in itself has brought substantial changes to the production (and consumption) process. Concomitantly, automation and the transformation of modern economies from a manufacturing base to an information-driven base, one that requires invention and discovery to fuel new markets, has given rise to equally far-reaching changes in the way that work is structured and in the degree of autonomy and engagement that must be allowed.

In other parts of the world (for example, in Eastern Europe and in the former Soviet republics) the main workplace changes have been driven by a shift from state-controlled economies to market economies. In the US, as in many other modern economies, we have seen over the last two decades a sharp rise in the use team approaches in production, offering new opportunities for enhancing skills, autonomy and decision-making input for some, while leaving many others without a job at all.

In this course we will examine work systems from the most denigrating (such as slavery and/or child labor systems) to those that hold the most promise of raising standards of living and of providing for effective workers' voice and self-management in the process and product of work. As we develop our comparative knowledge by focusing in detail on the various types of work relations that obtain in various parts of the world, we will seek to tease out of these examples, inductively, conclusions about (a) the conditions that give rise to (or that repress) the development of workplace and economic democracy; (b) the impact of the state and of different social classes on the development of workplace democratization; and (c) the consequences of various forms of worker participation for the workers so involved, for organizational productivity and for job creation in the larger society.

**Course Requirements:** This course will be conducted as a seminar, and consistent with the 5000-level designation, students will be expected to participate fully in discussions. Each classroom meeting will be led by the professor or by a designated student(s) on their chosen topic, and a term paper will be required at the end of the semester. Project topics will be chosen by the student in consultation with the professor during the first week of the semester. The accompanying page contains numerous suggested subjects from which the student may choose, and the course is open to other suggestions as well.

Common readings for this course are available in paperback editions. We will be reading all or parts of these books:

***After Capitalism: From Managerialism to Workplace Democracy.*** By Seymour Melman. Knopf, 2001.

***Dignity at Work.*** By Randy Hodson. Cambridge University Press, 2001.

***The Cooperative Workplace: Potentials and Dilemmas of Organizational Democracy and Participation.*** By J. Rothschild and J.A. Whitt. Cambridge University Press, 1989.

***Global Village or Global Pillage.*** By J. Brecher. South End Press, 1998.

***Making Mondragon.*** By William Foote Whyte. ILR Press. 1988.

***The Pro-Growth Progressive Strategy.*** By Gene Sperling. 2005.

In addition, once the student chooses their special topic, I will provide additional readings tailored for that specific topic. This approach means that we will have some common readings in the course, and in addition, each student will be reading in greater

depth in their specially chosen area. This will allow us to gain from each other's readings and understandings. This approach will allow us to learn in more breadth and depth about various work systems in other countries than we could ever acquire on our own in one semester. So that everyone can participate with interest in each week's discussion, we will have common readings as well, and the student scheduled to lead that discussion will offer the week in advance a reading(s) that they consider especially informative.

**Grading:** As discussed on the first day of class, regular participation in this seminar is expected and will count 20% of the student's overall course grade. The student's presentation will be weighted on a sliding scale between 25% to 35%, depending upon the student's choice. The balance of the student's overall course grade, between 45% and 55%, will be based on the quality of the student's final course paper.

Below is a list of suggested term paper topics for the semester. As mentioned, I am open to other ideas as well, and I will provide specific readings to go with each.

**Suggested Topics :**

- The Mondragon System of Workers' Production Cooperatives in Spain
- The use of Team approaches in Japan vs. Sweden vs. the US, comparative strategies for enlisting cooperation and involvement of employees
- Work and authority in Chinese Industry; contemporary changes taking place in Chinese workplaces and economy
- Trade Unions and National Labor Policies. A comparison of perhaps Europe and US in relative strength of labor and resulting national situations regarding workplace rights, wages and the national 'safety net'
- Communalistic systems: Israeli Kibbutzim development, dilemmas and philosophy perhaps in comparison to US communes
- Co-determination and workers' councils in Germany, conditions that brought this workplace regime about, outcomes.
- The transition to market economies in Eastern Europe. Implications for the organization of work and labor there.
- Free trade policies and multi-national corporate (MNC) influence in workplace conditions in less developed countries (LDC's)// The effects of outsourcing in this country.
- Capital and Profit: What's happened to US corporate profit levels over past 50 years? Relationship of profit margins to income distribution; to inflation/deflation; etc.
- Slave and Child Labor Systems in use in some of the less developed regions
- Womens' production cooperatives and micro credit cooperatives that are developing in less developed regions.
- Others?

## DEMOCRATIC GOVERNANCE OF THE ECONOMY

### Topics Syllabus

- Jan. 21**      *Discuss syllabus; choose and organize topics, get started on readings*
- Jan. 22am**    *The Rise of Capitalism and the Work of Karl Marx (Joyce)*
- The Development of a Class System
  - The Concentration of Assets in Fewer Hands
  - Control of the Economy/Polity/Society by an Ownership Class
  - Alienation and Indignities at Work
- Jan. 22pm**    *The Rise of Bureaucracy and the Work of Max Weber (Joyce)*
- An Answer to the ghost of Marx
  - Bureaucracy will spread to all domains of life, under Capitalism OR Socialism
  - Bureaucracy is Inherently Hierarchical and Rule-Based
  - Why Bureaucracy will Quash Human Creativity and Limit Human Freedom for Weber
  - Weber and Michels view of Democracy
- Feb. 11pm**    *The Rise and Decline of Trade Unions in the US (Frances and Joyce)*
- Reasons for the rise of trade unions in all of the industrialized countries/reasons for decline in the US
  - The relative strength of labor in Europe vs. the US
  - Why this is consequential
  - The future of labor organizing in the US
- Feb. 12am**    *The Mondragon System of Worker Cooperatives in Spain*  
*Reading: Parts of Whyte book*
- Feb. 12pm**    *The Transition to Market Economies in Eastern Europe*  
*(Olga and Michael)*  
*Reading: Two articles, as sent*

**March 18pm** *Militarization of the US Economy and its Implications*  
(Andy)  
Readings: *Parts of Melman book*

**March 19am** *Teamwork in the US, Japan & Sweden: Will Self-Managing Teams make work more autonomous, creative and dignifying?* (Heidi)  
Readings: TBA

**March 19am** *Communalistic Work Structures* (Kathy)

- The Israeli Kibbutzim
- Twin Oaks Commune in Virginia

Readings: *Chapters One and Three from Rothschild and Whitt*

**March 19pm** *Womens' Cooperatives in Less Developed Regions* (Agata)

- The Example of SEWA

Readings: TBA

**April 22pm** *Slave and Child Labor Systems* (Wendy)  
Readings: TBA

**April 23am** *Free Trade Policies, the Multi-National Corporations and Outsourcing*  
(Rachel)  
Reading: *Part of Brecher book or TBA*

**April 23pm** *Wages, Capital and Profit*  
*The Relationship between profit levels and inequality. Implications.*  
(Jennifer)  
Readings: *Parts of Krugman book*

**April 23pm** *On Morality, Capitalism and Workers' Dignity*

- *Is Greed Built into the System?*
- *Can Capitalism Allow for More Equal Outcomes?*
- *What Factors Make for Dignity at Work/Indignities at Work?*

Readings: *Parts of Hodson book, parts of Dougherty book*