

DevEng 215:

Week 6: Globalization

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Week 6: Th 2020-10-01 12:00 Noon PDT

<<https://berkeley.zoom.us/j/92547663468?pwd=MWhITE1nQzJuRFN4a1BPdkZJT1NmUT09>>
<<https://bcourses.berkeley.edu/courses/1497096>>
<https://bcourses.berkeley.edu/courses/1497095/modules#module_2202193>
<<https://www.bradford-delong.com/2020/10/globalization-for-development-engineers.html>>

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1. What does farmers organizing into coops help them accomplish?
2. Has Globalization 3.0 leveled the playing field globally and increased people's quality of life, provided more opportunities for everyone and decreased people's needs to migrate?
3. Why is it difficult for global majority countries to protect their citizens and their environment when participating in trade deals?
4. How are “free trade zones” or “special economic zones” harming countries?
5. If trade policies and structural adjustment programs are created ultimately for big corporations, and fair trade was meant to empower organized small-scale farmers and “level the playing field” so they could compete, should large multi-national corporations participate in the fair trade system?

Readings

1. **Tom Friedman** (2005): *It's a Flat World, After All* <<https://github.com/braddelong/public-files/blob/master/readings/article-friedman-2005-flat.pdf>>...
2. **Daniel Jaffee** (2012): *Weak Coffee: Certification and Co-Optation in the Fair Trade Movement* <<https://github.com/braddelong/public-files/blob/master/readings/article-jaffee-2012-weak-coffee.pdf>>...
3. **Olga San Miguel-Valderrama** (2009): *Community Mothers & Flower Workers in Colombia* <<https://github.com/braddelong/public-files/blob/master/readings/article-sanmiguel-2009-colombia.pdf>>...
4. **Robert Wade** (2003): *What Strategies Are Viable for Developing Countries Today? The World Trade Organization and the Shrinking of 'Development Space'* <<https://github.com/braddelong/public-files/blob/master/readings/article-wade-2003-strategies.pdf>>...
5. *Black Gold*

Friedman: It's a Flat World, After All

Why is he so annoying?

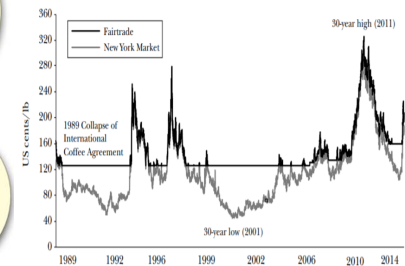
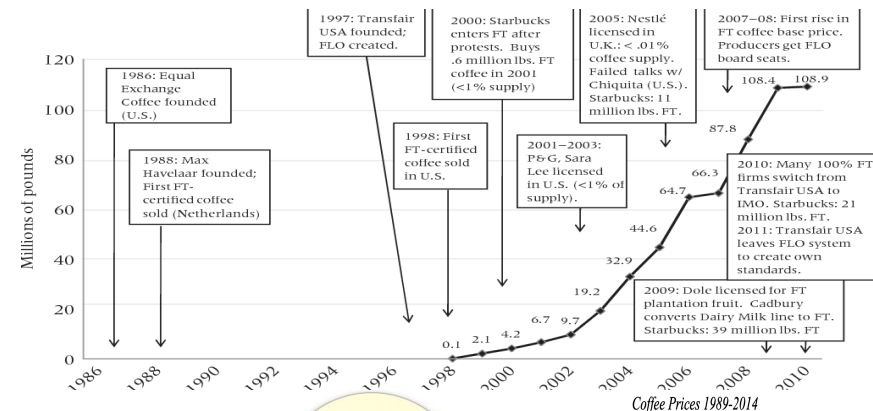
- And yet why has he/does he have so much influence and impact?
- The opening—he simply does not care about getting it right, about informing his readers: he cares about achieving a rhetorical effect
 - If someone finishes his article and thinks that Columbus actually went back to Spain and announced to the court of Queen Isabella “the world is round!”—he does not care...
- A provocation...
- Waves of globalization: trade in luxuries; trade in staples; trade in manufactures; location of (simple) manufacturing; location of (intermediate) manufacturing; trans-oceanic coupling of design, marketing, and production; location of (simple) information work; everything



Jaffee: Weak Coffee

Starbucks

- Drink our coffee and *enjoy yourself*...
- Drink our coffee and become *the type of person you want to be*...
- Which includes: *being the right kind of well-thinking liberal person*...
- Our actions and choices embedded in a web of jointly created meaning: Edmund Burke:
 - “All the pleasing illusions, which made power gentle and obedience liberal... are to be dissolved.... All the decent drapery of life is to be rudely torn off. All the superadded ideas, furnished from the wardrobe of a moral imagination, which the heart owns, and the understanding ratifies, as necessary to cover the defects of our naked, shivering nature, and to raise it to dignity in our own estimation, are to be exploded as a ridiculous, absurd, and antiquated fashion...”
- Starbucks in the business of covering our naked, shivering nature with pleasing illusions...



Source: © Fairtrade Foundation, adapted and used with permission.
 Note: NB Fairtrade Price = Fairtrade Minimum Price* of 140 cents/lb + 20 cents/lb Fairtrade Premium.**
 When the New York prices are 140 cents or above, the Fairtrade Price = New York price + 20 cents. The New York Price is the daily settlement price of the 2nd position Coffee C Futures contract at ICE Futures US.
 * Fairtrade Minimum Price was increased on June 1, 2008, and April 1, 2011.
 ** Fairtrade Premium was increased on June 1, 2007, and April 1, 2011.

San Miguel-Valderrama: Community Mothers & Flower Workers

Maria's decision to lock up her children... is a rational one based on the context of male violence against children and mothers and lack of public services that provide security for the poor....

Even though the Columbian state and, to a much lesser extent, some plantations have intervened to regulate the child care needs of working mothers in the community mothers program... responsibility for caring for children and related social reproduction tasks continues to be assigned to women...

Wade: Policy Space

Uruguay Round of the GATT:

- Tariff reductions
- Quota eliminations
- TRIPS (intellectual property)—developing countries' rights and developed countries' obligations are unenforceable, while developing countries' obligations and developed countries' rights are enforceable...
- TRIMS (investment measures)—“national treatment” of global firms undertaking inbound investment...
- GATS (services)—extending non-discrimination and MFN principles from goods to services...



WTO  @wto · Jan 25, 2018

Successful two-day Trade Policy Review of The [#Gambia](#). Learn more about the reports presented by the [#WTO](#) Secretariat and the Gambian government on the current trade and economic situation of the country: bit.ly/GambiaTPR

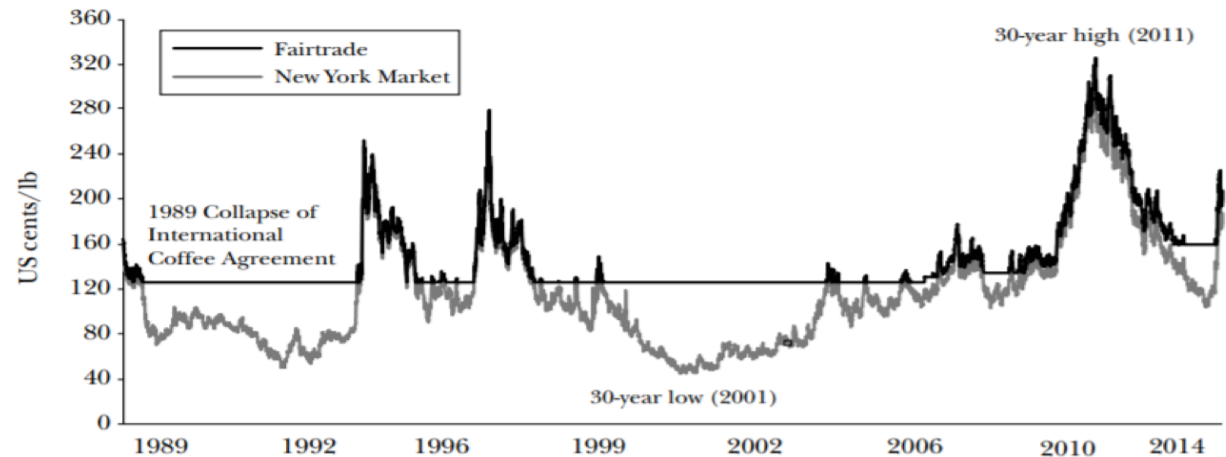


Black Gold

Coffee evolved in Ethiopia & Yemen:

- That means all of coffee's pests and parasites are right there, waiting to eat the plants as they grow...
- Sidamo and Oromia...
- Adam Smith (1776):
 - “No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, clothe, and lodge the whole body of the people, should have such a share of the produce of their own labor as to be themselves tolerably well fed, clothed, and lodged...”

Coffee Prices 1989-2014



Source: © Fairtrade Foundation, adapted and used with permission.

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Coffee Prices Up to 2000

Nominal dollars:

- A dollar today purchases only half as much in terms of commodities-in-general as it purchased back in 1990...
- A dollar in 1990 purchased only half as much as it did in terms of commodities-in-general as it purchased back in 1973...



People

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Catch Our Breath

Let's reflect on what we have just heard & seen...

1. Comments
2. Questions
3. Readings

