

## Grading guide SGO2200 spring 2019

### Type of examination

Six-hour school exam. The students are to answer three out of four questions. The three answers are to be weighted equally.

### About SGO/HGO exams

A good examination paper contains solid knowledge, logical and coherent reasoning and a systematic structure. The answer to a discussion question/task must examine, analyze, and connect different parts of the curriculum.

1. The answer demonstrates knowledge.
2. The answer must be well written: coherent and using good academic language.
3. Key concepts – those at the core of the answer – must be defined.
4. The answer demonstrates analytical capacity and reflection.

### About the course

This course provides a broad overview of economic globalisation and technological change, and implications for regional development. The book "Global Shift" by Peter Dicken (2015) is the main text used. Given the complexity and inter-relatedness of sub-topics covered, the examination questions are formulated to allow critical thinking and reflection. This should be taken into account in the evaluation.

### Question 1:

*What is meant by a techno-economic paradigm (or a Kondratiev wave)? Describe the current paradigm/wave in relation to the previous with particular emphasis on how it has allowed changes in the way production is organized*

#### Guidelines

A general account of the two techno-economic paradigms (or Kondratiev waves) is expected that discuss core inputs as given by Dicken (2015) (technology, materials, energy). If this discussion also include complementary factors such as changes in demand, regulatory aspects and international competition, this should draw in the direction of a *high marking*. A brief timeline of the current paradigm is required for a *good marking* and reflections on whether the full impact of the evolving paradigm has yet to be felt draw in the direction of a *high marking*. A *high marking* demand that implications of the shift from the previous to the current paradigm for the i) functional and ii) spatial organization of production are discussed.

### Question 2:

*The world economy is characterized by co-existing processes of globalisation and localisation. Describe what is meant by globalisation and localisation, and discuss how the two processes might be related.*

#### Guidelines:

A good marking demand that students clearly define globalisation and localisation. Dicken (2015) lists a number of factors that might provide the basis for cumulative, self-reinforcing development whereby places become 'locked into' positive or negative development paths. Discussions of how these factors

affect, and are affected by, linkages to global networks draw in the direction of a *high marking*. A main point is that the global economy can be seen as a system of organizational networks that are interlinked with geographical networks (i.e. localized clusters of economic activity). A *high marking* demand that this point is acknowledged.

### **Question 3:**

*According to Dicken (2015), states can be seen as containers, regulators and collaborators. Describe what is meant by each of the three, and provide examples. Discuss how the state can influence economic development within its boundaries specifically through the role as regulator.*

#### Guidelines:

The state as *container* captures how distinctive cultures, practices and institutions are bundled together within its boundaries. Dicken (2015) provide two complementary perspectives: Socio-cultural dimensions and the ‘variegated capitalisms’ that have evolved and reflect, yet cannot be reduced to, such socio-cultural characteristics. *States as collaborators* refers to negotiated trade agreements. It is expected that students can provide a general account of the GATT-framework and its successor WTO, and discuss the growing proliferation of regional trade agreements against this background. *States as regulators* refer to how states stimulate activity in their economies through monetary and fiscal policy, and seek to influence how their economies operate through labour market, industry & technology and trade policy. The curriculum provide discussions of cases spanning from old industrialized countries in the Global North through the rise of the Asian tigers to the more recent emergence of China as major global player. While empirical examples are not required, student may choose to provide such to illustrate. Independently of this, a *high marking* demand that students have discussed how different types of policies and tools may combine to jump-start industrialisation or influence the direction of development in national economies.

### **Question 4:**

*Briefly describe what is meant by a global production network. Such networks can affect local economies in different ways, yet, Dicken (2015) gives four types of impacts that are particularly important. Describe each, and discuss factors that might determine the nature of the impact on local economies.*

#### Guidelines:

At the core of Global production networks (GPN) is *production circuits*, i.e. interconnected functions, operations and transactions through which a specific commodity, good or service is produced, distributed and consumed. Each element in the production circuit depends on inputs of technology & skills, energy, logistics and finance that might originate outside the circuit itself, e.g. in territorial economies. Thus, GPNs integrate *firms* into structures that also integrate *places* (local and national economies) in ways that have implications for their economic development. Students should be able to discuss implications along the four dimensions emphasised by Dicken (2015): 1) Capital injection, 2) stimulation of local firms, 3) diffusion of knowledge, and 4) creation of jobs. A *high marking* demands that student elaborate on the factors that determine whether such impacts can be expected. This can be done by following Dicken (2015) and discuss how implications of GPN presence depend, first, on the mode of entry into a territorial economy, the function that activities in the territorial economy are to serve, and GPN attributes such as industry type & technological content, scale of local operations and extent of integration into the GPN including the mode of governance. Second, they depend on the nature of the local economy, and factors such as size and level of development, endowment with natural resources, technology and skills, labour supply and political/institutional conditions. Third, they depend on the relationship between the GPN node and the local economy.