

Title—The Mobility of Labor and Capital: A Study of International Investment and Labor Flow

Author—Saskia Sassen

Year—1988

Categories: Migration, Economics, Politics, Globalization

Place: The United States

Time: 1960-1988

Argument Synopsis:

Sassen's book is focused on the impact of transnational space for the circulation of capital on the formation and directionality of international labor migrations. She asks what are the specific forms under which the internationalization of production contributes to the formation of labor migrations? Her book is centered on processes that contain pronounced forms of this internationalization. Sassen identifies three specific instances of this internationalism. The first, beginning in the mid-1960s, is development of production for export in several Third World countries through a massive increase of direct foreign investment and international subcontracting by industrialized countries. The second is the development of major cities into nodes for the control and management of the global economic system. The third is the recent emergence of the United States as the major recipient of direct foreign investment in the world, after being the main exporter of capital for the prior thirty years. Her main focus is on the United States, a central participant in growth of direct foreign investment and emergence of new international migrations.

Sassen introduces international factors into the analysis of migration, especially the effects of American foreign politics and activities in migrant sending countries and in the American domestic economy. She argues that in each major country sending immigrants to the United States, there are a specific set of conditions together with poverty and unemployment that induce emigration. The book is organized into five chapters. The first is a brief overview of the main lines of conceptual and empirical analysis in the book. She describes traits in the current immigration phase to the United States that raise questions about conventional explanations. The second chapter presents the general historical and theoretical background of the analysis, which contains an overview of the main labor migrations in post-1945 era. The third chapter introduces the empirical information for the particular case study: the new migrations to the United States beginning in 1965. The fourth chapter focuses on the main locations in the development of manufacturing for export. The fifth chapter examines the rapid growth of major cities into global centers for regulation and servicing of the global production system, international financial markets, and other components of the world economy. The sixth chapter focuses on the United States as the leading recipient of global direct foreign investment flows and examines the composition of this investment by sectors, location, and national origin. Sassen's book is an attempt to capture the articulation of the process of labor migration within the fundamental processes in the contemporary phase of the world economy. According to her, the new territorial organization characterized by the internationalization of finance, manufacturing, and clerical activities entails new forms of concentration for the control and servicing of the global production apparatus.

Key Themes and Concepts:

- Movement of capital and labor from England to its overseas territories was seen as part of the colonization process, and unlike free trade, required state intervention
- Poverty or economic stagnation are not the only reasons for emigration
- Internationalization of production fundamentally shifted processes of migration