

# The Subnational as a Site for Studying Globalization: Rediscovering Area Studies?

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A first question we might want to ask is what it is we are seeking to name with the term globalization. In my reading of the evidence, there are actually two distinct dynamics we are trying to capture through this term. One of these involves the formation of global institutions and processes, such as the World Trade Organization, global financial markets, the new cosmopolitanism, the War Crimes Tribunals. These are entities that operate at the scale we usually associate with the term globalization.

But there is a second set of processes that does not necessarily scale at the global level as such, but rather takes place inside territories and institutional domains that have largely been constructed in national terms in much, though by no means all of the world. When we focus on this second set of processes we can begin to see the connections between the wealth of knowledge produced under the umbrella of area studies with the current effort to understand globalization in its multiple forms. One of the key categories which allows us to make the connection between a variety, though not all, area studies is that of place and its importance for many global processes.

We are, then, not only dealing with the by now widely recognized fact of multiple globalizations (e.g. Appadurai 1996; Eichengreen and Fishlow 2000; Aman 1998), only some of which are constitutive of the neoliberal corporate economic globalization that has probably received most of the attention. We are also dealing with the question of the various scales at which global processes get constituted, ranging from supranational and global, to sub-national (e.g. Sum 1999).

A focus on such nationally based processes and dynamics requires methodologies and theorizations that engage not only the global scale but also the sub-national scale as components of global processes. Working with sub-national scales makes it possible to use long-standing research techniques, from quantitative to qualitative, in the study of global processes. It also gives us a bridge for using the wealth of data produced in area studies. In both cases it is crucial to situate these in conceptual architectures that are not quite those held by the researchers who generated these research techniques and by the scholars in area studies. Their efforts mostly had little to do with globalization as we use this term today.

Studying the global, then, entails not only studying that which is explicitly global in scale, but also the multiplication across borders of connected locally scaled events and conditions. Further, it entails recognizing that many of the globally scaled dynamics, such as the global capital market, actually are partly embedded in the national and move between globally scaled levels, such as electronic financial markets, and locally embedded conditions, such as the concentrations of variously place-bound resources that constitute a financial center.

Let me focus on three instances that serve to illustrate some of the conceptual, methodological and empirical issues in this type of study. One of these instances concerns the role of place in many of the circuits constitutive of economic globalization. Unbundling globalization in terms of multiple specialized crossborder circuits, rather than simply representing it in terms of master

categories such as global markets, allows us to capture places and how different types of places are located on different types of specialized circuits. Global cities, for example, are places where multiple of these global circuits intersect and thereby position these cities strategically and deeply reshape them.

A second of these instances, partly connected to the first, is the role of the new interactive technologies in repositioning the local, thereby inviting us to a critical examination of our understanding of the local. Through these new technologies a financial services firm becomes a micro-environment with continuous global span. But it is not only these types of organizations that do so: also a resource-poor organization or household can become a microenvironment with global span. These microenvironments can be oriented to other such microenvironments located far away, thereby destabilizing the notion of context which is often imbricated in that of the local and the notion that physical proximity is one of the attributes or markers of the local. Further, through these interactive technologies, especially as implemented in the Internet, we can see the possibility of a new type of politics of places located on global networks. This is a form of global politics that runs not through global institutions but through local ones.

A third instance concerns what consequences for national state institutions and agendas result from the partial embeddedness of the global in the national described in the first two instances above. One interpretation of the outcome is the partial denationalization of what has been constructed over the last century or more as the territory and institutional domain of the nation-state (Sassen 2003). Understanding these dynamics of partial and specialized denationalization requires detailed knowledge of the particular national settings within which they occur.

In all of these three cases, much of the knowledge produced by area studies is enormously important. I think the

globalization scholarship cannot only focus on the newly developed global scale processes I referred to above. It needs deep understanding of the rich and varied contexts within which global processes take place.

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