

## The Future of Area Studies in the Era of Globalization

by Paul R. Gregory, Houston

University programs, in the United States, Europe and elsewhere, must be evaluated according to their ability to advance knowledge on significant issues and to impart knowledge and skills to students that allow them to pursue successful careers. Programs that do not meet these requirements should not be offered in serious academic institutions. The majority of university programs are based on well-established “core” disciplines that have withstood the test of time – mathematics, physics, engineering, political science, economics, literature, chemistry, and so on. Although these basic disciplines are subject to cyclical fluctuations in terms of knowledge advances, marketability of graduates, and student popularity, there is no serious thought of abolishing them. In U.S. universities, some core disciplines, such as geography, have lost their place in some academic curriculae due to budget difficulties.

Area studies – interdisciplinary programs that focus on particular geographic regions – do not share the century-old tradition of the core academic disciplines. In a university setting, area study programs, such as Asian Studies, Latin American Studies, or Russian and East European Studies, typically combine a variety of courses from the basic social science and humanities disciplines focused on the geographic region itself. In most U.S. universities, the disciplines included vary depending on the availability of faculty. Empty positions in a core discipline are not automatically filled, but the existence of the area studies program creates a precedent for the continued recruitment of area specialists. In the United States, the discipline usually missing from area studies programs is law, due to the lack of area specialists in law. In Germany, however, area studies programs are likely to include legal experts.

In the United States and Great Britain, area studies programs can be for undergraduates or for masters students (who already have a degree in a core discipline); they can also be certificate programs (that award certificates of competence to individuals typically with degrees in other disciplines). I do not believe there is such a thing as an area studies doctoral program because doctoral programs require student mastery of the core discipline. If the doctoral student wishes to specialize in a specific geographic area, that is simply a natural part of the choice of the doctoral dissertation topic. Most advances in scientific knowledge concerning the area emanate from doctoral programs, whose students pursue academic careers that allow them to do basic research grounded in a core discipline.

Area studies blossomed in the first two decades of the post World War II era, spurred largely by the intense interest in the Soviet Union. The first two decades of the postwar era also saw the beginning of the acceleration of the process of globalization. Globalization has been among

the major events of the last 40 years. Corporations are no longer national; they are multi-national. Capital markets have become international. Companies in Germany or Russia can choose to have their corporate listings either on U.S. or European exchanges. U.S. companies borrow from Japanese and Swiss lending companies. The world’s largest commercial banks transcend country borders. Most of Europe is covered by a single currency; the U.S. dollar is used in most international transactions. Managers can expect to work in a large number of countries over the course of their business careers. Knowledge of foreign languages, particularly English, is a prerequisite to virtually any career. Globalization has brought with it the enormous benefits of expanding trade and the more efficient use of capital.

Area studies have been affected in peculiar and unpredictable ways by the globalization events of these past few decades. First, the Japanese and then the East Asian economic miracles called attention to Asia and raised the question of whether a distinct “Asian” model of economic and social development exists that requires separate study. The apparent success of the Chinese economic reforms begun in 1979, combined with China’s sheer size, has called attention to the study of China, which, if it continues to grow at current rates, will be one of the world’s largest economies within three decades. Latin America has begun to experiment with democratization and economic liberalization programs, which could, if successful, change the face of Latin America. The event, however, that has had the most profound effect on area studies was the sudden and unexpected collapse of the Soviet Empire, creating more than 25 new or reorganized countries in what was the former Soviet Union, Yugoslavia, Central, and Southeastern Europe. The former administrative-command economies are currently going through a transformation process, with limited success to date, but whose ultimate success or failure will shape the face of the world of the 21<sup>st</sup> century. The transformation successes all border Europe and will become part of the European Union. Their intergration into Europe will require a quarter of a century and will particularly affect the political, demographic, and social profile of a Western Europe that has ceased to grow in terms of population and must deal with the consequences of an aging population. The transformation failures to date, most notably Russia and Ukraine, do not immediately border Western Europe, and they constitute a population almost half the size of an expanded Europe, and possess a significant portion of the world’s supply of nuclear weapons. If their transformations fail, they represent a source of political instability, corruption, worldwide criminality, and worse. If they succeed, the world will be a safer and more affluent place.

Clearly, these events, occurring in different regions of the world, are worth researching and they are worth training students in an academic setting, but is Area Studies the appropriate vehicle? I will limit my subsequent remarks primarily to the geographical area of the former Soviet Union, Central, and Southeastern Europe – that part of the globe that constituted the Soviet Empire. Prior to the collapse of the administrative-command systems of the countries of this vast region, the rationale for academic programs specializing in this geographic region was clear: the political, economic, and social systems of these countries were so different from the rest of the world that they required separate study. The dominant role of the communist party monopoly meant that political scientists had to study the Soviet-type system separately. The administrative-command economy was so different from market economies that it also required separate study. In the United States, the Soviet military threat prompted a considerable amount of research in the academic and intelligence communities.

The collapse of the Soviet-type system turned our attention from the administrative-command system itself to the issue of how to transform the prevailing system into one that more closely resembled the market economies and political democracies of neighbouring regions. Transformation specialists from international organizations such as the International Monetary Fund and World Bank (most of whom had no specialized knowledge of the region) began with the notion of a single formula for transformation, called the "Washington Consensus". This consensus declared that all transformation countries should become democratic; property should be quickly privatized; and macroeconomic stability pursued with vigour. After relatively few transformation successes and many transformation failures, these same experts now concede a decade later that one must understand the "initial conditions" before constructing transformation formulae for specific transformation countries (the so-called "Post Washington Consensus"). To understand these "initial conditions", however, one must know the political, economic, and social history of each transformation country, and this is what Area Studies teaches is about. Transformation, especially the transformation failures, has unexpectedly emphasized the importance of specialized country-specific and regional knowledge of institutions, history, and culture.

The major scholarly argument that speaks against the continuation of Area Studies is the notion of "convergence", namely, the notion that as time passes nations become more alike in their political, economic and social behaviour. The convergence theory had much of its origins in the economic literature which showed that, once economic development began, economies came to resemble each other more closely in terms of their performance, such as real wages or per capita income. If we are all alike, it makes little sense to single out specific areas for special study. The lack of convergence of the transformation countries is notable. In terms of economic results, the

transformation countries have become less like affluent economies as the transformation has proceeded, as income and wage gaps have widened. In fact, important critics of the single-formula transformation model now argue that our lack of knowledge of earlier institutions and practices has prevented us from devising successful transformation strategies.

While globalization has raised questions about the need for an academic discipline called Area Studies, it has created a job market for graduates of Area Studies programs. Take the case of Eastern Europe. During the era of the Soviet Empire, there was intense academic interest in Soviet Studies, but few real jobs. Trade was underutilized; investments could not be made in the region; and there was relatively little need for skills common in the West but rare in the region itself, such as advertising, marketing, or accounting. In the 1970s, for example, in the United States, graduates of Area Studies programs found jobs primarily in government and intelligence service, not in the private sector. Soviet area studies blossomed during the very time period when there were few jobs; it is being now questioned in an era when jobs are available. With the potential decline in academic interest and reduced course offerings in Area Studies, the number of graduates with language skills, willingness to travel and live under difficult conditions, and knowledge of pre-conditions has declined. Globalization and transformation have created real job opportunities for graduates at a time when cuts in course offerings are being considered in European and American universities.

By its very nature, an Area Studies program is multidisciplinary. Multidisciplinarity is both a strength and a weakness. Its strength is that graduates have a well rounded view of the area, not just the narrow view of an economist, political scientist, or literature specialist. The weakness is that Area Studies graduates lack sufficient proficiency in a recognized core discipline. Employment and academic advancement ultimately depend on advanced knowledge of a core discipline. Major companies in the United States, for example, shy away from area studies graduates without a core degree training because the geographic interests of these companies are subject to constant change. It is for this reason that Area Studies programs have typically required specialization in one core discipline, or alternatively, that Area Studies programs require a degree in a core discipline enhanced by a certificate of proficiency in the area.

Should large public universities continue Area Studies in a globalized world? Ultimately, universities must produce the university graduates who can carry out the high-level tasks required by the society. If we consider Eastern Europe, it is clear that our societies require specialists who understand the region for a wide variety of practical reasons: The world's second largest supply of nuclear weapons is located in the region as are some of the world's most abundant natural resources. It is an area that will be characterized by ethnic and civil conflicts (Chechniya, former Yugoslavia,

less publicized armed conflicts in the Caucasus republics and Central Asia, the threat of Islamic fundamentalism in Central Asia). It is an area that must import knowledge from its Western neighbours on matters of democracy and economics. It remains an area of relatively low income which promotes the flow of population to higher income neighbouring countries. It is an area that we must be able to understand through accurate press and media reporting.

What should the Area Studies programs of the future look like in major universities? In my opinion, its profile should be as follows:

First, at the undergraduate level, the Area Studies program curriculum should require in depth study of a core discipline – sociology, economics, political science, literature – while requiring a mix of interdisciplinary studies in the area. Perhaps the program should even require the equivalent of a first diploma in a core area – a requirement that would probably extend the course of study for an extra year.

Second, master's level or certificate programs should be offered to students who have already gained a first degree in a core discipline but who wish to specialize in the area itself. Such a program should require from two to four additional semesters of study.

Third, the core disciplines should offer sufficient faculty expertise so that doctoral students can write their dissertations on themes related to the area.

Fourth, Area Studies faculty should have a firm footing in the core discipline department rather than in the area studies program itself. Joint appointments should be subject to approval by the core department.

Fifth, with the growing scarcity of prime age groups in the overall population, area studies programs should focus on retraining programs and adult education for persons with labour-market experience and a desire to gain specialized knowledge in the area.

Should Area Studies be located in special institutes, or should they be governed by loose confederations of academic departments? The United States model is the latter, the European (German) model is the former. The advantage of the U.S. model is that it ensures a close cooperation between the traditional academic disciplines and the Area Studies program, but its main weakness is that departmental priorities can change, leaving Area Studies programs understaffed and lacking key personnel. Moreover, the U.S. model usually requires reliance on a central library rather than building up special collections in the Area Studies Program. The advantage of the German model is that it institutionalizes the program by placing appointments under the purview of the Area Studies Institute itself and thus insures the continuing existence of the Institute. The weakness is that a separation between the academic discipline and the Area Studies Institute can take place, and Institute faculty do not work on the cutting edges of their respective disciplines.

The ultimate rationale for any university program is that it offer opportunities for exciting fundamental research that broadens the horizons of our scientific knowledge. After more than a decade of transformation, we now understand that scholars must present a clear picture of the past in order for the transformation to be successful. Moreover, transformation offers scholars the opportunity to study (and ultimately perhaps to give advice on) the creation of entirely new political, social, and economic institutions. In economics and political science, the importance and challenge of transformation is so obvious that a large number of prominent non-area specialists have been drawn into the discipline. New research techniques, such as the New Institutional Economics, can be directly applied to the study of transformation. The presence of an Area Studies program offers an opportunity to encourage and welcome non-area specialists to the study of the transformation problem and to form research and teaching alliances with core-discipline faculty.

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