

14 GLOBAL SHIFT (1986): PETER DICKEN

Jonathan V. Beaverstock

As its title suggests, the perspective of this book is global. It aims to describe and to explain the massive shifts which have been occurring in the world's manufacturing industry and to examine the impact of such large-scale changes on countries and localities across the globe. ... Ultimately, the main thread which binds the various parts of the book together is that of the effects of global industrial change. (Dicken, 1986: i)

Introduction

Peter Dicken, Emeritus Professor at the School of Environment and Development, the University of Manchester, has been one of the major 'movers and shakers' in debates in both economic geography and globalization. He has been at Manchester for over four decades, was awarded his Personal Chair in 1988 and has held distinguished positions at universities in Australia, Canada, Hong Kong, Mexico, Singapore and the United States. In 1999 he was invited to become a Fellow of the Swedish Collegium for Advanced Study in the Social Sciences and was awarded the Royal Geographical Society-Institute of British Geographer's Victoria Medal in 2001, followed by an Honorary Doctor of Philosophy from the University of Uppsala, Sweden in 2002. Ongoing editorial positions on international journals such as *Competition and Change*, *Journal of Economic Geography*, *Global Networks*, *Progress in Human Geography* and *Review of International Political Economy*

provide a continuing mark of his esteem in the discipline (see Beaverstock, 2004).

Peter Dicken experienced a neo-classical economic geography upbringing in the late 1960s, spawning such 'classics' as *Location in Space: A Theoretical Approach to Economic Geography* (authored with Peter Lloyd in 1972). This book became one of the most significant texts of the period using classical and neo-classical theorists such as Christaller, Isard and Losch to explain the role of locational analysis in explaining the spatial organization of regional economic development. It was during the early 1970s, however, that Dicken began to question the orthodoxy of neo-classical locational theory and the deductive approaches that followed in the wake of the 'quantitative revolution' in economic geography. Influenced by the behavioural backlash to the 'quantitative revolution' in economic and human geography, Dicken became seduced by management research in behavioural science and organizational studies (now termed, broadly, 'Strategy'). Dicken's inductive research framework paved the way for his pioneering approach to studying the role of business decision-making processes in shaping the global distribution of economic activity (Yeung and Peck, 2003). The study of multinational enterprise (and corporations [MNCs]) very quickly became the central tenet of Dicken's work during the 1970s and early 1980s in a context of rapid MNC international restructuring and a concomitant deindustrialization process which wrought havoc with Western manufacturing industries, not least in the United

Kingdom's industrial heartlands in the North and Midlands. Dicken's highly influential writings of these times (e.g. Dicken, 1971, 1976, 1977, 1980; Lloyd and Dicken, 1972/76), quickly became the forerunners to arguably his most significant contribution to economic geography: explaining international economic change through the global behaviour and strategy of transnational corporations (TNCs) in a rapidly changing world. In essence, this research became the foundation for Dicken's seminal work, *Global Shift: Industrial Change in a Turbulent World* (1986).

Perhaps the most interesting analysis of the genesis of *Global Shift* comes from the author himself. He noted that the book took about two years to complete after being started in about 1984, and, 'at that time, "globalization", as either a focus for geographical research or as a popular topic, barely existed' (Dicken, 2004a: 513). Dicken was convinced that in order to understand industrial restructuring and territorial development at the regional scale, one had to seek explanations from what was going on at the world scale, particularly through an evaluation of the organizational strategies of TNCs. This was very true for Dicken's own 'local' work on textiles and engineering in the North West of England, an area being systematically deindustrialized and influenced significantly by world events, for example, competition from the Newly Industrializing Countries (NICs), the rise of new 'enabling' technologies and changing MNC/TNC behaviour as firms sought low-cost locations for production. Not surprisingly then, *Global Shift* was about manufacturing industries – hence the subtitle *Industrial Change in a Turbulent World*. As Dicken (2004a: 514) himself noted, '*Global Shift* was essentially a book about the global transformation of manufacturing industries and its effects on employment'. The most intriguing aspect of Dicken's thinking in the writing of *Global Shift* was his decision to not use the word 'Geography' in the title or to

make any claim to be a geographer on his part. As he subsequently lamented:

... [a]lthough the book was fundamentally geographical, I took the decision at the outset not to use the word 'geography' in the title nor even to divulge my identity as a geographer. In some ways I now feel a little ashamed of having done that. On the other hand, at that time – and, to some extent, this is still the case – most people would not have taken such a book written by a 'mere geographer' very seriously. So it proved. Sad though it may seem, I have no doubt that part of the reason the book came to be used and accepted across a wide range of social science disciplines, as a research and teaching book, was that it was approached without disciplinary preconceptions. (Dicken, 2004a: 514)

Dicken's subsequent work has elaborated many of the themes in *Global Shift*, where the 'big picture' of worldwide economic restructuring is often used as a gateway to explain industrial change, and regional and territorial (re)development. Three major examples come to mind. First, *Global Shift's* corporation-based approach to economic restructuring has been used by Dicken as a forerunner for a significant corpus of conceptual and empirical work on 'webs on enterprise' or business networks within and between transnational corporations (see, for example, Dicken and Thrift, 1992). Second, *Global Shift* was the catalyst for research on Japan in terms of the organizational strategies of the *soya shosha* (trading companies) and patterns of foreign direct investment in Western Europe and the USA (see for example, Dicken and Miyamachi, 1998). Third, Dicken's latter-day research theorizing the significance of Global Production Networks in the world has its roots very much in the *Global Shift* discourse (see, for example, Coe *et al.*, 2004). In fact, the influence of *Global Shift* is omnipresent in many of

Dicken's writings on globalization and territorial re(development) (see, for example, Dicken, 2004b).

The book and its arguments

The beauty of *Global Shift*, which helped establish it as a key text in human geography, is its clarity of argument and rigorous interrogation of rich, in-depth empirical sources and examples taken from the economic geographies of everyday corporate life pre-the mid 1980s. Dicken argued that the rapid transformations of industrial activity since the end of the Second World War was facilitated by three major forces:

- the growth, internationalization and organizational strategies of TNCs worldwide;
- the role of nation-states and national governments through trade, investment, regional development and macroeconomic policy;
- the revolutionary impact of enabling technologies in transport, communication, production, organization and internationalization.

Combined, these three 'eclectic' explanatory forces were stitched together by Dicken to present a series of very persuasive perspectives that outlined why we should now think in terms of an interconnected and interdependent *global* economy rather than a merely inter-national economy (Dicken, 1986). Part One – 'Patterns and Processes of Global Industrial Change' – is not just about economic change as orchestrated by the geoeconomic power of TNCs, but also the role of the nation-state through instruments of macroeconomic policy, FDI incentives, trade policies (for example, GATT), the power of regional blocs (for example, the EEC), Japan, and importantly, the NICs (Newly Industrialized Countries).

In Part Two of the text, 'The Picture of Different Industries', Dicken brings forward the theoretical writings in Part One to explain international restructuring and territorial development in specific case study sectors: textile and clothing; iron and steel; motor vehicles; and electronics. Each chapter carefully explains the major processes and patterns of industrial restructuring and employment change in both a detailed and non-technical fashion. The book is completed with a series of chapters discussing the 'Stresses and strains of global industrial change' by reviewing the costs and benefits of TNCs on host countries and the effects of global economic change on the Western economics, the NICs and the Third World.

Initial reactions to the publication of *Global Shift* during the late 1980s were, on balance, very welcoming. Book reviews championed its international perspective, student-user friendly approach (particularly for the novice economic geographer) and uncomplicated, straight-talking conceptual explanations, drawn primarily from writers such as John Dunning, Stephen Hymer and Raymond Vernon (see for example reviews by Jones, 1986 and Wise, 1987). Krumme (1987: 132) lauded its eclectic approach in introducing, 'contemporary international dimensions to modern economic geography', but was slightly concerned that Dicken had underplayed the significance of international trade and had not used the opportunity in the case study chapters to focus on natural resource industries such as oil, tin, copper and global agricultural MNCs. Sharp (1987: 649) commented that the book was 'ambitious' and drew the reader's attention towards shortfalls in Dicken's appraisal of the role of technological change in driving restructuring within MNCs. But perhaps the most stinging critique came from Richard Peet's (1988) review in *Progress in Human Geography*. Peet suggested that the book's 'deliberate' eclectic approach was its major downfall

because it had no significant underlying structural theory to explain its eclectic elements and their inter-relationships: '[S]o this useful book, on a topic of vital significance in the first and third worlds, lacks a theory of social structure and reaches no general conclusions' (Peet, 1988: 152).

The significance of *Global Shift*

Peter can be accredited with putting globalization on the agenda in economic geography. (Yeung and Peck, 2003: 2)

Global Shift ... is one of human geography's minuscule number of ambassadorial texts. (Olds, 2004: 510)

In 2004, the journal *Progress in Human Geography* earmarked *Global Shift* as one of its 'Classics in human geography revisited' with critical evaluations by Kris Olds (2004) and Ray Hudson (2004) (with a response from Peter Dicken himself, as noted above). Olds (2004) recognized that the very quick success of *Global Shift* was due to three main factors: timing; content; and style. As for timing, Olds noted that *Global Shift* was written at a time when international economic restructuring on a world scale was having significant impacts in local and regional economies, particularly in the North where debates about the New International Division of Labour (NIDL) (Frobel *et al.*, 1980), branch plant economies and foreign direct investment (FDI) and deindustrialization were very much in vogue. What *Global Shift* achieved in its content was a weaving together, possibly for the first time, of many of the major debates about the NIDL, TNCs, FDI, etc. in a context of international restructuring on a world scale. In terms of style, I would support Olds (2004: 509) claim, 'that the level of abstraction that Dicken employs plays a critical role in the book's attractiveness to professors (and especially students)'. *Global*

Shift's well-balanced and informative approach between theory (of the internationalization of TNCs) and empirics (a case study approach), both allied to the role of the nation-state, has produced a textbook which is highly-relevant and provides 'joined-up thinking' when explaining local and regional economic change born from a world scale perspective.

For Hudson (2004) the attractiveness and significance of *Global Shift* was evidenced in five key characteristics. First, it focused on the major actors that facilitated global economic change; nation-states, TNCs and enabling technology. Second, it displayed an overtly 'geographical' approach to explaining economic change on a world scale, teasing out the subtleties of uneven development. Third, it explained how firms' organizational forms and strategies (in different industrial sectors of the economy) generated multifaceted geographies of production, which, when combined, illustrated very clearly that processes of economic globalization were complex, uneven and highly interrelated. Fourth, it highlighted the 'footloose' tensions between TNCs and the nation-state as firm strategy continued to seek low cost locations for production. Fifth, it was an extremely informative textbook, drawing upon a wide range of ideas and data in tabular, figure and map form.

In the edited text *Remaking the Global Economy*, Jamie Peck and Henry Wai-chung Yeung (2003) pay homage to Peter Dicken and particularly the first edition of *Global Shift*. They argue that 'Dicken's most significant intervention of the 1980s was the publication of his first single-authored book *Global Shift* ... [which] ... can claim to be one of the pioneering globalization texts' (Yeung and Peck, 2004: 9). Both of these authors note that the main contributions of *Global Shift* emanated from three major debates and issues at the time of writing the book: firstly, the NIDL and associated world industrial transformation; secondly, the globalization discourse; and thirdly international

business, drawn from management science. In essence, Dicken brought a critical *geographical* eye to the writing on the NIDL, following somewhat in the footprint of Massey's (1984) *Spatial Division of Labour* (see Phelps, Chapter 10 this volume). *Global Shift* brought much clarity and rich empirical firm- and sectoral-specific studies to illustrate how and why the corporate strategies of TNCs reproduced the geographies of the NIDL. Moreover, Dicken was able to combine the Fordism and post-Fordism discourses with a subtle explanation of the organizational strategies of TNCs to identify the major process and patterns of global production on a world scale in the 1980s.

Yeung and Peck (2003) accordingly recognize that Dicken's *Global Shift* has made a significant contribution to the globalization discourse/debate. Dicken was at the forefront of putting the 'global' into the agenda of economic geography by studying TNCs, their international strategies, and their effects on employment and territorial development. *Global Shift* transcended the local and regional scales in both concept and empirical practice and thereby was at the forefront of implicitly advocating the global-local discourse through its passionate process-led explanations of uneven global economic change brought about by such actors as TNCs. The immense value of *Global Shift* as a globalization text is evident by the fact that '... [i]t is also one of the few geographical studies cited in complementary works on globalization by other prominent social scientists [such as] Hirst and Thompson, 1996; Held *et al.*, 1999' (Yeung and Peck, 2003: 13). *Global Shift* followed in the footsteps of a number of key texts on TNCs (e.g. Taylor and Thrift, 1982, 1986). But, according to Yeung and Peck, this is where the similarities between *Global Shift* and its competitors ended because *Global Shift* fully engaged with the major writers from the management school tradition of international business and MNC/TNC

strategy (e.g. Dunning, 1988). Dicken's skill was his ability to explore the growth, internationalization and differentiated production systems of TNCs through a geographer's distinctive gaze through the lens of international business theory.

Conclusion

The longevity of *Global Shift* (1986) is registered in the fact it has already gone to three other editions: *Global Shift: The Internationalization of Economic Activity* (1992); *Global Shift: Transforming the World Economy* (1998) and *Global Shift: Reshaping the Global Economic Map* (2003). Whilst each edition has added significant value from the previous one in terms of building theoretical understanding and empirical quality, the spine of the meta-narrative remains just as innovative in the 2003 edition as it did in 1986. The 1992 edition brought services into the equation with a dedicated chapter focused on their internationalization and significance in making the world economy. In addition, in Dicken's appraisal of the processes of economic change more emphasis was given to the network of relationships that exist within and between TNCs. By the 1998 and 2003 editions, Dicken had refined and embellished more the processes of global shift and in doing so produced one of the classic explanations accounting for the growth, shape, internationalization and network organizational form of TNCs in the contemporary world economy. The 2003 edition saw the addition of a new chapter on the distribution industries; in January 2007, Sage published the 5th Edition of the text: *Global Shift: Mapping the Changing Contours of the World Economy*, with companion resources available at the website www.sagepub.co.uk/dicken.

Notwithstanding the initial critical maulings from Peet (1988) and others, *Global Shift* has stood the test of time and been instrumental in the development of many key strands of economic geography since its initial publication.

Four, of many, come to mind. First, *Global Shift* shaped the way geographers and other social scientists embraced the globalization discourse. One cannot underestimate the role the book played in moving this debate/process forward into the 1990s. Second, *Global Shift* very clearly illustrated the dynamic and changing role of NICs in the world economy, particularly Asian tiger economies, including Japan. Third, *Global Shift* lauded the 'actor' approach (the TNC) in understanding economic change in the world economy. Dicken's close analysis of international business systems combined with a spatial perspective has provided the forerunner for contemporary work on such topics as: production (and commodity) chains, organizational

networks and firm-buyer relationships. Fourth, linked to the third, *Global Shift* has fostered recent work on Global Production Networks and relationality in economy (see for example, Coe *et al.*, 2004; Dicken *et al.*, 2001). But, more than anything else, *Global Shift* has encouraged a global sense of space and place when explaining the global-local economic nexus in understanding contemporary maps of world activity. In fact, Nigel Thrift's strap-line for the recent edition sums up *Global Shift's* influence on geography, 'Global Shift just keeps on getting better. There is no other source that gives you the full story of globalization in such a fluent and authoritative way. Not just recommended but essential'.

Secondary sources and references

- Beaverstock, J.V. (2004) 'Peter Dicken', in P. Hubbard, R. Kitchin and G. Valentine (eds) *Key Thinkers on Space and Place*. London: Sage, pp. 108–112.
- Coe, N., Hess, M., Yeung, H.W.C., Dicken, P. and Henderson, J. (2004) 'Globalizing regional development: A global production networks perspective', *Transactions of the Institute of British Geographers* 29 (4): 468–484.
- Dicken, P. (1971) 'Some aspects of the decision-making behaviour of business organizations', *Economic Geography* 47 (3): 426–437.
- Dicken, P. (1976) 'The multiplant business enterprise and geographical space', *Regional Studies* 10 (4): 401–412.
- Dicken, P. (1977) 'A note on locational theory and the large business enterprise', *Area* 9 (2): 139–143.
- Dicken, P. (1980) 'Foreign direct investment in European manufacturing industry', *Geoforum* 11 (2): 289–313.
- Dicken, P. (1986) *Global Shift: Industrial Change in a Turbulent World*. London: Harper & Row.
- Dicken, P. (1992) *Global Shift: The Internationalization of Economic Activity*. London: Paul Chapman Publishing.
- Dicken, P. (1998) *Global Shift: Transforming the World Economy*. London: Paul Chapman Publishing.
- Dicken, P. (2003) *Global Shift: Reshaping the Global Economic Map in the 21st Century*. London: Sage.
- Dicken, P. (2004a) 'Author's response', *Progress in Human Geography* 28 (4): 513–515.
- Dicken, P. (2004b) 'Geographers and globalization: (yet) another missed boat', *Transactions of the Institute of British Geographers* 29 (1): 5–26.
- Dicken, P. and Miyamachi, Y. (1998) 'From noodles to satellites: The changing geography of Japanese sogo shosha', *Transactions of the Institute of British Geographers* 23 (1): 55–78.

- Dicken, P. and Thrift, N. (1992) 'The organization of production and the production of organization: why business enterprise matter in the study of \geographical internationalisation', *Transactions of the Institute of British Geographers* 17 (1): 101–128.
- Dicken, P., Kelly, P.F., Olds, K. and Yeung, H.W. (2001) 'Chains and networks, territories and scales: towards a relational framework for analysing the global economy', *Global Networks* 1 (1): 99–123.
- Dunning, J.H. (1988) *Explaining International Production*. London: Unwin Hyman.
- Frobel, F., Heinrichs, J. and Kreye, O. (1980) *The New International Division of Labour*. Cambridge: Cambridge University Press.
- Hudson, R. (2004) 'Commentary 2', *Progress in Human Geography* 28 (4): 511–513.
- Jones, P. (1986) 'Book review: Global Shift', *Geography* 71 (4): 377.
- Krumme, G. (1987) 'Book review: Global Shift', *Environment and Planning A* 19 (1): 132–133.
- Lloyd, P.E. and Dicken, P. (1972 and 1976) *Location in Space* (1st and 2nd editions). New York: Harper & Row.
- Massey, D. (1984) *The Spatial Division of Labour*. Basingstoke: Macmillan.
- Olds, K. (2004) 'Commentary 1', *Progress in Human Geography* 28 (4): 507–511.
- Peck, J. and Yeung Wai-chung, H. (eds) (2003) *Remaking the Global Economy*. London: Sage.
- Peet, R. (1988) 'Book review: Global Shift', *Progress in Human Geography* 12 (1): 151–152.
- Sharp, M. (1987) 'Book review: Global Shift', *International Affairs* 63 (4): 649.
- Taylor, M. and Thrift, N. (eds) (1982) *The Geography of Multinationals*. London: Croom Helm.
- Taylor, M. and Thrift, N. (eds) (1986) *Multinationals and the Restructuring of the World Economy*. London: Croom Helm.
- Wise, M.J. (1987) 'Book review: Global Shift', *The Geographical Journal* 153 (2): 274–275.
- Yeung Wai-chung, H. and Peck, J. (2003) 'Making global connections: A geographer's perspective', in J. Peck and H. Wai-chung Yeung (eds) (2003) *Remaking the Global Economy*. London: Sage, pp. 3–23.

