FALL 2021

IB 362: GLOBAL REGULATORY STRATEGY

KISHORE GAWANDE
(Pronouns: he/him/his)
OFFICE HOURS: M W 11-12 & BY APPOINTMENT (ONLINE)
CLASSROOM AND TIMINGS:
  ➢ CBA 4.344: M W 2 – 3:30 PM

COURSE OBJECTIVE:

The course will explore the relationship of business to its regulatory environment in the global context. A country’s regulatory environment is framed by its governments, bureaucrats and citizens. The goal of the course is to prepare you, as future managers in a global world, to develop effective business strategy in shaping strategy across disparate regulatory environments. How do global firms and multinational enterprises navigate vastly different regulatory environments? We will examine a variety of sectors in both developed and emerging countries and gain an in-depth understanding of the political and economic motives for why and how governments regulate business and how firms can plan strategies to find opportunities in that regulatory environment and even shape regulation. The class is especially relevant in the current climate, when new regulations are being enacted around the world in response to the crisis as well as systemic changes that citizens are demanding.

The course is designed to provide you with multiple skills.
- Case Analysis: Framework for analyzing cases and deciding strategy.
- Data Analysis: Simple and useful analysis of data to support strategy decisions.
- Global Analysis: An in-depth view of market institutions globally.
LEADERSHIP AND THIS COURSE

The McCombs program is designed to develop influential business leaders. The McCombs Program has identified four fundamental and broad pillars of leadership: knowledge and understanding, communication and collaboration, responsibility and integrity, and a worldview of business and society.

This course is designed to enhance your knowledge and understanding of the international context in which many of you will manage business. In developing a worldview of business and society, you will be faced with challenges that are outside your zone of comfort and experience. Additionally, through class discussion, and group-work you will enhance your communication and collaboration skills.

COURSE MATERIAL:

• I will expect you to read the material assigned for the class before you come to class.
• The class prepares you for a career with a global client interface.
• This class develops skills from the ground up. I do not assume specific pre-requisite knowledge.

Class Materials:

• On the Canvas class folder, I will post information relevant to each class, a week in advance. Please read it for your case preparation: http://canvas.utexas.edu/

• Please purchase the case packet from Harvard Business School Publishing. The set of cases you need for this class are at: https://hbsp.harvard.edu/import/855072

• While I don’t require it, I encourage you to purchase a subscription, for at least this semester, to my favorite magazine The Economist. It keeps me informed about Global Politics and Economics like few other journals. Subscribe at: http://www.economist.com/

GRADING:

The course will be graded on:

- Four homeworks **(40%)** in groups of 2 persons per group.
- Contributions to Class Discussion **(30%)** for in-class discussion on the days that are designated “Case days” (about one-half of our classes will be Case days).
  - I will indicate issues around which to prepare the case in a note posted on Canvas a week or so before the Case. Please regularly check Canvas.
  - I will assign Discussion Points on Case days class as follows:
    - 5 for attending.
    - 6-7 for summary comments related to the case or article.
    - 8-10 points for comments that are original and move the discussion into interesting areas.

- An original case write-up and presentation **(30% for final presentation and write-up)**.
  - This is your “final exam”. You will write and present an original case study in groups of three. You may choose the persons with whom you want to form your group.
  - The cases should apply lessons learned in class and in areas/regions in which you have become interested. It should be beyond ordinary in analysis and creativity. A pre-presentation is required on **November 22** (which will not be graded). I encourage meeting with me in November once you have formed your group and thought about a topic.

**Important dates are noted in the class schedule below.**
**Important Note:** In order that we get the best from the McCombs classroom experience, let’s create an atmosphere that is respectful to your fellow students and allows us to learn from each other:

- **All our classes are in-class:** Because of the discussion-based nature of the class, I request everyone to wear masks in class. I will be wearing one throughout the class.

- **Please arrive to class on time.**

- **Please come fully prepared for each class.** Otherwise your learning from the class as well as your contribution to our learning will be limited.

- **Please be tolerant and respectful of everyone’s views.** Disagreements will naturally arise, and we will resolve those through reasoned debate.

- **On Case Discussion days:**
  - **Please put away your laptops and tablets.**
    I understand the need to use these devices, but they also make it tempting to email and text, which can be very distracting even if you think it is not. If you absolutely feel that an electronic device is necessary for your learning, please let me know beforehand.

- **On Data days:**
  - **Please come with your laptops.**
    We will walk through data analysis and learn how to code together.

- **Please turn off your phones.** If you need to urgently make or receive a call or text, please feel free to step outside of class to attend to it.
PART 1: Introduction to Regulatory Strategy

AUGUST
25 Introductory class
What are Regulations and Why do they exist?
What is Regulatory Strategy?


30 Lecture and Discussion: Non-Market Strategy

SEPTEMBER
1 Case Day: Applying the 4I framework
- Case: Beyond Meat: Changing consumers preference (HBS case)

6 HOLIDAY- Labor Day

8 Data Day: Intro to Python
- Walk through installing; reading data; checking the data.

PART 2: Labor Regulation around the World

13 Case Day: Regulatory Strategy: Contract Work vs. Employee?
Case: Taking a Bite Out of Apple: Labor Rights and the Role of Companies and Consumers in a Global Supply Chain (HBS case)
- 2014 BBC Panorama Video about Apple
https://www.ign.com/videos/2015/7/22/apples-broken-promises-pcmag-gr
15 **Data Day: Analyzing Labor Regulations data**

**HOMEWORK 1: Due M 9/29**

20 Case Day: Behind the Labor regulations data.
*Case: Price of Dignity: Labor Rights in Peru (HBS case)*

22 Case Day: Regulatory Strategy: Gig Worker vs. Employee?
- *Case: Uber: Competing Globally (HBS case)*

27 Case Day: Regulatory Strategy: Big Oil supporting a carbon tax!
- *Case: BP*

29 **Data day (40 minutes) + Open Discussion (35 minutes)**

**PART 3: How Regulations Come To Be**

**OCTOBER**

4 Case Day: Privacy Regulation in EU
- *Case: GDPR explained + EU regulatory process*

**HOMEWORK 2: Due 10/18**

6 Case Day: Government vs. Governance

- *Case: Big Oil and Climate regulation*

  - *Case: Carbon taxes around the world:*

11 Case Day: Regulatory Strategy: *Scooters*
Case Day: Global Regulatory Strategy: Facebook and GDPR

Case Day: Microfinance – I
--“Case”: Microfinance Meets the Market.

Case Day: Microfinance -II
--“Case”: Millions for Millions (pdf of New Yorker article in Files)

Case Day: Mining rights
Washington Post case 1 - Lithium in North-West Argentina
Washington Post case 2 - Cobalt in South Congo

Note: Important Events ahead:
FINAL CASE Pre-presentation
on Monday November 22 (5-7 minutes each)

NO CLASS

PART 4: Doing Business: Regulatory Strategy in New Markets

NOVEMBER

1 Doing Business I.
https://www.doingbusiness.org/en/doingbusiness
Open discussion. Choose a country

3 Data Day: Doing Business (Database) II

Reminder: Pre–Presentation of your Finals Case in 2 weeks
-- Please have your groups (of 2) formed so you can start to discuss and develop your main idea.

8 Data Day: Doing Business Database III (Complete)
HOMEWORK 3: Due on W 11/10
10 Case Day: Financial Inclusion in Africa and around the world.

15 Case Day: Regulation in the modern music industry

17 Lecture + Discussion: Monopoly regulation (Yale Law article)

22 **Pre–Presentation of your Finals Case Write-Up**
-- Short (5-7 minute) presentation by each group. Main ideas should be developed by this stage.

24 THANKSGIVING BREAK

29 Class Evaluations
Final class: Your most (or least) favorite regulation Discussion

**DECEMBER 1** Case Presentations I

**DECEMBER 6** Case Presentations II

**DECEMBER 13 (Monday) 5PM** Final Write-up Due.
Please email in your paper

Note: Grades need to be posted 12/16 so no exceptions to the 12/13 5PM rule. Please email Final papers even earlier if you have it done. I will send instructions on email for uploading your Final paper.
**Academic Dishonesty**

We have no tolerance for acts of academic dishonesty. Such acts damage the reputation of the school and the degree and demean the honest efforts of the majority of students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam.

The responsibilities for both students and faculty with regard to the Honor System apply to all of us. As a University of Texas student, you agree to observe all of the student responsibilities of the Honor Code. If the application of the Honor System to this class and its assignments is unclear in any way, please ask me for clarification.

**Students with Disabilities**

Upon request, the University of Texas at Austin provides appropriate academic accommodations for qualified students with disabilities. Services for Students with Disabilities (SSD) is housed in the Office of the Dean of Students, located on the fourth floor of the Student Services Building. Information on how to register, downloadable forms, including guidelines for documentation, accommodation request letters, and releases of information are available online at:

https://diversity.utexas.edu/disability/

Please do not hesitate to contact SSD at (512) 471-6259, VP: (512) 232-2937 or via e-mail if you have any questions.
The course is in-class. However, if circumstances require us to switch to Zoom:

- Once you click on “BGS 374” on Canvas, at the bottom of the page on the left is the Zoom link through which you enter the class.
- If you haven’t installed Zoom yet, a helpful student wiki:
  https://wikis.utexas.edu/display/MSBTech/Student+Online+Instruction+Wiki.

- **Webcams must be turned on at all times** and all of us must be clearly identifiable.
- Please participate in classes **from locations that minimize distractions** (privacy of your own space is best).
- Webcams must be turned on at all times and all of us must be clearly identifiable.
- **Please do not independently record** video or text communications from the class (see below).

**Sharing of Course Materials is Prohibited:** No materials used in this class, including, but not limited to, lecture hand-outs, videos, assessments (quizzes, exams, papers, projects, homework assignments), in-class materials, review sheets, and additional problem sets, may be shared online or with anyone outside of the class unless you have my explicit, written permission. Unauthorized sharing of materials promotes cheating. It is a violation of the University’s Student Honor Code and an act of academic dishonesty. I am well aware of the sites used for sharing materials, and any materials found online that are associated with you, or any suspected unauthorized sharing of materials, will be reported to Student Conduct and Academic Integrity in the Office of the Dean of Students. These reports can result in sanctions, including failure in the course.

- **Class Recordings:** Class recordings are reserved only for students in this class for educational purposes and are protected under FERPA. The recordings should not be shared outside the class in any form. Violation of this restriction by a student could lead to Student Misconduct proceedings.