

BGS 370 Corporate Political Strategy

Syllabus Spring 2013 Tu/Th (2:00–3:30)

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Office Hours: Tu/Th 10-11:30 and by appointment

Description

This course will explore the relationship between business and government in the United States and around the world, with the goal of preparing you, as future employees and managers, to develop and implement non-market strategies. The course is divided into four parts: 1) understanding the non-market environment of the firm and its relationship to the market environment; 2) learning how to develop a general non-market strategy for a firm and how to evaluate the efficacy of different non-market tactics; 3) examining the role of non-market factors across different substantive public policy areas of concern to firms; and 4) exploring how non-market factors vary cross-nationally and how they are shaped by international agreements.

The teaching style of the course will be a combination of lectures, large group discussions, and case-based discussions. We also will likely have guest speakers throughout the semester.

Requirements and Assessment

The following text is required:

Baron, David P. 2012. Business and Its Environment. 7th ed. New York: Pearson.

Additionally, a course packet (readings denoted by 'CP' below) is required and is available for purchase from the University Co-op, and I may occasionally post readings to the course's Blackboard page ('BB' below).

I will determine your grade for the course based on the following:

- Attendance and Participation: 20 percent
- Case Study Memoranda (3): 30 percent each
- Midterm Exam: 25 percent
- Final Exam: 25 percent

Details on the case study memos and exams will be provided separately, but the dates for the two exams are provided below in the Tentative Schedule.

Additional Information on Grading

I intend to follow a curve in this course in which I award roughly half As and half Bs. However, I will not hesitate to award grades of C or lower to students whose performance (or lack thereof) justifies such a mark.

Policies Regarding Disabilities, Religious Holidays, Academic Dishonesty, and Professionalism

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, http://www.utexas.edu/diversity/ddce/ssd/.

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at http://www.mccombs.utexas.edu/BBA/Code-of-Ethics.aspx. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at http://deanofstudents.utexas.edu/sjs/ to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Finally, students are also expected to abide by the McCombs Classroom Professionalism Policy, which includes a prohibition on laptop computers and similar devices, absent a necessary learning accommodation.

Tentative Schedule

January 15	Organizational Meeting
17	Market & Non-Market Environments - Palin, Adam. 2012. "Schools widen their political horizons." Financial Times November 4. BB Baron, Chp. 1 (pp. 1–16)
22	Market & Non-Market Environments, ctd Baron, Chp. 1 (pp. 16–29, including all Chp. 1 cases)
24	Integrated Strategy - Baron, Chp. 2 Case: Facebook in China?
29	Non-Market Analysis - Baron, Chp. 6 (pp. 150–56)
31	Non-Market Analysis, ctd Baron, Chp. 6 (pp. 132–49 & 158–60) Case: Business versus Business
February 5	 Non-Market Strategy: Business' Place & Its Risks in the Political System Baron, Chp. 7 (pp. 162–66) Hacker, Jacob and Paul Pierson. 2010. Winner Take All Politics. New York: Simon & Schuester. Chp. 5. CP. Protess, Ben, and Jessica Silver-Greenberg. 2012. "HSBC to Pay \$1.92 Billion to Settle Charges of Money Laundering." New York Times December 10. BB.
7	Non-Market Strategy, ctd.: Confronting Institutional Arenas - Baron, Chp. 7 (pp. 166–88) Case: Federal Express and Labor Organization
12	 Implementing Non-Market Strategies I: Legislative & Regulatory Lobbying Baron, Chp. 8 (pp. 194-201) Kersh, Rogan. 2007. "The Well-Informed Lobbyist: Information and Interest Group Lobbying." In <i>Interest Group Politics</i>, ed. Allan J. Cigler and Burdett A. Loomis. 7th ed. Washington, D.C.: Congressional Quarterly Press. CP.
14	Implementing Non-Market Strategies II: Campaign Finance

- Ansolabehere, Stephen, John M. de Figueiredo, and James M. Snyder. 2003.

"Why is there So Little Money in U.S. Politics?" Journal of Economic

- Baron, Chp. 8 (pp. 202-05)

Perspectives 17 (1): 105-30. CP.

February

- 19 Implementing Non-Market Strategies III: Coalition Building
 - Baron, Chp. 8 (pp. 205–07)
 - Baumgartner, Frank R., Jeffrey M. Berry, Marie Hojnacki, and David C. Kimball. 2009. *Lobbying and Policy Change: Who Wins, Who Loses, and Why.* Chicago: University of Chicago Press. Chp. 10. CP.
- 21 Implementing Non-Market Strategies IV: The Grassroots & Public Opinion
 - Baron, Chp. 8 (pp. 208-10)
 - Walker, Edward. 2010. "Industry-Driven Activism." Contexts 9 (2): 44-49. CP.
- 26 Implementing Non-Market Strategies V: The Courts
 - Baron, Chp. 8 (pp. 211-13)
 - Songer, Donald R., Reginald S. Sheehan, and Susan Brodie Haire. 1999. "Do the 'Haves' Come out Ahead over Time? Applying Galanter's Framework to Decisions of the U.S. Court of Appeals, 1925–1988." Law & Society Review 33 (4): 811–32. CP.
- 26 Strategy Implementation Reviewed
 - Baron, Chp.8 (pp. 214–29: all Chp. 8 cases and integrative Amazon.com and the Amazon Tax case)
 - *Optional*: Listen to "Take the Money and Run... for Office" podcast episode from *This American Life*. Link available on BB.
- 28 Guest speaker

March

- 5 Midterm Exam Review Session
- 7 MIDTERM EXAM
- 12-14 Spring Break: No class
 - 19 Anti-trust
 - Baron, Chp. 9 (pp. 230–38; 250–52)
 - Cain Miller, Claire, and Nick Wingfield. 2013. "Google Pushed Hard Behind the Scenes to Convince Regulators." *New York Times* January 3. BB.

Case: The AT&T and T-Mobile Merger?

- 21 Regulation
 - Baron, Chp. 10 (pp. 264-76)
- 26 Regulation, ctd.
 - Baron, Chp. 10 (pp. 276–85)

Cases: Merck and Vioxx; Enron Power Marketing, Inc., and the California Market

March

28 Environmental Regulation

- Baron, Chp. 12

Case: Pacific Gas & Electric and the Smart Meter Challenge

April

- 2 Guest speaker
- 4 Financial Market Regulation
 - Baron, Chp. 11

Case: Credit Rating Agencies

- 9 Non-Market Issues in the European Union
 - Baron, Chp. 15

Case: The Euro Crisis

11 Midwest Political Science Association Annual Meeting: No Class

- 16 Non-Market Issues in China
 - Baron, Chp. 16

Case: Google in China

- 18 Non-Market Issues in Emerging Markets
 - Baron, Chp. 17

Case: MTN Group Limited

- 23 Non-Market Issues in Emerging Markets, ctd.: Latin America
 - Schneider, Ben Ross. 2010. "Business Politics in Latin America: Patterns of Fragmentation." In *The Oxford Handbook of Business and Government*, ed. David Coen, Wyn Grant, and Graham Wilson. New York: Oxford University Press. CP.

Case: Musaachio, Aldo, Richard H.K. Vietor, and Regina Garcia-Cuellar. 2011. "Mexico: Crisis and Competitiveness." Boston, Mass: Harvard Business School Press. CP.

- Barstow, David. 2012. "Wal-Mart Hushed Up a Vast Mexican Bribery Case."
 New York Times April 21. BB.
- Clifford, Stephanie, and David Barstow. 2012. "Wal-Mart Inquiry Reflects Alarm on Corruption." *New York Times* November 15. BB.
- 25 Non-Market Issues in India
 - Baron, Chp. 18
 - Denyer, Simon. 2012. "India's Chief Auditor leads battle against corruption." Washington Post December 28. BB.

Cases: Tesco PLC in India?; Advanced Technology Laboratories, Inc.

- 30 International Trade Issues
 - Baron, Chp. 19

Case: The Airbus and Boeing Trade Disputes

May 2

- 2 Course Evaluations & Final Exam Review Session
- 9 FINAL EXAM (9 a.m. 12 p.m.)