PSC 238: Business and Politics
This Version: September 3, 2013

Course Description
The focus of this course is the conflict and cooperation between business and government, with an emphasis on U.S. domestic politics. We will cover a broad range of issues affecting the business world, including regulation, lawmakers, the mass media, interest group activism, and crisis management. The course will connect ongoing political debates to theory, and guest speakers will bring their business and political experience to our class. Each meeting will feature a general topic, as well as in-depth analyses of real-world cases related to that topic. What happens when Wal-Mart tries to open a new store in a city with strong unions? Who is opposed to grocery stores selling wine, and why? How did General Motors fight back against a media report critical of its products? Is “corporate social responsibility” actually irresponsible? These are just a few of the questions we’ll answer during the semester, all while developing an understanding of how events when politics meets economics.

Readings
There is one required textbook for the course: Business and Its Environment, 7th ed., by David P. Baron. Two copies of the textbook are on 2-hour reserve in Rush Rhees Library. Additional required readings are available in the Reserves section of the course Blackboard page; readings added later in the semester will also be placed here. Readings for the Sept. 3 and Sept. 5 classes are also available in the Reserves section of Blackboard for those students who are not able to acquire a textbook immediately.

Course Requirements
- **Exams**
  There will be three closed-book exams in the course on October 3, November 7, and December 12. There is no final exam. *Make-up exams are not given—exceptions are rarely granted.*

- **Analysis Questions**
  For certain classes, indicated by “HW Due” on the syllabus, you will be asked to analyze a case or answer. Questions are available in the Assignments section of Blackboard. In order to receive credit, answers should reflect careful thought. Assignments are due in class on the day the case or topic is discussed. *Late assignments will not be accepted.*

Grading
- **Exams** each count toward 30 percent of your grade.
- **Analysis Questions** collectively count toward 10 percent of your grade. You are required to turn in 6 assignments to receive full credit for this portion of your grade. If you turn in fewer than 6 assignments, your grade will be reduced proportionally. For instance, if you turn in only 5 assignments, you will receive 8.3 out of 10 points for this portion of your grade.

Teaching Assistant
There is one teaching assistant for this course. The TA is available to answer your questions about course material. The TA is also authorized to address your questions regarding exam and homework grading.

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Office Hours: Tues. 2-3 PM
Course Meetings

Note 1: Exam dates are set in stone and will not change. I will give you plenty of advance notice for any other changes I make to the syllabus, and confirm what material will be covered on each exam.

Note 2: Chapters and page numbers refer to the Baron text; non-textbook readings are listed by author last name or title (if no author) and are available on Blackboard. Readings will be discussed on the days listed; for instance, the reading for the Private Politics class will be covered on September 12.

1. Tuesday, September 3: Course Overview/Introduction to the Nonmarket Environment
   Reading: Chapter 1 (pp. 1-16)

2. Thursday, September 5: Integrated Strategy
   Reading: Chapter 2 (pp. 30-47)
   Case: Amazon.com and the Amazon Tax (pp. 225-229)
   HW Due: Analysis questions (Blackboard; do not answers preparation questions at the end of the case)

3. Tuesday, September 10: Nonmarket Analysis for Business
   Reading: Chapter 6 (pp. 132-140; 149-156)
   Case: Business versus Business (pp. 158-160)

4. Thursday, September 12: Private Politics
   Reading: Chapter 4 (pp. 74-91)
   Case: Shell, Greenpeace, and Brent Spar (pp. 92-95)
   HW Due: Analysis questions (Blackboard; do not answers preparation questions at the end of the case)

5. Tuesday, September 17: Online Lecture (Blackboard): The News Media
   NOTE: There will be no in-class lecture today.
   Reading: Chapter 3 (pp. 52-69)
   Case: General Motors Like a Rock? (A) (pp. 69-71)

6. Thursday, September 19: The News Media (continued)
   HW Due: Analysis questions (Blackboard; do not answers preparation questions at the end of the case)

7. and 8. Tuesday, Sept. 24 and Thursday, Sept. 26: Nonmarket Strategy Formulation and Implementation
   Reading: Chapter 7 (pp. 162-183) and Chapter 8 (pp. 195-213)
   Case: Wal-Mart and Its Urban Expansion Strategy (pp. 218-220)
   HW Due (September 24): Answer questions 1-4 at the end of the Wal-Mart case

9. Tuesday, October 1: Fuel Economy Standards
   Reading: Review Chapters 7 and 8 (pp. 162-183, 195-213)
   Case: Fuel Economy Standards 2007 (Blackboard)

10. Thursday, October 3: Exam 1 (covers classes 1 through 8)

10a. Tuesday, October 8: Fall Break (No Class)
11. **Thursday, October 10:** Crisis Management  
   **Guest Speaker:** Richard Keil, Senior Adviser for Global Public Affairs, ExxonMobil  
   **Reading:** TBA

12. **and 13. Tuesday, October 15 and Thursday, October 17:** Pivotal Politics and Nonmarket Strategy  
   **Reading:** Chapter 7 (pp. 171-172, 174-178); Kreibiel  
   **Case:** Federal Express and Labor Organization (p. 188)  
   **HW Due (October 15):** Answer questions 1-4 at the end of the FedEx case

14. **Tuesday, October 22:** Regulation and Rulemaking  
   **Reading:** Chapter 10 (pp. 264-276, skim 277-283)  
   **Case:** The FCC Media Ownership Rules (Blackboard)

15. **Thursday, October 24:** Antitrust  
   **Reading:** Chapter 9 (pp. 230-238, 244-252; skim 239-243)  
   **Case:** The Microsoft Antitrust Case (pp. 257-263)

16. **Tuesday, October 29:** The AT&T and T-Mobile Merger  
   **Guest Speaker:** Seth Bloom, President, Bloom Strategic Counsel, and former General Counsel, Subcommittee On Antitrust, Competition Policy, and Consumer Rights, U.S. Senate Judiciary Committee  
   **Reading:** TBA  
   **HW Due:** Analysis Questions

17. **Thursday, October 31:** Environmental Regulation  
   **Reading:** Chapter 12 (pp. 321-348), Chapter 10 (pp. 272-273 on externalities)  
   **Case:** Greenhouse Gas Admissions (Blackboard)

18. **Tuesday, November 5:** Regulatory Uncertainty and Integrated Strategy  
   **Reading:** Fremeth and Richter  
   **HW Due:** Analysis questions

19. **Thursday, November 7:** *Exam 2 (covers classes 9, 11 through 17)*

20. **Tuesday, November 12:** The Kodak Bankruptcy  
   **Guest Speaker:** Joel Seligman, President, University of Rochester  
   **Reading:** TBA

21. **Thursday, November 14:** Why Wegmans Sells Wine in Virginia but Not in NY  
   **Reading:** Wiseman and Ellig  
   **HW Due:** Analysis questions

22. **Tuesday, November 19:** TBA

23. **Thursday, November 21:** Corporate Social Responsibility  
   **Reading:** Chapter 20 (pp. 557-580); Friedman; Additional Reading TBA  
   **HW Due:** Analysis Questions

24. **Tuesday, November 26:** TBA

24a. **Thursday, November 28:** No Class (Thanksgiving)
25. Tuesday, December 3: Guest Speaker (Topic TBA)

26. Thursday, December 5: TBA

27. Tuesday, December 10: Course Wrap-Up

28. Thursday, December 12: Exam 3 (covers classes 18, 20 through 27)

*There is no final examination in this course.*

Required Readings on Blackboard (These readings, and any readings added after the semester begins, will be made available in the Reserves section of Blackboard.)


