

# Business and Society

Professor Nate Jensen

Unique ID: 39024

TTH 12:30-2:00

MEZ 1.212

## **COURSE DESCRIPTION**

In this class we will explore the literature in political science, management, and economics on the relationship between business and society. This is a writing flag course and the main assignment for the course is a course research paper on a topic related to the course. I will give a bunch of suggestions for topics.

### **COVID Flexibility**

In the past this course has been offered in person as well as online. I am prepared to pivot this course following university rules as well as best practices to keep us all healthy and safe. In short, we can do this.

In the event that the university advises us to go online for any part of the semester, we will quickly pivot to this online model.

*Online Model:* I will set up for synchronous and asynchronous learning. As a rule, most Tuesdays will be asynchronous content (pre-recorded lectures, videos or other content) and Thursdays will be synchronous discussion or simulations.

Every Tuesday will have a short, recorded lecture (around 30-40 minutes) with additional video, podcast, or short interview content. There will be a participation assignment for each Tuesday as well.

Every Thursday will be a live Zoom discussion. Students will be expected to come prepared to ask questions and discuss the cases and the readings.

*Social Distance Model:* If the university asks us to continue live instruction, but socially distanced I will break the class up into two cohorts and make the class a mix of lecture and discussion. I will film an online lecture that is available asynchronously at the start of the week. And then one cohort will have a live class discussion on Tuesday. The other half of the class will have a live discussion on Thursday.

*Other Models:* COVID, as well as the complex political and institutional environment we operate in, can often throw us a curveball. But my commitment to you is that we can deliver you a quality class that keeps you safe as well as bringing you the best education we can at UT. If we have to make another pivot, we will. But the readings for the semester, the tests, and most importantly the final paper assignment will be the same. It is just our mode of instruction that will vary. We can do this.

## **PROFESSOR AND COURSE COMMUNICATION**

### **Nate Jensen**

Professor of Government

*Online* Office hours: Monday 10:00-11:30, Thur 11:00-12:30

Email: [natemjensen@austin.utexas.edu](mailto:natemjensen@austin.utexas.edu)

Students will be expected to check their email daily for any important course announcements. Professor Jensen is available during his online office hours or by appointment. Send an email to schedule an appointment for zoom (or old school phone) office hours.

## **COURSE READINGS**

I have attempted to reduce the costs of taking this course by eliminating any required books. Most of the reading materials are available free of charge on the course website. A number of readings (case studies) are available for purchase through Harvard Business Publishing. The cost is just under \$50.

The course packet can be assessed at: <https://hbsp.harvard.edu/import/855102>

## **COURSE EXPECTATIONS AND REQUIREMENTS**

This is an advanced class that requires students to review the course materials prior to class. There are no formal prerequisites to this course, but the readings will draw on literature from political science, management and economics. As a student you should:

- Be on time for classes.
- Do the reading before class.
- Be ready to discuss the readings.
- Treat your professor and fellow students with respect.

## **GRADING POLICY**

**Grade Scale** (final grades rounded up):

93 and above A

90-92 A -

87-89 B+

83-86 B

80-82 B-

77-79 C+

73-76 C

70-72 C-

67-69 D+

63-66 D

60-62 D-

59 and below F

### **Participation Assignments (10%)**

10% of our course grade is based on your participation assignments through the class that includes

surveys, short writing assignments, simulations and other activities. These are short and should be “fun” (as fun as a class assignment can be). At the end of the semester there is a bonus assignment that can be used if you missed one of the participation assignments. You can’t get extra credit, but if you miss a single participation assignment, you can make it up.

### **Quizzes (3 open note quizzes worth 15% each, 45% of total grade)**

The quizzes will consist of a number of essay questions. Students are expected to know the basic arguments from all readings and have the ability to synthesize these works in broad essays.

### **Paper Assignment (45%)**

One major requirement in this course is a paper assignment. The final paper project should be 20-25 pages, 12-point font, double spaced. The assignment should be issue centered, where you’re not citing sources for the sake of showing you read a lot of stuff, but with the goal of introducing a problem and forwarding an innovative solution as clearly as possible. On the final classes all of the students are expected to present their work online. The paper assignment is worth 45% of your final grade with the following grade breakdown.

Five Page Literature Review	5%
Three Page Research Paper Proposal	5%
Presentation	5%
First Draft (15 pages)	10%
Final Paper	20%

Many of you haven’t written a major research paper in other classes. The point of this class is to guide you through this process. I will give a few suggestions for topics, but any research topic is possible. We will brainstorm topics in the first few classes.

## **Other University of Texas Policies**

### **COVID-19 Update: “Keep Learning” Resources**

This course may be offered in a format to which you are unaccustomed. If you are looking for ideas and strategies to help you feel more comfortable participating in our class, please explore the resources available here: <https://onestop.utexas.edu/keep-learning/>

### **Academic Integrity**

The UT Honor Code (or statement of ethics) and an explanation or example of what constitutes plagiarism can be found here: <http://catalog.utexas.edu/general-information/the-university/>

Don’t cheat. Ever.

### **Access**

The University of Texas at Austin is committed to providing a working and learning atmosphere that reasonably accommodates qualified persons with disabilities. If you have any disability which may impair your ability to complete this course successfully, please contact the Division of Diversity and Community Engagement, Services for Students with Disabilities, 471-6259,

<http://www.utexas.edu/diversity/ddce/ssd/>.

### **Religious Holidays:**

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 holiday, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

### **Emergencies:**

Please also see the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, <http://www.utexas.edu/safety/>.

## **Summary of Important Dates**

Sept 23	5-page literature review
Sept 28	Quiz 1
Oct 14	Quiz 2
Oct 21	3 page proposal due
Nov 9	15 page first draft due
Nov 23	Quiz 3
Nov30-Dec 7	Final presentations
Dec 7	Final paper due

# Class Schedule

## Section 1: Introduction and Research Design

### Aug 26: Introduction and Course Overview

Class Goal: I will provide an overview of the class. This will be a very short meeting. This is a great time for us to see how we feel in our classroom space.

### August 31: Rural Economic Development

Class Goal: Think about the barriers to economic development in rural areas as well as urban areas left behind.

#### Readings:

- Saving the Heartland <https://www.brookings.edu/bpea-articles/saving-the-heartland-place-based-policies-in-21st-century-america/>
  - This is a hard reading. Read the first pages that introduces the paper and the “Geography of Joblessness” section. You don’t have to read the rest of the paper.
- Restoring Economic Opportunity for The People Left Behind.  
<https://www.aspeninstitute.org/longform/expanding-economic-opportunity-for-more-americans/restoring-economic-opportunity-for-the-people-left-behind-employment-strategies-for-rural-america/>
  - Read the whole paper but really focus on section 3 on solutions.

### Sept 2 : Homelessness in American Cities

Class goal: How is homeless related to business and society? I’ll talk a bit about homelessness in Austin as well.

#### Readings:

- CASE STUDY 1: San Francisco, 2015 #tech #inequality (Online Course Packet)
- [Vancouver gave people experiencing homelessness \\$5800.](#)
- News story: I’ll add one news story the week before class to talk about. (I do this a lot. I want to save space for at least one news story, but who knows what will happen in the world!)

Participation Assignment 1: Complete course survey (due by 10:00 am central on Wed Sept 3rd)

### September 7: Business and Sustainability

Class goal: How can the private sector help make a profit while providing quality jobs and protect the environment?

#### Readings:

- CASE STUDY 2: Patagonia: Closing the Loop on Packaging Pollution (Online Course Packet)
- Kristin Heist. 2012. How Packaging Protects the Environment. Harvard Business Review.

<https://hbr.org/2012/06/how-packaging-protects-the-env>

#### Other Materials

- Podcast: [Can Corporations Solve Climate Change](#)
- Interview: Fair Trade America (sorry for the bad picture quality on my Camera. This was recorded early in the pandemic with a low tech setup.)

## Section 2: State and Local Economic Development

### September 9: Introduction to State and Local Development

#### Readings:

- Joseph Parilla and Sifan Liu. 2018. Examining the local value of economic development incentives: Evidence from four US cities. <https://www.brookings.edu/research/examining-the-local-value-of-economic-development-incentives/>
- Jensen, Nathan M. 2018. Do taxpayers know they are handing out billions to corporates? *New York Times*. (April 24, 2018).
- Nathan M. Jensen and Edmund J. Malesky. 2010. FDI Incentives Pay—Politically. *FDI Perspectives*.

#### Other Materials:

- Short [video](#) on my own book.

Participation Assignment 2: Look up your home town and their economic development agency website. How does this agency market your city? Are there any recent companies that relocated or expanded there. You just have to write up a paragraph or so summarizing this (due by 10:00 am central on Wed Sept 13)

### Sept 14: The Quest for Amazon HQ2

Class Goal: Understand what is unique about the Amazon HQ2 search process and what lessons can be learned.

#### Readings:

- A nearly complete list of the 238 places that bid for Amazon's next headquarters. <https://qz.com/1119945/a-nearly-complete-list-of-the-238-places-that-bid-for-amazons-next-headquarters/>
- Amazon HQ2: How did we get here and what comes next? <https://www.brookings.edu/research/amazon-hq2-how-did-we-get-here-what-comes-next/>
- The Amazon HQ2 Fiasco was no outlier. <https://www.wsj.com/articles/the-amazon-hq2-fiasco-was-no-outlier-11544800749>
- A Better Way to Attract Amazon's Jobs. <https://www.nytimes.com/2019/02/16/opinion/amazon-new-york.html>

Participation Assignment 3: Pick a major city U.S. city. How did this city market itself for Amazon HQ2? What did they offer? You just have to write up a paragraph or so summarizing this (due by 10:00 am central on Wed Sept 15th)

### **Sept 16: The Role of Anchors in Local Economic Development.**

Class goal: To understand the vital role the anchor institutions in the life of the city and building. To uncover the best practices for building effective partnerships between communities and anchor institutions

#### Readings:

- Eugenie Birch, David C. Perry, and Henry Louis Taylor, Jr., "[Universities as Anchor Institutions](#)," ([Links to an external site.](#)) Journal of Higher Education Outreach and Engagement, 2013.
- Richard Florida, "[The New Grand Bargain Between Cities and Anchor Institutions](#)," ([Links to an external site.](#)) *CityLab*, October 5, 2015.
- Richard Florida and Steven Pedigo, "[The Case for Inclusive Prosperity](#)," ([Links to an external site.](#)) New York University Schack Institute of Real Estate, 2017.
- Steven Pedigo and Kim Zeuli, "[Anchor Institutions and Urban Economic Development](#)," ([Links to an external site.](#)) Initiative for a Competitive Inner City, 2011.

## **Section 3: Globalization and Business**

### **Sept 21 Globalization and International Business.**

Class Goal: Understand why companies go abroad and what are the general patterns of global investment.

#### Readings:

- Jensen *et al.* 2012. *Politics and Foreign Investment*. Chapter 1.
- IBM Global Location Trends

Participation Assignment 4: Pick a major company. Describe where it has invested in the world. What do you think explains this pattern of investment? Just write up one paragraph (due by 10:00 am central on Feb 17).

### **Sept 23: Simulation Day and 5 Page Review Due**

Class Goal: We will engage in bargaining simulations

Readings. 5-page review due

Participation Assignment 5: We will conduct simulations during class. This will count as your participation assignment 5.

### **Sept 28: Quiz 1**

### **Sept 30: Bargaining and Competition for Investment**

Class Goal: Understand how the competition for investment can shape government policy and what governments can try to do to manage this competition.

Readings:

- Yadong Luo. 2001. 'Toward a Cooperative View of MNC-Host Government Relations: Building Blocks and Performance Implications. *Journal of International Business Studies* 32 (3): 401-419.
- Layna Mosley and Saika Uno 2007. Racing to the bottom or climbing to the top? Economic globalization and collective labor rights. *Comparative Political Studies*.
- Vid Prislán and Ruben Zandvliet Labor provisions in bilateral investment treaties: Does the new US Model BIT provide a template for the future?

**Oct 5: Company Supply Chains: Case Study of Bangladesh**

Readings:

- CASE STUDY 3: The Ready Made Garment Industry (Online Course Packet) Case A and B. (The B case shows up out of order in the course packet. But it is there. Read both!)
- News Stories (Added one week before class)

Participation Assignment 6: What are you wearing right now? List where every product was made. Are you surprised by any of this? (Due on Wed)

**Oct 7 Company Supply Chains and Labor: Case Study of Nike**

Readings:

- CASE STUDY 4: Global Sourcing at Nike (Online Course Packet)
- Alice Evans. The Politics of Pro-Worker Reforms.

**Section 4: The Influence of Business on Politics**

**Oct 12: Firms and Political Influence in the US**

Class Goal: In what ways does money affect politics? What are the solutions to having “too much money” in politics?

Readings:

- Stephen Ansolabehere, John M. de Figueiredo, and James M. Snyder. Why is There So Little Money in U.S. Politics? *Journal of Economic Perspectives* 17 (1): 105-130.
- Abby Wood. Campaign Finance Disclosure. <https://www.annualreviews.org/doi/10.1146/annurev-lawsocsci-110316-113428>
- Kay Lehman Schlozman. Other Kinds of Political Money. <https://scholars.org/other-kind-political-money>
- Nicholas Carnes. The Cash Ceiling. <https://scholars.org/cash-ceiling>

Participation Assignment 7: Look up your U.S. representative or Senator. You can pick where you live now or where your parents live. And if you are not American, pick a location

you want to live. Describe how much money your representative raised in the last election and who contributed. (due by 10:00 am central on Wed)

### **Oct 14: Quiz 2**

### **Oct 19: Nonmarket Strategy: Case Study of Target**

#### Readings:

- CASE STUDY 5: Making Target the Target: Boycotts and Corporate Political Activity
- CASE STUDY 6: Rethinking Political Activity at Target

#### Other Materials:

- Short news story

**Oct 21: Simulation Day and 3 Page Proposal Due.** Your participation in the simulation is participation assignment 8.

**Participation Assignment 8:** In class simulation.

### **Oct 26: Corruption and Business.**

#### Readings:

- Andrei Schleifer and Robert W. Vishney. 1993. Corruption. *Quarterly Journal Economics* 108 (3): 599-617.
- News Stories (Added one week before class)

**Participation Assignment 9:** Pick a major corporation. Search if you can find any instance of bribery or corruption. Give a short summary of what you found and what was the punishment. (Due on Wed)

### **Oct 28: Corruption and Business: Case Study of IKEA in Russia**

#### Readings:

- CASE STUDY 7: Corruption in Russia: IKEA's Expansion to the East (A&B Case)

## **Section 5: Topics**

### **Nov 2: Business and the Environment**

#### Readings:

- Readings to be added one week before the class. We will focus on recent policy proposals on the environment.

Participation Assignment 10: Complete course survey

### **Nov 4: Business and the Environment: Case Study of Fiji Water**

Class Goal: Think about the sustainability of bottled water and other products. What if the underlying business model isn't sustainable?

Readings:

- CASE STUDY 8: Fiji Water. Carbon Negative. (Online Course Packet)
- Research Article: Raul Pacheco-Vega: Human right to water and bottled water consumption.

Other Materials:

**Nov 9: News Round-up and 15 Page Draft Due!**

Class Goal: There will be no reading for this class. I want you to focus on your draft.

(No Participation Assignment this week)

**Nov 11: Company Supply Chains and Human Rights: Case Study of Intel**

Class Goal: Understand why it so difficult to monitor supply chains. Why would businesses put in the effort to monitor these supply chains?

Readings:

- CASE STUDY 9: Looking Inside: Intel and Conflict Minerals (Online Course Packet)
- Research Article: Ann Harrison and Jason Scorse. 2008. Multinationals and Anti-Sweatshop Activism. *American Economic Review* 100 (1): 247-273.

**Nov 16: Business and Human Trafficking: Case Study of Hilton**

Class Goal: Understand the extent of human trafficking, how it occurs, and why business and government can do to try to stop it.

Readings:

- CASE STUDY 10: Hilton: Combating Human Trafficking. (Online Course Packet)
- News Article: The State of Human Trafficking in Sports in 2019.  
[https://www.espn.com/espn/story/\\_/id/27263771/the-state-human-trafficking-sport-2019](https://www.espn.com/espn/story/_/id/27263771/the-state-human-trafficking-sport-2019)
- Report: Human Trafficking by the Numbers: The Initial Benchmark of Prevalence and Economic Impact for Texas. (Read the Executive Summary).  
<https://repositories.lib.utexas.edu/bitstream/handle/2152/44597/idvsa-2016-human-trafficking-by-the-numbers.pdf?sequence=2&isAllowed=y>

Make-up Participation Assignment:

**Nov 18 Global Taxation of Business**

Class Goal: Understand the complexity of taxing companies like Apple, including how these companies can use their international operations to reduce their taxes.

Readings:

- James Hines Jr. Treasure Islands. *Journal of Economic Perspectives* 24 (4): 103-124.
- News stories to be added.

**November 23: Quiz 3**

**Nov 30      Final Presentations**

**Dec 2      Final Presentations**

**Dec 7:      Final Presentations and Final Paper Due!**