Government and Business:
A Comparative Approach

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Political Science 790:338
Spring 2014

Course hours: T&Th 2:15-3:35pm
Location: HCK-119, Cook/Douglass
Office hours: Tuesday 7:00-8:00 pm, Hickman Hall 402
or by appointment at the Center for European Studies, office 303.
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Course overview
This course will help students understand the interactions between business and government in various political contexts. The class material is divided into three parts: theories about the origins and the decline of capitalism, the evolution of business-government relations in the U.S., and business-state interactions in specific policy areas. We will also discuss the mechanisms of alternative non-capitalist economic systems. Although most of the readings will deal with the U.S. context, state-business relations in Russia, China, and Germany will be discussed as well. Additionally, we will analyze and try to clarify such modern phenomena as relocation, outsourcing, and offshore tax havens.

At the end of the class, students should be able to: a) discuss various perspectives on capitalism, b) identify the main problems of the business-government relations in the U.S. context, c) identify the main problems of international business cooperation, d) have knowledge about important cases in the field, and e) use the basic analytical concepts in the field.

Please keep in mind that effective learning is a common enterprise requiring both a prepared instructor and a responsible student.

Required textbook

Additional readings and materials will be uploaded on Sakai at http://sakai.rutgers.edu

Grading policy
4 quizzes (each quiz will cover the readings or/and audio materials for a particular session readings or audio) 20%
Midterm exam 35%
Final paper 35%
Presentation/participation/attendance 10%
University policies

Disability Accommodation: Information on Rutgers Disability Support Services can be found at http://disabilityservices.rutgers.edu/

Rutgers Student Code of Conduct & Academic Integrity rules are enforced in this class. See details at http://studentconduct.rutgers.edu

Attendance: daily attendance is taken. If you are going to miss a class, please use the university reporting system available at https://sims.rutgers.edu/ssra/. Absences for religious observance are excused without penalty and do not need to be reported, but you do need to notify me in advance. For medical problems please provide a doctor’s note. If you have more than three unexcused absences, points will be deducted from the final grade.

Schedule

Session 1: Introduction (January 21)

HISTORY
Session 2: Origins of government and business (January 23)
   Chapter 1 (textbook)

Session 3: Government and business in the United States (January 28)
   Chapter 2 (textbook)

PERSPECTIVES
Session 4: Perspectives on capitalism: Adam Smith, Joseph Schumpeter, and Milton Friedman (January 30)
   Readings available on Sakai

Session 5: Critical perspectives on capitalism: Karl Marx and the OWS movement (February 4)
   Readings available on Sakai

Session 6: The globalization of business activities (Feb 6)
   Documentary 1: Golden Futures - Corporations around the World
   Chapter 5 (textbook)

ACTORS AND ACTIVITIES
Session 7: Who controls the corporations? Corporate governance patterns. (Feb 11)
   Chapter 4 (textbook)
   Case: Economist March 9th – March 15th, three audio segments on shareholder rights and executive pay
**Session 8**: Why is business involved in politics (Feb 13)
   Chapter 7 (textbook)

**Session 9**: Public opinion, interest groups, and unions (Feb 18)
   Chapter 6 (textbook)
   Case study: Fast Food Workers Walkouts at

   Sasha Abramsky, “The Life of a Fast-Food Striker” in *The New Yorker*, December 26, 2013 available at

**Session 10**: Lobbying (Feb 20)
   Chapter 8 (textbook);

**Session 11**: Business and political parties (Feb 25)
   Chapter 9 (textbook)

**POLICY AREAS**

**Session 12**: Financial markets and the crisis of 2008 (I) (Feb 27)
   TBD

**Session 13**: Financial markets and the crisis of 2008 (II) (March 4)
   Documentary 2

**Session 14**: Business and economic policies. Quantitative easing and tapering. Austerity.
   (March 6)
   Chapter 10 (textbook)

**Session 15**: Industrial policy (March 11)
   Chapter 13 (textbook)

**Session 16**: Global trade policy. Currency wars (March 13)
   Chapter 14 (textbook); Chapters 1&6 from James Richards, *Currency Wars*, 2011 (on Sakai)

**Spring recess (March 15-March 22)**

**Session 17**: Antitrust and competition policy in the new economy (March 25)
   Chapter 12 (textbook)
   Audio Segment on Sakai: Microsoft case
**Session 18**: Mid-term (March 27)

**Session 19**: Healthcare Policy (I) (April 1)
   Documentary 3

**Session 20**: Healthcare Policy (II) (April 3)
   Peter R. Orszag, How health care policy can save or sink America, Foreign Affairs, July/August 2011, pp. 42-56

**Session 21**: Environmental policy: U.S. versus the European Union (April 8)

**Session 22**: Governments and outsourcing (April 10)

**Session 23**: Offshore tax havens and philanthropy (April 15)
   Chapters 1 and 2 from Ron Palan, 2010 & Chapters 1, 2, 3 and 14 from Bishop and Green, Philantrocapitalism, 2008.

**COUNTRY STUDIES**

**Session 24**: Russia’s business-government relations (April 17)

**Session 25**: China’s red capitalism (April 22)

**Session 26**: Germany’s social market capitalism (April 24)

**Session 27**: Student Presentations (I) (April 29)

**Session 28**: Student Presentations (II) (May 1st)

Final paper due May 14 at noon (please upload on Sakai to Dropbox folder)