

I103:
GLOBAL BUSINESS – POLITICS, POLICY,
AND PRACTICE

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COURSE DESCRIPTION

What does it mean to be a global corporation in the 21st Century? What kinds of dilemmas do business leaders face when operating in different countries with varying political, cultural, technological, and environmental landscapes? How can communities harness the positive aspects of global business while managing the social, environmental, and security risks they generate? Should consumers and voters hold global businesses to high social and environmental standards, and if so, how?

In this course, you will learn how to analyze the opportunities and challenges multinational companies generate using real cases from global companies including: Exxon Mobile, Nike, Patagonia, Toms Shoes, Starbucks, Apple, Facebook, and even Grindr (who knew a dating app would generate national security concerns?!). Individually and with teams you will use political, economic, historical, and cultural knowledge to critically analyze, debate, and solve real-world problems that business, political, and community leaders face. Through studying and debating these cases, you will develop a set of valuable risk analysis, ethical reasoning skills, and cultural competencies necessary to becoming a leader in corporate, community, and political environments as well as learn the basics of writing a policy memo.

AIMS & OUTCOMES

At the end of this course, students will understand key governance, development, and equity challenges associated with the rise of multinational enterprises (MNEs) in the contemporary era. Students will:

1. directly **engage** with historical and contemporary case studies of MNEs and the dilemmas they face
2. use these cases to **think critically** about the extent to which “undesirable” corporate behavior is the result of decision-making by corporate executives and/or political and economic structures that undermine good-faith efforts of MNEs to behave responsibly
3. **evaluate** how issues of diversity and gaps in cultural understandings complicate MNE operations.

Along the way, students will develop strong analytic skills as they:

4. **assess** the nature of concrete problems MNEs create,
5. **diagnosis** the root causes of these problems

6. ***develop*** potential solutions to these problems
7. ***practice*** how to effectively communicate these solutions to potential policy makers by writing and presenting policy memos.

The learning outcomes listed above fulfill the learning requirements of IU's Social and Historical Studies GenEd program by engaging students in a study of how multinational firms' operations are influenced by the local and international contexts in which they operate. Students will learn about organizational theories of multinational firm behavior, and apply these theories to explain, understand, and critique contemporary MNE behavior. They will also demonstrate the following:

1. knowledge of human cultures based on an understanding of history, social situations, and social institutions (through studying cases of MNE behavior and dilemmas);
2. the ability to think critically and creatively (through analyzing these cases and critiquing MNE behavior);
3. skills of inquiry and analysis (through developing assessments of each case);
4. quantitative and/or qualitative literacy through theory and methodology (through learning how to rigorously evaluate MNE behavior);
5. intercultural and/or civic knowledge (through learning how cultural differences create specific organizational challenges for MNEs).

To achieve these outcomes, students will:

- Consistently come to class having closely read assigned writings and prepared to discuss course material
- Complete all assignments on time and in earnest
- Actively participate in classroom discussion and activities.
- Ask questions when concepts are unclear

MEASUREMENT OF PROGRESS

Grades in this course will be determined based on performance in the following areas:

[30%] Short, weekly guided reflection papers on assigned cases

[25%] Take Home Final Exam (short answer & essay)

[20%] Group Project (4 page issue policy memo & presentation)

Students will self-select into groups of three in Week 7 of the course. In groups, students will choose a multinational company and a major issue of MNE governance to research. Each group will write a policy memo in which they will advocate for a particular course of action for either the MNE in question or a government in a position to regulate the MNE. Students will then present their memo and their recommendations to their classmates during the last two weeks of the semester (each team will have 5-8 minutes to present, and 3-5 minutes for questions and answers from the audience). Students will be provided a separate document with more details about the assignment. Individual

grades will be based on a combination of (1) group output, (2) individual output, (3) self-assessment, (4) peer feedback, (5) quality of provision of feedback to group members, and (6) attending class sessions in which other students present their work and providing quality feedback to these groups.

[25%] Class Attendance and Participation

Letter grades are converted from a 100-point scale in the following manner:

A+: $\geq 97\%$	B: [83, 87)	C-: [70, 73)	F: < 60
A: [93, 97)	B-: [80, 83)	D+: [67, 70)	
A-: [90, 93)	C+: [77, 80)	D: [63, 67)	
B+: [87, 90)	C: [73, 77)	D-: [60, 63)	

GRADE POLICY & PHILOSOPHY: Grades are necessary but imperfect assessments of achievement. They are a representation of a student's demonstrated achievement at a particular moment of time. They are not a judgement of a student's worth, character, intellect, or potential. They also are not static; students may vary over time in their ability to achieve high grades for a host of reasons that include their interest in the subject and their ability to devote time and concentration to the course. Because grading criteria are designed to be as objective as possible, grades are simply unable to represent student effort and they also are unable to adjudicate for unearned advantages and disadvantages (both on the basis of structural biases and individual circumstances) with which students enter class. It is my responsibility as an instructor to offer clear guidelines for grading criteria, to support students in their learning, and to administer grades as objectively as I can. This means that I do not round up grades, nor do I offer extra credit. If you are concerned about your grade, or are confused about the criteria on which your achievements will be judged, please come to office hours as soon as possible. The period between the last class, the final, and submission of final grades is not an appropriate time to discuss grades (except in the case of a potential grading mistake), and I will not entertain discussions regarding grading and grades at that time.

STUDENT RESPONSIBILITIES

ATTENDANCE: Your attendance in class is important both to your mastering the material and to improving the quality of class discussion for all registered students. Research on learning continually shows a strong correlation between attendance and performance on exams and written assignments. For that reason, 25% of your grade comes from attendance and participation. I compute this grade as a combination of your attendance and the quality of your participation in class discussion. As a rule of thumb, someone who attends class frequently (misses less than two classes) and has high quality participation should expect a participation grade of around 94%. Someone who misses no more than 3 classes and has high quality participation should expect a participation grade of around 82%. Someone who attends all classes but who rarely participates in class discussion should expect a similar grade. Someone

who falls asleep in class or is routinely late should expect a failing participation grade.

You are allowed to miss up to one discussion section meeting without penalty. Generally, no additional absences will be excused barring a pretty significant emergency or compelling life event. This means I do not accept notes from a doctor for excused absences; that is what your excused pass is for. If you are having trouble attending class, for whatever reason, it is your responsibility to see me in office hours as soon as possible so we may find a way for you to fulfill the requirements of the course.

ELECTRONICS: Due to a large body of empirical evidence that student learning is impeded by electronic use in class, I generally impose a LAPTOP BAN in class. However, there will be particular moments in class in which access to a laptop or smart phone will be essential (such as to take a poll or quiz or when working in small groups on an activity). I will let you know when it is okay to take out your electronics. But, the default is to not use them. If you have a documented reason for requiring access to a laptop, please see me.

PARTICIPATION: Class discussion facilitates learning by requiring active participation in knowledge acquisition. Good discussion requires good preparation. Come to class having not only read the assigned material, but haven taken synthesizing notes. In other words, come to class having thought a bit about the content and quality of the arguments forwarded in assigned readings. Be sure to jot down questions you have about the readings themselves as well as broader points that the authors' arguments raise. This will help make discussion more productive and enjoyable.

The ability to confidently articulate an idea is an integral component of learning. While it is my responsibility as an instructor to provide an environment supportive of student participation, it is ultimately your responsibility to engage in class discussion. If speaking in class is particularly difficult for you, I encourage you to speak with me during office hours to develop strategies for increasing self-confidence.

Just as developing the ability to articulate ideas is an important part of the classroom experience, listening to peers is an essential life skill. When we listen to other perspectives, we have a wider lens through which to evaluate theoretical claims. Accordingly, active participation requires listening intently to your peers' contributions as well as respectfully responding to their assertions both when you agree and when you disagree. This means giving others the chance to speak and giving their contributions thoughtful consideration. Of course, I expect that (and encourage!) discussion will generate disagreement. Even within the context of reasoned debate, it is important to be respectful of your peers and their opinions.

EMAIL ETIQUETTE: Please use email judiciously and professionally. Reserve email for questions of clarification or to schedule an appointment; office hours are for help with substantive questions and to discuss grades. If you email me a question that is easily answered by reading the course syllabus, I will respond with one word:

“syllabus.” Please maintain reasonable expectations about response time; I try to respond to all emails within one business day. Finally, provide a specific and descriptive subject heading for your email and use proper spelling, grammar, and punctuation.

OFFICE HOURS: Few students take advantage of office hours. Office hours are an opportunity for you to ask substantive questions about class material, to seek additional guidance and feedback on your writing and other graded assignments, and to seek more general advising on academics and career choices. Office hours give me a chance to get to know you better, which often works to your advantage. For example, I can always write a better letter of recommendation for a student who has come to my office hours at least once. Students wishing to attend office hours should consult the syllabus for my office hours and the location of my office. It is best to send me an email ahead of time so I know that you are planning to show up. **You should come to office hours with particular questions in mind.** They can be broad questions (e.g. – I am interested in taking more courses related to political economy, do you have suggestions? I am thinking about applying to grad school. Have any advice?) or narrow questions, but come with specific questions. Faculty want to engage with students, but we are also very busy people. Office hours are not social hours (though I am a pretty sociable person). Finding ways to interact with faculty in personable but still professional ways is good practice for the business world, in which you will need to interact with a boss who is overworked and likely underinvests in training their employees.

REGRADING REQUESTS: After returning graded material, I maintain a 48-hour reflection period during which you can contemplate your performance. At that point, I will entertain questions about grades. Since I will be looking at your exam or paper with fresh eyes, I reserve the right to give you a new grade that is lower than your original grade if that is appropriate.

HONOR CODE: As a student at IU, you are expected to adhere to the standards and policies detailed in the [Code of Student Rights, Responsibilities, and Conduct](#). When you submit an assignment with your name on it, you are signifying that the work contained therein is yours, unless otherwise cited or referenced. Any ideas or materials taken from another source for either written or oral use must be fully acknowledged. If you are unsure about the expectations for completing an assignment or taking a test or exam, be sure to seek clarification beforehand. All suspected violations of the Code will be handled according to University policies. Sanctions for academic misconduct may include a failing grade on the assignment, reduction in your final course grade, a failing grade in the course, among other possibilities, and must include a report to the Dean of Students, who may impose additional disciplinary sanctions.

STUDENT SERVICES

DISABILITY SERVICES: Every attempt will be made to accommodate qualified students with disabilities (e.g. mental health, learning, chronic health, physical, hearing, vision neurological, etc.). You must have established your eligibility for support services through the appropriate office that services students with disabilities. Note that services are confidential, may take time to put into place and are not retroactive; captions and alternate media for print materials may take three or more weeks to get produced. Please contact Disability Services for Students at <http://disabilityservices.indiana.edu> or 812- 855-7578 as soon as possible if accommodations are needed. The office is located on the third floor, west tower, of the Wells Library, Room W302. Walk-ins are welcome 8 AM to 5 PM, Monday through Friday. You can also locate a variety of campus resources for students and visitors that need assistance at: <http://www.iu.edu/~ada/index.shtml>.

SEXUAL MISCONDUCT AND TITLE IX: As your instructor, one of my responsibilities is to create a positive learning environment for all students. Title IX and IU's Sexual Misconduct Policy prohibit sexual misconduct in any form, including sexual harassment, sexual assault, stalking, and dating and domestic violence. If you have experienced sexual misconduct, or know someone who has, the University can help. If you are seeking help and would like to speak to someone confidentially, you can make an appointment with:

- Sexual Assault Crisis Services (SACS) (812) 855-8900 (counseling services)
- Confidential Victim Advocates (CVA) at (812) 856-2469 (advocacy and advice services)
- IU Health Center at (812) 855-4011 (health and medical services)

It is also important that you know that Title IX and University policy require me to share any information brought to my attention about potential sexual misconduct, with the campus Deputy Title IX Coordinator or IU's Title IX Coordinator. In that event, those individuals will work to ensure that appropriate measures are taken and resources are made available. Protecting student privacy is of utmost concern, and information will only be shared with those that need to know to ensure the University can respond and assist. I encourage you to visit **stopsexualviolence.iu.edu** to learn more.

BIAS REPORTING: As your instructor, one of my responsibilities is to create a positive learning environment for all students. Bias incidents (events or comments that target an individual or group based on age, color, religion, disability, race, ethnicity, national origin, sex, gender, gender identity, sexual orientation, marital status or veteran status) are not appropriate in our classroom or on campus. What should you do if you witness or experience a bias incident? Report it by submitting a report online (biasincident.indiana.edu) or calling the Dean of Students Office (812-855-8187).

COURSE TEXTS

There is no textbook associated with this class. All course materials will be posted to Canvas.

TENTATIVE COURSE SCHEDULE

*** This syllabus is a living document. I try to adhere to the schedule listed below. However, the schedule as well as the assigned readings are subject to change. It is your responsibility to make sure you have the most updated version of the syllabus.

For the most part, we will cover a different case each week. On the first class of the week, we will work together to set up the facts of the case and outline the major issues raised by the case. On the second class of the week, we will engage in structured discussion about how to interpret the case and what actions relevant actors might take to alleviate the problems raised in the case. You should complete the listed readings for the week by the first class of that week. You will turn in (via Canvas) a short (1-2 page single-spaced) reflection paper before the second class of each week in which you will respond to a few provided questions related to the case. This will help you reflect critically on the case and be ready to jump into discussion.

Week 1: Introductions and Goal Setting

Course Overview & Expectations • Background information • US Firms & US Values

- Syllabus
- <https://www.nbcnews.com/think/opinion/what-did-lebron-james-say-about-china-nearly-everyone-else-ncna1069131>
- <https://www.nytimes.com/2019/10/19/opinion/sunday/china-nba.html>

Week 2: The Political Risk of Overseas Investment: Exxon Mobil in Aceh

Defining Political Risk • Complicating structure and agency

- Steven Coll (2013) Chapters 4 & 18 (22 pgs)
- ICTJ (2008) *A Matter of Complicity? Exxon Mobil on Trial for its Role in Human Rights Violations in Aceh*. New York, NY: ICTJ. (18 pgs)

Week 3: Corporate Social Responsibility and Political Instability – Shell in Nigeria

Defining Corporate Social Responsibility • Interacting with Corrupt Regimes

- Manby, Bronwen. 2000. Shell in Nigeria: Corporate Social Responsibility and the Ogoni Crisis (12 pgs)

Week 4: Ethical Supply Chains in Coffee: Starbucks, Folgers, & Fair Trade Coffee

Complex Global Supply Chains • Private Regulation & Industry Certifications

- Locke, M. Richard, Cate Reavis, and Diane Cameron. 2010. Fair Trade Coffee: The Mainstream Debate (23 pgs)
- DePass, Donald. Starbucks vs. Ethiopia: Corporate Strategy and Ethical Sourcing in the Coffee Industry. (10 pgs)

Week 5: Ethical Supply Chains in Textiles: Nike, Patagonia, and Labor Rights

Textiles as Nexus of Labor Rights • Lean Manufacturing • The SAC

- Henderson, Rebecca, Richard M. Locke, Christopher Lyddy, and Cate Reavis. 2009. Nike Considered: Getting Traction on Sustainability. (23 pgs)
- Gillian B. White (2015) "All Your Clothes are Made with Exploited Labor," *The Atlantic* June 3, 2015.

OR Hunter, Mark Lee, André Calmon, and Luk N. Van Wassenhove. 2018. "From Fast Fashion to Sustainable Apparel: The Making of the SAC." *INSEAD Cases* no. 12/2018-6437 (12 pgs)

Week 6: Ethical Supply Chains and Unintended Consequences – Toms Shoes

Shareholders vs. Stakeholders • CSR as Marketing • Evaluating Impact

- Wydick et al. 2018. "Shoeing the Children: The Impact of the TOMS Shoe Donation Program in Rural El Salvador." (25 pgs)
- <https://harvardpolitics.com/world/one-for-none/>

Week 7: Documentary – Banana Land: Blood, Bullets, and Poison

MNEs and Post-Colonialism • Group Project Instructions

- Writing Effective Policy Reports

Week 8: Investor State Dispute Settlement – Rule of Law or Impunity?

Arbitration • Bilateral Investment Treaties • Institutional Quality • Regulatory Chill

- Samples, Tim R. "Winning and Losing in Investor-State Dispute Settlement." *American Business Law Journal* 56(1): 115 – 175. (61 pgs)
- <https://pitad.org/index#welcome>

Week 9: International Tax Policy & Globalized Tax Avoidance – The Case of Apple

Corporate Taxation • Investment Incentives • Base Erosion and Profit Shifting

- DiSalvo, Theodore F. 2018. "The Apple-Ireland Tax Case: Three Stories on Sovereign Power." *Duke Journal of Comparative and International Law* 28(2018):371 – 383. (13 pgs)
- <http://www.oecd.org/tax/beps/beps-actions/action15/>

Week 10: Global Social Media and Hate Speech – Facebook in Myanmar

Social Media & Monopoly Power • Propaganda, Freedom of Speech, & Hate Speech

- BSR 2018. Human Rights Impact Assessment – Facebook in Myanmar. (62 pgs)
- <https://www.lawfareblog.com/facebook-role-genocide-myanmar-new-reporting-complicates-narrative>

Week 11: National Security & Foreign Investment – Huawei, 5G, & Global Security

CFIUS • Critical Infrastructure • Definitions of National Security • Grindr & Security

- tbd

Week 12: Multilateral Governance – the United Nations Human Rights Council

UN Draft Treaty on Business and Human Rights • Multi-level diplomacy

- Angelini, Antonella. 2019. "The Way Ahead for a UN Treaty on Business and Human Rights" *Fair Observer* 28 Feb. available at: <https://www.fairobserver.com/world-news/un-treaty-business-human-rights-brumadino-dam-collapse-news-15215/>
- Current Draft of the UN Human Rights Council's Instrument to Regulation, In International Human Rights Law, the Activities of Transnational Corporations and Other Business Enterprises. Available at: https://www.ohchr.org/Documents/HRBodies/HRCouncil/WGTransCorp/OEIGWG_RevisedDraft_LBI.pdf

Week 13: Group Presentations

Week 14: Group Presentations

Week 15: Conclusion & Wrap Up

Evaluating Learning • Communicating Experience