

**The Ohio State University  
Department of Political Science**

**Political Science 511: Political Strategy, Public Policy, and the Private Sector**

Winter 2006  
TTh 9:30-11:18 (AM)  
MQ 161

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Office Hours: TTh, 2:00-3:00  
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**Course Overview**

Political Strategy, Public Policy, and the Private Sector is designed for students with an interest in political science, economics, management, or public policy, although students in a variety of fields may find the class interesting and useful and are thus encouraged to enroll.

The course is conducted on a lecture and case discussion basis. A typical class section will contain a short lecture that addresses a theoretical approach or conceptual tool and provides a setting for the material being discussed. The class session will also involve discussion of cases that serve as vehicles for application of the material. These cases involve issues of how the private sector (e.g., firms, activist groups, etc.) interact with nonmarket forces such as the media, public interest groups, regulatory agencies, etc. For a number of the class sessions, a group of students will present the case details along with their own analyses. This will help the students better understand the viewpoints of the leaders in the public and private sectors.

Broadly speaking, the environment of business is composed of related market and nonmarket components. The nonmarket environment is characterized by the social, political, and legal arrangements that structure interactions outside of—but in conjunction with—markets. This course will focus on nonmarket factors that, like markets, have important consequences for the performance of companies.

For the Winter 2005 version of Political Science 511, the topics and cases are organized in five blocks of cumulative sessions:

1. Nonmarket Issues and Strategy
2. Nonmarket Strategy in Governmental Arenas
3. Government and Markets
4. Politics of the Private Sector Worldwide
5. Ethics and nonmarket strategy

## Readings

The course uses *Business and its Environment* (5<sup>th</sup> Edition, Prentice-Hall, 2006) by David P. Baron. The book was written specifically for the case study approach taken by this class, and has been adopted by a number of departments and business schools. It is broad in its outlook and in the range of topics covered; and it is structured around a flexible but consistent framework. Several handouts will also be delivered throughout the quarter.

## Course requirements and grading

There will be two examinations, a midterm and a final. Both exams will be take-home format. Grades will be assigned as a weighted average of the midterm (30%), class participation (30%), and the final exam (40%). The class participation component will be based largely on the student presentations (totaling 15% of the student's grade), but will also weight brief written assignments and student contributions on days when the student is not assigned to present materials (totaling 15%). Given that much of the course is case-driven and each session will have significant class interaction, it is important that students attend class regularly. Absences from class (for whatever reason) will not only prevent the absent student from learning from the class discussion but also prevent the class from learning from the student's preparation and insights. While attendance is not required per se, absences will affect not only collaborative learning, but also my assessment of the absent student's class participation grade.

No late work will be accepted unless previously arranged with Prof. Wiseman. Such arrangements require well-substantiated and sound reasons, and will result in progressively lowered grades depending on how late the work is finally produced.

**Academic Honesty:** I expect all of the work you do in this course to be your own. I will tolerate absolutely no cheating or plagiarism (using someone else's words or ideas without proper citation). I will report any cases of cheating or plagiarism to the university committee on academic misconduct, and they will be handled according to university policy.

**Disability:** If you need an accommodation based on the impact of a disability, you should contact me to arrange an appointment as soon as possible. At the appointment we can discuss the course format, anticipate your needs, and explore potential accommodations. I rely on the Office for Disability Services for assistance in verifying the need for accommodations and developing accommodation strategies. If you have not previously contacted the Office for Disability Services, I encourage you to do so.

## Course Outline

### Part I. Nonmarket Issues and Strategy

1. Tues. Jan. 3: INTRODUCTION TO THE NONMARKET ENVIRONMENT  
Reading: Chapter 1(1-17) and Chapter 3 (83-87)  
Case: General Motors Like a Rock? (A): 91-93

2. Thurs. Jan 5: AMERICAN GOVERNMENT PRIMER  
Reading: Chapter 5 (148-158)
3. Tues. Jan 10: THE EMERGENCE OF ISSUES  
Reading: Chapter 2 (31-37, 47-52) and Chapter 3 (66-74)  
Cases: Illinois Power Company, 94-95
4. Thurs. Jan 12: PRIVATE NONMARKET ACTION  
Reading: Chapter 4 (96-114)  
Case: Shell, Greenpeace, and Brent Spar (A), 115-119  
(Group Presentation)

## **Part II. Nonmarket Strategy and Government Institutions**

5. Tues. Jan 17: MOBILIZATION OF INTERESTS  
Reading: Chapter 5 (135-43)  
Cases: Repeal of the Luxury Tax (166-167)  
(Group Presentation)  
Tobacco Politics (192-194)
6. Thurs. Jan 19: INTEREST GROUP ANALYSIS  
Reading: Chapter 5 (158-164), Chapter 6 (170-190), Chapter 7 (206-209)  
Case: Scrubbers and Environmental Politics, (194-195)  
(Group Presentation-2 Groups)\*  
Assignment: Each study group is to prepare a distributive politics spreadsheet for the Scrubbers case, plus a single transparency of the spreadsheet. At the end Of class, groups will turn in a copy of its spreadsheet.
7. Tues. Jan 24: ANALYSIS OF VOTING INSTITUTIONS  
Reading: Chapter 5 (144-148) and Chapter 7 (209-221)  
Krehbiel, Keith. 1999. "Pivotal Politics: A Refinement of Nonmarket Analysis for Voting Institutions." *Business and Politics*. 1 (1): 63-81. (tbd)  
Cases: Federal Express (A) (223-224)  
Assignment: Questions at the End of Federal Express (A) and Pivotal Politics (tbd)
8. Thurs. Jan. 26: ENTREPRENEURIALISM: MARKET AND NONMARKET  
Reading: Chapter 5 (148-158, review if needed), Chapter 8 (230-238), and Chapter 10 (323-332)  
Case: Echelon and the Home Automation Standard (A) (353-357)  
(Group Presentation)
9. Tues. Jan 31: ANALYSIS AND STRATEGY IN LEGISLATIVE INSTITUTIONS  
Reading: Chapter 8 (238-251)  
Wiseman, Alan E. 2003. "Taxation and the New Economy." in Derek C. Jones ed., *New Economy Handbook*. San Diego: Elsevier Science Academic Press. (tbd)

Case: Internet Taxation (264-270)  
(Group Presentation)

### **Part III. Government and Markets**

#### 10. Thurs. Feb. 2: ANTITRUST

Reading: Chapter 9 (280-306)  
Cases: The Microsoft Antitrust Case (313-322)  
Assignment: Study groups will prepare for a debate on antitrust in internet/software industry, taking either the side of Microsoft or Netscape.  
(Group Presentation—2Groups)

**Midterm Examination** distributed at the end of class session, to be handed in by the beginning of class, Tuesday, February 7, 2005.

#### 11. Tues. Feb. 7: REGULATORY AND PRODUCT SAFETY

Reading: Chapter 12 (416-432)  
Case: California Space Heaters (A) (434-436)  
(Group Presentation)

#### 12. Thurs. Feb. 9: INTELLECTUAL PROPERTY

Reading: Chapter 12 (401-411)  
Case: eBay and Database Protection (437-443)  
(Group Presentation)

### **Part IV: Politics of the Private Sector Worldwide**

#### 13. Tues. Feb. 14: INTERNATIONAL TRADE AND NONMARKET STRATEGY

Reading: Chapter 16 (597-619)  
Case: Cemex and Antidumping (623-629)  
(Group Presentation)

#### 14. Thurs. Feb. 16: NONMARKET STRATEGY IN THE EUROPEAN CONTEXT

Reading: Chapter 14 (524-550)  
Case: Aldeasa and the EU Duty Free Abolition (A) (557-563)  
(Group Presentation)

#### 15. Thurs. Feb 21: GLOBALIZATION AND NONMARKET STRATEGY

Reading: Chapter 14: 489-514.  
Case: The Kodak-Fujifilm Trade Dispute (629-638)  
(Group Presentation)

### **Part V. Ethics and Nonmarket Strategy**

#### 16. Thurs. Feb. 23: CORPORATE RESPONSIBILITY

Reading: Chapter 18 (653-673),

Case: Advanced Technologies Laboratories, Inc. (689-691)  
(Group Presentation)

17. Tues Feb. 28: UTILITARIANISM AND MANAGEMENT

Reading: Chapter 19 (693-719), Chapter 22 (817-833)

Case: Complications in Marnera (835-836)  
(Group Presentation)

18. Thurs. Mar.2: RIGHTS AND DUTIES

Reading: Chapter 20 (731-750)

Case: Genetic Testing in the Workplace (766-767)  
(Group Presentation)

19. Tues. Mar. 7: DISTRIBUTIVE JUSTICE

Reading: Chapter 20: 750-764

Case: Environmental Justice and Pollution Credits Trading Systems (767-771)  
(Group Presentation)

20. Thurs. Mar. 9: NORMATIVE AND STRATEGIC ANALYSIS

Reading: Chapter 16 (564-589), Chapter 21 (774-797)

Case: Fresenius Medical Care in China (595-596)  
(Group Presentation)\*