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**PPD 357 – GOVERNMENT AND BUSINESS**  
**T, Th 10:00-11:50am, RGL 219**  
**Fall 2013**

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**Description** This course explores issues facing business that are not determined by markets, but by the interaction of business firms with interests and institutions. Unlike some other public policy courses you might take in the Price School, we adopt the perspective of managers charged with achieving good performance in business firms. We study firm strategy toward the goal of understanding how business reacts to public policies, which will, in turn, make us better policy analysts. We employ a political economy approach to capture how government institutions function and what forces determine real-world outcomes.

**Assignments** You are required to sit for three in-class examinations, each of which account for 25 percent of your final course grade. Exams are based on the material presented in modules and are not comprehensive. Each closed book examination will be comprised of a mix of multiple choice, true/false, and short answer items. Review case sessions before each examination are included on the course calendar. Please bring any additional questions about the material to be covered on the associated exam to those sessions as time will be available to address them.

You are also individually required to virtually attend a policy meeting of the Los Angeles County Department of Regional Planning (<http://planning.lacounty.gov/video>). There are a number of meetings on the webpage from which you may choose, but select one in which policy proposals are being discussed so that you can apply the concepts in the course. You must prepare one case paper of 5-6 pages, double-spaced, 12-point font that (a) explains a particular policy proposal impacting business that was discussed the meeting and (b) presents your nonmarket analysis of how one impacted business firm should deal with the policy under consideration. In the paper, you will apply relevant concepts from the class; your grade will be based on the quality of your analysis, not the comprehensiveness of the concepts you discuss. The case paper is your opportunity to show how the work we have done in the class strengthens your approach to a real-world problem. It accounts for 15 percent of your final grade and must be submitted via blackboard by 5pm on December 13.

**Teaching Approach** You will help guide the discussion in our class meetings. I expect you to actively participate. It is compulsory that you complete all listed readings in advance of the session for which they are listed. Read them thoroughly and carefully to understand the key claims being made; you will be asked to participate fully in all discussions. Your participation in class discussions and experiments accounts for 10 percent of your final grade.

**Cases** Each session will begin with a case from the Baron text. It is your responsibility to read each case carefully and develop answers to the preparation questions listed at the end of the

case. You will not need to submit written answers, but will be asked about them during the session. Lack of preparation will significantly reduce your participation grade.

**Readings** Our textbook, David P. Baron, *Business and its Environment* (7th Edition), Boston: Pearson (2013), is available at the University Bookstore. All listed readings are required and all cases are included in the book. Like many textbooks, it is expensive. There are nonetheless several ways to acquire the book that vary in price rather dramatically. Amazon.com provides rentals and CourseSmart.com provides e-books at substantial discounts over the price of a new text. Readings through September 5 are provided on the course blackboard site to ensure that you have them while acquiring the book. After September 5, no additional readings will be provided via blackboard.

### **Policy Regarding Disability Services and Programs**

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open early 8:30 a.m. – 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

### **Evaluation**

Your final course grade will have the following components and weights:

Exam 1	25%
Exam 2	25%
Exam 3	25%
Case Paper	15%
Individual Participation	10%
Total	100%

I accept late work after the due date only by prior arrangement. You must typewrite any grade appeals, attaching supplemental information as appropriate, and present them to the instructor in hardcopy.

**Attendance** Because students in this class value high levels of class attendance and participation, I have an attendance policy. Participation grades will be lower for those with frequent absences from class, and if you miss more than two classes without prior arrangement, your participation score will be zero. Major professional obligations or personal emergencies do not count under this policy, but you should let me know of such unavoidable

absences in advance by email. Students who are frequently late to class or late returning from the break; who violate applicable policies in the “Additional Administrative Details” section of this syllabus; or who leave early or return late from breaks should also expect to have their participation grade reduced accordingly.

**Blackboard** All materials and announcements will be delivered through blackboard. Check the course page regularly at <https://blackboard.usc.edu>.

**Academic Integrity** The students and faculty at USC are very concerned about academic integrity. Each student should have the assurance that the rules of the game are understood by everyone and enforced equally. Students are encouraged to learn and study together. Individual assignments are just that, but mutual assistance is appropriate. Every student is expected to maintain academic integrity and is expected to report violations to me.

### **Additional Administrative Details**

- You are responsible for obtaining any materials distributed in or outside of class.
- Please silence cell phones while in class (Blackberry, iPhone, etc. as well).
- I reserve the right to revise this syllabus as the term progresses.
- Laptops may only be used in-class with my permission.

### **Course Calendar**

Session	Topic	Readings
August 27	Introduction to the Course	
August 29	No Class	
September 3	Market and Nonmarket Environments	Baron, ch. 1. Case: The Nonmarket Environment of Google
September 5	Integrated Strategy	Baron, ch. 2 Case: Personal Watercraft, aka Jet Skis
September 10	The News Media	Baron, ch. 3 Case: The News of the World
September 12	Private Politics and Social Pressure	Baron, ch. 4 Case: Shell, Greenpeace, and Brent Spar
September 17	Crisis Management	Baron, ch. 5 Case: Johnson & Johnson and its Quality Reputation
September 19	Review	Case: Wal-Mart, pp. 124–131
September 24	<b>Midterm Exam 1</b>	
September 26	Nonmarket Analysis in Public Politics	Baron, ch. 6, Appendices A&B Case: Business versus Business

October 1	Nonmarket Strategies for Government Arenas	Baron, ch. 7, Appendix A Case: Wal-Mart and Health Care Policy
October 3	Implementing Nonmarket Strategies in Government Arenas	Baron, ch. 8 Case: Responsible Lobbying
October 8	Antitrust	Baron, ch. 9 Case: Price Fixing in the Airways
October 10	Regulation	Baron, Ch. 10 Case: Enron Power Marketing, Inc. and the California Market
October 15	Review	Case: Amazon.com and the Amazon Tax, pp. 225–229
October 17	<b>Midterm Exam 2</b>	
October 22	Financial Markets and Their Regulation	Baron, Ch. 11 Case: Credit Rating Agencies
October 24	Environmental Management and Sustainability	Baron, Ch. 12 Case: Environmentalist versus Environmentalist
October 29	Law and Markets	Baron, Ch. 13 Case: Obesity and McLawsuits
October 31	The European Union	Baron, Ch. 15 Case: The Euro Crisis
November 5	China	Baron, ch. 16 Case: Apple and Private Politics in China
November 7	No Class	
November 12	Emerging Markets	Baron, ch. 17 Case: Social Entrepreneurship: Banco Compartamos
November 14	India	Baron, ch. 18 Case: Advanced Technology Laboratories, Inc.
November 19	International Trade Policy	Baron, ch. 19 Case: The Airbus and Boeing Trade Disputes
November 21	Corporate Social Responsibility	Baron, ch. 20 Case: Facebook and Online Privacy
November 26	Review	Case: Toys 'R Us and Globalization, pp. 552–556
November 28	Happy Thanksgiving	
December 3	<b>Midterm Exam 3</b>	
December 5	Concluding Lecture and Discussion	
December 13	<b>Case Paper Due by 5pm</b>	