

# PSCI 231: Government and Business In Canada

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**Spring, 2013**

**MC Rm 1085, Thursdays 1:30-4:20pm**

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**Office Location:** Hagey Hall 340

**Office Hours:** Mondays 5:00-5:30pm

**Contact Policy:** Please do **NOT** use my U of Waterloo e-mail address. Please use the e-mail address provided above. If you cannot meet during established office hours we can make an appointment for another time. No appointment is necessary to see me during indicated listed office hours. Just drop by.

**Course Description:** The encouragement, management and regulation of business are all central roles of government regardless of the political or ideological orientation of the political party in power. Over the past 30 years, governments in western democracies have shifted away from interventionist approaches to national business environments toward a more laissez faire model of business-led economic development. Even in this environment, debate occurs about such fundamental questions as: subsidies to develop new industries, government's role in stimulating the development of new and existing businesses, taxation rates, regulatory regimes and the control of foreign investment/ownership.

**Pre-Requisites:** 2A Strongly recommended

## **Course Objectives:**

This course examines the broad theoretical context of government-business relations and then explores, in greater detail, the nature of government-business interaction in modern Canada. Students will gain an appreciation for the complexities and political trade-offs inherent in government-business relations and will explore current federal, provincial, regional and municipal policies relating to competitiveness, productivity, international trade, foreign investment and commercial innovation. Special emphasis will be placed on understanding the changing economic role of the state, globalization, techno-economic change, the current economic crisis as well as the ever-increasing importance of national and regional systems of innovation.

## \*The Current Economic Crisis

The world economic crisis that began in late 2008 threw governments into disarray, destroyed some of the largest banks, threatened the survival of major companies and sparked massive job losses. Governments around the world struggled to determine how best to respond. This has been one of the best opportunities in recent history to observe government-business relations. What stimulus packages will save businesses, create jobs and give hope to corporations, workers and the public at large? Is this a time for tax breaks or government spending? Will the private sector solve the country's problems or will government intervention save the day? Should government listen to trade unions, individual companies, business organizations or the public at large?

These are major questions. The theme of this course- business-government relations- is important at all times. At this point in time, it is without question the dominant political issue in Canada and much of the world. In future years, courses and researchers will draw on the experience of the last few years to demonstrate either the effectiveness or failure of government-business collaboration. We are living in the midst of one of the most important political experiments and challenges in a century.

## **University Regulations:**

### **Cross-listed courses:**

Please note that a cross-listed course will count in all respective averages no matter under which rubric it has been taken. For example, a PHIL/PSCI cross-list will count in a Philosophy major average, even if the course was taken under the Political Science rubric.

### **Academic Integrity:**

**Academic Integrity:** In order to maintain a culture of academic integrity, members of the University of Waterloo are expected to promote honesty, trust, fairness, respect and responsibility.

**Discipline:** A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about "rules" for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to [Policy 71 - Student Discipline](http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm), <http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm>.

**Grievance:** A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. Read Policy 70 - Student Petitions and Grievances, Section 4, <http://www.adm.uwaterloo.ca/infosec/Policies/policy70.htm>. In addition, consult <http://arts.uwaterloo.ca/student-grievances-faculty-arts-processes> for the Faculty of Arts' grievance processes.

**Appeals:** A student may appeal the finding and/or penalty in a decision made under Policy 70 - Student Petitions and Grievances (other than regarding a petition) or Policy 71 - Student Discipline if a ground for an appeal can be established. Read [Policy 72 - Student Appeals](http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm), <http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm>.

*Academic Integrity website (Arts):*

*[http://arts.uwaterloo.ca/arts/ugrad/academic\\_responsibility.html](http://arts.uwaterloo.ca/arts/ugrad/academic_responsibility.html)*

*Academic Integrity Office (uWaterloo): <http://uwaterloo.ca/academicintegrity/>*

### **Accommodation for Students with Disabilities:**

**Note for students with disabilities:** The Office for Persons with Disabilities (OPD), located in Needles Hall, Room 1132, collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the OPD at the beginning of each academic term.

### **Texts:**

James Brander, Government Policy Toward Business Fourth Edition (Toronto: Wiley 2006)

Various supplementary readings. See: List Of Articles latter in this outline

Texts are available for purchase at the University of Waterloo bookstores.

Texts are also on electronic reserve at the Dana Porter Library.

### **Course Requirements, Expectations, and Standards:**

There will be one three-hour class per week that will consist of a series of lectures, discussions and student contributions. Lectures will not necessarily be on weekly assigned readings.

Required readings will be considered in class during the student contribution portion of the class.

A considerable amount of time will be spent discussing current events and monitoring media

coverage of the government-business relationship. Subject to teaching assistant and room availability there may be several tutorials. These tutorials would occur during the last hour of normal class time. Students are required to attend scheduled tutorials.

There are four ways in which students will be evaluated

In-Class Work (a) (b) (c) 10 Percent each. **Total Weight 30 Percent**

**(a)** The preparation, presentation and discussion of in-class group work. Students will work in groups of 3 to 5. You do not need to work in the same small group each week and you may also opt to complete a sole author submission. These are intended to reinforce and apply course material and encourage thoughtful analysis of the material being read. After preparation, groups will present their work allowing students to hear how other groups tackled the same task. At the end of each class all groups will submit their work in written form, **indicating the members of their group and their views on the issue at hand**. A portion of most classes will be devoted to this with the exception of mid-term day(s) special presentation day(s) and tutorial day(s)

It is **strongly** advised that students keep ahead of weekly readings to assist in the timely preparation of in-class work and tutorial discussions. In other words, read each week's assigned readings **before** class.

**(b)** We will be discussing current events in each class. Regular contributions to the discussion, reflecting some grasp of the topics being discussed and some analytical ability in relation to the assigned reading material.

\* **NOTE** This mark is based on my recognition of your contributions during the discussion portion of each class. Associated with this mark is the **requirement** that each student pay at least **one visit** to me during my office hours. I will have you **sign in** during this visit.

**(c)** The creation of a newspaper article scrapbook. Students will compile a scrapbook of **3** newspaper articles related to business government relations. This

is not limited to articles about Canada. The source of these articles should be a major newspaper and can be from either a physical newspaper or found online.

These are to be compiled in an 8 1/2 x 11 format (photocopied).

Each article is to be accompanied by a 1 page (single spaced or equivalent, typewritten) explanation of how this article relates to some aspect of the business government relationship.

The articles you select for this assignment may **NOT** be articles already discussed in class. Scrapbooks **MUST NOT BE SUBMITTED ELECTRONICALLY.**

It is important that the articles you select illustrate both business and government relations. ***Due: Last Day of Class / July 25, 2013***

Critique: weight 20 Percent

Students will submit an 8 page (double spaced) Critique based on one of the prescribed articles. Due February 25th. ELIGIBLE articles are listed later in this outline. Critiques must include a title page, bibliography, and proper citations. **CRITIQUES MUST NOT BE SUBMITTED ELECTRONICALLY.**

The Critique should contain both a summary and an analysis. More specifically, the Critique should include: (a) a statement of what the author saying (summary) (b) an analysis of the author's views including: what you think of the author's argument, what questions the article raises for you, how you might challenge the author and a statement of how this article relates to the study of business government relations generally (analysis).

Summary: **3** pages double-spaced, typewritten

Analysis: **5** pages double-spaced, typewritten

Total **8** pages (Maximum)

### **ADDITIONAL CONSIDERATIONS ON THE Evaluation OF Critique**

For marking purposes, content (argument and information) is equal in weight to style (structure and writing).

**Argument:**

Clearly stated argument. The originality and power of your analysis, the coherence of the logic with which you develop your case.

**Information:**

Identification of central issues; accuracy and completeness of factual material, its relevance to your argument and its effectiveness in making your case.

**Structure:**

The clarity of organization and its utility in helping your argument develop (for example, the integration of your argument/introduction and conclusion).

**Writing and Editing:**

Clarity and precision of written English. Editing includes: spelling, footnotes/endnotes and bibliography and title page.

**List Of Articles For Critique (Choose ONE)**

- Francis Fukuyama, "The End of History," The National Interest, summer 1989. <http://www.wesjones.com/eoh.htm>

Also on course reserves

- Michael E. Porter, "Clusters and the New Economics of Competition," Harvard Business Review, Nov/Dec 1998, Vol. 76 Issue 6.

On course reserves

- Carin Holroyd, "National Innovation Strategies: An International Comparison," Working Paper # 32. Centre for International Governance Innovation, 2007. [http://www.cigionline.org/sites/default/files/Paper\\_32-web.pdf](http://www.cigionline.org/sites/default/files/Paper_32-web.pdf)

**Also on course reserves:**

Please let me know if you are unable to find these items. Web addresses can change and a little extra searching is required.

Course reserves should have electronic versions of these items by the start of Spring Term.

**Tests & Examinations:**

**Test #1:** *weight 25 Percent*

A mid-term examination will be held **June 20<sup>th</sup>**. Students will have the whole class to complete the examination. (No in-class presentation/discussion or group work that day).

**Test #2:** *weight 25 Percent*

A second mid-term examination (final) will be held **July 18<sup>th</sup>**. Students will have the whole class to complete the examination. (No in-class presentation/discussion or group work that day).

**Please note: Student travel plans are not an acceptable reason for granting an alternative examination times. Final exams are not typically returned to students.**

**Late Policy:**

Late submissions, within one week of the due date will lose one letter grade (eg: a grade of A will become a grade of A-). Critiques handed in after one week will lose two letter grades (eg: a grade of A will become B+). No further late penalties will be applied provided the assignment is received in class on the last day (April 1<sup>st</sup>). **NO EXCEPTIONS WITHOUT MEDICAL DOCUMENTATION**

Policy About Collaborative Work:

Critique, scrapbook and tests are sole authorship assignments.

**Other Course Policies:**

Critiques and Scrapbooks can be handed in during class or in the, “Political Science Drop Box (third floor Hagey Hall). The “Political Science Drop Box” is NOT the plastic shelves outside my office. The “Political Science Drop Box” is located further east along the same corridor closer to Rm 313.

**Grade Distribution and Due Date Summary:**

<i>Type</i>	<i>Weight</i>	<i>Due</i>
Group /Discuss/Scrapbook	30 Percent	Duration/ <b>Scrapbook July 25th</b>
Critique	20 Percent	<b>June 20th</b>

Mid-Term One	25 Percent	<b>June 20th</b>
Mid-Term Two	25 Percent	<b>July 18th</b>

## **Schedule:**

### **Week 1 May 9th**

Introduction to course materials and overview

### **Week 2 May 16th**

Reading 1: Brander 1, 3, 4, 5

Reading 2: Fukuyama Article

Note: - Theories of the Business Government Relationship Liberalism, Marxism, Social Democracy, Communism, Capitalism, Keynes, Globalization, Neoliberalism

- Short history of the changing economic role of the state.
- Margaret Thatcher, Ronald Regan, Brian Mulroney
- Appropriate Role of the State and Fairness
- Normative and Positive Analysis of Government

### **Week 3 May 23rd**

Reading 1: Brander 6,7

Reading 2: Wolfe 21<sup>st</sup> Century Cities: The Geography of Innovation” Conference Board of Canada – CIBC Scholar-in-Residence Lecture 2009. Note: This is a long reading. Read what you have time for and finish later in the term. Available online

<http://www.conferenceboard.ca/documents.aspx?did=3311>

Then hit “download” (Also on course reserves electronic)

### **Week 4 May 30th**

Reading 1: Brander 8, 9, 12

Reading 2: Porter Regional Economic Development (Michael Porter “Clusters and the New Economics of Competition” Harvard Business Review, Nov/Dec 1998, Vol.76 Issue 6 (Course Reserves, electronic)

### **Week 5 June 6th**

Reading 1: "Inside Job Documentary"

note: Princess Twin cinema, **46 King St. North** Waterloo. 2:15pm Start Time.

### **Week 6 June 13th**

Reading 1: "Inside Job discussion"

Reading 2: Brander 15, 17 (Regulation, Macroeconomic Stability)

Reading 3: Holroyd “National Innovation Strategies: An International Comparison,” Working Paper # 32 Centre for International Governance Innovation, 2007. Available online [http://www.cigionline.org/sites/default/files/Paper\\_32-web.pdf](http://www.cigionline.org/sites/default/files/Paper_32-web.pdf) also on Course Reserves electronic

### **Week 7 June 20th**

Note: **Mid-term One**

### **Week 8 June 27th**

Reading 1: Brander 10,11,16

Note: Business Practices and Government Policy Affecting the Environment and Natural Resource Policy, Crown Corporations

### **Week 9 July 4th**

Reading 1: Helin 10, 11, 12

Note: Calvin Helin, Dances with Dependency: Indigenous Success Through Self-Reliance (Vancouver: Orca Spirit, 2006), **Chapters 10, 11, 12** (Available Course Reserves electronic).

### **Week 10 July 11th**

Reading 1: catch-up

Note: Exam Prep.

**Week 11 July 18th**

Note: **Mid-Term Two.**

**Week 12 July 25th**

Note: Conclusions 21st Century Challenges/All previous readings.

- Scrapbooks Due and Course Evaluation