PSCI 231: Government and Business In Canada

Winter, 2013

MC Rm 1085, Mondays 2:30-5:20pm

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Office Location: Hagey Hall 340

Office Hours: Thursdays 5:00-5:30pm

Contact Policy: Please do NOT use my U of Waterloo e-mail address. Also, if you cannot meet during established office hours we can make an appointment for another time.

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.

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 <u>Policy 70 - Student</u>

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 <u>Policy 72 - Student Appeals</u>, http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm.

Academic Integrity website (Arts): http://arts.uwaterloo.ca/arts/ugrad/academic_responsibility.html

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

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.

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 each class will be devoted to this with the exception of mid-term day(s) and special presentation day(s)

It is **strongly** advised that students keep ahead of weekly readings to assist in the timely preparation of in-class work. 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 $8 \frac{1}{2} \times 11$ format (photocopied).

Each article is to be accompanied by a 1 page (single spaced 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.

It is important that the articles you select illustrate both business and government relations. *Due:* Last Day of Class / April 1, 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 and (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/ntoduction and conclusion).

Writing and Editing:

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

List Of Articles For Critique (Choose ONE)

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

Also on course reserves

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

On course reserves

Carin Holroyd, "National Innovation Strategies: An International Comparison,"
<u>Working Paper # 32</u>. Centre for International Governance Innovation, 2007.
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 **February 25th**. 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 will be held **March 18th**. 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.

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 1st). NO EXCEPTIONS WITHOUT MEDICAL DOCUMENTATION

Policy About Collaborative Work:

Critique, scrapbook and tests are sole authorship assignments.

Other Course Policies:

Critiques 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:

| Type | Weight | Due |
|--------------------------|------------|------------------------------|
| Group /Discuss/Scrapbook | 30 Percent | Duration/Scrapbook April 1st |
| Critique | 20 Percent | February 25th |
| Mid-Term One | 25 Percent | February 25th |
| Mid-Term Two | 25 Percent | March 14th |

Schedule:

Week 1 January 7th

Introduction to course materials and overview

Week 2 January 14th

Reading 1: Brander 1, 3, 4

Reading 2: Fukuyama Article

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

- 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 January 21st

Reading 1: Brander 5,6,7

Reading 2: Wolfe 21st Century Cities: The Geography of Innovation" Conference Board of Canada – CIBC Scholar-in-Residence Lecture 2009. Available online http://www.conferenceboard.ca/documents.aspx?did=3311

Then hit "download" (Also on course reserves electronic)

Week 4 January 28th

Reading 1: Brander 8, 12

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

Week 5 February 4th

Reading 1: "Inside Job Documentary"

note: Princess Twin cinema, 46 King St. North Waterloo. 3:15pm Start Time.

Week 6 February 11

Reading 1: "Inside Job"

Reading 2: Brander 17

Reading 3: Holroyd "National Innovation Strategies: An International Comparison," <u>Working Paper # 32</u> Centre for International Governance Innovation, 2007. Available online http://www.cigionline.org/sites/default/files/Paper_32-web.pdf also on Course Reserves electronic

Week 7 February 18th

Note: No Class/Reading Week.

Week 8 February 25th

Note: Mid-Term One.

Week 9 March 4th

Reading 1: Brander 10,11

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

Week 10 March 11th

Reading 1: Helin 10, 11, 12

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

Week 11 March 18th

Note: Mid-Term Two.

Week 12 March 25th

Note: Conclusions 21st Century Challenges (government and international trade, innovation and fairness). All previous readings.

Week 13 April 1st

Note: Scrapbooks Due and Course Evaluation