

**HONR349D: Corporations and the Global Political Economy**  
**GVPT409H: Corporations and the Global Political Economy**

**Professor Virginia Haufler**  
**TTh 11-12:15pm 0102 Tydings Hall**

Prerequisites: This seminar is open to Honors students only. Those who have taken GVPT200 or other courses on international affairs and international economics will be at an advantage.

The expansion in size, number and influence of multinational corporations (MNCs) is one of the main forces driving the process of globalization. Business is at the center of many political issues, as they bargain for advantage with governments in both industrialized and developing countries. Increasingly they also negotiate with intergovernmental organizations and non-governmental activist groups over issues of policy. One of the central questions in international political economy today is how to regulate or govern global corporations across national legal and cultural boundaries.

We start with a definition of the modern corporation and examine the expansion of foreign direct investment on a global basis. What are the origins of the modern global corporation? Why do businesses feel compelled to go abroad? We then examine historical background on the collisions between companies and foreign societies in the past, and their continuation in the present day. Are MNCs today more powerful than governments? Can global corporations be effectively regulated by national governments, international organizations or civil society? How do corporations take account of political and ethical issues? How do MNCs affect outcomes for the pressing political issues of today? We will read broadly across a wide range of issues in which corporations are at the intersection of commerce and politics at the global level. We seek to develop a sophisticated understanding that goes beyond bumper stickers maligning corporations or celebrating unfettered capitalism. The goals of this course are to deepen the student's understanding of multinationals as complex organizations; to gain a more sophisticated understanding of their historical and contemporary political roles; and to learn a variety of perspectives through which we can view the effects of multinational corporate activity.

All students should be familiar with University policies on academic integrity; cheating will not be tolerated. The rules state that "Any member of the University community who has witnessed an apparent act of academic dishonesty, or has information that reasonably leads to the conclusion that such an act has occurred or has been attempted, has the responsibility to inform the Office of Judicial Programs promptly."

Please let me know within the first two weeks of class if you have any disability that needs to be accommodated, or any religious observances that conflict with course requirements.

## Readings:

Daniel Litvin, *Empires of Profit*

Pietra Rivoli, *The Travels of a T-Shirt in the Global Economy*

Walter Mattli and Ngaire Woods, *The Politics of Global Regulation*

Various articles and other readings will be available through ELMS course reserves, and via other online resources.

## On-Line Tools and Resources

We will use the ELMS system at <http://elms.umd.edu> If you are registered for the course, you should have access to the course website on ELMS. If you have any login problems, please get help at the OIT HelpDesk.

## Requirements:

Take-Home Final	25%
Research Paper	25%
Presentation	10%
Blog/ Journal	20%
Participation	20%

## Outline of the Course

### Part I: History

- Jan. 26      Global Political Economy and the Modern Corporation
- Jan. 28      Nationality amid Globalization  
Robert Gilpin, "Review: The Political Economy of the Multinational Corporation," *American Political Science Review* 1976 70,1: 184-91
- Feb. 2      Geoffrey Jones, *Nationality and Multinationals in Historical Perspective*, Working Paper
- Feb. 4      The Extension of the British Empire: India and South Africa  
Litvin, Introduction, Chs. 1- 2
- Feb. 9      Empire and China  
Litvin, Ch.3
- Feb. 11      Empire and America  
Litvin, Ch. 4  
DUE: One paragraph on paper topic

## Part II: Foreign Direct Investment and Political Effects

- Feb. 16      Globalization  
UNCTAD, *Foreign Investment Report Overview*  
Van Agtmael, "Industrial Revolution 2.0" *Foreign Policy* Jan/Feb 2007
- Feb. 18      Power and Ethics  
Friedman, M. "The Social Responsibility of Business is to Make Profits,"  
*The New York Times Magazine* Sept. 13, 1970  
Scherer and Palazzo, "Globalization and Corporate Social Responsibility,"  
in *The Oxford Handbook of Corporate Social Responsibility*, eds.: A.  
Crane, A. McWilliams, D. Matten, J. Moon, D. Siegel Oxford University  
Press 2008: 413-431
- Feb. 23      Ideas and Motivations  
Prakash and Sell, "Using Ideas Strategically," *International Studies  
Quarterly* 48,1: 143-75
- Feb. 25      Ideas and Motivations  
Crystal, "What do Producers Want?" *European Journal of International  
Relations* 2003 9,3: 407-39

## Part III: The Global Supply Chain

- Feb. 25      American Cotton  
Rivoli, Chs. 1-3
- Mar. 2      Textiles in China  
Rivoli, Chs. 4-6  
Video: China Blue
- Mar. 4      U.S. Trade Policy  
Rivoli, Chs. 7-9
- Mar. 9      T-Shirts in Africa  
Rivoli, Chs. 10-11
- Mar. 11      The Global Supply Chain  
Gereffi et al, "The Governance of Global Value Chains," *Review of  
International Political Economy* 2005 12,1: 78-104  
Mackey, "Conscious Capitalism" 2007

SPRING BREAK

## Part IV: Global Governance and Corporate Regulation

- Mar 23      Global Public Goods and Corporations  
John Gerard Ruggie, "Reconstituting the Public Domain," *European Journal of International Relations* 2004 10,4: 499-531
- Mar. 25      Private Actors and Global Regulation  
Knill and Lehmkuhl, "Private Actors and the State," *Governance* 2002  
Mattli and Woods, Ch. 1
- Mar. 30      Regulatory Triangle  
Mattli and Woods, Ch. 2
- Apr 1        Corporate Social Responsibility  
Auld, Bernstein, and Cashore, "The New Corporate Social Responsibility,"  
*Annual Review of Environment and Resources*, 2008
- Apr 6        Oil Companies  
Litvin, Chs. 6 and 8
- Apr. 8        Chad-Cameroon Pipeline Simulation  
<http://www.columbia.edu/itc/sipa/martin/chad-cam/index.html>
- Apr. 13      Global Warming  
Kolk and Pinkse, "Business Responses to Climate Change," *California Management Review* 47,3 Spring 2005: 6-32
- Apr. 15      Video: Crude Impact
- Apr. 20      Presentations
- Apr. 22      Presentations
- Apr. 27      Global Finance  
Mattli and Woods, Ch. 3  
Richardson, "The Equator Principles," *European Environmental Law Review* 14, 11 2005
- Apr. 29      Biotechnology  
Newell, "Biotech Firms, Biotech Politics," *Journal of Environment and Development* 2007
- May 4        Corporations, Conflict and Human Rights  
Haufler, "The Kimberley Process," *Journal of Business Ethics* 2010  
Mattli and Woods, Ch.4

May 6 Corporate Power?  
DUE: Research Paper

May 11 Debate  
TAKE-HOME EXAM