

MGMT 234
COMPARATIVE MANAGEMENT:
THE INTERNATIONAL DIMENSIONS OF BUSINESS

MGMT 234
Time: Tuesday & Thursday 3:00-4:20

Fall 2013
Room: JMHH F50

INSTRUCTOR

Jason Jackson
Visiting Lecturer and Senior Fellow
The Wharton School, Management Department
2206 Steinberg Hall-Dietrich Hall
jbrj@wharton.upenn.edu

OFFICE HOURS

Tuesday 1:30-3:00 or by appointment

COURSE OBJECTIVES

This course focuses on the comparative institutional environments in which business, government, and society interact. It provides students with a set of conceptual tools and analytical frameworks to navigate the complexities and ambiguities of the global economy. It provides an understanding of how to identify, measure and interpret the economic, social, political and cultural factors that shape regulatory policy, business strategy and market outcomes. It does so by traversing a rich empirical terrain that cuts across developing and industrialized countries, and is especially attentive to change over time. The course is deeply inter-disciplinary and brings insights from economics, political science, sociology, anthropology, geography and history.

COURSE DESCRIPTION

This 1.0 credit unit full semester elective course is designed for undergraduate students from across the University of Pennsylvania. It focuses on the comparative social and political environment in which business operates and provides students with the skills to identify how aspects of this environment impact on the firm. **This course has no prerequisites and I welcome and encourage students from majors outside of Wharton.**

The course is organized on the premise that inter-disciplinary approaches that integrate conceptual frameworks and analytic tools from economics, geography, history, political science, anthropology and sociology will provide the most powerful insights to the analysis of international business and the social implications of firm strategy across borders. As such, students will be introduced to cross-disciplinary approaches and are encouraged to bring diverse theoretical perspectives to bear on the issues that we discuss.

The course will present a number of conceptual frameworks through which the future manager or business or policy analyst can assess the impact of different institutional environments on firm behavior. However, the approach will be on critically assessing the

strengths and weaknesses of existing approaches. The discussion in the course will range both advanced industrialized as well as developing and emerging countries, and will tackle a range of cutting edge issues.

Student assessment will be based on class participation, short written responses, team presentations and a take-home final exam. There will be no midterm exam. The course will place a heavy emphasis on class discussion so it is important that everyone has prepared for each class so as to maximize engagement in the subject material and with your peers. The course encourages and rewards active participation and especially critical engagement with the material. Students are encouraged to apply the ideas and concepts discussed in the course to their own experiences, whether from other courses, work experience or travel, and to bring these perspectives to the class discussion.

READINGS

The readings for the course will be a mixture of articles, book chapters and case studies. All required readings will be made available on Study.net or on the Canvas course platform ahead of time. From time to time when there are new developments of interest to the topics we cover in the class I will post relevant information on the Canvas platform. In addition, I am also happy to provide optional readings for anyone who is interested, and encourage students to suggest items that may be of interest to the discussion. The readings listed on the course outline below should be prepared in advance of that class session to ensure full participation in the class discussion.

ASSESSMENT AND GRADING

1. Class participation including submission of short (few sentence) reactions: 30%
2. Response papers for two selected classes (max 2 single-spaced pages): 20%
3. In-class team presentation: 20%
4. Take-home final exam: 30%

FACULTY LUNCHESES

Throughout the semester there will be opportunities to have lunches/dinners with me to give you the opportunity to talk about topics of interest in an informal setting. Sign-up will be conducted on the Canvas platform. Please note that these meal sessions are entirely optional.

COURSE POLICIES

Readings: Readings for the Course are listed in the syllabus below. I will also post 2-3 questions for each class session on the course platform that will help to guide students through the material and prepare for the in-class discussion.

Office hours: I will have regular office hours, and am also happy to meet with students outside of these times. I encourage you to email me to set up a meeting whenever you have questions, comments, concerns, or need help with anything. I also welcome and encourage active feedback on the course structure and content as we proceed through the semester. Please feel free to share your thoughts with me either in person during office hours or via email. I will also distribute informal evaluation forms before the midterm

break to gather detailed feedback on the course.

Attendance: Attendance is mandatory for all class meetings, though exceptions will be granted for medical or family emergencies. Please contact me in advance in the event of any expected absences.

Academic Honesty and Plagiarism: The University of Pennsylvania takes academic honesty very seriously and it is important as part of students' education to learn how to declare work from others properly. For all the work that you submit, any quotations of longer than a phrase must be explicitly noted in the text. Insufficient attribution to extended quotations from external sources will be considered to be plagiarism. If at any point in time you have questions about how to cite work that is not your own or have any doubts otherwise, please consult with me. Please also refer to the University of Pennsylvania's Code of Academic Integrity for further information:

http://www.upenn.edu/academicintegrity/ai_codeofacademicintegrity.html

ABOUT THE INSTRUCTOR

Jason Jackson is a Lecturer and Senior fellow in the Management Department and Lauder Institute at the Wharton School, University of Pennsylvania. His research focuses on the origins and evolution of the institutional arrangements that shape relations between business and the state and assesses the implications for market competition, economic growth and industrial development. His work is explicitly interdisciplinary, drawing insights from political science, sociology and management and his current research focuses on the politics of foreign investment in India.

In addition to his academic work, he has worked as a consultant and research economist with a variety of private, non-governmental and international organizations in the Caribbean, South Africa and the United States such as the United Nations Development Program (UNDP), the United Nations Development Fund for Women (UNIFEM), Oxfam America and the Caribbean Development Bank.

He holds an AB in Economics from Princeton University, an MSc in Development Economics from the University of London School of Oriental and African Studies (SOAS), an MPA from the Harvard Kennedy School and a Ph.D. in Political Economy from the Massachusetts Institute of Technology (MIT).

COURSE OUTLINE

Class 1. Introduction and Course Organization

August 29

Discussion of the syllabus, course content and introduction to the field of comparative management.

PART I. GLOBALIZATION: FIRMS AND NATIONS IN THE GLOBAL POLITICAL ECONOMY

Class 2. Globalization Debates: Convergence or Divergence?

September 3

Dani Rodrik. 2011. *The Globalization Paradox*. New York: Norton. Chapters 1 and 2.

In class video debate:

Tom Friedman 'The World is Flat'

<http://www.youtube.com/watch?v=53vLQnuV9FY&noredirect=1>

Pankaj Ghemawat TED talk: 'Actually the world isn't flat'.

http://www.ted.com/talks/pankaj_ghemawat_actually_the_world_isn_t_flat.html

Class 3. Employing the Comparative Method: Globalizing Popular Culture through the Movie Industry (or *Bollywood vs. Hollywood*)

September 5

Case: Can Bollywood Go Global? HBS 9-806-040

In-class video clips

Bollywood and Hollywood: Apples and Oranges?

PART II. ANALYTIC FRAMEWORKS OF COMPARATIVE INSTITUTIONAL ANALYSIS

Class 4. Formal Institutions: Varieties of Capitalism

September 10

Peter Hall and David Soskice. 2001. "An Introduction to Varieties of Capitalism." In *Varieties of Capitalism*, ed. Hall and Soskice. New York: Oxford University Press. Skim p1-5, focus on pages 6-44 and 54-60.

Class 5. Formal Institutions: Where do Institutions Come From?

September 12

Kathleen Thelen, *How Institutions Evolve: The Political Economy of Skills in Germany*,

Britain, the United States and Japan. New York: Cambridge University Press, 2004.
Select Pages TBA.

Class 6. Informal Institutions: Culture and Industrial Policy in Britain, France and the United States

September 17

Dobbin, Frank. 1994. *Forging Industrial Policy*. Princeton: Princeton University Press.
Chapter 1.

Class 7. Informal Institutions: Culture and Industrial Policy in Brazil and India

September 19

Jason Jackson. 2013. "The Political Economy of Foreign Direct Investment: Constructing Economic Interests and Policy Preferences in India and Brazil." Mimeo.

**** FIRST RESPONSE PAPER DUE ****

PART III. NATIONAL AND REGIONAL COMPETITIVENESS AND GOVERNANCE

Class 8. Developmental States and Developmental Disappointments? Contrasting East Asian 'Tigers' and Latin American 'Laggards'

September 24

Evans, Peter. 1995. *Embedded Autonomy: States and Industrial Transformation*. Princeton: Princeton University Press. Chapter 3: States.

Class 9: 'Crony Capitalism', Rent-seeking and Corruption I

September 26

Mushtaq Khan "[Rent Seeking as Process](#)" in Mushtaq Khan and Jomo Kwame Sundaram *Rents, Rent-seeking and Economic Development*. Cambridge: Cambridge University Press. The chapter is linked [here](#) and is also available in the files section of the course platform.

Class 10: 'Crony Capitalism', Rent-seeking and Corruption II

October 1

Selected news articles on lobbying and bribery by Walmart in Mexico and India.

In class video:

Clip from *Thank You for Smoking*

<http://www.youtube.com/watch?v=4HC3xwlfcFM>

Class 11. National Strategies for Global Competitiveness I: Singapore

October 3

Case: Singapore Inc. (HBS Case 9-703-040 Rev Aug 2, 2005)

Class 12. National Strategies for Global Competitiveness II: City-States in the Middle East

October 8

Case: Dubai Inc. (HBS Case 9-410-063, March 2010).

In Class Video: CBS 60 Minutes on Dubai Inc. Pt. 1
<http://www.cbsnews.com/video/watch/?id=4312234n>

***** FALL BREAK *****
No class on October 10

Class 13. Regional Norms and Institutions: Subnational Competitive Dynamics

October 15

Annalee Saxenian. 1996. *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*. Cambridge: Harvard University Press. Introduction and Chapters 1-3.

Class 14. Integration in the European Union: New Institutions and New Challenges for Economic Policy and Business Strategy

October 17

Case: "A Wider Europe: The Challenge of EU Enlargement," HBS 9-703-021, Rev: June, 2003.

Class 15. Institution Building in Southern Africa

October 22

Case: "Botswana: A Diamond in the Rough," HBS 9-703-027, Rev: March 31, 2003.

In Class Video

http://www.youtube.com/watch?v=n3a_NPoZ4LY

**PART IV. COMPARATIVE MODES OF GLOBAL PRODUCTION:
INSTITUTIONS, ORGANIZATIONS AND STRATEGY**

Class 16. Modes of Firm Organization and Corporate Governance: The Evolution of American Managerial Capitalism

October 24

Neil Fligstein 1990. *The Transformation of Corporate Control*. Harvard University Press: Cambridge, MA. Selected pages TBA.

Class 17. Modes of Firm Organization and Corporate Governance: Diversified Business Groups

October 29

Ben Ross Schneider. “A Comparative Political Economy of Diversified Business Groups, or How States Organize Big Business” *Review of International Political Economy*, 16:2, 178-201

Class 18. Global Value Chains I: Power and the Changing Structure of Global Production and Inter-Firm Relations

October 31

Gary Gereffi 2013. “Global Value Chains in a Post-Washington Consensus World” Forthcoming in the *Review of International Political Economy*.

Class 19. Global Value Chains II: Managing Issues of Labor and Corporate Social Responsibility (CSR) in GVCs

November 5

* *Guest Lecturer: Professor Brishen Rogers, Temple University School of Law*

This session will be led by a guest speaker, Brishen Rogers, Professor of Law at Temple University. Professor Rogers is an expert on domestic and international labor law. Readings for the session TBD, but may include some of the following:

- I. Global Norms on Business and Human Rights:
- II. On Apple & FoxConn:
- III. On WalMart:

Class 20. Gender and Labor Market Institutions in Cross-Border Management: Multinational Firms in Japan and Korea

November 7

* *Guest Lecturer: Professor Eunmi Mun, Amherst College.*

Eunmi Mun and Jiwook Jung “Foreign Share Ownership and Workplace Gender Diversity in Japan”

**** SECOND RESPONSE PAPER ****

PART V. NEW TRENDS AND DYNAMICS IN GLOBAL INVESTMENT

Class 21. Entrepreneurship and High Skilled Migration: Diasporas as Brokers

November 12

AnnaLee Saxenian. 2006. *The New Argonauts: Regional Advantage in a Global Economy*. Cambridge: Harvard University Press. Chapters 4: "Taiwan as Silicon Sibling".

Case: Jerry Rao: Diaspora and Entrepreneurship in the Global Economy (HBS 9-805-017 Rev Feb 11, 2008)

Class 22. Emerging Market Multinationals

November 14

Case: ASE: MTC's Journey through Africa (HBS 9-708-477).

Class 23. The Rise of China in Sub-Saharan Africa

November 19

* *Guest Lecturer: Dr. Adam Bund, The Lauder Institute*

Reading assignments TBA.

Class 24. The Rise of China in Latin American Mining and Manufacturing

November 21

Kevin Gallagher and Roberto Porzecanski. 2011. *The Dragon in the Room: China and the Future of Latin American Industrialization*. Chapters 1-3.

Class 25. The Rise (or Return?) of State Capitalism

November 26

Case: "Vale: Global Expansion in the Challenging World of Mining." (HBS Case 710-054).

<http://www.economist.com/debate/overview/221>

**** THANKSGIVING BREAK ****

Class 26. TEAM PRESENTATIONS

December 3

Class 27. TEAM PRESENTATIONS

December 5

Class 28. Course Conclusion and Wrap-up

December 10