Globalization and Private Governance
Government 94ek

Professor Michael J. Hiscox      Fall Semester 2020
Office Hours: TBA       Meetings: Wednesday TBA
Location: Zoom        Location: Zoom

DESCRIPTION

This research seminar examines the impacts of globalization on attempts to address key social, political, and environmental problems, including climate change, focusing on the roles played by multinational firms and human rights and environmental conditions in developing countries. Topics include: international institutions and agreements and how these affect regulatory standards set by governments; the potential (and limits) of corporate responsibility and sustainability initiatives; the effectiveness of activist campaigns, including consumer boycotts; the impacts of voluntary certification and labelling schemes, such as Fair Trade, and; the prospects for social enterprise and purposeful business.

We will discuss concerns that economic globalization contributes to a “race to the bottom” in social and environmental standards among countries competing to attract investment and that governments are unwilling or unable to address key problems by reaching agreements and implementing policy solutions. The focus of the course is the evolution and impact of a variety of private-sector initiatives, standards and certification schemes aimed at tackling critical social and environmental problems associated with global businesses. Together, these efforts represent a new form of private governance initiated and implemented by companies and activist groups to manage globalization. In recent years, many leading companies have been responding to new and growing pressures from consumers, employees, and investors to do good (by addressing critical social and environmental issues) at the same time as they do well (by increasing shareholder value), addressing issues such as climate change, environmental sustainability, human rights, discrimination, poverty and community health and education, in ways not legally required by existing regulations.

Often these initiatives aim to improve core business operations by reducing energy and water consumption and carbon emissions or by improving workplace health and safety standards. For example, the popular American apparel company, Patagonia, has recently converted a majority of its basic clothing lines to be Fair Trade certified for the American market by FairTrade USA, ensuring that their suppliers comply with improved standards covering working conditions and environmental management. Often the initiatives involve new ways to empower consumers to make better-informed decisions for themselves, their communities, and the environment. For example, Qantas, one of the world’s oldest flagship airlines, has developed a booking platform that encourages customers to purchase offsets for the carbon emissions associated with air travel, with the airline matching all offset purchases at the same time.
Researchers in a range of disciplines have been examining the potential and current impacts of these types of initiatives. There is an ongoing debate about whether these initiatives represent real progress or mere symbolism. Advocates promote them as important necessary tools to address major social, political, and environmental problem, especially in nations that lack robust enforcement of regulatory standards and in a global context in which coordinated policy solutions have not been implemented by governments. Detractors worry that these initiatives are not the result of democratic processes, are not reliably enforced or monitored, cannot be scaled up to achieve real change, and may even dampen or divert pressures for enforceable government regulations for which they are poor substitutes. We will examine all these arguments, and the available evidence, in this course.

COURSE REQUIREMENTS

The class is intended to develop research, writing, and discussion skills, and to help prepare students for writing an honors thesis in their senior year. Students are expected to do the readings, prepare carefully for each meeting, and participate actively in class discussions. Each meeting is structured around a set of key questions on which students are expected to take clear and reasoned positions. Regular participation will account for 20% of the course grade. Students will be required to write a short paper (3-5 pages) which summarizes and critiques one (or more) of the assigned readings for one of the meetings. Students will give a short presentation based on that paper during the meeting. Most importantly, all students will write an independent research paper on a topic of their own choice. A paper proposal defining the topic, method, and sources to be used is due by meeting 7 (October 21); students will make a presentation describing their research to the class in one of the last meeting (December 2). The final grade will be calculated by:

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POLICY ON COLLABORATION

Students are encouraged to collaborate with fellow classmates on joint class presentations and joint research papers, but to do so in each case students must request explicit approval from Professor Hiscox.

COURSE WEBSITE

All course materials, including the syllabus, readings, discussion questions for each meeting, presentations, resources for research on specific topics, and any other course-related information will be posted on the course website: https://canvas.harvard.edu/courses/74872
COURSE OUTLINE

1. September 9: Core Debates


2. September 16: Globalization, International Institutions, and Regulation


3. September 23: Activist Groups and Campaigns


4. **September 30: Consumers**


5. **October 7: Employees**


Burbano, V. 2014. Can Firms Pay Less and Get More...By Doing Good? The Effect of Corporate Social Responsibility on Employee Salary Requirements and Performance. UCLA.
6. October 14: Owners, Investors, and Social Entrepreneurs


7. October 21: Alleviating Poverty and Improving Working Conditions


8. October 28: Protecting the Environment, Habitats, and Species


Owens, M. 2008. Sustainable Seafood Labeling: An Analysis of the Marine Stewardship Council. UCSD Graduate School of International relations and Pacific Studies


**9. November 4: Mitigating Climate Change**


**10. November 11: Defending Human Rights and Democracy**


11. November 18: Limits and Potential Problems for Private Governance


12. December 2: Presentations of Student Research

Research Papers due December 19