

IR 324—Multinational Enterprises and World Politics

Dr. Douglas Becker

VKC 42A

dfbecker@usc.edu

Office Hours: MWF 2:00-3:00 and by appointment

The drive to globalization through privatization is increasingly the most prevalent development in global politics. International governing bodies working with governments and citizens groups attempt to regulate the flow of capital, goods, and services while maintaining the benefits of globalization. This course analyzes these attempts, specifically through the analytic tool of the United Nations Social Compact. Using the Compact's four stated goals of 1) protection of human rights, particularly in trade in conflict zones; 2) protection of labor rights; 3) protection of the environment; 4) rooting out corruption, we will analyze the social consequences of globalization. We will answer the following questions:

- 1) How can governments, NGOs, and the UN regulate global business in an increasingly globalized world?
- 2) What restrictions are placed in companies that deal in conflict zones, and in particular who contract in the business of war?
- 3) With companies seeking to lower labor costs, what is the future of organized labor?
- 4) With companies seeking to locate in states with fewer regulations, how can the global and local environments be protected?
- 5) What regulations are possible to root out corrupt practices, with a particular eye to legal yet potentially unethical industries
- 6) Is there a different way to conduct business, which both maximizes economic development while lessening the negative social consequences of globalization?

We divide this class in 5 sections, each dealing with a different aspect of the Global Compact (and a final section on potential recommendations for future action). The readings must be completed by the class, and I intend that this class will place a premium on class discussion.

The grades for this course are as follows:

Research paper	35%
mid-term	25%
final	30%
class participation	10%

The research paper is a piece of empirical research on a company and its relationship to the Global Compact. You will choose a company and then examine how it fulfills (or does not fulfill) the general requirements of the compact. The mid-term and final are in-class, with both an objective portion and an essay which should engage your critical thinking. Class participation is required, which includes attendance of the class, demonstration of prior completion of the reading, and thoughtful response to questions

posed. **The penalty for late work is 5 points a day.** When work is turned in late, you may email me a copy only to establish when it was completed. I do not accept emailed copies of papers, but only hard copies. The only excuses accepted are University sanctioned excuses and must be documented. Also, this course will follow all of the guidelines for reasonable accommodations laid out in the University Handbook.

The books for this class are as follows:

- Collins, Jane L. Threads: Gender, Labor, and Power in the Global Apparel Industry. Chicago: The University of Chicago Press, 2003, ISBN: 0226113728
- Fussler, Claude, Aron Cramer and Sebastian van der Vegt, Editor. Raising the Bar: Creating Value with the United Nations Global Compact. London: Greenleaf Publishing, 2004, ISBN: 1874719829
- Jaffee, Daniel. Brewing Justice: Fair Trade Coffee, Sustainability, and Survival. Berkeley: University of California Press, 2007, ISBN: 9780520249592
- Passos, Nikos and Neva Goodwin, Editor. It's Legal but It Ain't Right: Harmful Social Consequences of Legal Industries. Ann Arbor: University of Michigan Press, 2004, ISBN: 0472068695
- Rothfeder, Jeffrey. Every Drop for Sale: Our Desperate Battle over Water in a World About to Run Out. New York: Penguin Books, 2004, ISBN: 1585421146
- Singer, P. W. Corporate Warriors: The Rise of the Privatized Military Industry. Ithaca: Cornell University Press, 2003, ISBN: 9780801474361

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| August | 25: | Introductions and Hand out Syllabi |
| | 27: | What is the UN Global Compact?
Fussler, Chapters 1-4, pgs 15-71 |
| September | 1: | Labor Day, no class |
| | 3: | Developing a working relationship with companies
Fussler, Chapter 5-10, pgs 73-157 |
| | 8: | The rise of Private Military Corporations
Singer, Chapter 1-4, pgs 3-70 |
| | 10: | How PMCs are organized
Singer, Chapter 5-6, pgs 73-100
Passos, Chapter 5, pgs 101-114 |
| | 15: | Case studies of PMCs
Singer, Chapter 7-9, pgs 101-148 |
| | 17: | Implications of PMI
Singer, Chapter 10-12, pgs 151-205 |

- 22: Conclusions about PMI
Singer, Chapter 13-15 & postscript, pgs 206-260
- 24: The State of the Global Apparel Industry
Collins, Chapter 1-2, pgs 1-61
- 29: The Companies in the US Apparel Industry
Collins, Chapter 3-4, pgs 62-125
- October 1: The Overseas Apparel Market
Collins, Chapter 5-7, pgs 126-190
- 6: Review for Midterm and Catch up on Reading
- 8: **Mid-term**
- 13: Privatizing water
Rothfeder, Chapter 1-2, pgs 1-76
- 15: Is water a human right?
Rothfeder, Chapter 3-4, pgs 77-118
- 20: Selling and transporting water
Rothfeder, Chapter 5-6, pgs 119-152
- 22: What to do about the global water crisis
Rothfeder, Chapter 7-8, pgs 153-191
- 27: The weapons trade
Passos, Chapter 1, 3-5, pgs 1-27, 43-100
- 29: Marketing vice: Cigarettes and Gambling
Passos, Chapter 2, 6, pgs 28-42; 115-137
- November 3: The global trade for human needs
Passos, Chapter 8, 11, pgs 178-193; 253-276
- 5: History for profit?
Passos, Chapter 7, pgs 138-177
- 10: Other industries and lobbying efforts
Passos Chapter 9-10, pgs 194-252
- 12: Is Fair Trade a model for business?
Jaffee, Chapter 1, pgs 1-35

- 17: The coffee industry
Jaffee, Chapter 2-3, pgs 36-92
- 19: Organic, Shade-Grown, and other labels
Jaffee, Chapter 4-5, pgs 93-164
- 24: The effect of coffee on labor
Jaffee, Chapter 6-7, pgs 165-231
- 26: The strengths and limits of fair trade
Jaffee, Chapter 8-8, pgs 232-266

Papers due

- December 1: What Impact does the Global Compact Actually Have?
Fussler, Chapter 11-14, pgs 159-226
- 5: Review for final

FINAL EXAM: MONDAY DEC. 15 2-4 pm