

Draft Syllabus for PUBP710-B09, Summer 2007
Public Policymaking by Private Groups
As of June 1, 2007

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Introduction

Prior to entering the workforce, people in the democratic world are typically equipped with at least a rudimentary knowledge of how public policy is made in their own countries. Such education focuses exclusively on government, usually national and sub-national. In the U.S., for example, students learn about the separation of powers, the three branches of government, checks and balances, free and regular elections, and a form of federalism that emphasizes the importance of states in the American scheme of representative government. Public policy, it is both stated and implied, is made by legitimate governments and is accountable to the people. Paraphrasing President Lincoln, public policy is supposed to be made *by, for and of* the people.

However, U.S. citizens—and to a varying degree citizens throughout the democratic world—are confronted with a somewhat different reality, whether they are fully aware of it or not. Americans, for example, may lose their health benefits in retirement, not because of a governmental decision but because of the adoption of an obscure rule by the Financial Accounting Standards Board, a nominally private organization. If they are cattle ranchers, they will be required by federal law to pay a remittance to the National Cattlemen's Beef Association, another private group, to promote the consumption of beef. When they get on the Internet, they are ruled in part by decisions made by the Internet Corporation for the Assignment of Names and Numbers, an international, private group oddly authorized by the U.S. Department of Commerce and incorporated in California. If they need a lawyer, their choice is determined by the American Bar Association, a governmentally recognized, private entity composed of legal professionals.

If they go to the hospital, they may find a more alert resident to aid them, thanks to a recent decision of Accreditation Council for Graduate Medical Education (which oversees the training of 100,000 residents in the nation's 7,800 medical

programs) limiting the hours that residents can work consecutively. The injured parties may also, however, pay a higher cost for the service as a result. If they serve on a local police force, they may find that their practices are determined by Commission on Accreditation for Law Enforcement Agencies Inc., not by the local government. If they invest in the stock market, they will soon discover that many securities rules are set by a non-profit arm of the New York Stock Exchange and the National Securities Dealers Association. If they are state budget officials, they will find their recommendations as much constrained by one of the three private credit rating agencies—which have a very lucrative, government-enabled monopoly on this service—as by the governor, legislator, or the citizens of the state.

Thus, people have been taught that they live in a free, democratic society where public decisions are made by public bodies accountable to the people through their elected representatives. Schools and colleges, however, only teach half the story. By defining public policy as policy made by governments, the ever growing reality of public policy making outside of government in private bodies is being missed. This class will explore the contours, operations, reasons for existence and public impact of private policy making groups such as the ones described above.

Questions

Here are some of the questions we will explore together:

- What is private public policymaking? Is it separable from civil society, self-governance, formal government and the market economy?
- What are the boundaries of private governance? How can you determine what is public and what is private? If you are not using “government” as a synonym for “public,” how do you know public policy making when you see it?
- Why has this phenomenon emerged? Is this practice anything new?
- What is the relationship between privatization and private policy making?
- Under what circumstances does private government arise?
- What leads to public control of public decision making by private groups?
- To whom are these groups accountable? To whom should they be accountable?
- What leads to public control (governmental assumption of functions) of private group policy making?

- Among countries, is this phenomenon largely confined to the U.S.?
- Why has a cottage industry arisen exploring private governance of public activities in the international arena?
- If many of these groups engaged in private governance attend to technical matters, can't we simply leave such activities to the experts?
- What are the alternatives?
- How might one go about studying this phenomenon in a systematic fashion?
- What are the implications of our findings?

Objectives of the Course

As the central assignment of the course, each student will create a case study of a particular national or international organization engaged in private policymaking. You will learn how to perform research based on systematically (or at least carefully and self-consciously) collected, qualitative evidence and will devise hypotheses and propositions that might be subjects of future research in the area. The assignments are designed and scheduled to help you successfully complete your case study design. Specific objectives of PUBP710 are for you to:

- Participate in a collaborative, original research project on private governance.
- Learn how to construct a research design and to perform a serious case study.
- Understand the basic elements of qualitative research and where case studies fit within social research methods.
- Deepen your understanding of democratic theory and its relation to public policy.
- Improve your writing, research and critiquing skills.

Doubletime

The course is a three-credit-hour course. We must traverse in seven weeks the same ground that courses in the fall and spring semesters cover in 14 weeks. As

a result, the assignments that normally would be completed in a single week now must be finished in either two or five days. Your research project must be drawn to a close in half the time available in the regular school year. Yet, the same standards hold as in the other semesters. Hence, please plan your schedule accordingly.

Assignments and Grades

1. No tests or examinations will be given in this class. The presumption is that students enrolling in PUBP710-B09 are either advanced Master's or Ph.D. students.
2. Graded activities will consist of
 - a. Two short papers, 10% each, for 20% of your final grade
 - b. Class attendance, thoughtful participation, and presentations, 15%. (If you must miss a class for work, please make prior arrangements with me.)
 - c. Completed template, 20%
 - d. Research design (with network diagram), 45% of grade
3. Grading Standards

Assessment of a student's work is not and should not be entirely mechanical. In general, an "A" represents truly outstanding (near perfect, original) work. An "A-" is near perfect and less original. Any student earning an A or A- must be someone whom I would personally vouch for as a highly proficient researcher, articulate writer, and capable presenter who delivers an appropriate, completely professional product on deadline, as evidenced by performance in this class. "B" students are those whom I judge to be well-qualified and able to deliver a professional work product, again as evidenced by performance in this class. All written assignments must be properly and extensively sourced and include appropriate citations.

4. Assigned and Other Reading

Students will be asked to read a number of articles, listed in the weekly schedule below, and to purchase one book and read

selected articles available online, mainly via GMU's Library portal.
The required book is:

Yin, Robert K. 2003. *Case Study Research: Design and Methods*. Thousand Oaks, CA: Sage Publications.

In addition, preparation of the research design, template and network diagram will require extensive reading identified by you. The recommended reading list below is intended to help you delve more deeply into particular topics that interest you and to provide some guidance for your own research.

Weekly Schedule

Please note that reading and writing assignments are to be completed by the beginning of class on the dates listed.

June 4: Introduction to the course and a quick guide to social research methods.

June 6: Introduction to the Private Governance Project

Gupta, Anil K. and Lawrence J. Lad. 1983. "Industry Self-Regulation: An Economic, Organizational, and Political Analysis." *The Academy of Management Review*, 8(3): 416-25.

Gunningham, Neil and Joseph Rees. 1997. "Industry Self-Regulation: An Institutional Perspective," *Law & Policy*, 19 (4): 363-414.

Kennedy, Shelia Seuss. *When is Public Private?* 2005 [cited]. Available from sheilakennedy.net/content/view577/29.

June 11: Global policy making and introduction to case study research

Yin: Read the Forward, Preface and Introduction (Ch. 1)

Cutler, Claire. 1999. "Locating Authority in the Global Political Economy." *International Studies Quarterly*, 43: 59-81.

Slaughter, Anne-Marie. "Global Government Networks, Global Information Agencies, and Disaggregated Democracy," Harvard Law School Public Law Working Paper No. 018, accessed May 20, 2006, <http://papers.ssrn.com/abstract=283976>.

Porter, Tony. 2005. "Private Authority, Technical Authority, and the Globalization of Accounting Standards," *Business and Politics*, 7(3) (produced by The Berkeley Electronic Press (bepress) at <http://www.bpress.com/bap>).

Write a brief review, not to exceed 500 words, on any one of the three articles listed above under the June 11 section.

June 13: Three views of private governance

Fogarty T.J., M.E.A. Hussein, J. E. Ketz. 1994. "Political Aspects of Financial Accounting Standard Setting in the USA," *Accounting, Auditing & Accountability Journal*, 7 (4): 24-46.

Olshan, Marc. 1993. "Standards-Making Organizations and the Rationalization of American Life." *The Sociological Quarterly*, 34 (2), 319-35.

King, Andrew A. and Michael J. Lennox. 2000. "Industry Self-Regulation without Sanction: The Chemical Industry's Responsible Care Program." *Academy of Management Journal*, 43 (4): 698-716.

June 18: Case study research

Yin, *Designing and Conducting Case Studies*, Ch 2-4.

Write a brief review, not to exceed 500 words, comparing Fogerty, *et al.* with King and Lennox, as case studies. Here's how: Identify the research questions, propositions, unit of analysis, evidence and conclusions in each article and compare the two articles. Are either, one or both articles convincing? On what grounds are you making this judgment? Use citations where appropriate.

June 20: Public accountability and private governance

Yin, *Analyzing Evidence and Reporting Case Studies*, Ch. 5-6

Start working on your case study, if you have not already.

June 25: Planning your research design

Workshop: Selecting a Case to Study

June 27: What is a network diagram? Understanding the interconnections among regulators and the context of your case. Review of the template.

Preparing your template and network diagram

July 2 and July 4: No Class This Week

Work on your template and research design

July 9 and July 11: Workshop on research designs

For July 9, be ready to discuss your case with your class colleagues by indicating the research questions you want to answer and the reasons you have chosen a specific case or group of cases (units of analysis) to inform the answers to your research questions.

For July 11, be ready to discuss what are some possible propositions that you might want to test. What possible answers to your research questions do you need to eliminate in order to test your propositions? What specifically do you need to find out to answer these questions more completely?

July 16: Presentation of draft templates and network diagrams.

Have a written draft of both your draft template and draft network diagram ready for discussion with the class. What have you found out? What problems are you encountering in researching your case? Do the problems you are encountering tell you anything about your case? How do your findings comport with the assigned readings?

July 18: Presenting preliminary results.

Have a written draft of your research design ready for discussion.

Be ready to discuss your project, your findings, and propositions.

July 23: Presenting preliminary results, cont'd.

Final templates due.

July 25: Presenting preliminary results, cont'd, answering the questions raised earlier in the syllabus (See "Questions," above) and reaching some conclusions

Final research designs (with network diagrams) due.

Additional Information

If you are a student with a disability and you need academic accommodations, please see me and contact the **Disability Resource Center (DRC)** at 993-2474. All academic accommodations must be arranged through the DRC.

I will consider nominating the very best papers in this course for publication in *New Voices in Public Policy*. *New Voices* is a student- and faculty-reviewed journal that shares SPP's finest student work with the rest of the world. Please let me know if you would like your paper considered. (Paragraph taken *verbatim* from Danilio Peletiere's syllabus.)

The SPP **Policy on Plagiarism** is as follows:

The profession of scholarship and the intellectual life of a university as well as the field of public policy inquiry depend fundamentally on a foundation of trust. Thus any act of plagiarism strikes at the heart of the meaning of the university and the purpose of the School of Public Policy. It constitutes a serious breach of professional ethics and it is unacceptable.

Plagiarism is the use of another's words or ideas presented as one's own. It includes, among other things, the use of specific words, ideas, or frameworks that are the product of another's work. Honesty and thoroughness in citing sources is essential to professional accountability and personal responsibility. Appropriate citation is necessary so that arguments, evidence, and claims can be critically examined.

Plagiarism is wrong because of the injustice it does to the person whose ideas are stolen. But it is also wrong because it constitutes lying to one's professional colleagues. From a prudential perspective, it is shortsighted and self-defeating, and it can ruin a professional career.

The faculty of the School of Public Policy takes plagiarism seriously and has adopted a zero tolerance policy. Any plagiarized assignment will receive an automatic grade of "F." This may lead to failure for the course, resulting in dismissal from the University. This dismissal will be noted on the student's transcript. For foreign students who are on a university-sponsored visa (eg. F-1, J-1 or J-2), dismissal also results in the revocation of their visa.

To help enforce the SPP policy on plagiarism, all written work submitted in partial fulfillment of course or degree requirements must be available in electronic form so that it can be compared with electronic databases, as well as submitted to commercial services to which the School subscribes. Faculty may at any time submit student's work without prior permission from the student. Individual

instructors may require that written work be submitted in electronic as well as printed form. The SPP policy on plagiarism is supplementary to the George Mason University Honor Code; it is not intended to replace it or substitute for it. [End of plagiarism policy statement.]

To facilitate your not accidentally appropriating another's work, GMU has contracted with **TurnItIn.com**. You will need to learn how to take advantage of this resource, as you must submit all of your written work to TurnItIn.Com.

Recommended Reading

Behn, Robert D. 2001. *Rethinking Democratic Accountability*. Washington, D.C.: Brookings Institution Press.

Bostrom, Magnus. 2006. "Regulatory Credibility through Inclusiveness: Standardization Organizations in the Case of Eco-Labeling." *Organization*, 13(3): 345-67.

Campbell, Donald T. and J. Stanley. 1966. *Experimental and Quasi-Experimental Designs for Research*. Chicago: Rand: McNally.

Cashore, Benjamin. 2002. "Legitimacy and the Privatization of Environmental Governance: How Non-State Market-Driven (Nsmd) Governance Systems Gain Rule-Making Authority." *Governance: An International Journal of Policy, Administration, and Institutions*, 15 (4): 503-29.

Collier, David, *et al.* 2004. "Critiques, Response, and Trade-Offs: Drawing Together the Debate," in Henry Brady and David Collier, eds. *Rethinking Social Inquiry*, Rowman and Littlefield, pp. 195-227.

Carothers, Thomas and William Brandt. 1999-2000. "Civil Society" (in Think Again), *Foreign Policy*, Winter: 18-24+26-29.

Crick, Bernard. 2002. *Democracy: A Very Short Introduction*. Oxford: Oxford University Press.

Dahl, Robert A. 1956. *Preface to Democratic Theory*. Chicago: University of Chicago Press.

Dowdle, Michael W., ed. 2006. *Public Accountability: Designs, Dilemmas and Experiences*. Cambridge: Cambridge University Press.

Furger, Franco. 1997. "Accountability and Systems of Self-Governance: The Case of the Maritime Industry." *Law & Policy*, 19 (4): 445-76.

- Hall, Rodney Bruce and Thomas J. Biersteker, ed. 2002. *The Emergence of Private Authority in Global Governance*. Cambridge University Press.
- Harvard Case on ICANN (pamphlet) <http://www.ksgcase.harvard.edu/> (Purchase on line.)
- Held, David. 1995. *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance*. Stanford: Stanford University Press.
- Kjaer, Anne Mette. 2004. *Governance*. Cambridge, UK: Polity.
- King, Andrew A. and Michael J. Lennox. 2000. "Industry Self-Regulation without Sanction: The Chemical Industry's Responsible Care Program." *Academy of Management Journal*, 43 (4): 698-716.
- King, Gary, Robert O. Keohane, and Sidney Verba. 1994. *Designing Social Inquiry : Scientific Inference in Qualitative Research*. Princeton, N.J.: Princeton University Press.
- Mahoney, James. "Strategies of Causal Inference in Small-N Analysis," in *Sociological Methods and Research*.
- Mahoney, James and Gary Goertz. 2006. "A Tale of Two Cultures: Contrasting Quantitative and Qualitative Research," *Political Analysis*, 14(3): 227-249.
- Majone, Giandomenico. 1989. *Evidence, Argument, & Persuasion in the Policy Process*. New Haven: Yale.
- McKeown, Timothy. 1999 "Case Studies and the Statistical Worldview," *International Organization*, 53(1): 161-190.
- March, James G., and Johan P. Olsen. 1995. *Democratic governance*. New York: Free Press.
- McConnell, Grant. 1966. *Private Power and American Democracy*. New York: Vintage.
- Mueller, Milton L. 2002. *Ruling the Root: Internet Governance and the Taming of Cyberspace*. Cambridge, MA: MIT Press.
- Olson, Mancur. 1965. *The Logic of Collective Action: Public Goods and the Theory of Groups*. Cambridge, MA: Harvard University Press.
- Ostrom, Elinor. 1990. *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge, U.K.: Cambridge University Press.

- Patton, M.Q. 1990. *Qualitative Evaluation and Research Methods*, 2nd ed. Thousand Oaks, CA: Sage.
- Perrow, Charles. 2007. *The Next Catastrophe*. Princeton: Princeton University Press.
- Prakash, Aseem and Kelly Kollman. 2004. "Policy Modes, Firms, and the Natural Environment." *Business Strategy and the Environment*, 13:107-28.
- Rees, Joseph. 1997. "Development of Communitarian Regulation in the Chemical Industry." *Law & Policy*, 19 (4): 477.
- Reinicke, Wolfgang H. 1999-2000. "The . World Wide Web: Global Public Policy Networks." *Foreign Policy*, Winter (117): 44-57.
- Sartori, Giovanni. 1962. *Democratic Theory. Based on the author's translation of Democrazia e definizione (2d edition)*. Detroit, Wayne State University Press.
- Sartori, Giovanni. 1970. "Concept Misformation in Comparative Politics," *American Political Science Review*, 64(4), 1033-1053.
- Shapiro, Sidney A. 2002. "International Trade Agreements, Regulatory Protection, and Public Accountability." *Administrative Law Review*, 54: 435-58.
- Sinclair, Darren. 1997. "Self-Regulation Versus Command and Control? Beyond False Dichotomies." *Law & Policy*, 19 (4): 529.
- Schrim, Stefan A., ed. 2004. *New Rules for Global Markets: Public and Private Governance in the World Economy*. Houndmills: Palgrave Macmillan.
- Strange, Susan. 1996. *The Retreat of the State: The Diffusion of Power in the World Economy*. Cambridge: Cambridge University Press.