

THE WHARTON SCHOOL
University of Pennsylvania

LGST 220/820: International Business Ethics
Spring 2007

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Time: T. and Th. 10.30am-12.00pm
Place: TBD

Office hours: TBD

OVERVIEW

This course is a multidisciplinary, interactive study of business ethics within a global economy. The central aim of the course is to enable you to develop a framework to address ethical challenges as they arise within and across different countries. To this end, the course encourages critical analysis of arguments concerning the right course of action for individuals and economic enterprises in a wide variety of cases. The course highlights non-Western ethical traditions and practices as they relate to business.

After an introduction of general themes (Section 1), the course examines a range of arguments that global business enterprises have responsibilities to promote social goals, such as poverty alleviation (Section 2). Section 2 concludes with a normative analysis of new business models to meet these and other social needs, such as microfinance. In Section 3, the course examines what limits, if any, individuals and enterprises ought to respect in the kinds of businesses they pursue and in the extent to which they benefit from them. Cases in this section include conflict diamonds, the fair trade movement, and the global trade in human organs. In Section 4, the course turns to consider responsibility in relation to rules. A well-functioning global economy presumes that rules are uncontested and enforced. Section 4 examines the ethics of operating under conditions in which rules are contested, flouted, or unclear. Cases in this section cover corruption, global electronic commerce, tax havens, and different conceptions of intellectual property. Section 5 involves an analysis of the challenges that arise in working with other individuals across and within different cultures. Cases in this section cover topics such as executive pay, differing attitudes toward gender, and Islamic banking.

The course is designed to allow you to raise and explore issues in the area of international business ethics that are not addressed in the syllabus.

READINGS AND MATERIALS

Readings not available online through Van Pelt will be made available through Wharton Reprographics and the Reserve Desk at Lippincott. Many of the case materials will be posted on the webCafé room for the course (<http://webcafe.wharton.upenn.edu/lgst/>).

CONTACTING ME

Should you have any questions or concerns about the class, please do not hesitate to see me. No appointment is needed to meet during office hours; you should feel free to drop by. If you are not able to meet during office hours, please email me to arrange an alternative meeting time.

GRADING

The grade in the course is based on the following components.

Midterm Exam (30%)

The midterm exam is scheduled for 29 February 2007, the last class before Spring Break.

Class Participation (10%)

The course is intended to allow you to develop the analytic skills and substantive framework to address challenges as they arise in business. Many of these challenges will involve justifying your position to those who disagree with you. To this end, the course emphasizes articulating reasoned arguments with respect to the ethical dimension of problems in business. Class participation is an integral component of this emphasis. Accordingly, absences for no good reason will count against your grade.

Presentation (20%)

The presentations are to be done in teams on topics that are of particular interest to you in the area of international business ethics. The topics are to be determined in consultation with the instructor. The presentations will be discussed in greater detail a few weeks into the course.

Final Exam (40%)

The final exam will be discussed a few weeks into the course.

READING LIST AND CALENDAR

Readings marked with an asterisk are available through Reprographics and the reserve desk at Lippincott.
Unmarked readings are available online.

1. GENERAL THEMES	
T. Jan. 9	Introduction Case: Google in China and Yahoo in France Links in webCafé Universal Declaration of Human Rights http://www.un.org/Overview/rights.html
Th. Jan. 11	Ethical Relativism Gordon Graham, "Ethics, Truth, and Reason," <i>Eight Theories of Ethics</i> (London: Routledge, 2004). Ozay Mehmet, "Cultural Relativism and Human Rights: The Debate over Labour Standards and 'Asian Values,'" <i>Towards a Fair Global Labour Market: Avoiding a New Slave Trade</i> (London: Routledge, 1999).*

2. GLOBAL CORPORATE RESPONSIBILITY	
T. Jan. 16	<p>Negative Duties</p> <p>John Cohan, "Environmental Rights of Indigenous Peoples," <i>UCLA Journal of Environmental Law and Policy</i> 20 (2001): 133-185, p. 133-151.</p> <p>Thomas Donaldson, "Moral Minimums for Multinationals," <i>Ethics and International Affairs</i> 3 (1989): 163-182.*</p>
Th. Jan. 18	<p>Corporate Responsibility as Strategy</p> <p>Michael E. Porter and Mark R. Kramer, "Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility," <i>Harvard Business Review</i> (December 1, 2006) R0612D.*</p> <p>David Vogel, <i>The Market for Virtue</i> (Washington, D.C.: Brookings Institution, 2005), ch. 3.*</p>
T. Jan. 23	<p>Are There Positive Duties?</p> <p>Case: Poverty alleviation Links in webCafé</p> <p>Manuel Velasquez, "International Business, Morality, and the Common Good," <i>Business Ethics Quarterly</i> 2 (1992): 27-40.</p> <p>Amartya Sen, "Capability and Well-Being," in Martha Nussbaum and Amartya Sen, eds., <i>The Quality of Life</i> (Oxford: Clarendon Press, 1993).*</p>
Th. Jan. 25	<p>Rescue</p> <p>Case: Pharmaceutical companies and HIV/AIDS in Africa Links in webCafé</p> <p>Thomas Dunfee, "Do Firms with Unique Competencies for Rescuing Victims of Human Catastrophes Have Special Obligations?" <i>Business Ethics Quarterly</i> 16 (2005): 185-210.</p> <p>Thomas Scanlon, <i>What We Owe to Each Other</i> (Cambridge: Harvard University Press, 1998), 223-229.*</p> <p>Peter Singer, "Famine, Affluence, and Morality," <i>Philosophy and Public Affairs</i> 1 (1972): 229-243.</p>
T. Jan. 30	<p>Justice</p> <p>Case: The Chad-Cameroon Petroleum and Pipeline Development Project (HBS case: 9-202-010).*</p> <p>Onora O'Neill, "Agents of Justice," in Thomas Pogge, ed., <i>Global Justice</i> (Oxford: Blackwell, 2001).*</p> <p>John Rawls, <i>The Law of Peoples</i> (Cambridge: Harvard University Press, 1999), p. 3-7, 11-16.*</p>

Th. Feb. 1	<p>Corporate Social Reports Case: Corporate social reports Links in webCafé William Laufer, “Crafting a Soul,” in <i>Corporate Bodies and Guilty Minds</i> (Chicago: University of Chicago Press, 2006).*</p>
T. Feb. 6	<p>Social Enterprise and New Approaches to Business Case: Microfinance in Latin America Links in webCafé Case: One World Health Links in webCafé C.K. Prahalad, <i>The Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profits</i> (Upper Saddle River: Wharton School Publishing, 2005), ch. 1, 2.*</p>
3. THE GAINS FROM TRADE	
Th. Feb. 8	<p>Fair Trade Case: Coffee Links in webCafé Alan Wertheimer, <i>Exploitation</i> (Princeton: Princeton University Press, 1996), ch. 1.* Jagdish Bhagwati, <i>In Defense of Globalization</i> (New York: Oxford University Press, 2004), p. 51-67.* Kok-Chor Tan, <i>Justice Without Borders</i> (Cambridge: Cambridge University Press, 2004), ch. 2.*</p>
T. Feb. 13	<p>Pollution and the Environment Case: e-waste in India and China Links in webCafé Daniel M. Hausman and Michael S. McPherson, <i>Economic Analysis, Moral Philosophy, and Public Policy</i> (Cambridge: Cambridge University Press, 2006), p. 12-23.* Lisa Newton, <i>Business Ethics and the Natural Environment</i> (Oxford: Blackwell, 2005), p. 84-93.*</p>
Th. Feb. 15	<p>Commodification: Trade in Organs Nancy Scheper-Hughes, “Organs Without Borders,” <i>Foreign Policy</i> (2005). Margaret Radin, “Contested Commodities” in Martha Ertman and Joan Williams, eds., <i>Rethinking Commodification</i> (New York: New York University Press, 2005).*</p>
T. Feb. 20	<p>Supply Chain Management Case: Conflict diamonds Links in webCafé</p>

Th. Feb. 22	<p>Financial Flows Case: Currency speculation and the Asian Financial Crisis Links in webCafé Jagdish Bhagwati, <i>In Defense of Globalization</i> (New York: Oxford University Press, 2004), ch. 13.*</p>
T. Feb. 27	<p>Review</p>
Th. Feb. 29	<p>Midterm Exam</p>
T. March 6	<p>Spring Break</p>
Th. March 8	<p>Spring Break</p>
<p>5. THE RULES OF TRADE</p>	
T. March 13	<p>The World Wide Web and National Borders Jack Goldsmith and Timothy Wu, <i>Who Controls the Internet? Illusions of a Borderless World</i> (Oxford: Oxford University Press, 2006), 1-8.* David G. Post, "Against 'Against Cyberanarchy,'" <i>Berkeley Technology Law Journal</i> 17 (2002). http://papers.ssrn.com/sol3/papers.cfm?abstract_id=334581</p>
Th. March 15	<p>Property Rights Case: Patents and the Neem tree in India Links in webCafé Madhavi Sunder, "Property in Personhood," in Martha Ertman and Joan Williams, eds., <i>Rethinking Commodification</i> (New York: New York University Press, 2005).* Dan Hunter, "Culture War," <i>Texas Law Review</i> 83 (2006). http://papers.ssrn.com/sol3/papers.cfm?abstract_id=586463</p>
T. March 20	<p>Corruption and Bribery Case: Corruption and Bribery Links in webCafé Foreign Corrupt Practices Act http://www.usdoj.gov/criminal/fraud/fcpa.html David Hess and Thomas Dunfee, "Taking Responsibility for Bribery: The Multinational Corporation's Role in Combating Bribery," in Rory Sullivan, ed. <i>Business and Human Rights: Dilemmas and Solutions</i> (Sheffield: Greenleaf Publishing, 2003).*</p>

Th. March 22	<p>Taxation</p> <p>Case: “Tax Me If You Can” Links in webCafé</p> <p>Leslie Green, “Legal Obligation and Authority,” <i>The Stanford Encyclopedia of Philosophy</i> (Spring 2004 Edition), Edward N. Zalta (ed.), URL = http://plato.stanford.edu/archives/spr2004/entries/legal-obligation/.</p>
5. MANAGING GLOBALLY	
T. March 27	<p>Tolerance and Pluralism</p> <p>Bernard Williams, “Toleration: An Impossible Virtue?” in David Heyd, ed., <i>Toleration: An Elusive Virtue</i> (Princeton University Press, 1996).*</p> <p>David Heyd, “Introduction,” in David Heyd, ed., <i>Toleration: An Elusive Virtue</i> (Princeton University Press, 1996).*</p>
Th. March 29	<p>Gender</p> <p>Case: Foreign Assignment*</p> <p>Mary van der Boon, “Women in International Management: An International Perspective on Women’s Ways of Leadership,” <i>Women in Management Review</i> 18 (2003): 132-146.</p>
T. April 3	<p>Religion</p> <p>Case: Islamic Banking Links in webCafé</p> <p>Timur Kuran, <i>Islam and Mammon</i> (Princeton: Princeton University Press, 2004), ch. 1.*</p> <p>Mahmoud A. El-Gamal, <i>Islamic Finance</i> (New York: Cambridge University Press, 2006), ch. 1.*</p>
Th. April 5	Presentations
T. April 10	Presentations
Th. April 12	Presentations
T. April 17	Presentations
Th. April 19	Conclusion