

Legal Studies and Business Ethics Department
The Wharton School
LGST 820/220
Fall 2011

International Business Ethics
Monday-Wednesday 3:00-4:30
Professor Diana Robertson

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COURSE OVERVIEW AND OBJECTIVES

LGST 820/220 is a multi-disciplinary, interactive study of business ethics within the global economy. Alternative theories about how to act responsibly in global environments are presented. The process of managing global business ethics is emphasized. Critical current issues are introduced and analyzed. Perspectives include professional and applied ethics, law, public policy, organizational design, strategy, and organizational behavior.

The central aim of the course is to enable you to develop a framework to address ethical challenges as they arise within and across cultures and countries. Toward this end, the course encourages critical analysis of arguments concerning appropriate courses of action for individuals and economic enterprises in a wide variety of situations. The course explores Western and non-Western traditions and practices as they relate to business.

This course endeavors, through case conversations, to prepare you for real-life managerial challenges through development of the problem-solving, decision-making, and critical thinking skills that will propel you into and through a successful career in business. This course will offer you an array of opportunities:

- To improve individual and group skills in handling business issues;
- To recognize common patterns of success and failure in business;
- To determine where you stand personally with regard to managerial ethical issues;
- To exercise moral imagination in exploring creative alternatives to common problems;
- To appreciate the value of responsible decision-making;
- To learn the value and importance of exercising moral courage; and
- To listen to your peers and learn from them.

CLASS FORMAT

This course meets twice a week. We will use readings, cases, videos, guest speakers, and debates to examine real issues confronting managers of organizations and to practice analyzing and solving the issues.

GRADING POLICY

Grading will be at my discretion and in accordance with Wharton policies. With the exception of clerical/coding errors, no change of grades will be issued after final grade sheets are delivered to the University Registrar. No individual extensions are given for class assignments—the only extensions granted will be those given to the entire class.

GRADING

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

Class Participation	(20%) Individual
Case Paper	(15%) Individual
Midterm	(15%) Individual
Debate	(15%) Group
Presentation	(15%) Group
Final exam	(20%) Individual

Details for completion of assignments appear in the Course Assignments section of this syllabus.

COURSE MATERIAL

The course pack will be available from Reprographics and study.net (sn). There will be a separate charge for printing via Reprographics. Other materials, including all Giving Voice to Values (GVV) materials and newspaper articles, will be available on webCafé (wc) or handed out in class.

CLASSROOM ETIQUETTE

Students are expected to treat one another with courtesy. Students are expected to arrive for class on time. Cell phones and computers should be turned off. No typing or texting is permitted during class time.

MEALS

You are invited and encouraged to sign up for student-faculty meals sponsored by the Wharton Meals Program. The meals are entirely voluntary, and there is no charge to students. Lunches will take place at Pod unless another viable suggestion is offered.

OFFICE HOURS

Should you have any questions or concerns about the class, please do not hesitate to see me or Gastón. No appointment is needed to meet during my office hours (MW 1:30-3:00) or Gastón's (Monday and Wednesday 4:30-5:30 and by appointment), and you should feel free to drop by. If you are not able to meet during office hours, please email me or Gastón to arrange an alternative meeting time.

COURSE SCHEDULE

Wed. 9/7 Introduction to the Course

VALUES AND DECISION-MAKING

Mon. 9/12 Moral Frameworks for International Business and Organizational Life
Assignment:

- Foreign Assignment (wc)
- Values in Tension: Ethics Away from Home (sn)
- Cultural Constraints in Management Theories (wc)
- GVV Starting Assumptions (wc)
- GVV An Action Framework for GVV (wc)

Wed. 9/14 Individual Ethics, Values, and Purpose

Assignment:

- How Will You Measure Your Life? (wc)
- GVV New Approach to Values-Driven Leadership (wc)
- GVV Ways of Thinking about Our Values in the Workplace (pp. 1-2; pp. 10-14 “Normalization of Value Conflicts” and “Definition of Purpose”) (wc)
- GVV Building a GVV Tool Kit (wc)
- GVV Reasons and Rationalizations (wc)
- GVV A Personal Struggle with the Definition of Success (wc)
- GVV Felipe Montez (wc)

Mon. 9/19 Managing Bias and Moral Uncertainty

Assignment:

- Ethical Leadership and the Psychology of Decision Making (wc)
- How (Un)ethical Are You? (sn)
- Differences at Work: Sameer (A) (sn)

CORPORATE ETHICS

Wed. 9/21 Global Advertising

Assignment:

- Resolving International Conflict: Culture and Business Strategy (wc)
- Unilever’s Real Beauty Campaign (sn)
- Living on the Edge at American Apparel (wc)
- American Apparel T-Shirt Controversy Gets Retailer in Hot Water Again (wc)

Mon. 9/26 Bribery and Corruption

Assignment:

- A Traveler's Guide to Gifts and Bribes (wc)
- Bazerman, Note on Blind Spots (wc)
- Corruption at Siemens (A) (sn)

CORPORATE SOCIAL RESPONSIBILITY AND GLOBAL HEALTH

Wed. 9/28 Duty to Rescue

Assignment:

- Merck & Co. (sn)
- Do Firms with Unique Competencies for Rescuing Victims of Human Catastrophes Have Special Obligations? (wc)
- Value Maximization and Stakeholder Theory (wc)

****List of group members for debates is due.**

****Sign up in class for debates.**

Mon. 10/3 Pharmaceutical Firms

Assignment:

- Drug Testing in Nigeria (A) (sn)
- Sea Star (wc)
- The TJ Hooper Case (wc)

****Case paper topic due today to webCafé.**

INTERNATIONAL HUMAN RIGHTS

Wed. 10/5 International Human Rights In Action: The Role of Corporations

Assignment:

- Google in China (sn)
- 2010 Report of the Special Representative of the Secretary-General on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises (wc)

Mon. 10/10 FALL BREAK

Wed. 10/12 Conceptions of Human Rights

Assignment:

- International Justice (wc)
- What Human Rights Mean (wc)
- Media Blackout in China After Wreck (wc)
- In Baring train Crash Facts, Blogs Erode China Censorship (wc)
- Egypt Shuts Down Internet, Cellphone Services (wc)
- Egypt Court Fines Mubarak and Vodafone (wc)

ETHICS FROM AN EASTERN PERSPECTIVE

Mon. 10/17 Workplace Civility from a Confucian Perspective

Guest speaker: Tae Wan Kim
Assignment: TBD (wc)
****Case paper topic due today on webCafé.**

GLOBAL CORPORATE SOCIAL RESPONSIBILITY

Wed. 10/19 Corporate Criminal Liability and Crisis Management

Assignment:

- Ratner, Corporations and Human Rights (selections) (wc)
- Doe v. Unocal (wc)
- Multinational Corporations in Apartheid-era South Africa: The Issue of Reparations (sn)

Mon. 10/24 Corporate Social Responsibility and Suppliers

Assignment:

- IKEA's Global Sourcing Challenge: Indian Rugs and Child Labor (A) (sn)

**** Case paper due today.**

Wed. 10/26 Debate: Bribery is always wrong.

CORPORATE SOCIAL RESPONSIBILITY AND EMERGING ECONOMIES

Mon. 10/31 Fair Trade Coffee

Assignment:

- Fair Trade Coffee: The Mainstream Debate (wc)
- The Market for Virtue: Corporate Social Responsibility in Developing Countries (sn)

****Debate teams to sign up for country presentations on webCafé.**

Wed. 11/2 Debate: Access to the Internet is a human right.

Mon. 11/7 Microfinance

Assignment:

- Grameen Bank (wc)
- Millions for Millions (wc)
- SKS / India (wc)

Wed. 11/9 Marketing to the Bottom of the Pyramid

Assignment:

- Serving the World's Poor Profitably (wc)
- When is Doing Business with the Poor Good for the Poor? (wc)
- Romanticizing the Poor (wc)

Mon. 11/14 Debate: Subaru should withdraw from Saudi Arabia.

Wed. 11/16 Mid-Term Examination (review session to be scheduled)

Mon. 11/21 Debate: The sale of human organs should be legalized.

Wed. 11/23 NO CLASS.

Students must watch one of the following movies and prepare a 2-page memo identifying and describing the most unsettling moral question raised by the film. This assignment will be graded on a pass/fail basis and is due Monday October 28 by posting to webCafé

- (1) Inside Job**
- (2) Total Denial**
- (3) Others TBD**

Mon. 11/28 Country/Region Presentations

Wed. 11/30 Country/Region Presentations

Mon. 12/5 Country/Region Presentations

Wed. 12/7 Country/Region Presentations and Course Wrap up

COURSE ASSIGNMENTS

Class Participation (20%)

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. Participation is expected and required in this class. Although good participation involves good listening, listening alone does not constitute satisfactory participation. Both quality and quantity are taken into account. Participation involves making valuable contributions to class discussions through thoughtful comments or questions. Consider participation an evaluation of how much you contribute to moving class discussions forward.

Attendance will be taken on a regular basis. Class participation contributes to your grade, and you cannot participate if you are not present. A seating chart will be created in class and students will be expected to sit in the same seats for the rest of the term. In addition, please write the name by which you would like to be called on a name card (placard) and place it in front of you so that we as a class can refer to one another by name.

If you are late or miss class, it is “your” responsibility to find out what you missed. After checking with classmates, feel free to contact me with additional questions. There is no such thing as an “excused” absence—an absence is an absence. More than three absences will result in an automatic grade reduction.

Case Paper (15%) (Due October 24)

You are to write either (1) a case about a current international business ethics case (one that we are not covering in our course) or (2) pose and answer a question presented by the course materials. Suggested topics will be circulated by September 30. You are to post your topic to

webCafé by October 6. During October Gastón will hold additional office hours to review outlines/drafts of your papers.

The paper is to be 1,200 to 1,500 words, double-spaced. References (which should be included) and any appendices will not be counted as part of the word count.

For those choosing to write a case, you are to write a short description of the case situation (no more than one page), then devote the rest of the paper to an analysis of the situation. Your analysis includes identification of the ethical issue(s) involved, reference to ethical theories and other course materials, and your recommendations as to how the situation should be handled.

The following criteria will be used to grade this assignment:

Choice of an interesting and appropriate topic	10 points
Clear and concise description of the case itself	10 points
Evidence of research on the topic	20 points
Analysis of the case including reference to course concepts	40 points
Well-formulated recommendations for resolution of the issue	20 points

In case you opt to pose and answer a question in your essay, you should begin by clearly stating your question and *motivating* the question, i.e., making a case for its significance. The rest of your essay should be single-mindedly focused on developing as rigorous an answer as possible to this question. Grading will track the criteria presented for the case assignment.

Post your paper to webCafé and hand in a hard copy in class.

Mid-Term Examination (15%)

This closed-book examination will include short-answer questions (two to three sentence answers), short essay, multiple choice and true/false questions. The purpose of the examination is to test your comprehension of the major concepts introduced in the readings and classes. A review session will be scheduled prior to the examination date.

Group debate (15%)

Teams will have the responsibility for developing and advocating a position supporting or opposing a debate proposition. A list of team members is due in class on September 28.. Debate topics will be assigned to teams via a lottery process in class that day.

October 26	Debate: Bribery is always wrong.
November 2	Debate: Access to the Internet is a human right.
November 14	Debate: Subaru should withdraw from Saudi Arabia.
November 21	Debate: The sale of human organs should be legalized.

Each team has the following specific responsibilities:

- To prepare a Power Point presentation of your team's arguments. A hard copy is due the day of the debate. An electronic copy of the Power Points must be posted to webCafé no later than 24 hours prior to the start of the class in which the debate takes place.

- To present in class a constructive argument of the team’s proposition and a rebuttal of the opposing team’s position, and manage questions from the opposing team and classmates. The format for the debates follows.

The debate format follows:

(Caution: This debate format has been invented by the instructor and is not intended to bear any resemblance to standard debates that you may have experienced in the past.)

Pro Team Opening Statement	8 minutes
Con Team Opening Statement	8 minutes
Pause for Team Members to Confer	2 minutes
Pro Team Rebuttal	3 minutes
Con Team Rebuttal	3 minutes
Pro Team closing statement	2 minutes
Con Team closing statement	2 minutes
Pro and Con Teams field questions from class	10 minutes

The presentation in class will be assessed based on your ability to construct and present a compelling argument for your position and to rebut and answer questions about opposing points of view. In your debate you should present your position clearly, coherently, and in an engaging way to your audience of classmates. Your classmates will have an opportunity to “judge” the debate.

The following criteria will be used to grade the debates

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| • A clear set of arguments tied to course materials | 55 points |
| • Research that provides strong evidence to support your arguments | 25 points |
| • Clear, persuasive, and engaging presentation | 20 points |

Country/Region Presentation (15%)

You will work with your debate team on this assignment. Each team will prepare a PowerPoint presentation on business ethics and/or corporate social responsibility in a region of the world, particularly those regions not covered in our course work. The regions from which to choose, e.g., Africa, Latin America, will be posted on webCafé and debate teams will be asked to sign up by October 31.

The following criteria will be used to grade the presentations.

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| • Evidence of thorough research including citation of sources | 40 points |
| • Insight about business ethics/CSR in the region | 40 points |
| • Presentation skills | 20 points |

Final (20%)

A final writing assignment in the format of an essay examination covering all class materials will be administered to give you one-week to prepare your essay answers by the due date of December 16 at 5:00pm. This is an open book exercise.