

**Legal Studies and Business Ethics Department  
The Wharton School  
LGST 820/220  
Fall 2012**

**International Business Ethics  
Monday-Wednesday 3:00-4:30  
Room 240 JMHH  
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. The class presents alternative theories about how to act responsibly in global environments, emphasizes the process of managing global business ethics, and introduces and analyzes critical current issues. Perspectives include professional and applied ethics, law, public policy, organizational design, strategy, and organizational behavior.

The course's main goal is to enable students 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.

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 an array of opportunities, including, but not limited to,:

- Improving individual and group skills in handling business issues;
- Recognizing common patterns of success and failure in business;
- Determining where you stand personally with regard to managerial ethical issues;
- Exercising moral imagination in exploring creative alternatives to common problems;
- Appreciating the value of responsible decision-making;
- Learning the value and importance of exercising moral courage; and
- Listening to your peers and learning 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.

<b>Class Participation</b>	<b>(10%) Individual</b>
<b>Case Paper</b>	<b>(25%) Individual</b>
<b>First Midterm</b>	<b>(15%) Individual</b>
<b>Second Midterm</b>	<b>(20%) Individual</b>
<b>Debate</b>	<b>(20%) Group</b>
<b>Presentation</b>	<b>(10%) Group</b>

Details for evaluation of the assignments are in the Course Assignments section of this syllabus.

## **COURSE MATERIAL**

The course pack will be available from Reprographics and study.net (s). There will be a separate charge for printing via Reprographics. Other materials, including journal and newspaper articles, will be available on canvas (c) or handed out in class. In some instances, a link to the article will be provided. To access canvas go to SPIKE or <https://wharton.instructure.com/login>

## **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 Jonno. You should consider coming to office hours for any concern you may have about the course, even if you would simply like to discuss the material further. No appointment is needed to meet during my office hours (MW 4:30-5:30) and you should feel free to drop by. If you are not able to meet during office hours, please email me or Jonno to arrange an alternative meeting time.

## COURSE SCHEDULE

**Wed. 9/5** Introduction to the Course

### **VALUES AND DECISION-MAKING**

**Mon. 9/10** **Moral Frameworks for International Business and Organizational Life**  
**Assignment:**

- Foreign Assignment (c)
- Gioa, Pinto Fires and Personal Ethics (c)
- Donaldson, Values in Tension: Ethics Away from Home (c)

**Wed. 9/12** **How To Think About Ethical Issues**  
**Assignment:**

- Sucher and Hsieh, A Framework for Ethical Reasoning (s)
- Against the Grain: Jim Teague in Tanzania (s)

**Mon. 9/17** **Individual Ethics, Values, and Purpose**  
**Assignment:**

- How Will You Measure Your Life? (c)
- GVV Ways of Thinking about Our Values in the Workplace (pp. 1-2, 6-8, 20-25). (c)
- Sandel, What Money Can't Buy, Introduction and Chapter 1 (s)
- Felipe Montez (c)

**Wed. 9/19** **Individual Ethics at Work**  
**Assignment:**

- Bazerman and Tenbrunsel, Blind Spots (s)
- Bazerman and Tenbrunsel, Ethical Breakdowns (c)
- Differences at Work: Sameer (A) (s)
- NYT, Muslims on Wall Street (c)

### **CORPORATE ETHICS**

**Mon. 9/24** **Ethics in Financial Services**  
**Guest Speakers: Michael Kline and Arnold Staloff**  
Readings to be posted to canvas

**Wed. 9/26** **Global Advertising**  
**Assignment:**

- Trompenaars, Resolving International Conflict: Culture and Business Strategy (c)
- Unilever's Real Beauty Campaign (s)
- Living on the Edge at American Apparel (c)

- American Apparel T-Shirt Controversy Gets Retailer in Hot Water Again (c)

**Mon. 10/1 Bribery and Corruption**

**Assignment:**

- Fadiman, A Traveler's Guide to Gifts and Bribes (c)
- NYT, Wal-Mart Hushed Up Vast Mexico Bribery Case (c)

***CORPORATE SOCIAL RESPONSIBILITY AND GLOBAL HEALTH***

**Wed. 10/3 Duty to Rescue**

**Assignment:**

- Merck & Co (A) 9-991-021 (s)
- Do Firms with Unique Competencies for Rescuing Victims of Human Catastrophes Have Special Obligations? (c)

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

**\*\*In-class lottery to assign debate topics\*\***

**Mon. 10/8 Pharmaceutical Firms: Leadership**

**Assignment:**

- Value Maximization and Stakeholder Theory (c)
- Cipla 2011 (s)

***INTERNATIONAL HUMAN RIGHTS***

**Wed. 10/10 First Midterm**

**Mon. 10/15 International Human Rights in Action: The Role of Corporations**

**Assignment:**

- Paine and Adamsons, Business and Human Rights (s)
- IKEA's Global Sourcing Challenge: Indian Rugs and Child Labor (A) (s)

**Wed. 10/17 International Human Rights: Recent Examples**

**Assignment:**

- Media Blackout in China After Wreck (c)
- In Baring train Crash Facts, Blogs Erode China Censorship (c)
- Egypt Shuts Down Internet, Cellphone Services (c)
- Egypt Court Fines Mubarak and Vodafone (c)

In-class discussion of debate topics and debate preparation

**\*\*Case paper topic due today to canvas\*\***

**Mon. 10/22 Fall Break**

## **GLOBAL CORPORATE SOCIAL RESPONSIBILITY & MARKETS FOR VIRTUE**

### **Wed. 10/24 Corporate Social Responsibility**

#### **Assignment:**

- Ratner, Corporations and Human Rights (selections) (c)
- Foxconn Technology Group (A) (s)
- Vogel, The Market for Virtue: Chapter 1 (s)

### **Mon. 10/29 Corporate Social Responsibility**

#### **Assignment:**

- Multinational Corporations in Apartheid-era South Africa: The Issue of Reparations (s)

### **Wed. 10/31 Debate: Bribery is *always* wrong.**

**\*\*Debate teams to sign up for country presentations on canvas\*\***

## **CORPORATE SOCIAL RESPONSIBILITY AND EMERGING ECONOMIES**

### **Mon. 11/5 Marketing to the Bottom of the Pyramid**

#### **Assignment:**

- Prahalad and Hammond, Serving the World's Poor Profitably (c)
- Karnani, Romanticizing the Poor (c)

**\*\*Case paper due today\*\***

### **Wed. 11/7 Debate: Child labor is ethical.**

### **Mon. 11/12 Microfinance**

#### **Assignment:**

- Millions for Millions (c)

### **Wed. 11/14 Debate: Access to the Internet is a human right.**

### **Mon. 11/19 Second Midterm**

### **Wed. 11/21 NO CLASS.**

**Students must watch one of the following movies and prepare a 1-page memo identifying and describing the most impactful (whether uplifting or unsettling) moral question raised by the film. This assignment will be graded on a pass/fail basis and is due Wed. Nov 28.**

- (1) Inside Job
- (2) Total Denial
- (3) Margin Call
- (4) Big Short
- (5) Others TBD

**Mon. 11/26 Fair Trade Coffee  
Assignment:**

- Fair Trade Coffee: The Mainstream Debate (c)
- Vogel, The Market for Virtue: Chapter 4 Corporate Social Responsibility in Developing Countries (s)

**\*\* Country presentations approval by today\*\***

**Wed. 11/28 Debate: The sale of human organs should be legalized.**

**\*\*Movie memo due today\*\***

**Mon. 12/3 Country/Region Presentations**

**Wed. 12/5 Country/Region Presentations and Course Wrap up**

**COURSE ASSIGNMENTS**

**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. 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 (25%) (Due November 5)**

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 26. You are to post your topic to canvas at the latest by October 17. During October Jonno will be available 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 focused on developing as rigorous an answer as possible to this question. Grading will reflect the criteria presented for the case assignment.

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

### **First Midterm Examination (15%)**

### **Second Midterm Examination (20%)**

These closed-book examinations will include short-answer questions (two to three sentence answers), short essay, multiple choice and true/false questions. The purpose of the examinations is to test your comprehension of the major concepts introduced in the readings and classes.

### **Group debate (20%)**

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 October 3.

Debate topics will be assigned to teams via a lottery process in class that day.

<b>October 31</b>	<b>Debate: Bribery is always wrong.</b>
<b>November 7</b>	<b>Debate: Child labor is ethical.</b>
<b>November 14</b>	<b>Debate: Access to the Internet is a human right.</b>
<b>November 28</b>	<b>Debate: The sale of human organs should be legalized.</b>

Each team has the following specific responsibilities:

- To prepare a PowerPoint presentation of your team's arguments. A hard copy is due the day of the debate. An electronic copy of the PowerPoint must be posted to canvas 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 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 and One Question for opposing team .....	2 minutes
Con Team Closing Statement and One Question for opposing team .....	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 supporting 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 and will have input into the grading of the debate.

The following criteria will be used to grade the debates

- 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 (10%)**

You will work with your debate team on this assignment. Each team will prepare a ten-minute 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 canvas and debate teams will be asked to sign up by October 31.

Each team must choose a point of view from which to deliver the presentation. The following are alternatives that may be suitable for your country/region choice:

- A pitch on behalf of governments to foreign MNEs,
- A pitch to government to implement policy changes, or
- A pitch to an important company’s top management as an NGO or other interest group to implement policy changes.

Both your country/region and the perspective you intend to take must be approved a week before your presentation.

The following criteria will be used to grade the presentations.

- Evidence of thorough research including citation of sources 40 points
- Insight about business ethics/CSR in the region 40 points
- Clear and engaging presentation 20 points