

The Wharton School  
University of Pennsylvania  
Corporate Responsibility and Ethics  
LGST 220/820  
Pt. I, ver. 2

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Office hours: Mondays, 3pm

TA: Carson Young

**OVERVIEW:** This course studies business ethics within a global economy. Its aims to sharpen your appreciation of the moral complexity business decision-makers confront when working across borders and to explore rival decision-making frameworks. The course encourages critical analysis of arguments concerning the right course of action for individuals and economic enterprises in a wide variety of cases. Among the ideas and issues discussed: relativism, corporate governance, responsibilities to shareholders, competitive advantage, intellectual property rights and human rights, community, reparations, biopiracy, corruption, exploitation.

**CLASS PARTICIPATION:** Students are expected to complete the reading before class and to actively participate in classroom discussion. Material is covered in each class that is not available in the readings. Much of the most important learning will come not directly from lectures or readings, but through reflection on your behavior and that of your classmates as you participate in simulations and discuss cases. Consequently, you should miss class only for an extraordinary reason. Absences will be reflected in grades. An attendance sheet will be circulated.

**EXAMS:** There will be a graded midterm testing your understanding of cases, exercises, other reading material, and class discussion. There will be a pass/fail exercise near the end of term that serves to make sure you keep up with the reading. There will also be a final writing assignment, which must be submitted no later than the date of our final. Details will follow.

**GROUP PROJECTS:** After the midterm, the class will be divided into teams of 3-5 students each. Teams will participate in a debate. Each debate will focus on an assigned topic and each team will defend a different view. Teams will prepare a 4-5 page paper describing its position and outlining its case for it. A copy of this paper should be provided to the opposing team at least twenty-four hours prior to the debate. Each team will make an argument for its position and a rebuttal of the opposing team's argument. This will be followed by questions from the audience. More details will follow.

**GRADES:** The midterm is worth 25%; the group project is worth 20 %; the writing assignment is worth 55%; students must pass the end-of-term exercise. Students may substantially improve their grades through informed class participation.

READINGS AND MATERIALS: Unless indicated otherwise, all readings are found on [study.net](http://study.net).

CLASSROOM ETIQUETTE: Students are expected to treat one another with respect, and students are expected to arrive on time. Cell phones, computers and other electronic devices must be turned off. No typing or texting is permitted in class.

### **Schedule (may change)**

#### **8-26 Introduction**

Langewiesche, The shipbreakers.

(As this will be our first day, the reading is strongly suggested but not required.)

#### **8-31 Relativism**

Sharkey, On a visit to Saudi Arabia, doing what the Saudis do.

Prinz, Morality is a culturally conditioned response.

Rachels, The challenge of cultural relativism.

#### **9-2 Human Rights**

Case, Rana Plaza: Workplace safety in Bangladesh

The Universal Declaration of Human Rights. The United Nations  
<http://www.un.org/en/documents/udhr/>

#### **9-7 Labor Day (no class)**

#### **9-9 Human Rights: Foundations**

Feinberg, The nature and value of rights.

Donaldson and Werhane. Introduction to ethical reasoning.

#### **9-14 Reparations**

Case: Multinational corporations in apartheid-era South Africa: The issue of reparations

#### **9-16 Human Rights: Alternatives**

Ihara, Are individual rights necessary? A Confucian perspective.

Gyekye, Person and community in Akan thought.

#### **9-21 Intellectual Property Rights**

Case: W.R. Grace & Co. and the Nemix patent

Chen, There's No Such Thing as Biopiracy...and It's a Good Thing Too

**9-23 Obligations**

Singer, Famine, affluence, and morality

Dunfee, Do firms with unique competencies for rescuing victims of human catastrophes have special obligations?

O'Neill, Agents of justice

**9-28 Institutions**

Pogge. Eradicating systemic poverty: Brief for a global resources dividend.

Risse, Do we owe the poor assistance or rectification?

**9-30 Vulnerability**

HB Fuller in Honduras

**10-5 In class review for midterm**

**10-7 MIDTERM**

**10-12 Corporate Governance: People and Sustainability**

Case: Governance and Sustainability at Nike

Friedman, Milton, The social responsibility of business is to increase profits

**10-14 Corporate Governance: Do We Owe Them Anything?**

Stout, Lynn. The problem of corporate purpose

Case: Merck & Co. Inc. (A)

**10-19 Pharmaceuticals**

Pogge, Pharmaceutical innovation: must we exclude the poor?

**10-21 Bottom of the Pyramid**

Case: Microfinance at Credit Suisse

**10-26 Bottom of the Pyramid**

Prahalad, Fortune at the bottom of the pyramid

Donald, Sam. Why we (still) don't recommend microfinance

**10-28 Bribery and Corruption**

Case: The Project at Moza Island (from Donaldson and Gini case study collection)

Dunfee and Donaldson, Untangling the corruption knot: global bribery viewed through the lens of integrative social contract theory

**11-2 Exploitation, Apple/Foxconn**

Case: Foxconn Technology Group (A)

Snyder, Exploitation and Sweatshop Labor: Perspectives and Issues (BEQ)

**11-4 Exploitation, Apple/Foxconn**

Powell and Zwolinski, The ethical and economic case against sweatshop labor: a critical assessment (JBE)

**11-9 Environmental Justice**

Case: UBS and climate change—warming up to global action?

Caney, Cosmopolitan justice, responsibility, and global climate change (Global Justice Reader)

**11-11 Duty to obey local laws**

Case: Uber: 21<sup>st</sup> century technology confronts 20<sup>th</sup> century regulation

Huemer, The problem of political authority, ch. 1 (“The problem of political authority”)

**11-16 Duty to obey local laws**

Huemer, The problem of political authority, chs. 2 and 4 (“The traditional social contract theory” and “The authority of democracy”)

**11-18 Presentations**

**11-23 Presentations**

**11-25 No class (Thanksgiving)**

**12-2 Presentations**

**12-7 Presentations**