

Legal Studies & Business Ethics Department
The Wharton School, University of Pennsylvania
Ethics and Social Responsibility
Thursday 4:30-7:30 pm
LGST100-007 (Spring 2019)
Aryeh Friedman, friedmaa@wharton.upenn.edu

Aryeh Friedman is VP, Associate General Counsel and Chief Privacy Officer at Dun & Bradstreet responsible for privacy and compliance; prior to that he was the Chief Privacy Officer at Pfizer. He has taught in the Legal Studies & Business Ethics Department at Wharton for many years.

COURSE MATERIALS: A course pack will be available from study.net. I have also provided links to materials, including legal documents and videos.

GRADING:

Class participation: 10%

Midterm: 40%

Final Exam: 50%

CLASSROOM ETIQUETTE:

You are expected to be in class on time. Attendance will be taken. Please do not eat in class. There will be a 15 minute break in the middle of the class. Computers may be used for typing notes but not for other activities. If you use your computer for other purposes I reserve the right to stop use of the computer. Cellphones must be turned off.

PROVISIONAL SYLLABUS

January 17: What is Business Ethics? Overview:

Conceptual Model

- “A Framework for Ethical Reasoning”
- Thomas Donaldson, “Values in Tension: Ethics Away from Home.”
- Ron Carruci, “Why Ethical People Make Unethical Choices” <https://hbr.org/2016/12/why-ethical-people-make-unethical-choices>
- Scanlon, what we owe to each Other, introduction
<https://archive.nytimes.com/www.nytimes.com/books/first/s/scanlon-owe.html>.

January 24: Ethical Issues in the Workplace:

Plagiarism:

Resume Padding

Conflicts of Interest

Compensation and Income Inequality:

- CEO Compensation: “Do CEOs Get Paid too Much?”
- Bill Gates , “Why Inequality Matters” <https://www.gatesnotes.com/Books/Why-Inequality-Matters-Capital-in-21st-Century-Review>
- “Ethics of Universal Basic Income,” <http://sevenpillarsinstitute.org/case-studies/ethics-of-universal-basic-income>

Discrimination

Employee Rights

- “Confucian Skepticism About Workplace Rights”
- “Employment at Will, Employee Rights and Future Directions for Employment”

January 31-February 7: Ethical Conduct in Marketing and Sales:

Ethics in Negotiations:

- Shell, “When Is it Legal to Lie in Negotiations.”

Conducting Competitive Market Research.

- “Martha McCaskey”

Product Liability:

- Martin Sandu, “Dicing with Death? A case study of Guidant Corporation’s implantable defibrillator business”
- “Pinto Fires and Personal Ethics: A Script Analysis of Missed Opportunities”

February 14-21: White Collar Crimes: Fraud, Deception and Theft

- “Personal Values and Professional Responsibility”
- Why They Do It: Inside the Mind of the White - Collar Criminal
<https://www.youtube.com/watch?v=94b0mWfxsbk>

Accounting Fraud

- T. Dean Maines, “The Corporate Scandals of 2002: Enron, Inc.
- John C. Coffee, Jr. “Limited Options”

Insider Trading:

- Alan Strudler: Insider Trading: A Moral Problem”

Unfair Market Competition

February 28: Bribery and Corruption:

- Charlotte Butler & Henri-Claude de Bettignies, “Chagmai Corporation”
- Siri Schubert & T. Christian Miller, “At Siemens Bribery was Just a Line Item”
- Ed Yung, The Atlantic Magazine, “Corruption Corrupts: A psychological study spanning 23 countries links tax evasion and political fraud to individual truth-stretching.” (Mar 9, 2016)
[http://www.theatlantic.com/science/archive/2016/03/corruption-honesty/472779/.](http://www.theatlantic.com/science/archive/2016/03/corruption-honesty/472779/)

March 7: SPRING BREAK

March 14: In-Class Midterm first half of class.

March 14 (2nd half) —21: Ethics in the Supply Chain:

- “In China the Human Costs That are Built into an iPad”
- *SEC Disclosure Obligations: Disclosing the Use of Conflict Minerals*
<http://www.sec.gov/News/Article/Detail/Article/1365171562058>
- *Export Controls:*
 - “Overview of U.S. Export Control System”
<http://www.state.gov/strategictrade/overview/>
- *Money Laundering:*
 - “History of Anti-Money Laundering Laws”
http://www.fincen.gov/news_room/aml_history.html

March 21: Privacy:

- Kirsten E. Martin, Google Inc., In China
- “Privacy and the Law”
<http://www.scu.edu/ethics/practicing/focusareas/technology/internet/privacy/privacy-law.html>

March 28 Operating an Ethical Business

The Ethical Challenges Facing Entrepreneurs

The “Nanny Society”?

- “Extraordinary Science of Addictive Junk Food.”

Tax Avoidance and Business Ethics:

- Gabriel Zucman, “The Hidden Wealth of Nations,” Introduction, <http://gabriel-zucman.eu/files/Zucman2015Intro.pdf>.

April 4: How Companies Maintain an Ethical Culture:

- Lynn Sharp Paine, “Managing for Organizational Integrity”
- “Corporate Culture” <http://ethicalsystems.org/content/corporate-culture> (including videos) and summary of Chapter 5 in Trevino & Nelson. *Managing Business Ethics*. 6th Edition (there is a link)

Corporate Codes of Conduct

- Google: <http://investor.google.com/corporate/code-of-conduct.html>

April 11: Whistleblowing

- Joseph R. Desjardins & John J. McCall, “Whistleblowing at the Phone Company”
- “Seven Secrets Every Whistleblower Needs to Know”
- 2014 Annual Report to Congress on The Dodd-Frank Whistleblower program
<http://www.sec.gov/about/offices/owb/annual-report-2014.pdf>

April 18: Corporate Social Responsibility

The Role of the Corporation:

- “Milton Friedman, The Social Responsibility of Business is to Increase Profits”
- R. Edward Freeman, “Managing for Stakeholders.”
- “The Problem of Corporate Purpose”

Business and the Environment

- “Case Study: BP and the Deepwater Horizon”
<https://mitsloan.mit.edu/LearningEdge/CaseDocs/10%20110%20BP%20Deepwater%20Horizon%20Locke.Review.pdf>

April 25: Business and Terrorism: Course Conclusion

- Laurie P. Cohen, “Chiquita Under the Gun”
- Indictment, United States v. Chiquita
- Liana Downey, “Mobil in Aceh, Indonesia.”