

LGST 611 (Donaldson) - Fall 2019

RESPONSIBILITY IN GLOBAL MANAGEMENT

Syllabus (draft, as of March, 2019):

RESPONSIBILITY IN GLOBAL MANAGEMENT

Instructor: Thomas Donaldson

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Goals for the course:

This course introduces students to important legal and ethical challenges they may face in global business. It is designed to raise ethical and legal conflicts and dilemmas, and to provide plausible frameworks for dealing with those conflicts. It is also designed to reveal common patterns of success and failure. It is not intended to convert sinners into saints, preach absolute truths, convey the wisdom of moral philosophers, or deter the morally vulnerable. Class sessions will consist of collaborative case discussions, exercises, and discussions of theoretical frameworks for interpreting ethics and law.

Readings:

All materials are available on CANVAS. In each assignment, there will be links to the relevant readings, which are stored on CANVAS in either the Files or Study.Net tab.

Grading and Logistics:

1. Overall Contribution to Class (35%)

2. Final Essay: Analysis of case-study (65%)

Overall Contribution to Class (35% of class grade)

Attendance is important. Your commitment to exercises, preparation, class engagement and participation will comprise 35% of the grade.

The top 20% of the class on this component will receive 25 points. The next 60% will receive from 20-23 points. The bottom 10% will receive from 0-19 points.

Final Essays: Analysis of case-study (65%)

A final assignment is due by midnight on the fourth day after our final class. It will consist of the analysis of a new case study (not one that we have already read in class), making use of the tools and materials discussed in class. The exercise will be open-book and open-note. The case study and essay instructions will be available on CANVAS immediately following our last class. You will submit your essays via CANVAS.

Class Attendance:

The course meets once a week. Classes will consist of some combination of lecture and discussion depending on the nature of the materials, but in all cases student preparation and participation are essential. Students should come to class prepared to discuss the cases and share both their analysis and recommendations.

We meet only six times. It should be noted that you can't participate if you're not in the classroom. You may be absent once without incurring an attendance penalty (although, of course, if not in class, you cannot receive credit for participating). Missing as much as 20 minutes at the beginning, end, or during a class counts as an "absence."

WhartonConnect Mobile App: Please download the WhartonConnect mobile app, available from the iOS and Android App Stores, so that you can check in to class. The Wharton Connect app is also available via a browser at <https://whr.tn/wh-connect> (Links to an external site.) Links to an external site.. Check-in opens ten minutes before class and closes at the end of the class. In order to check in you must be physically present in the classroom. Checking in without being present constitutes an ethics violation and will result in an "F" for the course.

Students who check in late, do not check in at all, or forget to check in, will be marked either late or absent. It is your responsibility to check in. Letting the instructor know after the class has ended does not count. If for some reason you are in class but cannot check in (for technical reasons or because you forgot your phone), please let the instructor know before the end of class. Internet connections must be turned off during class time. Laptop computers and iPads should not be used during class lectures and case study discussions. Mobile telephones should be put away.

Other ground rules:

Please display your name tent. If you forget yours, please make an informal one.
You may eat in class

List of Readings: (Note: this list is likely to be amended very slightly before the final syllabus is constructed.)

CASES

- Case Study: "Chiquita and the US Department of Justice" RI-1006,
- Case study: "Dicing with Death? A case study of Guidant Corporation's implantable defibrillator business," by Martin E. Sandbu and Jeisun Wen.
- "Just when is a "Tip" Only another Means to Insure Promptness?"
- Case: "What Price, Safety?"
- Case: "The Oil Rig"
- Case: "Italian Tax Mores"

- “Values in Tension: Ethics Away from Home,” Donaldson, Thomas, Harvard Business Review, September-October, 1996. Study.net
- Case Study: Kitchen Best: Ethics When Doing Cross-Boundary Business in Southern China HKU948-PDF-ENG Study.net
- Case Study: “Barclays and the LIBOR Scandal” HBS 9-313-075 Study.net

READINGS

- Porter, M. E. 2011. Creating Shared Value. Harvard Business Review, 89(1/2): 62-77.
- Donaldson, Thomas, “Values in Tension: Ethics Away from Home,” Harvard Business Review, September-October, 1996.
- Jensen, M. C. 2002. Value maximization, stakeholder theory, and the corporate objective function. *Business Ethics Quarterly*, 12(2): 235-256.
- Lynn Stout, “The Problem of Corporate Purpose,” *Issues in Governance Studies* (Washington, D.C.: The Brookings Institution, 2012).
- Henry Hansmann, 2012 “Ownership and Organizational Form” in Gibbons and John Roberts, eds, *The Handbook of Organizational Economics*, Palgrave Mcmillan, 2012.
- Murad Ahmed, Jeevan Vasagar and Tim Bradshaw, ‘Uber: Backseat driver’, Financial Times, September 15, 2015.
- Donaldson, T., & Walsh, J. P. 2015. Toward a Theory of Business. *Research in Organizational Behavior*, 35: 181-207.
- Sen, Amartya (1993). “Does Business Ethics Make Economic Sense.”
- Robert Frank, "Can Socially Responsible Firms Survive in a Competitive Environment?"
- Sandbu, M. 2010. Two Extreme Views: Managing for Shareholders or Stakeholders? In M. Sandbu (Ed.), *Just Business: Arguments in Business Ethics*: Draft Manuscript .
- Donaldson, "Shared Values that are Lost in Translation" *Financial times* 2014
- Wertheimer, Alan and Zwolinski, Matt, "Exploitation," *The Stanford Encyclopedia of Philosophy* (Spring 2013 Edition.)
- Readings on the Financial Crisis (See folder in CANVAS "readings" marked “Financial Crisis Readings” for Week 5):
 - Stiglitz, “Needed: A New Economic Paradigm”
 - O’Driscoll, “An Economy of Liars”
 - Donaldson, “Three Ethical Roots of the Financial Crisis”
 - Thaler, “Recipes for Ruin, in the Gulf or on Wall Street”
 - “Fab' Trader Liable in Fraud” *Wall Street Journal*, 2013
- Self-Inflicted Industry Wounds: Early Warning Signals and Pelican Gambits,” Donaldson and Schoemaker, *California Management Review*, Winter, 2013.
- Other exercises:
 - In-class exercise: "Used Car"