

Syllabus

Business, Social Responsibility, and the Environment

LGST 613 – Online Version

Instructor: Eric Orts
Classroom: Virtual Zoom via Canvas
Classes: Tues./Thurs. 9:00 am to 10:30 am EST

Office hours: To be scheduled
Office: Home office during pandemic
Office phone: Personal cell phone by advance arrangement
Office e-mail: ortse@wharton.upenn.edu (preferred initial mode of communication)

Course description: This course focuses on the social and environmental responsibilities of business that may extend beyond profit maximization. In 2019, the Business Roundtable composed of leading chief executive officers of U.S.-based companies released a statement that resurrected and reinforced interest in this view. (See reading link for Class 2 below.) This view contrasts with a traditional approach famously expressed by the economist Milton Friedman that “the social responsibility of business is to increase its profits.” Although Friedman acknowledged normative side constraints to the profit motive—namely, a need to conform to the “basic rules of the society, both those embodied in law and those embodied in ethical custom”—he did not see business as playing a central role in the creation and sustenance of these “basic rules.” (See Friedman reading for Class 2 below.) As this course will explore, Friedman’s view has been challenged by various competing views of business purpose, such as in normative stakeholder theory (see the optional Donaldson & Preston reading for Class 3 below) and the related idea of “shared value” (see Michael E. Porter and Michael R. Kramer, “Creating Shared Value,” Harvard Business Review (Jan.-Feb. 2011), <https://hbr.org/2011/01/the-big-idea-creating-shared-value>).

The profit-maximizing view of business purpose is the one most frequently modeled in business school classes. This course presents students with the opportunity to explore a principal alternative perspective: that business owes a “social responsibility” that includes, but goes beyond, profits. If business firms are conceived as social institutions that can themselves affect the “basic rules of society” rather than simply taking them as given, then the question becomes how business can or should do so. Take, for example, the global challenge of climate disruption, which is treated in this course. Business operations are surely “part of the problem” in the sense of being the source of the production and release of large quantities of greenhouse gases every year. But should and to what extent can business become “part of the solution”? What role does or should business play in lobbying for or against laws regulating environmental harm? Do business firms have an ethical, if not a legal responsibility at least to minimize their own carbon footprints or other externally harmful actions? Should business firms partner with other firms or nonprofit organizations to

advance their preferred environmental agendas in the political realm? If and when social or environmental priorities such as these collide directly with the profit motive, how should these two mandates be properly reconciled? Similar questions may be asked about other social challenges in the world today, including challenges to democratic values, poverty reduction, fresh water availability, and global health issues affecting those less able to pay for life-saving drugs and medical services.

This course counts as an option for the required MBA core course in the Legal Studies and Business Ethics Department. It is designed to appeal to students interested in these kinds of questions, keeping in mind that there are two other course tracks for students who may not see these questions as core interests or who may otherwise prefer an alternative and more traditional approach: LGST 611 (focusing on global responsibility) and LGST 612 (focusing on a more generic understandings of business ethics and law, especially in professional and financial services).

In exploring emerging views and examples of social and environmental responsibility in business, this course relies on students to bring examples from their own experiences and previous practice. It also encourages them to do specific research in teams on relevant topics of their own choosing in this area.

The overall objective of the course is to develop a deeper understanding of the complexity of the relationship between business and social/environmental issues through engagement with relevant academic literature, sharing of personal experiences, and presenting new findings and research.

The course draws also on the instructor's knowledge and experience in writing about and teaching corporate law, professional ethics, business theory, and environmental sustainability. (See bio below.)

Special notice: This class includes students from a number of different countries, and the diversity of all opinions and perspectives is respected and welcome. However, it is possible and even likely that we will touch on issues that are politically sensitive. Consider carefully the following notice recommended by the Wharton administration:

Because of the current pandemic, some of you may be taking courses while living outside the US. I encourage you to review the syllabus and decide if, in light of your own country's laws, you are willing and able to take this class and complete all of its requirements.

If you feel uncomfortable, and especially if you have doubts about your personal safety given the materials to be covered in this course, then please consider taking another version of an LGST required core course. The instructor will make special accommodations for any student who feels that expressing any view in class or discussing particular material may place themselves at risk in a particular country or jurisdiction. It is important to emphasize that this course encourages all kind of different perspectives to be voiced, as long as this is done so in a civil manner.

Important note re class recordings: Recordings of classes will be conducted as recommended by Wharton and by unanimous consent of class members. Anyone may request avoiding recording during a discussion of sensitive issues, especially if they implicate the safety of students who may be participating from jurisdictions where such discussions may place them at risk.

Important additional note: Class recordings are made for the benefit ONLY of enabling students who must miss a class to have access. Any personal recording or other non-academic use of class sessions is strictly prohibited and liable to prosecution for violations.

Note for BEES students: This course is especially recommended but not required for MBA students majoring or thinking about majoring in Business, Energy, and Environmental Sustainability.

All MBA students are welcome without regard to their overall economic, political, religious, and social views. All perspectives are welcome in discussions.

Logistics: Classes follow a twice a week standard format. Because of the ongoing Covid-19 pandemic, this section will meet exclusively online in Zoom sessions via Canvas. Please arrange to login a few minutes before each class. If you have any technical trouble, please go to computing.wharton.upenn.edu.

Please attend all of the sessions, if possible. Sessions will be recorded with the consent of class members. If for any reason a particular class is not recorded, please get in touch to make alternative arrangements to discuss content with the instructor. It's understood that these are difficult times for everyone and that various kinds of emergencies or scheduling conflicts may arise with the class schedule. Nevertheless, online class participation may be weighed as part of a student's grade as outlined below. If a student cannot attend sessions live because of time differences, then accommodations will be made, including for class participation credit.

In addition to class discussion of assigned readings, students will have the opportunity to reflect on and share their own individual experiences or areas of special interest. Students will also be assigned to teams that will prepare group presentations to deliver in classes at the end of the semester on an issue relevant to social or environmental responsibility in business. Examples of topics may include, without limitation:

- a case study of a particular company that embraces a larger-than-usual social/environmental purpose or objective (e.g., Patagonia or another benefit corporation)
- a case study of a challenge of social or environmental responsibility faced by a particular, more traditional company (e.g., Volkswagen and its diesel emissions testing scandal)
- a case study of the development and sale of new technologies designed to solve particular social or environmental problems (e.g., electric cars, solar/wind power, carbon capture and use, or reusable packaging alternatives)

- a general development in the law involving social or environmental responsibility and business (e.g., the advent of benefit corporations in the U.S. or similar legal frameworks elsewhere in the world)
- an examination of investment or private equity funds that screen or select for social or environmental criteria as well as expected financial returns
- a review the evolution of particular standards or metrics by which non-financial social or environmental performance are measured (e.g., developments in environmental accounting and third-party verification)
- the use and reliability of environmental marketing logos or certifications
- examples of “greenwashing,” i.e., false claims about social or environmental performance
- legal or consumer proposals to counter greenwashing
- examples of partnerships between business firms and nonprofit organization that advance a social or environmental objective
- ethical and legal issues involving political lobbying or campaign contributions by business
- business challenges in dealing with or supporting authoritarian political regimes or movements

Required readings: Required reading materials will be provided via Canvas or internet links. In addition, here are some optional books. If you choose to read one or more of them, please mention them in discussion threads or in your weekly learning journals.

Recommended Options for Supplemental Reading:

Colin Mayer, *Prosperity: Better Business Makes the Greater Good* (Oxford University Press, hardcover, 2018) [also available on Kindle].

Roger Scruton, *How To Think Seriously About the Planet: The Case for an Environmental Conservatism* (Oxford University Press, paperback, 2012) [also available on Kindle or audio book].

James Gustave Speth, *The Bridge at the End of the World: Capitalism, the Environment, and Crossing from Crisis to Sustainability* (Yale University Press, paperback, 2008).

David Wallace-Wells, *The Uninhabitable Earth: Life After Warming* (Penguin Random House, paperback, 2019).

William McDonough and Michael Braungart, *Upcycle: Beyond Sustainability—Designing for Abundance* (North Point Press, paperback, 2013).

The Moral Responsibility of Firms (Eric W. Orts & N. Craig Smith eds., Oxford University Press, hardcover, 2017).

Eric W. Orts, *Business Persons: A Legal Theory of the Firm* (Oxford University Press rev. ed., paperback, 2015).

Class format and student participation: Our classes this quarter will be conducted via the Zoom network accessible through Canvas. Click on virtual meetings to log in. See also the special rule for online class ethics and etiquette below.

MBA Learning Agreement: Classes will be conducted according to Wharton's faculty-student Learning Agreement, as modified in the context of an online environment.

1. Class starts and ends on time. Students and faculty are expected to be timely.

Online context: Please log in a few minutes before class. We will get rolling on time, and students should feel free to log off on time too. Some time for after-class questions will be made available.

2. [Students are to sit according to a seating chart.]

Online context: The seating chart is obviously waived, but attendance will be noted. Please engage your video unless you are having bandwidth trouble in connecting. Students should signal a desire to contribute – or respond to a request to contribute – by raising their HAND or writing hand in the chat box. And please repeat if the chat scrolls up before you are recognized to keep your HAND up. (Remember to put your HAND down after you speak as well.)

3. Students and faculty should remain in attendance for the duration of class.

Online context: This requirement cannot be enforced online, and it is furthermore understood that various emergencies or inconveniences may arise. Please try to attend and engage as much as possible. We will take a two or three minute bio/stretch/coffee break half-way through class given the nature of online attention spans and energy drain.

4. Students should display name plates.

Online context: Please use the name that you like to use in your login identifying information. Use nicknames first, and include last names.

5. [All phones and electronic devices, including laptops, should be turned off.]

Online context: You may use devices for research during online classes. Please keep your audio turned off to avoid interference with the general session. Please keep your video feed on, as long as it is not distracting or causing interference with your ability to see and hear others.

MBA Ethics Code: The MBA Ethics Code and all of its rules and standards regarding student integrity, anti-plagiarism, and prohibition of any form of cheating in individual or group work applies in this course, as in any course at Wharton or Penn. Any violation will be prosecuted and strictly enforced by the instructor. Please reference all materials consulted or used in written work or class presentations—and ask the instructor in advance if you have any doubts.

Specific Class Rules on Using Zoom: The requirement to use the Zoom (or BlueJeans) online platform is unprecedented, and the rules of ethics and etiquette – as well as legal responsibility – will no doubt evolve. However, the following understandings will apply to this course.

1. All classes and office hours will be conducted via Zoom connections available via Canvas or as otherwise agreed. Go to the Canvas course site and click on Zoom. Classes and scheduled office hours will be posted there. Please contact Wharton computer support at computing.wharton.upenn.edu if you need technical help.
2. Please mute your audio feeds when you log in. Please be sure to mute your audio after asking a question or making a comment. We will try to keep track of all raised HANDS or requests to be recognized in chat, but if it scrolls up and we don't recognize you, please go ahead and write HAND again in general chat. Please use video and audio, but if you have only a phone connection, I will try to make time for you to volunteer a question or comment even if you don't have access to chat.
3. Please do not use direct chat with either the instructor or other students. This can be disruptive (sort of like passing notes or talking/not listening in a physically proximate class). Recorded classes will capture direct chats, and violations of this rule will may adversely affect your final grade.
4. The recording of classes presents ethical and legal questions that we will discuss in the first session. My general view is that some portions of class make sense to record for the benefit others who may have the challenge of different times zones, unexpected emergencies, or other vital commitments that compete for attention (such as child care). We are strongly encouraged to record session for this reason by the Wharton administration. However, there are some personal, privacy, and security considerations about some classes that may recommend that they not be recorded. We will discuss the legal and ethical issues involved in the first class and make a collective determination about what policy to follow.
5. Students may not record classes or parts of classes themselves. Nor may they record any part of the officially preserved recordings on Canvas. It will be considered a violation of academic integrity rules for a student to record or otherwise copy any Zoom class or discussion. Also, any use of an officially recorded class for anything other than a personal educational purpose is prohibited. For example, taking any authorized or unauthorized clip from a class and posting it on Facebook or other social media, or sending it to any third party, would an ethical violation subject to disciplinary and potentially legal action.

Grading: Final grades for the course will be assessed as follows. Note that given time pressures in a short course, feedback on some grades may be given only after the end of the course.

1. Class Participation and Discussion Threads (25%). Please engage in contributions to the class and discussion threads available on Canvas. These will be opened and closed periodically, and you may contribute to them before and after any class. They will close after a certain period of time has elapsed. Please use these to consider issues to raise in the online classes, or to record thoughts after classes. The contributions should be thoughtful and should use proper grammar and spelling. In other words, they should be professional. You may also suggest discussion thread topics and provide references of interest.

2. Learning Journals (25%). Please keep a learning journal with entries made once or twice each week. Submit your learning journal entries together as a whole at the end of the course via Canvas. Each entry should be no more than 250 to 300 words. You may provide a summary of what you learned from online class, readings, or independent research. New ideas, thoughts, and emotional reactions are OK to include. Select highlights for yourself to share and remember for the future. The pedagogical objective is similar to a final exam: to secure certain important “takeaways” in your mind and memory for possible future guidance or reference.

3. Short Essay to Share (25%). A short essay is required reflecting on an experience or specific research project involving business responsibility with respect to a social or environmental issue. It may involve an issue that you have personally faced, witnessed, or otherwise have close knowledge about in practice. In the alternative, you may choose an issue or topic that you have a particular interest in examining. Include possible “learning lessons,” “take-away principles,” or “issues for discussion” to recommend to classmates. The written essay should comprise two to three double-spaced singled-sided pages with standard font and formatting. Include any references if needed (and any bibliography does not count toward the page limit). It is also permissible to use an anonymous third-party reporting format in order to preserve confidentiality. Important note: Please submit your essay electronically (at least 24 hours in advance of the due date in class) via Canvas assignment.

3. Group Project and Presentation (25%). Students will be assigned into presentation groups. Groups will research a topic related to the general topic of the course: some issue, problem, or case study regarding business responsibility (or irresponsibility) for society or the environment. Presentations may focus on a particular firm, a particular issue or problem, a particular regulation addressing a business-relevant social or environmental issue, a business group’s policy position, a developing relevant technology (such as the use of carbon as an input for making products), or any other relevant issue. Other topics are listed above. Presentations on the topics will be scheduled in the last three classes. Important requirement: Topics for group presentations must be cleared with the professor in advance either in person (i.e. virtually) after an online class or online office hours or via e-mail.

There will be no final exam.

Note on grades in online context of the Covid-19 crisis: Wharton has decided to return to the traditional Pass/Fail option for MBA classes. It is available for elective courses only. In addition, the mandatory MBA curve is suspended, and no LT grades will be required to be assigned. Note that this does not mean that all students will automatically pass the course or get A's!

Note on finality of final grades: No appeals to a final grade will be heard (unless an arithmetical error has been made) because doing so would not be fair to all students. A breakdown of the final grade will be made available at the request of any student after final grades have been submitted. Given the short time period of the course, it will be difficult to give student an interim assessment of how well they are doing as the course progresses.

Syllabus revisions. This version of the course is subject to revision in accordance with students' interests as well as time pressures of coverage or substitutions of course materials.

Course outline

Specific assignments will in general follow the outline provided below. Any changes will be announced in class. Revised versions of the syllabus will also reflect any changes. Readings will be made available via Canvas or online links.

Class 1 Introduction: Business and Social Responsibility [Oct. 22]

Description: This class reviews the course's coverage, requirements, and mutual expectations. The class will also include mutual introductions to identify the different backgrounds, experiences, and future career orientations represented in the class.

As the United States moves toward national elections, we will begin this course with a consideration of whether business firms have an ethical, political, or social responsibility to help employees to vote. If time allows, consider the following materials and develop your own opinion on this topic to share.

"Why Companies Should Encourage Employees to Vote," Knowledge@Wharton (Nov. 2018), <https://knowledge.wharton.upenn.edu/article/employee-voting-rights/>

Madeline Stone, "Old Navy Is Paying Employees Who Volunteer To Work The Polls As Election Officials Warn About Dire Shortages," *Business Insider* (Sept. 1, 2020) <https://www.businessinsider.com/old-navy-pays-employees-poll-workers-election-day-2020-9>

Penn's Faculty Senate Executive Committee, Resolution for Election Day, Oct. 6, 2020, <https://almanac.upenn.edu/articles/resolution-for-election-day-all-faculty-instructors-teaching-courses-at-the-university-of-pennsylvania-should-accommodate-students-who-wish-to-engage-in-election-related-activities-on-election-day>

Class 2 Theories of Business Responsibility for Society and the Environment [Oct. 27]

Description: This class focuses on the question of business purposes and different answers to questions about the social and environmental responsibility of business (or not). It includes discussion of a central debate in corporate governance concerning shareholder primacy and stakeholder theories. It reviews the history of the idea “corporate social responsibility” and various interpretations of the concept.

Readings:

Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans’”, Aug. 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

Milton Friedman, “The Social Responsibility of Business is to Increase its Profits,” *N.Y. Times Magazine*, Sept. 13, 1970, reprinted with commentary in “Greed Is Good, Except When Its Bad,” *N.Y. Times*, Sept. 13, 2020 <https://www.nytimes.com/2020/09/13/business/dealbook/milton-friedman-essay-anniversary.html>.

American Law Institute, *Principles of Corporate Governance: Analysis and Recommendations* (1994), Section 2.01 [Reading 2A].

Thomas Donaldson & Lee E. Preston, “The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications,” 20 *Academy of Management Review* 65 (1995) [Reading 2B].

Oliver Hart and Luigi Zingales, “Companies Should Maximize Shareholder Welfare Not Market Value,” 2 *Journal of Law, Finance, and Accounting* 247 (2017) [Reading 2C].

David Gelles and David Yaffe-Bellany, “Shareholder Value Is No Longer Everything, Top C.E.O.s Say,” *N.Y. Times*, Aug. 19, 2019, <https://www.nytimes.com/2019/08/19/business/business-roundtable-ceos-corporations.html>.

Tim Wu, “The Virtuous Corporation Is Not an Oxymoron,” *N.Y. Times*, Sept. 23, 2019, <https://www.nytimes.com/2019/09/23/opinion/stakeholder-capitalism.html>.

David Gelles, “C.E.O.’s Are Not Here To Save Us,” *N.Y. Times*, Sept. 29, 2019, available at <https://www.nytimes.com/2019/09/28/business/wework-juul-ebay-ceo.html>.

Mark Miller, “Bit By Bit, Socially Conscious Investors Are Influencing 401(k)’s,” *N.Y. Times*, Sept. 29, 2019, available at <https://www.nytimes.com/2019/09/27/business/esg-401k-investing-retirement.html>.

Optional reading:

Mayer, *Prosperity*.

The Moral Responsibility of Firms (Orts & Smith eds.).

Orts, *Business Persons*.

Eric W. Orts & Alan Strudler, “Putting a Stake in Stakeholder Theory,” 88 *Journal of Business Ethics* 605 (2009) [2D].

Class 3 Lessons from Practice: The Sustainable Business Network [Oct. 29]

Special guest: Anna Shipp, Executive Director, Sustainable Business Network of Greater Philadelphia [plus possible other members of SBN?]

Advance research for discussion questions: What is the “triple bottom line”? Does this focus make sense from a business perspective? Why or why not? Does your answer differ for small versus large business firms? If so, why?

Class exercise and poll on Oatly.

Class 4 Election Day: Corporate Political Responsibility [Nov. 3]

Description

No required class session in accordance with the resolution linked in readings for Class 1 above. Discussion threads will serve as the primary method of teaching for this topic.

This class discusses proposals that business firms may have a “political responsibility” to become active in some circumstances—or at least to disclose their political activities. The general relationship between business firms and governments is discussed.

Readings:

Thomas Lyon, et al, “CSR Needs CPR: Corporate Sustainability and Politics,” *California Management Review* (2018) [4A].

Magali Delmas, “Who Is Lobbying Congress on Climate Change?” *Harvard Business Review*, Oct. 19, 2016, <https://hbr.org/2016/10/research-whos-lobbying-congress-on-climate-change>.

Lee Drutman, “How Corporate Lobbyists Conquered American Democracy,” *Atlantic*, Apr. 20, 2015, <https://www.theatlantic.com/business/archive/2015/04/how-corporate-lobbyists-conquered-american-democracy/390822/>.

Center for Corporate Accountability & Zicklin Center for Business Ethics Research at Wharton, The 2018 CPA-Zicklin Index of Corporate Political Disclosure and Accountability, available at https://politicalaccountability.net/hifi/files/index/2018_CPA-Zicklin_Index.pdf.

Optional reading:

Katherine M. Gehl & Michael E. Porter, “Why Competition in the Politics Industry Is Failing America,” Harvard Business School, Sept. 2017 <https://www.hbs.edu/competitiveness/Documents/why-competition-in-the-politics-industry-is-failing-america.pdf>.

Class 5 Lessons from Practice: Pro Bono in Big Law (panel with Paul Weiss lawyers: Aidan Synnott, Alexia Korberg, and Yehonnes Cleary) [Nov. 5]

Description: This special class will examine how some big law firms balance “pro bono” representations with the overall goal of profit-making. Does this provide a good analogy to other business contexts? Why or why not? We will discuss the general question with the benefit of particular recent examples of pro bono cases.

Class 6 Ethical Reasoning and Social Responsibility [Nov. 10]

Description: This class examines foundational ethical perspectives for business decision-making and determinations of business purpose and objectives, including background

philosophical principles as well as behavioral aspects including self-regard bias and racial and sexual biases. It includes an overview of ethical and legal frameworks related to business responsibility. We begin with an exercise from Plato called “The Ring of Gyges.”

Readings:

The Ring of Gyges Exercise (adapted from Plato’s Republic) [Reading 6A].

Thomas Donaldson and Patricia Werhane, “Introduction to Ethical Reasoning,” excerpt from *Ethical Issues in Business: A Philosophical Approach* (8th ed. 2007) [Reading 6B].

Nitin Nohria, “You Are Not as Virtuous as You Think,” *Washington Post* (Oct. 15, 2015), https://www.washingtonpost.com/opinions/youre-not-as-virtuous-as-you-think/2015/10/15/fec227c4-66b4-11e5-9ef3-fde182507eac_story.html.

Stephanie Creary, “How To Be a Better Ally to Your Black Colleagues,” *Harvard Business Review* (July 8, 2020), <https://hbr.org/2020/07/how-to-be-a-better-ally-to-your-black-colleagues>

Maureen Sherry, “A Colleague Drank My Breast Milk and Other Wall Street Tales,” *N.Y. Times*, Jan. 23, 2016, available at <https://www.nytimes.com/2016/01/24/opinion/a-colleague-drank-my-breast-milk-and-other-wall-street-ales.html>.

Catharine A. MacKinnon, “#MeToo Has Done What the Law Could Not,” *N.Y. Times*, Feb. 5, 2018, <https://www.nytimes.com/2018/02/04/opinion/metoo-law-legal-system.html>.

Class 7 Global Environmental Responsibility: Climate Change [Nov. 12]

Description: This class examines whether business firms have a responsibility to act as “part of the solution” to global environmental problems such as climate disruption – beyond the obligation to follow relevant laws.

Readings:

David Wallace-Wells, “The Uninhabitable Earth, Annotated Edition,” *N.Y. Intelligencer*, July 2017, <http://nymag.com/intelligencer/2017/07/climate-change-earth-too-hot-for-humans-annotated.html>.

Andrew J. Hoffman, “Climate Change as Culture War,” *Stanford Social Innovation Review*, fall 2012,

https://ssir.org/book_reviews/entry/climate_science_as_culture_war.

Bill McKibben, "Money Is the Oxygen on Which the Fire of Global Warming Burns," *New Yorker*, Sept. 17, 2019, <https://www.newyorker.com/news/daily-comment/money-is-the-oxygen-on-which-the-fire-of-global-warming-burns>.

Optional reading:

Yvonne Chouinard and Vincent Stanley, *The Responsible Company: What We've Learned From Patagonia's First 40 Years* (Patagonia Books 2012).

Ellen MacArthur Foundation, "What Is the Circular Economy?" <https://www.ellenmacarthurfoundation.org/circular-economy/what-is-the-circular-economy>.

Eric W. Orts, "Climate Contracts," 29 *Virginia Environmental Law Journal* 197 (2011) [5A].

Eric W. Orts and Alan Strudler, "The Ethical and Environmental Limits of Stakeholder Theory," 12 *Business Ethics Quarterly* 215 (2002) [5C].

Richard B. Rood, "Confronting our Invisible Enemies," *Michigan Today*, Mar. 26, 2020, <https://michigantoday.umich.edu/2020/03/26/confronting-our-invisible-enemies/>.

Further optional reading:

McDonaugh and Braungart, *Upcycle*.

Scruton, *How To Think Seriously about the Planet*.

Dan C. Esty and Andrew W. Winston, *Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage* (Yale University Press 2009).

David Grinspoon, *Earth in Human Hands: Shaping Our Planet's Future* (Hatchett Book Group 2016).

William McDonough and Michael Braungart, *Cradle to Cradle: Remaking the Way We Make Things* (North Point Press 2002).

Bill McKibben, *Falter: Has the Human Game Begun to Play Itself Out?* (Henry Holt 2019).

William Nordhaus, *The Climate Casino: Risk, Uncertainty, and Economics for a Warming World* (Yale University Press 2013).

Naomi Oreskes & Erik M. Conway, *Merchants of Doubt: How a Handful of Scientists Obscured the Truth on Issues from Tobacco Smoke to Global Warming* (Bloomsbury 2012).

David W. Orr, *Down to the Wire: Confronting Climate Collapse* (Oxford University Press 2009).

Peter Singer, *One World Now: The Ethics of Globalization* (Yale University Press, rev. ed. 2016).

Michael P. Vandenberg & Jonathan M. Gilligan, *Beyond Politics: The Private Governance Response to Climate Change* (Cambridge University Press 2017).

Class 8 Business, Social Responsibility, and the Environment: Examples [Nov. 17]

Description: This class and the next will focus on students' own personal experiences and reflections on specific challenges and issues they have faced or witnessed. Additional research is permitted but not required. Examples may include, without limitation:

- how a “business case” was made to support to a socially or environmentally responsible action, goal, or objective (either successfully or unsuccessfully);
- how an irresponsible decision was made on a social or environmental issue, and whether there were any economic, reputational, or other consequences;
- a situation where the student or a previous business leader or colleague made a socially or environmentally responsible (or irresponsible) decision and why;
- an example of a socially or environmentally responsible (or irresponsible) decision that had a direct effect on the student and the student's anticipated career trajectory;
- an example of a company or organization that the student worked for or otherwise had a personal experience with that exhibited either positive (or negative) social and environmental responsibility; or
- any other experience implicating ethical, legal, moral responsibility, or environmental issues in a business context.

Written Assignment—Short Essay: Prepare a brief personal example of issue of social, ethical, or environmental responsibility faced or witnessed in practice with at least one “learning lesson” or other “take-away principle” to recommend for the future to classmates. In the alternative, you may write on a particular topic related to social responsibility or environmental sustainability in business. The written essay should comprise two to four double-spaced pages. Include references if needed. Be prepared to share and discuss your example in class. Please submit essays via Canvas on one day prior to class: Nov. 16.

Class 9 Business and Social Responsibility: Student Essays (continued) [Nov. 19]

Individual student reflections and discussion continued. See description above.

[Thanksgiving break]

Class 10 Student Presentations [Dec. 1]

Description: The last three classes will consist of final student presentations. See above for a suggested list of topics. Note that research is required, and that topics must be discussed and cleared with the instructor in advance.

Important note: Presentations should be forwarded to the instructor by e-mail at least 24 hours prior to the class time. Powerpoint or PDF is preferred. Please include any references or sources used either in footnotes, a bibliography, or both.

Screen sharing: One member of the group should be designated to be recognized to share powerpoint or other presentation virtually. Various tasks among students may be allocated as desired (i.e., no requirement of “equal time” for each member of the group).

Class 11 Student Presentations [Dec. 3]

See above.

Class 12 Student Presentations [Dec. 5]

See above.

There is no final exam in the course.

Bio of Instructor

Eric Orts is the Guardsmark Professor at the Wharton School of the University of Pennsylvania. He is a tenured professor in the Legal Studies and Business Ethics Department with a secondary appointment in the Management Department. He is a founding board member of the Alliance for Corporate Sustainability Research (ARCS) and previously served for twelve years as the faculty director of the Initiative for Global Environmental Leadership (IGEL). His primary research and teaching interests are in corporate governance, environmental law and management, professional ethics, and business theory. Examples of his research include the following books and articles: *Business Persons: A Legal Theory of the Firm* (Oxford University Press, rev. paperback ed. 2015); *The Moral Responsibility of Firms* (co-edited with Craig Smith) (Oxford University Press 2017); “Senate Democracy: Our Lockean Paradox,” *American University Law Review* (2019); “Collective Rights and the Court: A Theory of Constitutional Commodification” (with Amy Sepinwall), *Washington University Law Review* (2020).

Prior to joining Wharton's faculty, Professor Orts practiced law as a litigation associate at Paul, Weiss, Rifkind, Wharton & Garrison in New York City and was a Chemical Bank fellow in corporate social responsibility at Columbia University School of Law. He has also taught and visited at a number of other business and law schools, including INSEAD, the University of Pennsylvania Law School, NYU School of Law, Sydney Law School, Tsinghua University School of Economics and Management, the University of Michigan Law School, and UCLA School of Law. He has been a visiting Fulbright professor in the law department of the University of Leuven, the Eugene P. Beard Faculty Fellow at Harvard University's Center for Ethics and the Professions, and a faculty fellow in the Center for Business and Government at the Kennedy School at Harvard.

Orts is a graduate of Oberlin College (BA with honors in political theory and a minor in philosophy), the New School for Social Research (MA in political science), the University of Michigan (JD), and Columbia University (JSD). He has been a member of the bar in New York and the District of Columbia, as well as an elected member of the American Law Institute. He belongs to several other professional and academic associations. He previously served for more than fifteen years as the academic co-director of the FINRA at Wharton executive education program for compliance and regulatory professionals.

In the course of his career, he has advised and interacted with a wide range of companies in different sectors and in different countries, mostly in academic, consulting, or executive education contexts.

He lives in West Philadelphia with his wife Julie, their dog Butterbean, and Zen Dude Cat. He has three adult children and enjoys rowing and yoga, as well as reading and politics.