

LGST 100: Ethics and Social Responsibility

Robert Hughes

Spring 2022 Syllabus

Instructor email: hughesrc@wharton.upenn.edu

Class meetings: MW 10:15am-11:45am, JMHH F70

Office hours: JMHH 668, M 3:30-4:30, or over Zoom by appointment

Course Description

Some ways of pursuing a profit in business are uncontroversially wrong. Nearly everybody agrees that it is wrong (as well as illegal) to operate a Ponzi scheme or to program cars to turn off pollution controls when they are not undergoing an emissions test. But businesspeople often face difficult ethical choices about which there is no clear and generally accepted social standard.

This course has three goals. One is to make you more familiar with some of the ethical questions you may face in business. Greater familiarity with the issues will help you to recognize ethical problems lurking in places you may have thought were safe. A second goal is to give you some facility in philosophical reasoning about ethics and to show you how reasoning in this way about hard choices, rather than relying on gut feeling or others' opinions, can be valuable. The third goal is to improve your skills at communicating about ethics. These include the skill of explaining your own views and arguments clearly as well as the ability to listen to others' views and arguments charitably.

Here are some of the ethical questions we will discuss:

- Should businesses undertake socially valuable projects when doing so probably will not maximize short-term or long-term profits?
- When, if ever, is it ethically acceptable to speak insincerely in business negotiations, in advertising, or in communication with employees?
- Must corporations do anything beyond what the law clearly requires to avoid harming the environment?
- Can an employment contract or a financial contract be wrongfully exploitative even if it is consensual and beneficial to both parties?
- Must employers do anything beyond what the law clearly requires to avoid discrimination and to accommodate employees with disabilities?

- Are businesses always morally required to obey the law, even when the law is unenforced or under-enforced? Should businesses obey unjust laws?
- Is it wrong for a business to rely on property rights established by an unjust regime?
- Are there reasons to regard some types of work as more meaningful than others?

Class Format and Classroom Policies

I expect that most class sessions will be held in person. Our first two sessions, on January 12 and January 19, will be held over Zoom. We will hold other sessions via Zoom if I get a Red Pass or if University policy requires it for other reasons.

When we hold sessions over Zoom, I encourage you to keep your camera on if your circumstances allow. Please be ready to participate actively. Opportunities for participation will include small group discussions, PollEverywhere questions, and discussions with the full class. To answer PollEverywhere questions, you will need access to a web browser or a phone with SMS. For full class participation, please use the chat feature of Zoom to share your thoughts or to raise your hand. Please do not use the “Raise Hand” feature. (I can only keep track of one queue.)

When we hold sessions in person, you should have a phone or a tablet available to answer PollEverywhere questions. I will ask you to refrain from using electronic devices in class when we are not using PollEverywhere. I do this partly because of empirical evidence that students perform better on conceptual questions if they take notes longhand, rather than typing. If you have a disability that requires you to take notes on a computer, or if you have *really* bad handwriting, come talk to me. Whenever there are blocks of text you will need in your notes, I will put them on the slides, which will be posted on Canvas after class.

Readings

All readings for the course are available electronically. Most of them will be available via the library's electronic course reserves, available via Canvas.

Assignments and Grading

15%	Questions on the Reading
10%	Class participation
20%	First paper (1300-1600 words, due Friday, February 11 at 2pm)
25%	Second paper (1500-1800 words, due Friday, April 1 at 2pm)
30%	Final exam (two essays, max total 1500 words, questions distributed Monday, May 2, exams due Monday, May 9 at 2pm)

Papers and the final exam should be submitted to Canvas and automatically checked with Turnitin. Late papers will be penalized 1/3 of a letter grade per day late, including weekend days. Answers to questions on the reading must be submitted on time to receive credit.

Grades for all assignments will be on an absolute scale. I will not use a curve. The main criteria for the evaluation of papers will be the clarity of the writing and organization, the accuracy and charity of the presentation of others' views and arguments, and the effectiveness of critical discussion. The take-home final will test understanding of important concepts and ability to apply them to cases. It will be cumulative and open book.

Questions on the Reading

To help guide you through the readings, I will ask you to write out short answers to a few questions on each of the reading assignments. Answers to questions on the reading are due on Canvas before every class except for the first and last sessions, which have no reading assignment.

Answers to questions on the reading will be graded S/U. To get full credit for the "Questions on the Reading" part of your grade, you will need to turn in answers on most class days. You may skip five sets without penalty, though you are still responsible for doing the reading on days that you skip the QR assignment. (Since there are 25 days with QRs assigned, you will have to turn in 20 QR assignments to get full credit.) I will not give written feedback on these assignments, but we will always discuss the questions on the reading in class. You are also welcome and encouraged to discuss your answers to questions on the reading with me in office hours.

Participation

Active participation is an important component of this course. As in most courses, you will understand the material better if you practice applying concepts and principles yourself, rather than absorbing material passively. In an ethics course, asking questions and sharing tentative ideas with others can help you to refine your own views.

Grades for participation will be based on both the frequency and the quality of active participation. Any sincere effort to help the class think through the material is potentially valuable, including mistakes, tentative suggestions, devil's advocacy, and requests for clarification. It probably won't help your participation grade to say things that sound good without caring if they're true, to pretend to have read the day's readings when you haven't, or to attempt to dominate discussion.

In assessing participation, I take into account whether absences are excused. Please let me know if you have to miss class for a good reason (e.g., an illness, a Red Pass, or a family emergency). The Course Absence Report system is a good way to do this.

Academic Integrity

Students are expected to know and to comply with University regulations regarding academic integrity.

If you use or discuss someone else's ideas—including ideas you get from discussing the course with classmates, friends, or family—you must cite the source. If you use someone else's words, you must clearly identify the quotation as a quotation, and you must cite the source. You are always welcome to speak with me about when it is necessary to cite a source. If you must make a last-minute decision about citation, it is better to cite too much rather than too little.

Dual submissions are not allowed in this course. No part of any assignment for this course may consist of work that you (or others) have submitted for assignments in other courses, at the University of Pennsylvania or elsewhere.

Though you are welcome and encouraged to discuss the readings with other students in the course, you should write up answers to the “Questions on the Reading” assignments on your own. Once the prompt for the take-home exam is posted, you should not discuss the prompt or the course material with other students until after the due date.

Virtual Teatimes

I plan to organize some small group video chats in the first month of class. These are not in any way required. They’re an opportunity for me to get to know you and your interests better, and for you to get to know some of your classmates. Each meeting will be capped at seven students. I will provide a sign-up sheet on Canvas, with a variety of times available.

Tentative Schedule of Readings

For some reading assignments, you will not have to read every page of the article or chapter that is posted online. Please look at the daily “Questions on the Reading” assignment on Canvas (even if you are not writing up answers that day) for page numbers and advice about where to focus.

I may revise the reading list in response to students’ interests or developments in the news. Please let me know if you plan to read ahead more than a week or two.

Unit 1: Corporate Social Responsibility

January 12: Introduction to the course (no assigned reading)

January 19: Social pressures to act rightly

Kimberly Layne Collins, “Profitable Gifts: A History of the Merck Mectizan Donation”

“A Mucky Business”

Excerpt from Immanuel Kant, *Groundwork of the Metaphysics of Morals*

January 24: The shareholder theory of corporate responsibility

Milton Friedman, “The Social Responsibility of Business is to Increase its Profits”

January 26: Shareholders and Stakeholders

Lynn A. Stout, "The Problem of Corporate Purpose"

Business Roundtable, "Statement on the Purpose of a Corporation"

January 31: Social contract theory

Thomas Donaldson, "Constructing a Social Contract for Business"

Unit 2: Responses to Moral Skepticism

February 2: Are people necessarily selfish? Should we be?

Joel Feinberg, "Psychological Egoism"

Mengzi (Mencius) 2A6

Colin Camerer and Richard Thaler, "Anomalies: Ultimatums, Dictators, and Manners"

February 7: Is morality entirely relative to prevailing cultural opinion?

James Rachels, "The Challenge of Cultural Relativism"

Anna Ringstrom, "Swedes slam IKEA for its female-free Saudi catalogue"

February 9: The difference between honor and morality

Kwame Anthony Appiah, "The Duel Dies" (from *The Honor Code: How Moral Revolutions Happen*)

Unit 3: Lying, Deception, and Moral Theory

February 14: Hard cases of deception; the utilitarian approach

Alan Strudler, "The Distinctive Wrong in Lying"

Jeremy Bentham, excerpt

February 16: Utilitarianism is not egoism

Peter Singer, "Famine, Affluence, and Morality"

February 21: Another approach to hard cases: Kantianism

David Velleman, "A Brief Introduction to Kantian Ethics"

February 23: Kantianism, lying, and deception

Charles Fried, excerpt from *Right and Wrong*

Unit 4: Responsibility for the Environment

February 28: An argument against corporate environmental responsibility

Norman Bowie, "Morality, Money, and Motor Cars"

March 2: An argument for corporate environmental responsibility

Arnold and Bustos, "Business, Ethics, and Global Climate Change"

SPRING BREAK

March 14: Why good environmental behavior is difficult to motivate

Chrisoula Andreou, "Environmental Damage and the Puzzle of the Self-Torturer"

Unit 5: Exploitation

March 16: A defense of consensual sweatshop labor

Matt Zwolinski, "Sweatshops, Choice, and Exploitation"

Sarah Butler, "Why are wages so low for garment workers in Bangladesh?"

March 21: Moral criticisms of sweatshop labor

Chris Meyers, "Wrongful Beneficence: Exploitation and Third World Sweatshops"

March 23: Complicity in forced labor

BBC News, "US Supreme Court blocks child slavery lawsuit against chocolate firms"

Clare Leschin-Hoar, "Was Your Seafood Caught With Slave Labor? New Database Helps Retailers Combat Abuse"

Janice Bellace and George Dragnich, "A Path for Business Out of the Forced Labor Dilemma"

Doe v. Unocal (Factual and Procedural Background only)

March 28: Exploitation in financial and medical contexts (No written QR; reading is required)

Williams v. Walker-Thomas Furniture Co.

Gretchen Morgenson, "Inside the Countrywide Lending Spree"

Andrew Pollack and Sabrina Tavernise, "Valeant's Drug Price Strategy Enriches It, but Infuriates Patients and Lawmakers"

Unit 6: Discrimination

March 30: Disparate treatment and disparate impact

Sophia Moreau, “What is Discrimination?”

April 4: Discrimination and algorithmic decision-making

Ruha Benjamin, “Assessing Risk, Automating Racism”

Julia Angwin, Jeff Larson, Surya Mattu and Lauren Kirchner, “Machine Bias”

Upturn, “Help Wanted: An Examination of Hiring Algorithms, Equity, and Bias”

April 6: Beyond the law: accommodating difference in the workplace

Kenji Yoshino, “The Pressure to Cover”

Unit 7: Property and the Moral Duty to Obey the Law

April 11: Moral reasons to follow the law

John Rawls, “Legal Obligation and the Duty of Fair Play.”

April 13: Are property rights natural rights or creations of law?

John Locke, “Of Property” (*Second Treatise of Government*, Chapter V)

The Globe and Mail, “Barrick's Tanzanian project tests ethical mining policies”

(A brief update on the North Mara mine will be provided)

April 18: Responding to controversial laws

Carson Young, “Putting the Law in its Place”

“Uber faces \$300,000 Fine, Court Case from Philadelphia Regulators”

Unit 8: Meaningful Work

April 20: How work shapes us

Mary Wollstonecraft, excerpt from *Vindication of the Rights of Women*

Adina Schwartz, “Meaningful Work”

April 25: How to avoid running your workplace as a communist dictatorship

Elizabeth Anderson, “Private Government” (Tanner Lecture 2)

April 27: Review and discussion of themes of the course (no assigned reading)