

LGST 1000 (Donaldson) - Fall 2024

Ethics and Social Responsibility

Professor Thomas Donaldson

10:15am-11:44am

Professor: Thomas Donaldson

Tuesday and Thursday

Office: 644 Huntsman Hall

Room: TBA

COURSE OBJECTIVES: The purpose of the course is to enhance your appreciation for, and ability to deal with, ethical and social dimensions of problems you will face in your careers as managers. The course emphasizes the interplay between the economic dimensions of those problems and their ethical and social aspects.

The course will:

- familiarize you with the recurring ethical problems faced by managers in their dealings with others inside and outside the firm, and the recurring normative problems of public policy and regulation concerning business;
- develop your capacity for analysis and judgment by introducing you to certain key concepts, principles, and approaches to normative analysis; and giving you practice in recognizing and evaluating arguments;
- give you practice in formulating, defending, and planning the implementation of solutions to the practical ethical problems faced by managers; and
- give you the opportunity to reflect on your own values as they apply to the job of the manager.

CONDUCT OF THE COURSE AND STUDENT PREPARATION:

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

No open (lid-up) laptops in class. No internet connections during class.

SEATING CHART:

A random-generated seating chart will be posted at the beginning of the second class. Please sit in your assigned seat for the remainder of the semester. If you prefer a different seat, you must find someone willing to switch seats with you. Please let me know in the event of switches.

ATTENDANCE AND VIDEO REQUESTS:

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Attendance is not graded. However, participation in class is graded. You cannot receive a grade if you are not in class. If you will be missing a class, please notify me **in advance**.

Videos of the class will not be available regardless of the cause for the absence. If you miss a class, please read the material and view the slides posted on Canvas.

COURSE MATERIALS:

All materials are available on CANVAS. In each assignment, there will be links to the relevant readings.

GRADING:

Graded elements have the following weights:

Midterm exam	30%
Overall Quality of Engagement	35%
Personal def. of the responsibility of a manager	5%
Final exam	30%

Overall Quality of Engagement The overall quality of your engagement in the class reflects the quality of your participation in case studies, in-class analyses of readings, and participation in small groups. When assigning the "overall quality of your engagement" grade, the top 20% of the class will receive 25 points. The next 70% will receive from 22-24 points. The bottom 10% will receive from 0-21 points.:

Midterm exam:

The midterm is an in-class, closed-book exam. It will be a one hour and ten-minute exam consisting of brief questions, such as True/False, Multiple choice, short-answer, and short essay. It is a pen and paper exam; typing is not an option.

Personal Definition of the Responsibility of a Manager:

On the final day of class, you will be asked to describe your personal definition of the responsibility of a manager. You will discuss your approach with a classmate during class and later submit your written version online. Your answer should draw on your unique life experiences, relevant course material and your own original thinking. You should select a role model that exemplifies your personal definition. The assignment will be

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evaluated based on quality of content, organization, integration of your life story, and the thoughtfulness/ originality/ appropriateness of your selected role model.

Final Exam

The final exam is cumulative but emphasizes material covered after the mid-term exam. The exam will take place during the regularly scheduled exam time for this course. It is a closed-note, closed-book exam. It is a pen and paper exam; typing is not an option.

The exam has two parts:

Part I includes short essay questions and "objective" style questions, e.g., short answer and multiple-choice questions. Part II involves the analysis of a case study. The case study will be included with the exam.

Unrestricted use of Generative AI permitted:

For this class, you are welcome to use AI models (ChatGPT, GPT, DALL-E, Stable Diffusion, Midjourney, GitHub Copilot, and anything after) in a totally unrestricted fashion, for any purpose, at no penalty. The exception is in-class, closed-book, closed-note exams. However, you should note that all large language models still tend to make up incorrect facts and fake citations; code generation models have a tendency to produce inaccurate outputs; and image generation models can occasionally come up with highly offensive products. You will be responsible for any inaccurate, biased, offensive, or otherwise unethical content you submit regardless of whether it originally comes from you or an AI program. If you use an AI program, its contribution must be acknowledged in the assignment; you will be penalized for using an AI program without acknowledgement. The university's policy on plagiarism still applies to any uncited or improperly cited use of work by other human beings, or submission of work by other human beings as your own.

READINGS AND IN-CLASS EXERCISES:

- How the Morrisons buyout turned into a nightmare for Goldman Sachs
- Case study: Professionals Quandaries
- Ford Pinto Case-Slide version
- Incommensurability and valuation-Sunstein-excerpt
- The Ring of Gyges-Plato
- Introduction to Ethical Reasoning for LGST
- Professionals Quandaries 2
- Dicing with Death
- Does Business Ethics Make Economic Sense
- The Economist Manifesto-Amartya Sen
- "Doing Well by Doing Good": The Grand Illusion
- Film-Fishing with Dynamite due by 10:15am
- OPTIONAL-Companies Should Maximize Shareholder Welfare-Hart-Zingales
- Serving Shareholders Doesn't Mean Putting Profit Above All Else

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- Reclaiming Virtue Ethics for Economics, Bruni and Sugden 2013
- Value Maximization Stakeholder Theory, Jensen
- Creating Shared Value, Michael Porter
- How Values Ground Value Creation -pages 1-10.
- An Economy of Liars
- In Actions S-and-P Risked Andersen's Fate
- Needed- a new paradigm
- Optional reading-Banking Conduct and Culture-G30
- Assignment Recipes for Ruin, in the Gulf or on Wall St.-NY Times
- Three Ethical Roots of the Financial Crisis
- Midterm Exam (in class)
- Goldman Sachs IPO (A)
- OECD 2015-Principles of Corporate Governance-Pages 9-19
- Theranos
- Discrimination in VC
- Intrinsic Values and Human Rights
- Gender and Free Speech at Google
- Optional reading-Google Playboy interview
- Preparing for the future of artificial intelligence
- The history of technological anxiety and the future of economic growth
- Automated health care-Case Study-Princeton-AI-Ethics
- Computing and Accountability
- Ethics of the Attention Economy
- On the Dangers of Stochastic Parrots
- Google and Project Maven
- Sleepwalking towards a surveillance state
- Taking Principles Seriously JAIR: pp. 871-876
- Values in Tension Ethics Away from Home
- Wheat People vs Rice People
- Bribery-Exercise in class
- Barclays and the LIBOR Scandal
- Class exercise: Used Car negotiation-no prereading
- Dangerous Currents-D&B
- Class exercise: Sadu parable-no prereading
- Optional-Why Companies Need to Start Sharing More Information About Cyber Attacks
- Self-Inflicted Industry Wounds
- Share your definition of business responsibility in class
- Submit your definition of the responsibility of a manager