



LINCOLN UNIVERSITY

Course Title: BUSINESS ETHICS
Course No. B.A. 109
Units Three
Class Hours Three
Semester Fall 2011

Instructor: Allan Samson
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**Textbook: Andrew Crane & Dirk Matten. Business Ethics, 3rd ed.,
Oxford University Press: ISBN: 978-0-19-956433-0**

Course Description:

The course is an introduction to basic ethical theories and value systems. Topics include moral issues, codes of ethics, conflict of interest, social and fiduciary responsibilities, the work ethics, and other situations which arise within business environment.

For undergraduates this course is an introduction to basic ethical theories and value systems. Topics include moral issues, codes of ethics, conflicts of interest, social and fiduciary responsibilities, work ethics, and other situations which arise within business management. (3 units)

Introductory Questions:

What's wrong with giving bribes? What's wrong with asking for bribes? What's wrong with paying money to a lower official if it will speed up bureaucratic regulations? What's wrong with large executive bonuses after company losses? What's wrong with exchanging promotions for sexual favors? What's wrong with giving expensive gifts to get a contract? What's wrong with hiring your less qualified relatives for important positions? What's wrong with using insider knowledge to buy or sell stock in a company? What's wrong with outsourcing jobs if it will increase your company's profits? What's wrong with allowing foreign contractors to hire children to produce your product if it will increase company profits? Should you report on the management of your own company if you know it is hiding or covering up hazardous chemicals if you risk losing your job? What's wrong with selling chemicals to other countries (where it is legal to do so) if it is against the law to sell these same chemicals in your own country? What's wrong with using your company's economic power to lower process in order to drive competitors out of business? What's wrong with deregulating government rules? What's wrong with opposing government oversight? What's wrong with setting up secret overseas bank accounts?

Learning Objectives:

This course will consider ethical behavior in American and international businesses. Topics will include awareness of ethical issues in organizations, stakeholder interests in organizations, the cultural background of business ethics, bribery and corruption, corporate dishonesty, corporate social responsibility, global ethics, codes of conduct, responsibility for foreign investors, transparency in global business, child labor, human rights in international business, regulating foreign contractors, business ethics in America, Europe, China, Japan and Islamic nations, developing a global code of conduct, socially responsible investment, ethics and the environment, and whether multinational corporations can act in a socially responsible manner.

Course Questions:

1. Ethics in relation to social responsibility.
2. Values, ethics, and ethical leadership in relation to different situations.
3. Comparison of American ethical business values with those found in other international cultures.
4. Application of Corporate Social Responsibility and Socially Responsible Investing,
5. Ethical questions concerning Google, Shell, IKEA, WalMart, Exxon, Pepsi, GlaxoSmithKline, Nestle, and Siemens.
6. How endemic are bribery and corruption?

Methodology:

Students are expected to read the assigned chapter and articles and case studies before each class. Case studies and hypothetical problems will comprise a part of each class session. Students will consider the case studies individually and in teams. Many of the case studies and articles will be available by downloading from their computers.

Case studies and articles will be sent to the students' e-mail addresses several days before class. Hard copies of some cases will be provided a week before.

There will be class discussions and group presentations by students on the case studies and articles.

Project:

Case study problems on ethical issues will be assigned to students on an individual basis and on a group basis. Answers will be turned in and graded.

There will be a final project on a topic to be decided by the students and the professor. The projects will be presented by teams on the last day of class. The project paper will be submitted before the end of the semester. The project will comprise approximately 15 per cent of the final grade.

Students' work is expected to be original.

Testing:

There will be one mid-term examination and one final examination. Both will be essay examinations. Homework assignments will be turned in. Occasional questions on ethical case studies will be given and answered in class.

Grading:

Grading will be based on the following criteria:

Mid-term	: 20 per cent
Final Examination	: 40 per cent
Final Project	: 15 per cent
Class attendance and Participation	: 15 per cent
Case Studies Analysis	: 10 per cent

Classroom Protocol:

Courtesy is expected. This includes no cell phone usage. Excessive talking will be punished by immediate beheading.

Course Calendar and Assignments

The assigned material for each date should be read before the class with the exception of the first class. Class participation in discussing the material and case studies and hypothetical questions is expected.

<u>Date</u>	<u>Assignments</u>
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August 22: Ethical hypothetical questions;

Chapter 1;

The award-winning movie “The Corporation” will be shown.

August 24: Chapter 2 (discussion of whether corporations have or should have social responsibilities; discussion of the “stakeholder” theory of corporations).

Discussion of Module 7 (“Milton Friedman and Shareholder Ethics”)
(will be distributed to class on August 22)

Discussion of Module 8 (“Stakeholder Focus: Employees”)
(will be distributed to class on August 22)

August 29: Chapter 3 (discussion of ethical theories)

Discussion of Ethical Dilemma 3 (“Producing Toys-Child’s Play)

Discussion of Module 3: “Scope of Utility: Selecting Relevant Groups” (will be distributed to class the week before)

Discussion of Module 4: “Kant and ‘Unique Human Dignity”
(will be distributed to class the week before)

Homework: Turn in Study Questions on p. 131

August 31: Chapter 5

Phil Bodrick, “The Shakedown” *Harvard Business School* (PDF)

Donaldson, “Values in Tension” *Harvard Business Review*, (Sept. Oct. 1996)
(PDF)

“Fight Against Corruption Escalates” *Strategic Finance*, (March 2010) (PDF)

Weber & Getz, “Buy Bribes or Bye-Bye Bribes,” *Business Ethics Quarterly*, Vol. 14 (2004) (PDF)

Louis Wells, "Caselets: Bribery and Extortion in International Business," *Harvard Business School*
(will be distributed to class the week before)

Transparency International Corruption Perception Index 2010 (PDF)

Anderssen & Heywood, "Transparency International: Politics of Perception,"
Political Studies (2008) (PDF)

Homework: Turn in Study Questions on p. 225

September 5: No Class

September 7: Chapter 6

Discussion of An Ethical Dilemma: "Who Cares Whose Shares?"
(pp. 254-255)

Discussion of Module 38: "Executive Compensation")
(will be distributed to class the week before)

Selected articles on concepts of "too big to fail" and "insider trading."
(will be presented to class the week before)

September 12: Chapter 7

"Hitting the Wall: Nike and International Labor Practices," *Harvard Business School*,
MI-700-047 (PDF)

"IKEA Family: Old Enough to Work" (PDF)

"The Ethics of Offshore Clinical Trials"
(will be presented to class the week before)

Discussion of Module 20: "Weight Discrimination"
(will be distributed to class the week before)

Discussion of Module 52: "Overseas Working Conditions"
(will be distributed to class the week before)

Homework: Study Questions, p. 280

September 14: Chapter 8

“Big Pharma and AIDS: Act II,” *Multinational Monitor*, March/April 2007
(will be distributed to class the week before)

“Do More, Feel Better, Live Longer but only if You can Afford It: MSF and Oxfam vs. GlaxoSmithKline.”
(will be distributed to class the week before)

“Nestle: Boycotting the Baby Killers” (PDF)

Discussion of Module 16: “Marketing Unhealthy Food to Children”
(will be distributed to class the week before)

Discussion of Module: “Customer Deception: Who’s to Blame?”
(will be distributed to class the week before)

September 19: Mid-Term Examination

September 21: Corporate Social Responsibility and Human Rights

Blodget, “The Conscientious Investor” *The Atlantic Monthly* (Oct. 2007) (PDF)

“A Directory of Socially Responsible Stocks” (PDF)

“Google, Inc. in China (condensed),” *Business Roundtable: Institute for Corporate Ethics*, Case BRI-1005 (in library)

Chapple & Moon “Corporate Social Responsibility (CSR) in Asia”
Business & Society (Dec. 2005) (PDF)

Porter & Kramer, “Creating Shared Values,” *Harvard Business Review*
(Jan.-Feb. 2011) (PDF)

“Burmese Dictator Beer” (PDF)

“Quiet Diplomacy: Amnesty International vs. Shell (Nigeria)” (PDF)

Kurlantzick, “Taking Multinationals to Court,” *World Policy Journal*,
Spring 2004 (PDF)

September 26: Chapter 9

Homework: Answer Study Questions on pp. 432-433.
Case Studies: Personal Questions (PDF)

September 28: Chapter 10

Discussion of Ethical Dilemma 10: "Where's the Beef"

Selected readings on Amnesty International, Oxfam, Greenpeace, Human Rights Watch

"The Ocean as Rubbish Dump?" Greenpeace vs. Shell
(will be distributed to class the week before)

Homework: Study Questions, pp. 485-486

October 3: Globalization

The WTO and its ethical critics (selected readings)

Robert Reich: "Making Globalization a Race to the Top" *Brown Journal of World Affairs* (Winter/Spring 2006) (PDF)

Rhys Jenkins, "Globalization, Corporate Social Responsibility and Poverty" *World Policy Journal* (Spring 2005) (PDF)

Faculty Information:

Professor Samson has a B.A. in Economics from the University of Illinois, an M.A. in Economic Development from the East-West Center of the University of Hawaii, a Ph.D. in Political Science from the University of California-Berkeley, and a J.D. from the University of San Francisco.

He has been professor at Lincoln University since 2001 and has taught Business Ethics at Lincoln University for the past four years.

He is Chairman of the Board of Trustees at Lincoln University.

He is a practicing attorney in San Francisco.

Update:

August 2011