

LGST 100: Ethics and Social Responsibility

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Class: MW 12pm-1:30pm

Office Hours: Mondays 1:30-2:30pm & by Appointment, location TBD

Note This syllabus is subject to revision.*

COURSE DESCRIPTION AND OVERVIEW: This is an introductory course in normative business ethics. Its goal is for students to gain familiarity with general theoretical perspectives on business ethics, to develop deliberative skills in discussing some interesting and controversial issues in business ethics, and ultimately to understand the complexity of ethical issues in business and improve one's ability to identify ethical issues as they arise in various contexts. We will consider questions such as: What is the "purpose" of the corporation? Ought it maximize shareholder value, social welfare (or something else)? What responsibilities do we have in setting compensation? Can even mutually beneficial transactions be wrongful? How should we think about 'ethical investing'?

The main mode of inquiry for normative business ethics is philosophical in nature. Thus, we will be using intuitive and formal understandings of what is right and what is good to deliberate what we *should do*. The first part of the course focuses on forming an understanding of central perspectives on ethics, and the general theoretical frameworks of business ethics and corporate purpose that have been advanced. The remainder of the course will consider specific issues in business ethics.

This course is not meant to *tell you* what is right or what is good. Rather, we will consider a range of perspectives, and develop skills to consider them critically.

REQUIREMENTS:

1. Discussion/Participation (20%)
2. Short Paper (Reflection on Stakeholder Theory) (20%) [500 words]
3. Final Paper (60%) [3000+ words]

This course is designed to stimulate critical thinking about business ethics. This is why papers and participation are the main mode of evaluation.

Discussion/Participation (20%): First, consistent attendance is required. You will be permitted 2 absences. Any other absences will only be excused for (documented) medical reasons or other family emergencies. All absences should be reported via an official Course Absence Report on PennInTouch. If you miss more than the allotted absences, we will need to meet to discuss your attendance. Despite the weighting listed here, excessive absences or non-participation may result in a failing or very low grade for the course at my discretion.

Satisfactory participation requires much more than attendance, however. Our classes will typically consist in reconstructing the arguments of the assigned readings, and then critically

discussing them. Students should always endeavor to participate vigorously in class. Come prepared.

Participation will not just be judged on frequency, but on quality too. Etiquette is also a factor in the grade—being confrontational, dismissive, or uncivil (when clearly unwarranted) will affect your grade.

Short Paper (Reflection on Stakeholder Theory) (20%) [800-1000 words]: The shorter paper requires students to (briefly) lay out the structure of an argument and present an original critique. This paper is meant to be “practice” for the longer paper. A successful paper will illustrate an understanding of the main casuistic mode of analysis we employ in the class.

Stakeholder Theory shapes most contemporary discourse around business ethics. As part of our first module on corporate purpose, we will review some critical perspectives of stakeholder theory. In light of those perspectives, you should frame the main position that stakeholder theory advances and what you find to be its most compelling critique. You will then reflect on whether stakeholder theory can survive the critique in its current form, or if it cannot, how or whether it can be salvaged. *Only select one critique to review.* The purpose is to provide a considered, in-depth analysis of two opposing positions (stakeholder theory and one critique), not to give an overview of possible critiques. **Paper (.doc/.docx) is due September 30th by 9:00pm on Canvas.**

Final Paper (60%) (Topic of your choice) [3000+ words]: This long paper counts for more than half of your grade. You will be free to choose whatever normative business ethics topic you wish. Because there is such a broad range of topics in addition to those presented in the course, and you are allocated such freedom in topic selection, your paper is expected to present an **interesting** or **novel** contribution in answering an ethical question. It is thus suggested that you pick a question that intrigues you. You are strongly encouraged to email me to get advice on your topic.

The long paper will be graded along multiple dimensions including organization, clarity, novelty or creativity, and thoughtfulness. Your paper should engage in a dialectic (a term we will discuss in class). **Paper (.doc/.docx) is due December 15th by 9:00pm on Canvas.**

CLASSROOM ETTIQUETTE/POLICIES:

Electronics: Laptops and iPads are not permitted (without documented need). Please shut off your cellphones through the duration of each class. Unauthorized use of electronics will affect your participation grade.

Lateness: Timeliness is expected.

Food: Class sessions occur at lunch time. Some snacking is acceptable, but please try to minimize disruptions.

TEXTS/READINGS: All readings will be freely available via the Penn Course Reserves tab on Canvas, the Files tab on Canvas, or via Penn Libraries eJournal access.

Session	Session Topic	Readings
Aug. 28	Course intro— Business Ethics & Profits	<ul style="list-style-type: none"> • Paine, <i>Does Ethics Pay?</i> Pgs. 319, 325-329 • Spurgin, <i>Looking For Answers In All The Wrong Places</i> Pgs. 293-296
Sept. 4	Thinking About Consequences in Ethics	<ul style="list-style-type: none"> • Singer, <i>Famine, Affluence and Morality</i> • Taurek, <i>Should the Numbers Count?</i>
Sept. 9	The General Structure of Ethics	<ul style="list-style-type: none"> • Nagel, Chapter from <i>View from Nowhere</i>, 'Ethics'
Sept. 11	Profit Maximization Submit 'Mapping' of Friedman Arguments	<ul style="list-style-type: none"> • Friedman, <i>The Social Responsibility of Business Is to Increase Its Profits</i> (NYTimes Magazine)
Sept. 16	Stakeholder Theory	<ul style="list-style-type: none"> • Freeman, <i>Managing for Stakeholders</i> • Humber, <i>A Plea for Corporate Autonomy</i>
Sept. 18	Vampiric Stakeholder Theory	<ul style="list-style-type: none"> • Orts & Strudler, <i>Putting a Stake in Stakeholder Theory</i>
Sept. 23	Understanding Stakeholder Theory	<ul style="list-style-type: none"> • Hasnas, <i>Whither Stakeholder Theory? A Guide for the Perplexed Revisited</i>
Sept. 25	Corporate purpose: Social Welfare and Profit Maximization	<ul style="list-style-type: none"> • Jensen, <i>Value Maximization, Stakeholder Theory, And The Corporate Objective Function</i> • Robson, <i>To Profit Maximize, Or Not To Profit Maximize: For Firms, This Is A Valid Question</i>, Pgs. 313-319
Sept. 30	Corporate Purpose, Wealth, & Ownership Assignment Due: Short Paper 1 - Stakeholder Theory	<ul style="list-style-type: none"> • Strudler, <i>What to Do with Corporate Wealth</i>
Oct. 2 (End of Module 1)	The Market Failures Approach	<ul style="list-style-type: none"> • Heath, <i>Business Ethics without Stakeholders</i>
Oct. 7 [Drop Period Ends]	Sweatshops & Exploitation	<ul style="list-style-type: none"> • Zwolinski, <i>Sweatshops, Choice, and Exploitation</i>

(Beginning of Module 2)		
Oct. 9	Sweatshops & Exploitation 2	<ul style="list-style-type: none"> Meyers, <i>Wrongful Beneficence: Exploitation and Third World Sweatshops</i>
Happy Fall Break! Oct. 10-13		
Oct. 14	Investing 1: Puzzle of Principled Divestiture Come to class with objections.	<ul style="list-style-type: none"> Cahn, <i>A Puzzle Concerning Divestiture</i> (2 pages long)
Oct. 16	Investing 2: Does Ethical Investing Make a Difference?	<ul style="list-style-type: none"> Hudson, <i>Ethical Investing: Ethical Investors and Managers</i>
Oct. 21	Social Entrepreneurship & the Status Quo	<ul style="list-style-type: none"> Giridharadas, <i>Winners Take All</i>, Prologue + Chp. 1 (pgs. 3-34)
Oct. 23	Executive Compensation	<ul style="list-style-type: none"> Moriarty, <i>Do CEOs get Paid Too Much?</i>
Oct. 28	The Living Wage	<ul style="list-style-type: none"> Desmond, <i>Americans Want to Believe Jobs Are the Solution to Poverty. They're Not</i> (NYTimes) Brennan, <i>Should Employers Pay a Living Wage?</i>
Oct. 30	Can there be a 'just wage'?	<ul style="list-style-type: none"> Heath, <i>On the Very Idea of a Just Wage</i> doi
Nov. 4	Equal pay for equal work	<ul style="list-style-type: none"> Das, <i>The U.S. Women Won, the Men Lost, and the Equal Pay Fight Tied Them Together Again</i> (NYTimes) Moriarty, <i>Is 'equal pay for equal work' merely a principle of nondiscrimination?</i>
Nov. 6	Obeying the Law	<ul style="list-style-type: none"> Groll, <i>Apple Refuses Court Order to Unlock San Bernardino Shooter's Phone</i> (ForeignPolicy) Young, <i>Putting the Law in Its Place: Business Ethics and the Assumption that Illegal Implies Unethical</i>
Nov. 11	Taxes & Legal Obligation	<ul style="list-style-type: none"> Lenz, <i>Aggressive Tax Avoidance by Managers of Multinational Companies as a Violation of Their Moral Duty to Obey the Law</i>
Nov. 13	Commodification: Selling Kidneys, Babies, Sex, etc.	<ul style="list-style-type: none"> Brennan & Jaworski, <i>Markets without symbolic limits</i>
Nov. 18	Consumption & Activism	<ul style="list-style-type: none"> Hussain, <i>Is Ethical Consumerism an Impermissible form of Vigilantism?</i>

Nov. 20	Deception	<ul style="list-style-type: none"> • Carr, <i>Is business bluffing ethical?</i> • Strudler, <i>Deception Unraveled</i>
Nov. 25	Social Media	<ul style="list-style-type: none"> • Ronson, <i>How One Stupid Tweet Blew Up Justine Sacco's Life (NYTimes)</i> • Bhargava, <i>Firm Responses to Mass Outrage: Technology, Blame, and Employment</i>
Dec. 2	Parenting & the Firm Please come prepared with counterarguments !	<ul style="list-style-type: none"> • Blanc & Meijers, <i>Firms and parental justice: should firms contribute to the cost of parenthood and procreation?</i>
Dec. 4	Employment, Freedom, and Equality	<ul style="list-style-type: none"> • Anderson, <i>Liberty, Equality, and Private Government</i>
Dec. 9	Career Choice	<ul style="list-style-type: none"> • MacAskill, <i>Replaceability, Career Choice, and Making a Difference</i>
Dec. 15 th (NO CLASS)		FINAL PAPER DUE – 9:00pm (technological issues will not be accepted as an excuse for late submission under any circumstances)