Ethics of Enterprise and Exchange

PHIL 120

Spring Term 2013 – University of Oregon
Instructors:
Nicolae Morar & Caroline Lundquist

Syllabus

1. Course Description

The recent financial crisis has brought additional evidence not merely of the weaknesses of our capitalist system, but more importantly for the ineffectiveness of the ethical standards that are supposed to govern the international business world. Moreover, the BP oil spill in the Gulf of Mexico strongly suggests that notions such as acceptable risk are devoid of any ethical content. In a free market world, what are the limits that a society or government should impose on the corporate world? In the absence of universal ethical standards in business ethics, how should we hold individual entrepreneur players responsible? What is ethically problematic about Gordon Gecko’s famous proclamation “greed is good”? Is self-interested behavior determined by an individual’s character, or is it more the product of the capitalist system in which individuals operate? Are there moral obligations that go beyond legal restrictions?

This course aims to help students to better understand and evaluate the ethical challenges existing in the corporate world. The books we will read over this quarter take two different perspectives, proponents and critics, respectively, of capitalism and the role of business in the civil society. We will begin with Robert Audi’s Business Ethics and Ethical Business. By approaching this topic in a systematic way, this book will give us a broad background in ethical theory and more specifically in business ethics, so that we can assess topics such as: the limitation of ownership rights, the environmental challenge with respect to future generations, questions related to product, target, and image and how advertising industry is creating desires, hiring policies and compensation standards, religion at the workplace, and ultimately, the significant challenges of globalization.

With this background in business ethics, we will then dive into Daniel Cohen’s Globalization and its Enemies during the second half of the quarter. One of the questions we will emphasize is: why are poor countries so poor and rich countries so rich? The simple response, says Cohen, “attributes the disparity to exploitation of the former by the latter.” Though this explanation deserves some credit, the economical intuition behind “is radically false.” The economical bad news is that the West does not need the Third World. Moreover, understanding globalization within the confines of religion and exploitation can yield a distorted picture, and in particular can lead us to miss globalization’s singularity. Never before have the means of communication created such a global consciousness. The global humanitarian response to the 2004 tsunami stands as evidence for this. The specific examples Cohen addresses in his book, from the clash of civilizations to economical development as source of freedom, and ultimately to the issue of AIDS in Africa, will give us a context to test our ethical concepts and moral obligations.
2. Class Meetings

Class will meet on Monday and Wednesday from 12:00 to 1:20pm in 30 PAC.

Discussion sessions will meet on Friday with Caroline Lundquist.

- Section 1 (36543) from 10:00 to 10:50 am in 112 WIL.
- Section 2 (36544) from 11:00 to 11:50 am in 301 CON.

3. Office Hours and Contact Information

Office: PLC 332
Email: nmorar@uoregon.edu
Office Hours: Monday & Wednesday - 1:30pm – 2:30pm and by appointment

GTF: Caroline R Lundquist
Office: PLC 323
Email: clundqui@uoregon.edu
Office Hours: Monday & Wednesday - 1:30pm – 2:30pm and by appointment

4. Course Requirements and Grading

Grades on papers & the final grade will be given on the standard 0-100 point grading scale:

100-93: A
92-90: A-
89-87: B+
86-83: B
82-80: B-
79-77: C+
76-73: C
72-70: C-
69-60: D
59-0: F

Final grades will be determined as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Participation/Attendance</td>
<td>10%</td>
</tr>
<tr>
<td>Three Quizzes</td>
<td>15% (5% each)</td>
</tr>
<tr>
<td>Midterm</td>
<td>35%</td>
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<tr>
<td>Final Exam</td>
<td>40%</td>
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**Class Participation and Attendance.** You are expected to participate actively in this class, which includes attending class, reading all assigned material prior to class, and participating productively and professionally in class discussions. Missing THREE classes FOR ANY REASON will result in a full grade reduction. An additional full grade reduction will be made for each additional missed class after the third. Three late arrivals for class will count as one absence. Discussion is crucial to this class, and I will
do my best to make you feel at ease and welcome to contribute to the class conversation. Please feel free to contribute any question, objection, or other thought about the topic at hand when such occurs to you. Although no relevant remark is out of bounds in this class, you will be expected to treat all members of the class respectfully and professionally. The quality and quantity of your participation in the class discussion will be evaluated in assigning 10% of your final grade. Obviously, failure to attend class will negatively affect your participation grade.

3 Quizzes - at any time (without prior notification), you can receive a quiz either at the beginning or end of the course lecture. The best way to prepare for quizzes is to read all assigned materials carefully (and, of course, when they are due in class). Since some quizzes may be “open text,” you are encouraged to bring copies of the assigned readings to class. No makeup quizzes will be given for any reason.

One Midterm and One Final Paper Exam: Midterm and Final Papers will be 5 – 7 pages (double spaced, Times New Roman 12, standard margins) and paper topics will be posted 1 week before they are due. EMAILED AND ELECTRONICALLY SUBMITTED PAPERS WILL NOT BE ACCEPTED. Papers not turned in the day they are due are LATE, and will lose one letter grade for each calendar day that they are late.

If you are absent on an exam day, you must (1) have contacted me in advance to tell me of the absence, and (2) return with a written excuse (i.e. medical), in order to be permitted to make up the exam. Failure to complete the two exams for this course will result in failure in the course.

There will be no possibility for an incomplete (“I”) in this course.

5. Course Policies

Emergencies: In the event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances.

Plagiarism: With the advent of the Internet, plagiarism has become an increasingly serious problem at universities around the country, particularly in classes like this one, where papers determine a substantial part of the grade.

In order to avoid plagiarizing from a source, both direct quotations and paraphrases or summaries of material found in traditional print media or on the Internet must be acknowledged. If you have any questions about how this definition will be interpreted, please do not hesitate to discuss the matter with me.

Plagiarism and cheating on exams undermines the integrity of the academic community. When undetected, it gives the perpetrator an unfair advantage over students who are graded on the basis of their own work. In this class we will do our best to detect plagiarism and cheating. Students who are aware of violations by others should bring this to my attention. This is the right thing to do. It is also in your own self-interest.
There will be zero tolerance for plagiarism in this course. Plagiarized papers will receive a 0, the student will automatically fail the course, and their name will be handed given to the university authorities. For more on the University of Oregon policy on plagiarism, see the following website:

http://libweb.uoregon.edu/guides/plagiarism/students/

With each paper assignment, a handful of students may be selected at random to submit their papers to TurnItIn, an online service that maintains an enormous database of papers that it uses to check for instances of plagiarism.

**External Sources:** Using sources not listed on the syllabus in researching and writing your papers is fine, as long as they are both to the point, and are properly cited. And at all times, when in doubt, *cite your sources!* It is the best way to avoid being accused of plagiarism.

This is probably the best place to make this point, too: Wikipedia can be valuable for getting a very broad grasp of positions and debates, but when it gets into details, especially on philosophic topics, it is very often horrible – sketchy, convoluted, misinformed, and often simply wrong. If you wish to consult online resources, I suggest you use some of the other, much better sites. Most prominent is the Stanford Encyclopedia of Philosophy, but others are useful as well:

The Internet Encyclopedia of Philosophy [http://www.iep.utm.edu/](http://www.iep.utm.edu/)

**6. Website**

Information, comments, events related to the class, and some readings and lecture notes will be posted on the course website, which can be reached via Professor Morar’s homepage:

[http://pages.uoregon.edu/nmorar/Nicolae_Morar/Teaching.html](http://pages.uoregon.edu/nmorar/Nicolae_Morar/Teaching.html)

**7. Texts**
The following books will be **required** for this course (available at the Duck Store):

- Additional required readings available on Blackboard - [BB]

Other useful but not required resources include the following:

Supplemental readings will be posted on the course website as the term progresses.
8. Topics and Readings

Here is a tentative schedule of topics and readings. Amendments and alterations will be announced in class as we go, both in class and on the webpage. Since reminders and other information will frequently be posted on the course website, make sure you check the website on a fairly regular basis.

**Part 1: The Role of Business in a Free Democracy**

**Week 1**

*Lecture 1 & 2*
- Introduction and Background
- *Business Ethics and Ethical Business*, Chapter 1&2
  - Audi, 3-7
  - Audi, 8-22

**Week 2**

*Lecture 1*
- *Business Ethics and Ethical Business*, Chapters 3-5
  - Audi, 23-42
  - Online:
    - Milton Friedman, “The Social Responsibility of Business” [BB]
  ➢ Suggestions (additional reading):
    - R. De George, “Can Corporations have moral responsibility?”
      (recommended) [BB]

*Lecture 2*
- Audi, 43-48
- Online:
  - Holmes Rolston III, “Justifying a sustainable development” [BB]
  ➢ Suggestions (additional reading):
    - Richard De George, “The Environment, Rights, and Future Generations” [BB]

**Week 3 (Quiz 1)**

*Lecture 1*
- *Business Ethics and Ethical Business*, Chapters 6-7
  - Audi, 48-59 (Marketing: Product, Target, Image)
  - Online:
    - Roger Crisp, “Persuasive advertising, Autonomy, and the Creation of Desire” [BB]
  ➢ Suggestions (additional readings):
    - John d. Bishop, “Is Self-Identity Image Advertising Ethical?”
      (recommended) [BB]
Lecture 2

- Audi, 59-69 (The Ethics of Financial Representation)
- Online:

➤ Suggested:
- The Enron Case – see movie/documentary “The Smartest Guys in the Room” on reserve at Knight Library

Part 2: The Ethics of Internal Management

Week 4:
Lecture 1

- *Business Ethics and Ethical Business*, Chapters 8-9
  - Audi, 69-79
  - Online:
    - B. Reskin, “Bringing the Men back in: Sex Differentiation and the Devaluation of Women’s Work” [BB]

Lecture 2

- Audi, 82-91
- Online:
  - J. Sterba, “Defending Affirmative Action, Defending Preferences” [BB]

➤ Suggested (additional reading):
- Judith Jarvis Thompson, “Preferential Hiring” (recommended) [BB]

Midterm Questions will be posted on Blackboard - Friday April 26th.

Week 5:
Lecture 1

- *Business Ethics and Ethical Business*, Chapter 11 & Case Scenarios
  - Audi, 98-109 (Leadership and Character)

➤ Suggested (additional reading):
- John Doris, *Lack of Character* (“Fragmentation of Character”) [BB]

Lecture 2

- Audi, 123-124 (Intellectual Property, Technology Transfer, and Porous Borders)
- Online:
  - Richard De George, “Business Ethics and the Challenge of the Information Age” [BB]
  - Audi, 133-144 Case Scenarios

Midterm Papers are DUE - Friday, May 3rd before 4:30pm in the Main Office of the Department of Philosophy (PLC Hall).
Part 3: Ethical Problems of Global Business/ Globalization

Week 6 (Quiz 2)

Lecture 1 - Topic: Sweatshops
  • Business Ethics and Ethical Business, Chapter 12
    o Audi, 109-115
    o Online:
      - Arnold & Bowie, “Sweatshops and Respect for Persons” [BB]
      - Maitland, “The Great Non-Debate over International Sweatshops” [BB]

Lecture 2 - Topic: child labor
  o Audi, 110-112
  o Online:
    - Case Adidas: Application of Standards of Engagement to Child Labor Dilemma [BB]
    - Cam Simpson, “Victoria’s Secret Revealed in Child Picking Burkina Faso Cotton” [BB]

Part 4: Globalization and Its Enemies

Week 7:
Lecture 1
  • Audi, Conclusion (129-133)
  • Globalization and Its Enemies, Chapter 1 & 2
    o Cohen, 9-23

  ➢ Suggestions (additional reading):
    - Engels, Selection from “Great Towns” (in The Condition of Working Class in England in 1844) [BB]

Lecture 2
  o Cohen, 24-47
  o Online:

Week 8:
Lecture 1
  ➢ Globalization and Its Enemies, Chapter 3 & 4
    o Cohen, 48-79

Lecture 2
  o Cohen, 79-97
  o Online:
    - Samuel Huntington, The Clash of Civilizations and the Remaking of the World Order, Ch. 3 A Universal Civilization? Modernization and Westernization [BB]
Week 9 (Quiz 3)

Lecture 1 – **No Class** - Memorial Day Holiday

Lecture 2

- **Globalization and Its Enemies**, Chapter 5 & 6
  - Cohen, 97-123
  - Online:
    - Singer, “Famine, Affluence, and Morality” [BB]

- Suggestions (additional reading):
  - T. Pogge, “The Human Rights of the Global Poor” in *Politics as Usual* [BB]
  - Movie Documentary – The End of Poverty? (available on YouTube - [http://www.youtube.com/watch?v=pktOXJr1vOQ](http://www.youtube.com/watch?v=pktOXJr1vOQ))

**Final Paper Questions** will be posted on Blackboard - **Friday May 31st**.

Week 10:

Lecture 1

- Cohen, 123-142
- Online:
  - D. Arnold, “The Human Rights Obligations of Multinational Corporations” [BB]

Lecture 2

- **Globalization and Its Enemies**, Chapter 7 & Conclusion
  - Cohen, 143-166

- Suggestions (additional reading):

Final Papers are **due Friday June 7th before 4:30pm** in the Main Office of the Department of Philosophy (PLC Hall).