COURSE MATERIALS

No text: All readings are online or on Blackboard; readings should be done before class to facilitate discussion.

Required handouts: Sample Prescriptive Case Analysis and Sample Psychological Case Analysis. (You want to look over these handouts before the first class and return to them later in the course as an aid in preparing your own prescriptive analysis and psychological analysis due Week 5.)

Optional handouts: Ten Ethical Approaches--this handout is important if you’re doing an optional Moral Systems Case Analysis or Science Case Analysis instead of a standard prescriptive case analysis. Competing Principles in Business Ethics—this handout may be useful in doing your written work, and should be useful in understanding broad themes for the course.

Other readings: See below. Readings are required and should be done before class unless the reading is noted as optional; all members of the class should do the team presentation readings.

LEARNING GOALS AND OBJECTIVES

A major priority of the course is to equip you to generate thoughtful and effective ideas as to how to deal with business issues as to which there is no obvious answer and in which ethical, social, or political concerns are present. You will be asked to address ethics in both a prescriptive, argumentative style (in the case analysis format and in some of the class discussions) and in a psychological, non-adversarial style (in the ethical relations format and in some discussions). Learning in the classroom will take place primarily through discussing readings, which should be read before class; lecturing will be secondary to discussion. One priority of the course is to serve as a forum for informed discussion of current issues connected to business ethics, even if these issues are not covered in our syllabus. The vehicle for that kind of discussion will be discussions in class on ethics topics of your choice at the beginning of class. I recommend that you read outside sources of your choice, such as the New York Times or the Wall Street Journal.

Course Schedule

Week 1--Introduction.

1. Course requirements and options; adversarial and non-adversarial ethics; ethics and human nature.
2. Open mic—Your questions/comments on current ethics topics in the news.

3. Ethics and Human Nature—

   Jonathan Haidt, “The New Synthesis in Moral Psychology”: http://people.virginia.edu/~jdh6n/science.html  Haidt’s social intuitionist theory of morality and his moral foundations theory are central to the science part of our course. They are also a major basis for the book I’m under contract to write this year, Why Business Ethics Matters: The Logic of Moral Emotions in Game Theory. In this class, I’ll present chapter 1 of the book, “We’re Better than We Think.” (The chapters of the book will be posted as recommended, but optional, readings on BB.)

4. Discussion topic: Ethics and Investors; Corporate Social Responsibility (CSR).


5. Ethics and literature, with sample presentation: “Bartleby the Scrivener: A Story of Wall-street,” Herman Melville (www.bartleby.com/129). In class I’ll read from portions of the story. I’ll then ask for volunteers to role play a scene with Bartleby, the lawyer who is Bartleby’s boss, and Bartleby’s co-workers. The volunteers will get credit for the presentation requirement for the course. In the scene, we’ll act out the lawyer’s effort to get Bartleby to do his job and his and the co-workers’ response to Bartleby’s refusal to work.

Week 2--

1. Open mic—Your questions/comments on current business ethics topics in the news and on ethics and management.

2. Corporate Social Responsibility—

   a) Discussion of Mackey-Friedman-Rodgers debate and Gates speech [carryover from first week if necessary]

3. Ethics and Human Nature—

   a) Haidt article discussion [carryover from first week if necessary]

e) Read about Thomas Schelling at [http://marginalrevolution.com/marginalrevolution/2005/10/schelling_and_a_1.html](http://marginalrevolution.com/marginalrevolution/2005/10/schelling_and_a_1.html). Check out the part of Schelling’s Nobel lecture at [http://www.youtube.com/watch?v=U9BMPxKke7w](http://www.youtube.com/watch?v=U9BMPxKke7w), in which he poses the question of why there has been no use of nuclear weapons since 1945, and Tim Harford talking about Schelling’s role in avoiding war at [http://timharford.com/2013/01/thomas-schelling-game-theory-and-nuclear-deterrence/](http://timharford.com/2013/01/thomas-schelling-game-theory-and-nuclear-deterrence/).

f) I’ll present the second chapter of my book, “The Harmony Games.”

g) Ethics game/survey [TBA in class]


Meetings: a) Walmart SCM managers discussing the status of Carrin Electronics as a Walmart supplier; b) Lu and other Carrin employees meeting with Carrin managers on workplace issues; c) Walmart HR, legal, and communications managers meeting with Fair Labor Standards NGO members re Carrin.

**Week 3**

1. Open mic—Your questions/comments on current business ethics topics in the news and on ethics and management.

2. Ethics and Human Nature—

   a) Levitt and Dubner, Gintis, and Schelling material [carryover from last week if necessary]
   c) Survey/Game [TBA in class]

3. **What Is Business Ethics, Anyway?**

   a) John Boatright—The moral manager and moral market approaches—“Does Business Rest on a Mistake?” (article posted under course documents)


Meetings: a) GE managers discussing what to do with a low-performing veteran manager; b) Southwest Air managers discussing the same topic; c) panel with Welch, Kelleher, and other top managers discussing their approaches to management.

**Week 4—Ethics and Marketing/Ethics and Operations.**

1. Open mic—Your questions/comments on current ethics topics in the news and on ethics and marketing and ethics in operations.


   c. Does the universe have a purpose? Presentation of chapter four of my book, “Bringing Telos Back.”
   d. Ethics game/survey [TBA]


Meetings: a) Ford engineering managers discussing what to do about Pinto gas tank design;; b) jury members discussing whether to find Ford criminally liable for the Pinto’s gas tank; c) Iacocca, Dowie, Schwartz, and others discussing the Ford Pinto at a public forum.

**Week 5.**

1. Open mic—Your questions/comments on current ethics topics in the news and on ethics and marketing and ethics in operations.

2. Discussion topic—What are our views on the ethics of the leadership of Captain Vere, as described in Herman Melville’s Billy Budd, Chapters 1, 7-8, 19-26? [http://etext.lib.virginia.edu/toc/modeng/public/MelBill.html](http://etext.lib.virginia.edu/toc/modeng/public/MelBill.html)
3. Ethics and Human Nature


c) Ethics game/survey [TBA]


Meetings: a) meeting of Tourre with others from Goldman and with potential long purchasers of Abacus securities; b) Lloyd Blankfein and other top Goldman personnel discussing possible changes in Goldman’s business model in the wake of the financial crisis and the $550 million fine; c) Blankfein, ex-Goldman heads Robert Rubin, Henry Paulson, and Jon Corzine, and outside commentators discussing at a forum whether Goldman and other major financial firms should follow a rule that a practice by Goldman should be value-enhancing for society as well as the firm.

5. Presentation Topic 2: **Presentation topic: Betty Vinson (WorldCom).** Article on Betty Vinson: [http://www.cfo.com/article.cfm/3010537/c_3036075](http://www.cfo.com/article.cfm/3010537/c_3036075)

Meetings: a) Vinson and other WorldCom accountants and managers discussing the capitalization issue; b) prosecutors discussing whether to prosecute Vinson; c) KFC managers discussing whether to hire Vinson as an accountant.

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**Course requirements and options:**

You must submit a prescriptive case analysis and an ethical relations case analysis due week 5 (suggested length 3-4 pages single-spaced for the prescriptive analysis and 2 pages for the ethical relations analysis) in the format of the sample handouts, using your own case(s) and ideas. The prescriptive analysis is worth 2/3 of your grade and the ethical relations case analysis is worth 1/3 of your grade. Second, you
must participate in a team presentation; excellent participation in the presentation and in class discussions will result in extra credit, as described in the participation section

Submission of written work: Due on Friday, December 12th; submit to Blackboard.

**Prescriptive case analyses:** In the case analysis format, you will be expected to do the following: 1) State an ethical question posed by a business ethics case in the news, a reading, or a situation that you are aware of from personal experience or another means; describe the facts (or give a link or links) if the situation is unfamiliar; 2) Identify a decision-maker; 3) Identify two competing choices the decision-maker faces (if you believe analyzing the situation right requires considering more than two alternatives, you may indicate additional choices); 4) Present the best arguments for the competing positions; 5) Present a reasoned conclusion as to what the decision-maker should do. In doing case analyses, it is helpful to use the format shown on the sample case analysis handout, in which arguments for one choice are matched up with counterarguments for another. (Recommended length: 3 single-spaced pages.) In doing a case analysis, it’s usually better to discuss a specific scenario (such as “Should Domino’s adhere to a 30-minute delivery guarantee?”) rather than a general, broad topic (such as “Does a free market work better than government regulation?”). Cite at least three sources; the case analysis has a template for sources that is worth following. You should refer to at least two ethics and human nature sources in your analysis; which ones you use and how you use them is up to you. The exact format you use (endnotes, footnotes, etc.) is not crucial, but it is desirable to indicate what you are using your sources for, as is shown in the sample analysis. For the case analysis and other written work, you are expected to rigorously avoid plagiarism.

**Ethical relations case analysis:** Here, you can use the same case you use for the prescriptive analysis or a different one. The idea with the ethical relations handout is to present an ethically sustainable case for different courses of action to different stakeholders, such as managers, employees, customers, and investors. As shown in the sample analysis, you want to express your points in informal language that replicates speech for this type of analysis, instead of the more formal language you should use for a prescriptive analysis.

**Presentations:** Presentations in the form of simulated meetings will be held after the break in the middle of class and may go for up to 15-20 minutes per meeting, with up to three meetings on a given topic, as noted in the syllabus. A meeting may have up to six participants and should have a chair. The idea is for team members to take on roles in the meeting and to participate constructively in a discussion. In the presentations, I am looking both for plausibility (is a given remark realistic/true to life?) and effectiveness (is a given remark thoughtful/helpful/persuasive?) The format of the presentations is non-adversarial, much I expect that different and contrasting positions will be expressed. Classmates and I may raise our hands and intervene in the discussion when recognized by the chair, but should do so as though we were participants in the meeting. For Week 1 only, you may sign up in class (as well as in advance on Blackboard), confer with your teammates, and present after the break without submitting any written notes to me. For Weeks 2-5, sign up in advance on the sheets I will bring to class and give me hard copies of your preparatory notes the day of your presentation. I will evaluate your preparation for the presentation as effective as long as I believe your notes reflect real work and reading of the materials, even if they are sketchy. Although presentations and class participation are ungraded as a rule,
exceptionally good individual contributions in a presentation and in class discussion will lead to an “A” participation grade that I will count for 25% of your course grade.