

Philosophy 324: Business Ethics
Spring 2022, TR 8:30-9:45, Close-Hipp 502

Course Description:

This course is about a variety of ethical issues that pertain to the conduct of businesses or corporations. Central questions include: how does one's career fit into a good life? Do corporations have moral responsibilities to others, including their employees, customers or the public? How should corporations be managed in order to effectively discharge those responsibilities? What are the moral principles or virtues that underlie good business practices?

Catalog Description:

Ethical problems in business; application to business situations of philosophical theories of individual, corporate, and governmental rights and responsibilities.

Learning Outcomes:

Upon satisfactory completion of this course, students will be able to:

1. Use arguments to justify ethical conclusions pertaining to business.
2. Apply ethical principles to real life business decisions.
3. Understand the basic ethical issues that arise in business.

Carolina Core Outcome: (VSR)

Students will be able to examine different kinds of social and personal values, analyzing the ways in which these are manifested in communities as well as individual lives.

Course Requirements:

(1) You are required to complete the reading on the syllabus. Although the amount of reading may sometimes appear small, the reading is often difficult, usually much more difficult than it first appears. Consequently, you should read the material in depth, taking notes. To facilitate your reading, there is a list of reading questions for each reading. The reading questions are posted on blackboard. You should come to class having written down preliminary answers to these questions.

(2) There will be a one question quiz every class at the beginning of class anytime that reading is assigned. The quiz question will be selected from the reading questions (see requirement (1)). You will need to come to class on time, having completed the reading questions to perform well on the quizzes. Quizzes are open note, but not open book.

(3) Business Project: to simulate ethical business decisions, students will be divided into teams. Each team will develop its own business and navigate simulated ethical decisions faced by the business. The project is described in greater detail in the appendix at the end of the syllabus.

COVID Policies

The class meets in person. We will abide by university policies on social distancing and face masks. Students who cannot meet in person, should notify the instructor as soon as possible so that we can arrange for videoconferencing.

Attendance Policy

Attendance is taken at the beginning of class. If a student comes in late, they will not be marked as present unless they contact me after class to make sure their attendance is recorded. This is the student's responsibility. The written attendance record is the final authority on student attendance.

Students are permitted five absences. This should be sufficient time to deal with emergencies, such as deaths and serious illness, without penalty. Every absence over five will drop one's total grade in the course by half a letter grade or five percentage points. For instance, a student with seven absences can receive no better than a 90% in the class.

COVID issues are a special exception to this policy. If the total number of absences exceeds five due to COVID hardship, then the number of allowed absences may be extended. To qualify for this, COVID absences must be documented through the COVID-19 Student Report Form:

https://cm.maxient.com/reportingform.php?UnivofSCAcadSupport&layout_id=9.

I am happy to be flexible about course requirements to work with students experiencing COVID hardship, but students need to notify me and communicate with me about these issues.

Grading

I use the standard grading scale, where each letter grade is worth 10 points: A=100-90; B+=89-87; B=86-80; C+=79-77; C=76-70; D+=69-67; D=66-60; F=59-0.

Your grade in the course is determined as follows:

Quizzes	25%
Business Project:	
Career Choice Paper/Presentation	15%
Ethics Paper	20%
Statement of Corporate Responsibility (SCR)/Presentation	20%
Dilemma Response (final)	20%

Texts:

All readings can be found electronically through blackboard or in the required textbook. Since we strive to use hard copies as much as possible, you must buy a hard copy of the textbook. *Honest Work: A Business Ethics Reader*, 4th Edition, eds. Ciulla, Martin, Solomon (Oxford University Press, 2018).

Classroom Rules:

The classroom should be a respectful and professional environment. Please do not speak while others are speaking. Please be attentive in class; do not sleep, write letters, read the newspaper, pass notes and so forth. Please do not arrive late for class.

The greatest challenge in the modern classroom is distraction. Smartphones and laptop computers make it extremely difficult to achieve the level of deep engagement that is necessary for quality learning. For this reason, the use of laptop computers, smartphones and other devices must be restricted as much as possible. The course requires you to buy a hard copy of the text and to bring it to class for discussion. We avoid using electronic devices to do the reading as much as possible. This is even more challenging for online learning. If you are connecting to class through blackboard ultra, you must have your camera on at all times. Sit at the computer and engage exactly as you would if you were physically present in class. Do not fold laundry, prepare food, or surf the internet.

The penalty for violating these rules is receiving a zero for a reading assignment. You will be notified of the penalty by e-mail. To avoid being wrongly penalized for lap texting, I advise you not to spend time fiddling with things in your lap.

Classes:

1 1/11 Introduction

Part I: Choosing A Career

2 1/13 Robert and Edward Skidelsky, "Keyne's Mistake" (selections) from *How Much is Enough? Money and the Good Life*, (in AA reader).

3 1/18 Robert and Edward Skidelsky, "The Mirage of Happiness," (selections) from *How Much is Enough? Money and the Good Life*, (in AA reader).

4 1/20 Joanne B. Ciulla, "Meaningful Work and Meaningful Lives," (*Honest Work*, 590-592).

5 1/25 Aristotle, *Nichomachean Ethics* (selections), (*Honest Work*, 579-583).

6 1/27 William MacAskill, "Replaceability, Career Choice, and Making a Difference" (in AA reader).

7 2/1 Career Choice Preparations (working in business groups)

8 2/3 Business Presentations

---Career Choice Paper due---

Part II: Theories of Corporate Responsibility

9 2/8 Milton Friedman, "The Social Responsibility of Business is to Increase Its Profits" (*Honest Work*, 174-178).

10 2/10 Christopher Stone, "Why Shouldn't Corporations Be Socially Responsible?" (*Honest Work*, 179-182).

11 2/15 R. Edward Freeman, "A Stakeholder Theory of the Modern Corporation" (AA reader)

12 2/17 Joseph Heath, "A Market Failure Approach to Business Ethics" (AA reader).

13 2/22 Joseph Heath, "Business Ethics without Stakeholders" (AA reader).

- 14 2/24 --- no class, use time to work on Ethical Theory papers---
 15 3/1 Ethical Theory Preparation (working in business groups)

III. Honesty and Trust

- 16 3/3 Albert Z. Carr, "Is Business Bluffing Ethical?" (*Honest Work*, 36-41)
 --- Ethical Theory Paper Due ---
 ---3/8, 3/10 Spring Break, no class---
- 17 3/15 Robert C. Solomon and Fernando Flores, "Building Trust" (*Honest Work*, 55-58).
 18 3/17 Alan Goldman, "The Justification of Advertising in a Market Economy" (*Honest Work*, 259-264).
 19 3/22 Michael Davis, "Some Paradoxes of Whistleblowing" (AA reader)

Part IV: Justice

- 20 3/24 Irving Kristol, "A Capitalist Conception of Justice" (*Honest Work*, 152-158); Robert Reich: "The Myth of the Free Market" (online: <http://robertreich.org/post/61406074983>).
 21 3/29 John Rawls, "Justice as Fairness" (*Honest Work*, 145-146); "A Basic Income for All," Philippe Van Parijs (online: <http://bostonreview.net/forum/ubi-van-parijs>).
 22 3/31 John Boatright, "Executive Compensation," (AA reader).

Part V: Employees

- 23 4/5 Elizabeth Anderson, "How bosses are (literally) like dictators" (online: <https://www.vox.com/the-big-idea/2017/7/17/15973478/bosses-dictators-workplace-rights-free-markets-unions>)
 24 4/7 John J. McCall, "Employee Voice in Corporate Governance: A Defense of Strong Participation Rights." (*Honest Work*, 510-516).
 25 4/12 Michael Valdman, "A Theory of Wrongful Exploitation," (AA reader)
 26 4/14 Statement of Corporate Responsibility Preparation (working in groups)
 27 4/19 SCR Presentations
 --- SCR assignments due ---
 28 4/21 Dilemma Final Preparation (working in groups)

Final Exam 4/28, 9am, the usual place, Dilemma Presentations and Papers Due

* The schedule above is only an initial approximation and is subject to change. The final word on readings is given in class. If you are absent, you are responsible for contacting someone to find out whether there has been a change to the syllabus.

Make-up Exam Policy:

A make-up examination will be arranged only if evidence of a valid excuse (e.g. a note from the doctor, the dean or athletic department, etc.) is presented in a timely manner. If a

student misses an examination without a valid excuse, the student will receive a grade of F for that exam.

Grade Complaint Policy:

While I strive to be fair and consider every grade carefully, I do sometimes make mistakes and periodically change grades. If you feel that a grade has been assigned in error, please submit a grade complaint in writing to the section instructor. The grade complaint should explain what grade you feel you deserve and the reason why. Keep in mind that there is only one justification for changing a grade: the grade does not reflect the quality of the work. Consequently, your complaint should be based on the quality of the work only. Any other information—personal problems, how badly you need to pass the class, how difficult the class is and so forth—is not relevant to determining your grade.

Other information:

The Academic Honor Code must be observed in this course. For more on the honor code, see <http://www.sc.edu/policies/ppm/staf625.pdf>

If accommodations are needed for a disability or religious reasons, please notify me during the first-class period or as soon as possible.

Appendix: The Business Project

The project simulates decision making in the business context in order to better understand how ethical issues arise, the challenges they pose and how to respond to them appropriately.

Teams: The class will be divided into teams. Students have the first three classes to voluntarily form teams. On the fourth class I will assign any remaining students to the four teams.

CEO: Each team will elect a CEO, following whatever procedure they deem best. The CEO is responsible for reporting to the professor for every team project an evaluation of the performance of the team members, in particular whether any team members underperformed. Grades of the individual team members will be based partly on this reporting. The CEO may be replaced at any time by a simple majority vote. Once a CEO has been replaced the next CEO may retroactively report on the previous CEO's performance.

Stages: The project has four stages. Each stage corresponds to a set of readings and issues that we have discussed in class. Each stage culminates in an assignment with multiple parts. For each stage, I will provide a detailed description of the assignment.

Stage 1: Career Choice

In this stage, the group decides what kind of business (and relatedly what kind of career) they want to have. The group considers how this connects with leading a good life. The stage culminates in a group paper explaining the choice, a canvas model of the business, and a presentation of the business to the class.

Stage 2: Ethical Theory

In this stage, the group decides on the ethical responsibilities of corporations. The group considers ethical theories about corporate responsibility and how to apply them. The stage culminates in a group paper.

Stage 3: Statement of Corporate Responsibility (SCR)

In this stage, the group applies their conclusions about the ethical responsibilities of the business to the case of their business. The stage culminates in a SCR describing their business's responsibilities and a group presentation of the SCR.

Stage 4: Ethical Dilemma

In this stage, the group uses the SCR to navigate an ethically challenging business situation (a dilemma). Customized dilemmas are created to test the group's SCR. The group decides how to handle the situation and evaluates their SCR. The stage culminates in a group presentation and a group paper.