IB 343 BUSINESS ETHICS IN AN INTERCULTURAL FRAMEWORK
IES Abroad Madrid

DESCRIPTION: Business ethics do not deal with what is legal, but with the application of moral standards to business decisions. The majority of moral standards relate to personal behavior, which is not necessarily legislated and varies according to cultural differences. We are taught that the primary purpose of a business is to earn a profit, however, the path towards achieving this goal can, in many instances, create dilemmas about justice, equity and honesty. In this course we will study business ethical dilemmas within an intercultural framework and global perspective. We will address the issue of ethics from different points of view: society, environment, individual and corporative.

CREDITS: 3 credits

CONTACT HOURS: 45 hours

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None

METHOD OF PRESENTATION:

- Lectures – Students are presented with content, motivated and challenged to reflect on issues. Issues are clarified and expanded upon.
- Class discussions and debates – Analysis of readings, videos, case studies exchange of ideas and cultural perspectives.
- Online Reader – Selection of reading material in different areas of business ethics.
- Case Studies – Opportunity to study real life situations and how the actors involved reacted.
- Movies – Documentaries and movies related to business ethics and Corporate Social Responsibility
- Student Presentations and debate leading – Students will have the opportunity to research a business ethical issue and present their results to the class. They will also promote the debate and discussion of one of the ethical issues of the syllabus

REQUIRED WORK AND FORM OF ASSESSMENT:
The final grade will be determined as follows:

- Class preparation and participation: Based on attendance and quality participation defined as relevance, evidence, originality, implications and form using knowledge acquired through reading and analysis. 25%
- Midterm: In-class essay test on basic ethical theories as applied to a business case study, analysis of concepts and readings discussed in class. Graded according to how much evidence from readings and class discussions is used to answer the questions. Students are requested to write as clearly as possible. 25 %
- Round table Discussion: Students will form teams of up to 5 students. During the second part of the course (after the midterm exam), we will watch a video/documentary that presents a global situation with ethical dimensions, and the following session one team will be responsible for facilitating a class roundtable discussion on the ethical issues and dilemmas exposed by the documentary. The facilitator team should therefore, analyze the content of the film based on more in depth research and course material, and prepare a written document of their analysis that outlines and explains the issues and dilemmas they were able to define in their analysis. The outline should be uploaded to the course Moodle and handed in paper to the professor before the start of the round table. The facilitator team should promote class discussion and the results of the roundtable should be documented (note taking) and compared with the team's outline. This comparative analysis should also be handed to the professor the next session and uploaded to Moodle. Grading will be based on the quality and in depth of the pre- and post analysis and on how well class discussion is promoted. 25%.

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

Non-justified absences to the assigned round table as facilitator will convey a 50% grade penalty for this concept. Non-justified absences to any of the other three round tables as a class participant will convey a 5% reduction in the grade (for each absence) for this item.

- Final Team Project and Oral Presentation: Students teams will research and analyse a business ethical issue chosen from a list and prepare a **power point file** document that will include **extended notes** of their research and analysis. Teams will do a 30-minute oral presentation minutes for class discussion. The PowerPoint file should be uploaded to Moodle and a pdf printed file (slides+ notes) handed to the professor on the due date. Students will be graded on their demonstrated command of the issue acquired through research, readings and analysis. 25%

  Non-justified absences of any team member in the date of their team's presentation will convey a 30% grade penalty for this concept. Non-justified absences to any of the other oral presentations will convey a 10% reduction in the grade for this item.

LEARNING OUTCOMES:

By the end of the course students will be able to:

- identify and state issues concerning business ethics.
- summarize basic ethical theories and apply them to business issues.
- discuss the concept of Corporate Social Responsibility and the concept of stakeholders.
- describe different ways of managing business ethics in a global context.
- recall case studies on issues related to business ethics around the world.

ATTENDANCE POLICY:

Attendance is mandatory for all IES Abroad classes, including course-related trips. Any exams, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented medical or family emergencies. If a student misses more than three classes in any course 3 percentage points will be deducted from the final grade for every additional absence. Seven absences in any course will result in a failing grade.

CONTENT:

Session	Content	Required Reading
Session 1	Introduction: Why Business Ethics? The objectives, methodology, content and organization of the work are presented in detail.	
Session 2	The individual responsibility: Peter Green's first day (Case Study). Peter Green is a young salesman who recently joined a company. Welcome to the real world?	• Matthews, John, Goodpaster, Kenneth & Nash, Laura. "Peter Green's First Day", in Policies and Persons: A Casebook in Business Ethics, New York: McGraw-Hill, 1991, pp. 11, 12. • Rupal, Jain, Importance of Ethics in Business, Atharva Institute of Management Sutdies, Mumbail. Ezine Articles: ezinearticles.com May 30, 2008 • Andrew Wicks, Bidhan Parmar (2009) An Introduction to Ethics. Prod. #: UV1040-PDF-ENG
Session 3	Philosophies of Ethics and Ethical Dilemmas. We will study the philosophical basis of ethics and will look at what are ethical dilemmas and how to we deal with them.	• Donaldson, Thomas & Werhane, Patricia H. 1983. Introduction to Ethical Reasoning. Downloaded 17/08/2010 from: http://faculty.wiu.edu/E-

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

		Solymossy/Presentations/KJWW/Introduction%20to%20Ethical%20Reasoning.pdf • Ethics- Internet Encyclopedia of philosophy. http://www.iep.utm.edu/ethics/
Session 4	Philosophies of Ethics and Ethical Dilemmas (continuation)	
Session 5	Business, economics and ethics: We will analyze the relationships between ethics and economics from different perspectives.	• Chee Soon Juan. "A Robinson Crusoe Allegory", excerpt from: To be free, Clayton: Monash Asia Institute, 1998 (pp. 1-2). • Fernández, Bruno Federico. "Ethics vs. Finance? An analysis of the origins, problems and future perspectives of this relationship". In: Trust and Ethics in Finance Innovative ideas from the Robin Cosgrove Prize. Editors Carol Cosgrove-Sacks / Paul H. Dembinski http://www.globethics.net/documents/4289936/13421039/OnlineLibrary_GlobalSeries_6_TrustAndEthicsInFinance_text.pdf/6dfbc602-2716-4036-9010-a94c65215b08 • Van Staveren, Irene. Beyond Utilitarianism and Deontology: Ethics in Economics, Review of Political Economy, Volume 19, Number 1, 21–35, January 2007
Session 6	Goals, Processes, Success: The Parable of the Sadhu. Through a case study depicting a Wall Street financial analyst facing a dilemma in mountaineering, we study how each of our behaviors combines a process and a goal.	• McCoy, Bowen (1997). The Parable of the Sadhu. Harvard Business Review, (75 N°3). May-June 1997. pp. 54-61. • Ethics: Organizational Culture and Leadership. AIM paper. http://www.aimpapers.com/samples/Managerial_Ethics_1_1_.pdf
Session 7	Environmental Ethics: Global Dumping. The business of toxic waste exemplifies the possibility of creating business value at the expense of social and environmental values. Video viewing: Ghana: Digital Dumping Ground.	• Clapp, J. "Seeping through Regulatory Cracks" in SAIS Review, vol. XXII no. 1, Winter-Spring 2002. • Polgreen, Lydia, and Simons, Marlise (October 2, 2006). Global Sludge End in Tragedy for Ivory Coast. New York Times. • Chandler, Geoffrey. The global corporation: provider or parasite? Amnesty International UK Business Group. http://www.amnesty.org.uk/action/nw/tun/tualert2/global.html
Session 8	Globalization and Sustainable Development. Globalization of economies and societies has consequences in terms of human development and environmental problems. The issues and	• The Johannesburg Declaration on Sustainable Development, World Summit on Sustainable Development (4 September 2002).

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

	challenges of globalization and the concept of sustainable development are analyzed.	• Assadourian, Erik. The Rise and Fall of Consumer Cultures. In State of the World 2010, Worldwatch Institute Report, New York: W.W. Norton, 2010, pp. 3-21. Downloaded 18/8/2011 from: Blogs.worldwatch.org/transformingcultures
Session 9	International Governance and Corporate Social Responsibility. The issue of international governance is addressed. At the legal level, the means and limits of international law are discussed. Beyond this relatively weak international framework, the rise of corporate social responsibility as a means for business to address its responsibilities is discussed.	• Albala, Nuri. "International law: justice as a commodity", in Le Monde Diplomatique – English language edition (December 2003). • Frankental, P. "Corporate social responsibility - a PR invention?" in Corporate Communications: An International Journal, 14 February 2001, vol. 6, no. 1, pp. 18-23(6). • O'Neill, Ben (2013). "The ethics of wistleblowing". Ludwig von Misses Institute. http://mises.org/daily/6474/ • Orr, David (2013) "Governance in the long emergency". In: State of the World 2013: Is sustainability still possible? Worldwatch Institute. http://www.resilience.org/stories/2013-05-14/governance-in-the-long-emergency
Session 10	Global Labor Markets: Exploitation or Development? The issues raised by competitiveness and businesses trying to cut costs. Video viewing: New Heroes Kailash Satyarthi. Child Slavery in India.	• The United Nations Declaration of the Rights of the Child. • Meyers, C. Wrongful Beneficence: Exploitation and Third World Sweatshops, Journal of Social Philosophy, Vol. 35 No. 3, Fall 2004, 319–333. • Case study Nike, http://www.mallenbaker.net/csr/CSRfiles/nike.html
Session 11	The Ethics of Marketing Practices. Can we sell any product as long as someone wants to buy it? We will analyze the ethics of marketing; how far can businesses go when trying to sell their products or services. What is their responsibility versus the responsibility of consumers? Video viewing "The light bulb conspiracy".	• Marketing ethics. The Chartered Institute of Marketing. http://www.cim.co.uk/Resources/OnlineJournals.aspx • Carr, Albert. 1968. "Is Business Bluffing Ethical?" Harvard Business Review 46, January-February, pp. 143-53. • Ferrell, Linda. Marketing Ethics. http://college.cengage.com/business/modules/marktngethics.pdf
Session 12	Teamwork project organization and guidance. We will organize the teams and discuss how to go about doing the Team final project.	
Session 13	Midterm exam	
Session 14	The Business of Water.	Gleick, Peter H., Wolff, Gary; Chalecki, Elizabeth L., Reyes, Rachel. The New Economy of Water. Pacific Institute for

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

	Here we begin the sessions of film watching and team debate leading. Each week, we will watch and comment a film or documentary that presents a global issue and the following session one team will be responsible for leading a class debate discussion on the issues presented by the film we viewed and the readings. Should water provision be free for all or a source for business? Video viewing: Blue gold.	Studies in Development, Environment, and Security, February 2002. Downloaded 18/8/2011 from: http://www.pacinst.org/reports/new_economy_of_water/new_economy_of_water_ES.pdf
Session 15	Debate discussion on the ethics of the business of water.	
Session 16	Financial Markets and Crisis. What caused the 2008 worldwide financial crisis? We will analyze the world of finance from an ethical perspective. Video Viewing: Inside Jobs	• Katz, C. Interpretations of the economic crisis. International Socialist Review, Issue 75, January–February 2011 • What went wrong? The Economist. Online Edition. Mar 6th 2009 • Greed and Fear. The Economist. Online Edition. Jan 22nd 2009
Session 17	Debate discussion on ethics and finance.	
Session 18	Technological issues: Genetically Modified Organisms Often, risks associated to technological advances are potentially high but not (yet) assessed. The public is less and less prone to take corporate discourses on absence of risks for granted, and international trade institutions are not adapted to implement the precautionary principle. Video Viewing: Life running out of control	• Hoban, Thomas J. Public Attitudes towards Agricultural Biotechnology. ESA Working Paper 04-09, May 2004 in: www.fao.org/es/esa • Meacher, Michael. "Are GM crops safe? Who can say? Not Blair", in The Independent, June 22, 2003. • Sinaï, Agnès. "New Monsanto and GMO Propaganda : Seeds of irreversible change", in Le Monde Diplomatique – English language edition (July 2001).
Session 19	Debate discussion of Technological issues: Genetically Modified Organisms	
Session 20	Health and Ethics. We will look at ethical issues that arise from the business of health care. Videos Viewing: Big Pharma	• Selick, K. Nobody should profit from health care? Get real. Globe and Mail, Wednesday, Nov. 10: Downloaded 18/8/2011 from: http://www.theglobeandmail.com/news/national/time-to-lead/healthcare/nobody-should-profit-from-health-care-get-real/article1792271/ • Wenner Moyer, Melinda. Pharma Watch: Raising Awareness or Drumming Up Sales? Scientific American Mind Volume 26, Issue 5. http://www.scientificamerican.com/article/pharma-watch-raising-

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

		• Pawluk, Hal. The Myth of High Drug Research Costs. Feb 02, 2004. Downloaded 18/8/2011 http://blogcritics.org/culture/article/the-myth-of-high-drug-research/ • ProPublica report: big pharma paid hundreds of physicians over $100,000 in speaking fees. Center Watch News Online. November 8, 2010 11:12 AM • Abramson, John. Drug Profits Infect Medical Studies. Published on Saturday, January 7, 2006 by the Los Angeles Times. Downloaded 18/8/2011 http://www.commondreams.org/views06/0107-28.htm
Session 21	Debate discussion on Health and Ethics.	
Session 22	Team final project presentations	
Session 23	Team final project presentations	
Session 24	Concluding session- summary of the key “take-away” messages of the course.	

REQUIRED READINGS:

- Abramson, John. Drug Profits Infect Medical Studies. Published on Saturday, January 7, 2006 by the Los Angeles Times. Downloaded 18/8/2011 http://www.commondreams.org/views06/0107-28.htm
- Albala, Nuri. “International law: justice as a commodity”, in Le Monde Diplomatique – English language edition (December 2003).
- Andrew Wicks, Bidhan Parmar (2009) An Introduction to Ethics. Prod. #: UV1040-PDF-ENG
- Assadourian, Erik. The Rise and Fall of Consumer Cultures. In State of the World 2010, Worldwatch Institute Report, New York: W.W. Norton, 2010, pp. 3-21. Downloaded 18/8/2011 from: Blogs.worldwatch.org/transformingcultures
- Carr, Albert. 1968. “Is Business Bluffing Ethical?” Harvard Business Review 46, January-February, pp. 143-53.
- Case study Nike, http://www.mallenbaker.net/csr/CSRfiles/nike.html
- Chandler, Geoffrey. The global corporation: provider or parasite? Amnesty International UK Business Group. http://www.amnesty.org.uk/action/nw/tun/tualert2/global.html
- Chee Soon Juan. “A Robinson Crusoe Allegory”, excerpt from: To be free, Clayton: Monash Asia Institute, 1998 (pp. 1-2).
- Clapp, J. “Seeping through Regulatory Cracks” in SAIS Review, vol. XXII no. 1, Winter-Spring 2002.
- Donaldson, Thomas & Werhane, Patricia H. 1983. Introduction to Ethical Reasoning. Downloaded 17/08/2010 from: http://faculty.wiu.edu/E-Solymossy/Presentations/KJWW/Introduction%20to%20Ethical%20Reasoning.pdf
- Ethics- Internet Encyclopedia of philosophy. http://www.iep.utm.edu/ethics/
- Ethics: Organizational Culture and Leadership. AIM paper. http://www.aimpapers.com/samples/Managerial_Ethics_1_1_.pdf
- Fernández, Bruno Federico. “Ethics vs. Finance? An analysis of the origins, problems and future perspectives of this relationship”. In: Trust and Ethics in Finance Innovative ideas from the Robin Cosgrove Prize. Editors Carol Cosgrove-Sacks / Paul H. Dembinski http://www.globethics.net/documents/4289936/13421039/OnlineLibrary_GlobalSeries_6_TrustAndEthicsInFinance_text.pdf/6dfbc602-2716-4036-9010-a94c65215b08
- Ferrell, Linda. Marketing ethics. http://college.cengage.com/business/modules/marktngethics.pdf

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

- Frankental, P. "Corporate social responsibility - a PR invention?" in Corporate Communications: An International Journal, 14 February 2001, vol. 6, no. 1, pp. 18-23(6).
- Gleick, Peter H., Wolff, Gary; Chalecki, Elizabeth L., Reyes, Rachel. The New Economy of Water. Pacific Institute for Studies in Development, Environment, and Security, February 2002. Downloaded 18/8/2011 from: http://www.pacinst.org/reports/new_economy_of_water/new_economy_of_water_ES.pdf
- Greed and Fear. The Economist. Online Edition. Jan 22nd 2009
- Hoban, Thomas J. Public Attitudes towards Agricultural Biotechnology. ESA Working Paper 04-09, May 2004 in: www.fao.org/es/esa
- Katz, C. Interpretations of the economic crisis. International Socialist Review, Issue 75, January–February 2011
- Marketing ethics. The Chartered Institute of Marketing. http://www.cim.co.uk/Resources/OnlineJournals.aspx
- Matthews, John, Goodpaster, Kenneth & Nash, Laura. "Peter Green's First Day", in Policies and Persons: A Casebook in Business Ethics, New York: McGraw-Hill, 1991, pp. 11, 12.
- McCoy, Bowen (1997). The Parable of the Sadhu. Harvard Business Review, (75 N°3). May-June 1997. pp. 54-61.
- Meacher, Michael. "Are GM crops safe? Who can say? Not Blair", in The Independent, June 22, 2003.
- Meyers, C. Wrongful Beneficence: Exploitation and Third World Sweatshops, Journal of Social Philosophy, Vol. 35 No. 3, Fall 2004, 319–333.
- O'Neill, Ben (2013). "The ethics of wistleblowing". Ludwig von Misses Institute. http://mises.org/daily/6474/
- Orr, David (2013) "Governance in the long emergency". In: State of the World 2013: Is sustainability still possible? Worldwatch Institute. http://www.resilience.org/stories/2013-05-14/governance-in-the-long-emergency
- Pawluk, Hal. The Myth of High Drug Research Costs. Feb 02, 2004. Downloaded 18/8/2011 http://blogcritics.org/culture/article/the-myth-of-high-drug-research/
- Polgreen, Lydia, and Simons, Marlise (October 2, 2006). Global Sludge End in Tragedy for Ivory Coast. New York Times.
- ProPublica report: big pharma paid hundreds of physicians over $100,000 in speaking fees. Center Watch News Online. November 8, 2010 11:12 AM
- Rupal, Jain, Importance of Ethics in Business, Atharva Institute of Management Sutdies, Mumbail. Ezine Articles: ezinearticles.com May 30, 2008
- Selick, K. Nobody should profit from health care? Get real. Globe and Mail, Wednesday, Nov. 10: Downloaded 18/8/2011 from: http://www.theglobeandmail.com/news/national/time-to-lead/healthcare/nobody-should-profit-from-health-care-get-real/article1792271/
- Sinaï, Agnès. "New Monsanto and GMO Propaganda : Seeds of irreversible change", in Le Monde Diplomatique – English language edition (July 2001).
- The Johannesburg Declaration on Sustainable Development, World Summit on Sustainable Development (4 September 2002).
- The United Nations Declaration of the Rights of the Child.
- Van Staveren, Irene. Beyond Utilitarianism and Deontology: Ethics in Economics, Review of Political Economy, Volume 19, Number 1, 21–35, January 2007
- Wenner Moyer, Melinda. Pharma Watch: Raising Awareness or Drumming Up Sales? Scientific American Mind Volume 26, Issue 5. https://www.scientificamerican.com/article/pharma-watch-raising-awareness-or-drumming-up-sales/
- What went wrong? The Economist. Online Edition. Mar 6th 2009

RECOMMENDED READINGS:

- Basu, Kaushik. 2003. The Economics of Child Labor, Scientific American, October issue. pp 64-91
- Crane, Andrew and Matten, Dirk (2007). *Business Ethics, Managing Corporate Citizenship and Sustainability in the Age of Globalization*. Oxford University Press.
- Crane, Andrew, Matten, Dirk (2007). McEurope: McDonald's responds to ethical criticism in Europe. Business Ethics, Oxford University Press.
- Freeman, R. Edward. Stakeholder Theory of the Modern Corporation. Downloaded 18/8/2010 from: http://academic.udayton.edu/LawrenceUlrich/Stakeholder%20Theory.pdf
- Friedman, Milton (1970). The Social Responsibility of Business is to Increase its Profit. New York Times Magazine.

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.

* Issue on Corporate Social Responsibility (January 20, 2005). *The Economist*.
* Meacher, Michael. “The planet's polluters should be put in the dock”, in The Guardian, October 25, 2003.
* Solomon, Stephen. 1981. The controversy over baby formula. New York Times Magazine. http://www.nytimes.com/1981/12/06/magazine/the-controversy-over-infant-formula.html?pagewanted=all

IES Abroad is compliant with international and US copyright laws. It obtains permission from publishers to reproduce materials in electronic format or in course readers. Please, note that the copyright for this syllabus is retained both by the instructor and IES Abroad Barcelona.