

# Ethical Issues in Business

## Christopher Newport University, Fall 2017

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MEETING INFO Dr. Chris Tweedt Philosophy 207  
christweedt@cnu.edu Tues & Thurs, 8–9:15 am  
704.941.9079 210 McMurrin Hall

TEXTBOOK *Moral Issues in Business*, 13th ed. by Shaw & Barry.  
Additional readings are hyperlinked on the schedule below.

OUTCOMES The **purpose of this class** is to help you

1. identify, develop, analyze, and evaluate arguments relevant to business actions,
2. understand moral frameworks, reasons for and against those frameworks, and their application to concrete cases, and
3. act in ethically-informed and well-justified ways within business contexts.

OVERVIEW This class is divided into **two sections**.

1. First, we'll address how to make ethical decisions in a business context. To do this, we'll discuss what ethics is and why it is important, whether ethical truths are determined by one's culture or organization, whether the rightness of one's actions are determined by the outcome of those actions, the extent of corporate responsibility, and how to make difficult ethical decisions.
2. Second, we'll practice applying the results of the first section to specific cases. We'll offer arguments for and against the moral permissibility of selling harmful products, price gouging, deceiving in advertising and sales, violating employee privacy, offering bribes or insider trade secrets, suppressing reports of wrongdoing, discriminating in hiring and promotions, demanding company loyalty, harboring wealth, influencing legislation for business gain, and harming the environment.

SCHEDULE Aug 29 **Course overview, classroom expectations**  
No reading

Aug 31 **What is ethics?**  
Shaw, 1-4, 38-45

Sep 5 **Are actions really right or wrong?**  
Shaw, 4-22, 30-32

Sep 7 **Does our culture determine what is right or wrong?**  
Shaw, 12-14  
Time's "Uber Fail"

**How Do We Make Ethical Decisions?**

Sep 12 **How to structure ethical decision-making**  
Shaw, 23-28  
Bloomberg's "When Tiny Fibs Create Big Risks for Businesses"

**Sep 14 Egoistic and Consequentialist/Utilitarian reasoning**

Shaw, 54-66, 110-114

Bloomberg's "Pearson grants CEO 20% pay Increase in wake of January meltdown"

USA Today's "Ford CEO Mark Fields picks up a nice pay increase"

**Sep 19 Goal-oriented and Economic reasoning**

Shaw, 85-87

Podcast: Planet Money's "The Wells Fargo Hustle"

**Sep 21 Deontological reasoning**

Shaw, 66-84

TechCrunch's "Uber reportedly tracked Lyft drivers"

**Sep 26 Egalitarian/Justice-based reasoning**

Shaw, 105-110, 114-128, 133-134

Inc's "Here's what happened at that company that set a \$70,000 minimum wage"

**How Far Does a Business' Responsibility Extend?**

**Sep 28 The scope of corporate responsibility**

Shaw, 202-220

Milton Friedman's "The Social Responsibility of Business is to Increase its Profits"

**Oct 3 The extent of our responsibility to corporations**

Shaw, 221-226, 253-257

**Oct 5 Bringing it all together: how to make difficult ethical decisions**

No reading

**Oct 10 Review/overflow**

No reading

**Oct 12 Test #1**

**Oct 17 No class, Fall Break**

**Application: Consumers**

**Oct 19 Products: safety, quality, harmful effects**

Thesis: It is permissible for a business to sell any product it is legal to sell.

Shaw, 264-275

Information on the effects of cigarettes

The Washington Post on plastic surgery in South Korea

**Oct 24 Pricing: fixing, gouging**

Thesis: Price gouging is morally impermissible.

Shaw, 275-281

Forbes' Price Gouging is bad politics but good economics

Oct 26 **Advertising: deception, withholding information, manipulation**

Thesis: It's permissible for a company to knowingly deceive consumers via advertising.

Shaw, 281-295, 299-300

Recode's "What happened to the Lily camera drone?"

**Application: Employees**

Oct 31 **Social Matters:** abuse of power, confrontation, whistle blowing

Thesis: Employees are obligated to try to remedy known wrongdoings.

Shaw, 494-498, 509-519, 576-579

Nolo, "Can our employer prohibit us from talking about an investigation?"

Nov 2 **Financial Matters:** bribery, insider trading, conflicts of interest

Thesis: Neither bribery nor insider trading is morally impermissible.

Shaw, 498-509, 533-540, 541-550

NPR's "Drug company payments mirror doctors' brand-name prescribing"

Nov 7 **Relational Matters:** discrimination, affirmative action, hiring, firing

Note: This is a heavy reading day, but Thursday will be light.

Thesis: Affirmative action is just in all three senses discussed above.

Shaw, 380-408, 560-576

NYT's "Jerks and the Start-Ups They Ruin"

The Guardian's "AI programs exhibit racial and gender biases"

**Application: Companies**

Nov 9 **Transparency:** organizational layers

Thesis: Companies are obligated to have policies that identify individuals responsible for wrongdoings.

Shaw, 46-53

ProPublica's "What's happened to the big players in the financial crisis"

Nov 14 **Working Conditions:** privacy, pressure, culture

Thesis: Corporations are obligated to provide paid maternity leave for its salaried employees.

Shaw, 435-457

NYT's "Inside Amazon"

Inc's "Court: Hugging Could Be Sexual Harassment"

Nov 16 **No class, conference**

**Application: Community**

Nov 21 **Government:** influencing legislation

Thesis: It is impermissible for a corporation to make campaign contributions.

Shaw, 151-173

AP's "Influence Game: GM bill is self-driving and self-interested"

Nov 23 **No class, Thanksgiving**

Nov 28 **Environment**: obligations to future generations and/or to nature  
Thesis: We are obligated to create conditions for future persons to flourish.  
Shaw, 334-354  
BBC's "Chevron fined for Amazon pollution by Ecuador court"  
Ecowatch's "Fast fashion is the second dirtiest industry in the world"  
US NWR's "Walmart struggles to overcome environmental criticism"

Nov 30 **Underprivileged**: obligations to give  
Thesis: We are obligated to give to those who have a greater need than we do.  
Peter Singer's "Famine, Affluence, and Morality"  
Current Affairs' "It's Basically Just Immoral to be Rich"

Dec 5 **Review/Overflow**  
HBR's "Liberal Arts in the Data Age"

Dec 7 **Test #2**

Dec 13 **Case Study Due**, 5 pm

GRADING

200 points **2 tests**

The tests are non-comprehensive, covering only the most recent half of the course.  
Tests will be taken on a computer during class times specified above.  
I will describe the format of the test in class.  
Test dates are on the schedule above.

50 points **5 quizzes**

These quizzes are entirely multiple choice, made available on Scholar.  
Quizzes contain 5 questions about the last meeting and the reading for the day.  
You need a secret passcode to take the quiz.  
The secret passcode will be given in the first 10 minutes of 5 unspecified classes.  
You can have the passcode without attending class only if you have a good excuse.  
There is a super secret, super harsh penalty for students who give out the passcode.

100 points **10 argument papers**

10 argument papers are due during the first 12 class times after Test #1.  
You can write at most one argument paper per class time.  
Papers must contain no more than 100-words.  
Papers must contain only a thesis and reasons for that thesis.  
The paper must argue for or against the thesis of the day, given on the schedule.  
I will describe how to write your papers in class.  
Papers will be graded only on insight or thoughtfulness of the reasons for the thesis.  
Papers are due within 10 minutes of the start of each class.  
You get an automatic 0/100 on all papers if you plagiarize on one paper.

50 points **1 case study**

Must be in an audio format, maximum 3 minutes, delivered to me electronically.  
The first part must contain a description of a real-world business case.  
The second part must contain an analysis.  
What is the action you are evaluating?  
What stakeholders are affected?  
Is the action wrong? Why or why not?  
How could someone rationalize their action?  
Why is the rationalization incorrect?  
Students will only be graded on content, not smoothness of presentation.  
Due date is on the schedule above.

SCALE

100 > A > 92	90 > B+ > 88	80 > C+ > 78	70 > D+ > 68
92 > A- > 90	88 > B > 82	78 > C > 72	68 > D > 62
60 > F > 0	82 > B- > 80	72 > C- > 70	62 > D- > 60

HONOR CODE	<p>By being enrolled in this class, each student is expected to read, understand, and abide by the <a href="#">CHU's honor code</a>. CNU reserves the right to penalize any student whose academic conduct at any time is, in its judgment, detrimental to the University. This conduct includes plagiarism, collusion, cheating, giving or receiving or offering or soliciting information in examinations, or the use of previously prepared material in examinations or quizzes.</p> <p>Class Policy: You'll receive an automatic F in the course if you share test or quiz questions with other students. The purpose of these tests is to, well, test their knowledge. If you allow other students to prepare, it undermines the testing process. If you discover someone sharing questions and report it to me, you will get free ice cream. Also, I'll report all seeming-plagiarism to CHECS and give you a 0 for the assignment. I won't argue with you whether you did it intentionally. We all know how that will go. You'll argue that you didn't mean to do it, just like people who do it intentionally argue. So I'm not even going to ask. It's a good idea to be intentional about not doing it.</p>
DISABILITY, ACCOMODATION	<p>If you believe that you have a disability, please contact Dr. Kevin Hughes, Dean of Students (594-7160) to discuss your needs and provide you with documentation to give to your professors. Please also let me know in private, and I will discuss accomodations with you.</p>
ACADEMIC SUPPORT	<p>The Center for Academic Success, located in 123 Newport Hall, offers free tutoring assistance for CNU students. You can request a tutor, meet with a writing consultant, or make an appointment to talk one-on-one with a University Fellow to help you succeed.</p>