

Mendoza College of Business
University of Notre Dame

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Spring 2008

MBET 60330: INTERNATIONAL BUSINESS ETHICS

January 15 to February 26
Tuesday and Thursday, 10:00 am -11:50 am

Purpose and Objectives

The fundamental purpose of business ethics is to enhance the ethical quality of decision making processes at all levels of business, at the personal (micro-), organizational (meso-), and systemic (macro-) levels. This 2-credit course on international business ethics builds on the previous course "Conceptual Foundations of Business Ethics" and focuses on the international dimension of business ethics at all three levels.

The course includes two parts. In the first part we attempt to gain a deeper and more sophisticated understanding of what corporate responsibility in economic, social, and environmental terms can mean and how it is crucial for both big and small companies facing globalization. We use several companies as examples to substantiate corporate responsibilities in the global context and explore different but complementary frameworks for global ethical standards: Amartya Sen's capability approach and the contributions of world religions, particularly the Declaration Toward a Global Ethics, the Interfaith Declaration of International Business Ethics, and the UN Global Compact.

The second part of the course focuses on crucial aspects for developing business ethics in China. As a framework we use the book *Developing Business Ethics in China* (2006), complemented by a number of videos and further articles as background information. By investigating a few major challenges of doing business in China, we hope to overcome widespread prejudices and clichés about China, to become more sensitive for the complexities of this country, and to help improve mutual understanding between the East and the West.

Assignments

- Required readings to be completed prior to class
- Notes to be prepared prior to class
- Group assignment "Chinese companies go global"
- Research paper by two students: Draft of ½ page submitted by January 31. Final paper of 12 pages (ca. 4,200 words) due by February 29 (see guidelines).

Grading

The final grade will be computed on the basis of active class participation (including use of required readings: 20%), the preparation of notes (15%), group assignment (15%), and research paper (50%).

Remember the Honor Code Pledge

"As a member of the Notre Dame community, I will not participate in or tolerate academic dishonesty."

Textbook and Readings

- Lu, Xiaohu, Enderle, Georges (eds.) 2006. *Developing Business Ethics in China*. New York: Palgrave (referred to as BE China; available from the instructor).
- Course Packet MBET 60330 (referred to as CP) is accessible at the course website: I:\coursep.08\mbet\mbet60330.01.

Class Schedule

Corporate Responsibilities in the Process of Globalization

January 15: Introduction and Overview

G. Enderle: Focus on the Creation of Wealth (CP)
Visit website: business.nd.edu/wealthcreation

January 17: Small Companies in the Global Economy:

G. Enderle: Global Competition and Corporate Responsibilities of Small and Medium-Sized Enterprises (CP);
Cases: Rohner Textil AG (CP)
M. Yunus: Micro-Credit Movement (CP)

January 22: Big Transnational Companies in the Global Economy

H. Steinmann: Corporate Ethics in Germany: VW and Otto-Versand (BE China)
U. Baerlocher: Global Corporate Citizenship: Novartis (BE China)
Global Reporting Initiative: www.globalreporting.org

January 24: Key Features of Corporate Ethics

G. Enderle: Corporate Responsibility in the CSR Debate (CP)
L. Sharp Paine: The Corporation's Evolving Personality (BE China)
D. Rossouw: Business Ethics and Corporate Governance (BE China)

January 29: Frameworks for Global Ethics
A. Sen: Development as Freedom (CP)
H. Küng: A Global Ethic in an Age of Globalization (CP):
www.weltethos.org/dat_eng/index_e.htm
S. Webley: Interfaith Declaration of International Business Ethics (CP)
UN Global Compact: www.unglobalcompact.org

January 31: Human Rights and Business
K. Leisinger: Corporate Responsibility for Human Rights (CP)
K. Pistor: Human Rights and Corporate Governance (CP)
J. Ruggie: Business and Human Rights: Mapping International Standards of
Responsibility and Accountability for Corporate Acts (CP)

Submitting draft of research paper

Perspectives of Developing Business Ethics in China

Introduction: G. Enderle: Business Ethics in China (CP)

February 5: China's Growing Economy: Video PBS 2005
Y. Zhu: On China's Traditional Business Ethics and Its Modern
Transformation (BE China)
Z. Hu and K. Huang: Fundamental Business Ethics Issues in Contemporary China
(BE China)
X. Zhao: Economic Motivation and Its Relevance for Business Ethics (BE
China)
H. Gao: On the Moral Principles of Contract Ethics (BE China)
M. Jensen: Promoting Human Rights and Business in China (CP)

February 7: Increasing Inequalities:
C. Riskin et al.: The Retreat from Equality: Highlights of the Findings (CP)
J. Yang: Ethical Evaluation of the Income Distribution in China According
to Its Five Income Sources (BE China)
Systemic Perspectives:
K. J. Lam: Confucian and Christian Ethics about the Market Economy (BE
China)
J. Collier: Business Ethics in China: A Systematic Perspective (BE China)
R. De George: Business Ethics, Globalization, and the Information Age (BE
China)

February 12: The Chinese Consumer: Video PBS 2005
Z. Zhou: Ethical Concepts of Consumption in China and the West (BE
China)

Environmental Challenges: Video GE Case

E. Economy: The Great Leap Backward? The Costs of China's Environmental Crisis (CP)

Z. Wang: The Ethics of an Ecological Economy (BE China)

February 14: Shake-ups of Chinese Companies: Video PBS 2000

J. Wu: State-Owned Enterprise Reform and Economic Development (CP)

L. Li: "Moral Reticence": Corporate Management's Tendency to Avoid Addressing Ethical Issues (BE China)

X. Zhou: The Necessity and Prospects of Promoting Ethics in Chinese Enterprises: Dazhong Transportation Group (BE China)

F. Qiao: The Moral Values of "Joint-Forces Culture": Xuchang Relay Group (BE China)

H. Lu, C. Chiu: Corporate Citizenship: Enterprises in Shanghai (BE China)

February 19: Chinese Companies Go Global:

X. Wang: China's Ethical Challenges after Joining the WTO (BE China)

Group projects presented in class

February 21: Challenges of Bribery and Corruption:

J. Areddy: Corruption Crackdown Targets Shanghai Inc. (CP)

Y. Sun: The Phenomenology of Reform-Era Corruption (CP)

D. Xu: Business Corruption in China's Economic Reform and Its Institutional Roots (BE China)

G. Brenkert: Rules, Roles, and Moral Disparity: The Problem of Corruption (BE China)

February 26: Bumps in the Road? Video PBS 2005

J. Kynge: The Collapse of Social Trust (CP)

G. Enderle: Confidence in the Financial Reporting System: Easier to Lose than to Restore (BE China)

M. Pei: Democratizing China? (CP)

February 29: Submission of research paper
