

GSBA 507 Peace Through Commerce
Fall 2008
Dr. Denise Dimon

Friday, 9:00-11:50am
Some Saturdays, 9:30-1:30pm
Classroom: IPJ 222 and Olin 229

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Introduction

This course looks at the role of business and other economic organizations in fostering peace. Peace is defined to mean more than the absence of war. Until people's human rights are respected, basic needs met, justice grounded in institutions and organizations, we cannot have peace and hope for a safer world. When people live on the brink of poverty, income disparity prevails, corruption and injustice are a way of life, and people see no economic opportunities for the future, there will be no peace. What is the role of business in fostering peace? How can businesses and other economic organizations prosper while at the same time assure sustainability by creating peace? Are economic opportunities being overlooked by firms and organizations with their current way of thinking? These questions and others are addressed in this course.

Course Description

This course centers on the contributions that commerce, trade, business, and economic development can make toward building sustainable peace. It explores issues such as globalization, corruption, trade policies, corporate social responsibility and sustainability as they enable or hinder the creation of wealth and social transformation, particularly for the 4 billion people living in poverty and duress. Through specific examples students will assess trade and business opportunities in the global economy that foster cross-cultural understandings that are economically profitable, socially responsible and ecologically respectful. Students will also examine the achievements and challenges of multi-sector collaborations seeking significant social and environmental impact. (2 units)

At the end of the course participants will:

- Be familiar with real business stories and new business models to support entrepreneurship to eradicate poverty
- Have studied new designs to support sustainable enterprises and the role of business as a force and partner for peace
- Be able to assess the potential competitive advantages for nations and models for development
- Compare the different national policies toward trade and commerce in terms of strategies toward competitiveness and their impact on society as a whole
- Be able to distinguish the various benefits and challenges of operating in an emerging economy
- Have studied the impact of internationalization forces on the world economy and their implications on managerial strategy and global leadership to run competitive sustainable business operations

Course Materials

Cases are to be ordered directly, and downloaded from, the Harvard Business School by going on-line <http://harvardbusinessonline.hbsp.harvard.edu/relay.jhtml?name=cp&c=c24958> to download the cases at a student discount of \$3.95 each.

“Octopus and the Generals: The United Fruit Co. in Guatemala”, #805-146
“IKEA’s Global Sourcing Challenge: Indian Rugs and Child Labor (A)” #9-064-14
“Starbucks and Conservation International,” #303-055
“Patrimonio Hoy,” #9-805-064
“McDonald's Corp.: Managing a Sustainable Supply Chain” #907414

Other course materials:

There are various audio and video files included as part of the course materials. Links to additional web pages and readings are included throughout the course pages. These readings have been taken from the USD Copley Library online collection, so you are permitted to read them online or to print them free of charge. To access CE6:

<http://pope.sandiego.edu>

Recommended readings:

Hart, Stuart L., *Capitalism at the Crossroads*, Wharton School Publishing, February 2005.

Prahalad, C.K., *The Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profits*, Wharton Publishing (paperback), 2006.

Savitz, Andrew W., *The Triple Bottom Line*, Jossey-Bass, 2006.

Academic Integrity

Acts of academic dishonesty are taken seriously and dealt with harshly, following the University's academic integrity procedures. Acts of academic dishonesty include: a) unauthorized assistance on an examination; b) falsification or invention of data; c) unauthorized collaboration on an academic exercise; d) plagiarism.

Evaluation

Participation	10%
Four Cases	65%
Final Project	25%

Participation The quality of the class and your learning experience is dependent upon both the student’s and the professor’s preparation and participation. Please note that contribution is not equivalent to the quantity of contribution. The quality of what is said and the quality of one’s listening and responsiveness to others are also important components for the evaluation of class participation. Be prepared to discuss any of the reading or cases assigned for that day.

Cases: : Everyone needs to be prepared to discuss the cases. Four of the cases are to be submitted at the beginning of class. Additional information on the cases, to assist with your write-ups, are posted in CE6.

Final Project: To develop a CSR or sustainability strategy for a company highlighting how this private-sector initiative will play a critical role to play in helping solve environmental and social problems. The business initiative must create mutual value, such as capacity building and wealth creation, for both society and the organization.

**Course Schedule
Fall 2008**

DATE:	TOPICS:	OBJECTIVES:	ASSIGNMENTS/ACTIVITIES:
Friday August 29 9:00-11:50am	The Global Business Environment	<p>Introduction to the course</p> <p>Examine international resources available at USD</p> <p>An examination of the macro and micro determination of competitiveness</p> <p>Become familiar with the trends in trade, investment and commerce</p> <p>Compare countries and companies in terms of the new economy</p> <p>Be introduced to some of the different economic environments facing business strategies and trade operations around the globe</p>	<p>Sacks, Jeffrey, "A New Map of the World," <i>The Economist</i>, June 22, 2000. (on web page)</p> <p>Drucker, Peter, "The Next Society," <i>The Economist</i>, November 1, 2001 (on web page)</p> <p>"The Informal Economy," <i>The Economist</i>, June 17, 2004 (on web page)</p>
Friday September 5 9:00-11:50am	Public policy and strategy to foster wealth creation, poverty reduction and social well-being	<p>Discussion of the following:</p> <p>Why is globalization controversial? Is it controversial because of the social/distributional issues or because of economic/growth related issues</p> <p>What are the social issues in developed countries? How are these issues related to globalization?</p>	<p>"Surmounting the Challenges of Globalization,"</p> <p>"Trade Disputes and Outsourcing," <i>The Economist</i>, September 16, 2004 (on web page)</p> <p>Video and audio clips on web page for this module</p> <p>HBS Case: "Octopus and the Generals: The United Fruit Co. in Guatemala", #9-805-146 (read only)</p>
Friday September 12 9:00-11:50am	<p>Current issues in trade policies</p> <p>How does trade policy help or hinder wealth creation in developing countries</p>	<p>Discussion of the following:</p> <p>What are the social and economic issues in developing countries? For example, is child labor inevitable?</p> <p>Paths to development</p> <p>Examine to role of companies in sustainable development and the elimination of poverty</p>	<p>"Child Labor: Sickness or Symptom," <i>The Economist</i>, February 4, 2004 (on web page)</p> <p>HBS Case: "IKEA's Global Sourcing Challenge: Indian Rugs and Child Labor (A)" #9-064-14</p>
Saturday September 20 9:30-1:30pm Olin Hall 229	<p>Business at the Base of the Pyramid</p> <p>Wealth Creation in Emerging Markets</p> <p>Lower income consumers and business development</p>	<p>Discover the opportunities and challenges of servicing lower income markets</p> <p>Examples of companies entering in markets and servicing lower income consumers</p>	<p>Prahalad, C.K. and Allen Hammond, "Serving the World's Poor Profitably," <i>Harvard Business Review</i>, September 2002 (on web page)</p> <p>Additional readings posted within CE6</p> <p>HBS Case: "Patrimonio Hoy," #9-805-064</p>

Friday October 3 9:00-11:50am	NGOs and Private Sector Enterprises	To examine local community projects and the role of NGOs in business development Discuss issues to keep projects sustainable	Argenti, Paul, "Collaborating with Activists: How Starbucks Works with NGOs," <i>California Management Review</i> , Fall 2004 (on web page) HBS Case: "Starbucks and Conservation International," 9-303-055
Saturday October 11 9:30-1:30pm Olin Hall 229	Incorporating CSR and Sustainability as strategy	Discuss the idea of the social contract and the impact on the firm and society	Porter and Kramer, "Strategy and Society, the link between Competitive Advantage and Corporate Social Responsibility," <i>Harvard Business Review</i> , December 2006 (on web page) Guest Speaker, Monica Spiro, Corporate Giving and Sustainability, Dole Food Co
Friday October 31 9:00-11:50am	Economic environment and the impact on society: case of financial crises Role of international organizations	An examination of some of the factors leading up to the more recent financial crises Impact of crises on local business and income distribution, and society	Additional readings posted in CE6 Video: The Crash Audio clips located on web page for this module
Friday November 7 9:00-11:50am	Environment and Sustainability Conclusions and wrap-up	Sustainability and profitability Managing sustainable supply chains	Oraato, Renato, "Competitive Environmental Strategies: When does it Pay to be Green"? <i>California Management Review</i> , February 2006 (on web page) Locke and Romis, "Improving Work Conditions in a Global Supply Chain," <i>MIT Sloan Management Review</i> , Winter 2007 (on web page) HBS Case: "McDonald's Corp.: Managing a Sustainable Supply Chain" #907414 Guest Speaker, Sarah Savern, Director of Corporate Sustainable Development, Nike Corporation