

COURSE # SSM2020H SUSTAINABILITY ETHICS

Fall 2015

Instructors:
Telephones:
Emails:
Office Hours: TBA

Course Objectives

This course is designed to develop an understanding of: (1) the ethics of sustainability, (2) business ethics, (3) how business views sustainability, (4) how to influence corporate strategy and decision making through business ethics, and (5) important current and future topics and issues in sustainability ethics. The focus of the course will be practical, and will build upon a historical understanding of ethical developments to offer students a perspective on current practices as well as future prospects.

Learning Outcomes

Upon completion of this course, course participants will be able to:

- Be able to recognize ethical dilemmas related to sustainability,
- Appreciate the opportunities and risks inherent in sustainability problems,
- Make practical, defensible decisions about them,
- Influence corporate decision makers to take sustainability ethics into account effectively.
- Apply ethical reasoning to sustainability dilemmas encountered in the future.

Course Material

Required textbook

Extracts from: Business & Professional Ethics for Directors, Executives & Accountants, L.J. Brooks & P. Dunn, Cengage Learning, 7e, Stamford CT, 2015.

Weekly reading list

The weekly reading list is provided beginning on page 6 of the course outline. A few texts will require you to use the library website.

Instructional Approach

This course is taught primarily through the Socratic discussion of issues and the use of readings, cases, and videos where appropriate. Class participation will be graded. Short exercises will be also be used, and students will be required to demonstrate the application of business ethics to a sustainability issue or concern in an essay assignment. The course will end with an examination of all of the topics covered.

Grading

Learning in this course will be evaluated both on group as well as an individual basis as specified. In group courseworks, group members will share the same grade adjusted by peer evaluation.

Your final grade will be calculated as follows:

Components of Coursework and Weights

Written Analysis of Sustainability Issue	To be assigned (Group) <i>Due: October 19, 2005</i>	20%
Application of Business Ethics Analysis	See below for details (Individual) <i>Due: November 16, 2015</i>	20%
Class Participation	In-class Contribution (Individual)	20%
Examination		40%
Total		100%

Written Analysis of a Sustainability Issue (Group)

Each group will submit a written report on a pre-assigned case that will be given in the class. A detailed discussion on case discussion, presentation and report writing will be held in the first week. A rubric for assessment will also be discussed.

Application of Business Ethics (Individual)

Students will choose a sustainability-related issue that presents an ethical dilemma for a corporation, and prepare a report that will include their ethical analysis of the issue, and how they would attempt to influence the strategy, decision making and actions of the company to recognize the problem and implement your analysis and recommendations. The issue chosen must be approved in advance by Prof. Brooks. The real name of the company involved cannot be used unless authorized by Prof. Brooks.

Class Participation

Class participation requires you be present in the class each week, pre-read the cases; participate actively in lecture discussions as well as in class exercises. Class participation grades are based on quality of contribution in discussions during case lectures, case presentations and in-class exercises.

Academic Misconduct

Students should note that copying, plagiarizing, or other forms of academic misconduct will not be tolerated. Any student caught engaging in such activities will be subject to academic discipline ranging from a mark of zero on the assignment, test or examination to dismissal from the university as outlined in the academic handbook. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties.

Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site.

Turnitin course ID number: 10444819

Any modifications to the course will be announced and explained in class.

Course Drop Deadline

For information purposes, the School of Graduate Studies deadline to drop this course without academic penalty is **November 2, 2015**. Please note that MScSM Program students must have the written permission of the Program Director to drop a course. Please consult with the Program Registrar if you are considering dropping a course.

Course Schedule

WEEK	DATE	CONTENT
1	Wednesday September 16	<p>Introduction – Len Brooks & Pierre Desrochers</p> <ul style="list-style-type: none"> ➤ Objectives of the course ➤ Resources, Readings, Cases, Exercises ➤ Assessment – group and individual work ➤ Assessment – participation ➤ Methodology for Case Analysis, Presentation and Writing ➤ What does sustainability ethics really mean? ➤ Class Exercise: Fossil Fuels Divestment Campaign
2	September 23	<p>Worldviews: Environmental Ethics and Sustainability (EE) – Desrochers</p> <ul style="list-style-type: none"> ➤ Environmental ethics: Schools of thought – overview ➤ Economic development, standards of living and sustainability ➤ Topical issue: Population, Consumption and Resources
3	September 30	<p>Profitability, Externalities and Sustainability – Desrochers</p> <ul style="list-style-type: none"> ➤ Market failures and sustainability ➤ Government failures and externality ➤ Topical issue: Industrial Waste Recovery
4	October 7	<p>(Social) License to Operate: Fossil Fuels – Desrochers</p> <ul style="list-style-type: none"> ➤ Historical perspective ➤ (Realistic) alternatives ➤ Topical issue: Moral Case for Fossil Fuels (Epstein) and Ethical Oil
5	October 14	<p>Race to the Bottom and Environmental Justice: Corporate location decisions – Desrochers</p> <ul style="list-style-type: none"> ➤ Correlation and Causation ➤ Determinant of corporate location decisions ➤ Trade-offs ➤ Topical issue: Location of landfills and refineries

6	October 21	<p>Evolution of Business Ethics (BE) – Brooks</p> <ul style="list-style-type: none"> ➤ Ethics & business ethics – what is involved? ➤ Why did it develop? ➤ What were the important milestones? ➤ What are the key topics at the moment? ➤ What is an ethical dilemma? ➤ Ethical reasoning ➤ Philosopher’s contributions to ethical reasoning and behavior ➤ Cases: Harry Potter and the Green Brigade; President’s Choice Diapers; ➤ Deciding Who Receives the Swine Flu Vaccine; ➤ Daimler Settles U.S. Bribery Case for \$185 Million
7	October 28	<p>Practical Ethical Decision Making – Brooks</p> <ul style="list-style-type: none"> ➤ Rules of Thumb ➤ Stakeholder Theory & Stakeholder Decision Analysis ➤ Practical ethical decision techniques ➤ Comprehensive ethical decisions ➤ Cases: BetaSeron Decision (A); Ford Pinto; Bribery in China
8	November 4	<p>Corporate Governance, Strategy & Risk Management – Brooks</p> <ul style="list-style-type: none"> ➤ How are corporations governed? ➤ Why and how do corporations create strategies? ➤ How do corporations make strategic and operation decisions? ➤ Why are corporations interested in risk management, and why are sustainability concerns relevant? ➤ How can you argue successfully for ethical sustainability issue treatment? ➤ Cases: Kardell Paper Co.; Brent Spar Decommissioning Disaster; ➤ The Exxon Valdez; Texaco: The Ecuador Issue
9	November 11	<p>Corporate Social Responsibility/Sustainability Activities & Reporting – Brooks</p> <ul style="list-style-type: none"> ➤ CSR/Sustainability activities ➤ Measurement & reporting formats – GRI, etc. ➤ Measurement & reporting challenges ➤ Speaker: TBA ➤ Cases: CSR Report (TBA); GRI Report (TBA)
10	November 18	<p>Creating an Organizational Culture Sensitive to Sustainability – Brooks</p> <ul style="list-style-type: none"> ➤ Why bother ➤ Organizational culture – what it is, and how it works ➤ Cultural sensitivity to sustainability – what it means ➤ Control & monitoring mechanisms ➤ Whistleblowing mechanisms ➤ How to achieve ➤ Cases: BP’s Corporate Culture; BP’s Gulf Oil Spill Risk Management ➤ Tylenol Recalls (2010): Its Still About Reputation

11	November 25	Varia: Local Food – Desrochers <ul style="list-style-type: none"> ➤ Historical Perspective ➤ Claims Vs Reality ➤ Winners and losers ➤ Topical issue: Soil Association and Ontario
12	December 2	Examination

Instructors

Leonard J. Brooks is Professor of Business Ethics. He is the Executive Director of the Rotman School's Clarkson Centre for Business Ethics, and Director of the University's Professional Accounting Centre, Master of Management & Professional Accounting Program, and Diploma in Investigative and Forensic Accounting Program. He has authored many articles and authored or co-authored/edited several books including *Business & Professional Ethics for Directors, Executives & Accountants, 7e (2015)*; *Ethics & Governance: Developing and Maintaining an Ethical Corporate Culture, 4e (2012)*; and *Principles of Stakeholder Management (1999)*. Professor Brooks is a former Director of the Canadian Centre for Ethics & Corporate Policy, and was a member of the Editorial Board of the *Journal for Business Ethics* for fourteen years. He is a Faculty Associate of the University's Centre for Ethics and member of its Centre for Bioethics. His research interests include governance, business and professional ethics, risk management, ethical decision making, conflicts of interest, and developing and maintaining an ethical corporate culture. He received the 2000 Ethics in Action Award – Ongoing Social Responsibility – Individual in recognition of his leadership in the field of corporate social responsibility.

Web pages:

<http://www.rotman.utoronto.ca/facbios/viewFac.asp?facultyID=brooks>
http://www.ethics.utoronto.ca/index.php?p_id=73&id=4

Pierre Desrochers is Associate Professor of Geography. He has written a number of academic articles, books and popular columns on environmental policy issues and debates and has won a few awards for some of these, most notably an Emerald Management Reviews' award for having written the top environmental management paper and one of top fifty management articles of 2002 (selected out of 20,000 articles). His primary research interests revolve around economic development and energy, food and environmental policy.

Webpage:

<http://geog.utm.utoronto.ca/desrochers/>

Reading List

Week 1

1. Mandel, Kyla. 2014. "Sustainability Professionals: Coming into their Own." *ENDS* (Environmental Data Services) (June), special section, pp.10-11.
2. Prahalad, Coimbatore Krishnarao. 2010. "Responsible Manager." *Harvard Business Review* (January): 88. <https://hbr.org/2010/01/column-the-responsible-manager>
3. Globerman, Steven. 2011. "The Social Responsibility of Managers: Reassessing and Integrating Diverse Perspectives." *Business & Society Review* 116 (4): 509-532.
4. Unruh, Gregory C. 2008. "The Biosphere Rules." *Harvard Business Review* 86 (2): 111.
5. Toronto350.org. 2015. *The Fossil Fuel Industry and the Case for Divestment: Update* (Executive Summary)
<https://d3n8a8pro7vhmx.cloudfront.net/to350/pages/50/attachments/original/1428958642/fossil-fuel-divest-new.pdf?1428958642>

Week 2

1. McShane, Katie. 2009. "Environmental Ethics: An Overview." *Philosophy Compass* 4 (3): 407-420. https://www.academia.edu/827473/Environmental_Ethics_An_Overview
2. ----. 2015. "Stuff: When less is more." *Harvard Business Review* (March)
<https://hbr.org/2015/03/vision-statement-stuff-when-less-is-more>
3. Diamond, Jared. 2008. "What's your Consumption Factor?" *New York Times* (January 2)
http://www.nytimes.com/2008/01/02/opinion/02diamond.html?_r=0
4. Bullard, Gabe. 2015. "Data Points: We've Consumed More Than the Earth Can Produce This Year." *National Geographic* (August 13) <http://news.nationalgeographic.com/2015/08/150813-earth-overshoot-day-earlier/#.Vc2tghXeMIM.mailto>
5. Bailey, Ronald. 2011. "[The Myth of Pristine Nature \(Review of Emma Marris' Rambunctious Garden: Saving Nature in a Post-Wild World\)](#)." *Reason Foundation* (August 16).
6. Ecomodernism. 2015. *An Eco-Modernist Manifesto*. <http://www.ecomodernism.org/>
7. Ausubel, Jesse H. 2015. "The Return of Nature. How Technology Liberates the Environment." *The Breakthrough Journal* 5 (Summer) <http://thebreakthrough.org/index.php/journal/issue-5/the-return-of-nature>
8. Graham, Chelsea. 2015. "Overshoot Day Underestimates Human Ingenuity." *Cato at Liberty* (August 19) <http://www.cato.org/blog/overshoot-day-underestimates-human-ingenuity>

Week 3

Videos

1. Suzuki, David. 2013. "Externalities." *Resource Base Economy*
http://www.huffingtonpost.com/edward-flattau/fossil-fuel-immorality_b_6342962.html
2. Meiners, Roger. 2014. "How Dirty Laws Trash the Environment." *Learn Liberty*
<http://www.learnliberty.org/videos/how-dirty-laws-trash-the-environment/>

Readings

1. Young, Suzanne. 2013. "Externalities." In Samuel O. Idowu, Nicholas Capaldi, Liangrong Zu, Ananda Das Gupta (eds). *Encyclopedia of Corporate Social Responsibility*, Springer, pp. 1121-1123.
2. Lux, Kenneth. 2003. "The Failure of the Profit Motive." *Ecological Economics* 44 (1): 1-9.
<http://www.sciencedirect.com/science/article/pii/S0921800902002707>
3. Reed, Andrew and Pierre Desrochers. 2008. "The Invisible Green Hand." Mercatus Policy Series, Policy Primer #7 <http://mercatus.org/publication/invisible-green-hand>
4. Barnett, Andy, Bruce Yandle. 2009. "The End of the Externality Revolution." *Social Philosophy and Policy* 26 (2): 130-150.
<http://journals.cambridge.org/action/displayAbstract?fromPage=online&aid=5878592&fulltextType=RA&fileId=S0265052509090190> (or full text available via ResearchGate)
https://www.researchgate.net/publication/232019953_THE_END_OF_THE_EXTERNALITY_REVOLUTION#

Week 4

Videos

1. Epstein, Alex. 2015. "Why You Should Love Fossil Fuels." *Praeger University* (April 20)
<https://www.youtube.com/watch?v=49Teja5YNCo&feature=youtu.be>
2. Ridley, Matt. 2013. "Matt Ridley on How Fossil Fuels are Greening the Planet." *Reason TV*
https://www.youtube.com/watch?v=S-nsU_DaIZE

Readings

1. Yates, Brian F. and Celesa L. Horvath. 2013. "Social License to Operate: How to Get It, and How to Keep It." *Pacific Energy Summit 2013*.
http://www.nbr.org/downloads/pdfs/eta/PES_2013_summitpaper_Yates_Horvath.pdf
2. Gerson, Jen. 2014. "Rise of 'Social Licence': Claiming they Speak for their Community, Protest Groups are Undermining the Law." *National Post* (October 17)
<http://news.nationalpost.com/news/canada/rise-of-social-licence-believing-they-speak-for-their-community-protest-groups-are-undermining-the-law>
3. Kenyon, Duncan and Andrew Read. 2014. "The Costs of Losing Social License." *Pembina Institute* (June 6) <http://www.pembina.org/blog/the-costs-of-losing-social-licence>
4. ---. 2014. "Do Pipeline Companies need Social License?" *Canadian Energy Pipeline Association* (October 28) <http://www.cepa.com/do-pipeline-companies-need-social-licence>

5. Goklany, Indur. 2012. "[Humanity Unbound: How Fossil Fuels Saved Humanity from Nature and Nature from Humanity.](#)" *Cato Policy Analysis* No. 715
6. Flattau, Edward. 2015. "Fossil Fuel Immorality." *Huffington Post* (February 16) http://www.huffingtonpost.com/edward-flattau/fossil-fuel-immorality_b_6342962.html
7. De Souza, Raymond J. 2012. "Father Raymond J. de Souza on the Oil Sands: Even more Ethical than you Thought." *National Post* (June 28) <http://news.nationalpost.com/full-comment/father-raymond-j-de-souza-on-the-oil-sands-even-more-ethical-than-you-thought>

Week 5

1. Been, Vicki. 1994. "Locally Undesirable Land Uses in Minority Neighborhoods: Disproportionate Siting or Market Dynamics?" *Yale Law Journal* 103: 1383–1422.
2. Banzhaf, H. Spencer. 2008. "Environmental Justice Opportunities through Markets." *Property and Environment Research Center* PS-42 <http://www.perc.org/sites/default/files/ps42.pdf>
3. Fleck, Robert H. and F. Andrew Hanssen. 2007. "Do Profits Promote Pollution? The Myth of the Environmental Race to the Bottom." *Property and Environment Research Center Policy Study* PS-41. <http://www.perc.org/sites/default/files/ps41.pdf>

Week 6

1. Brooks & Dunn, Chapter 1

Week 7

1. Brooks & Dunn, Chapter 4

Week 8

1. Brooks & Dunn, Chapter 5

Week 9

1. Brooks & Dunn, Chapter 7: 470-481.

Week 10

1. Brooks & Dunn, Ch. 5

Week 11

1. Quinn, Martin. 2013. "Locally Grown/Locally Raised." In Samuel O. Idowu, Nicholas Capaldi, Liangrong Zu, Ananda Das Gupta (eds) *Encyclopedia of Corporate Social Responsibility*, Springer, pp. 1598-1603.

2. McWilliams, James. 2014. "Food Miles." In Paul B. Thompson, David M. Kaplan (eds.), *Encyclopedia of Food and Agricultural Ethics*, Springer, pp. 904-909.
3. McCaffrey, Sara Jane and Nancy B. Kurland. Forthcoming. "Does "Local" Mean Ethical? The U.S. "Buy Local" Movement and CSR in SMEs." *Organization & Environment*
<http://oae.sagepub.com/content/early/2015/06/25/1086026615586795.abstract>
4. Sexton, Steven, 2009. "[Does Local Production Improve Environment and Health Outcomes?](#)" *ARE Updates* 13 (2): 5-8.
5. Lusk, Jayson. 2013 "Lunch with Pigou: Externalities and the 'Hidden' Cost of Food." *Agricultural and Resource Economics* 42 (3): 419-435.
<http://ageconsearch.umn.edu/bitstream/161383/2/ARER%202013%2042x3%20AE%20Lusk.pdf>
6. Hartley, Aidan. 2007. "Kenyan Fury at Threat to Organic Trade." *The Guardian* (July 15)
<http://www.theguardian.com/world/2007/jul/15/kenya.lifeandhealth>
7. "Environment: Should we Stop Flying in Organic Food?" *The Guardian* (September 6, 2007)
<http://www.theguardian.com/environment/2007/sep/06/ethicaliving.organic>
8. O'Neill, Brendan. 2007. "'Buy British'? A Badly Soiled Argument." *Spiked!* (October 25)
<http://www.spiked-online.com/newsite/article/4010#.Vdc0K7JViko>
9. OMAFRA. 2015. *Ontario's Local Food Report 2014-15 Edition*. (June).
http://www.omafra.gov.on.ca/english/about/local_food_rpt.pdf