

**Argosy University**  
**COURSE SYLLABUS**

*B6422*

*Ethical and Economic Dimensions of Sustainable Business*

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**Faculty Information**

**Faculty Name:**

**Campus:**

**Contact Information:**

**Office Hours:**

**Short Faculty Bio:**

**Course description:**

This course examines fundamental theories in economics and ethics that contribute to concepts and practices of sustainable development as they are understood today. Relationships between these theories, practices, and global sustainability that inform decisions in business and organizations are analyzed. Readings include natural capitalism, managing and accounting for the triple bottom line, finding and developing market solutions, and determining and reducing externalities. Further, measuring and reporting firm performance and corporate social responsibility standards, policies and risks are also analyzed

**Course Pre-requisites:** B6420

**Required Textbook:**

**IMPORTANT: You are not required to purchase the textbook for this course. Your textbook will be available to you as an electronic book with your fully online or blended course on the eCollege platform.**

Goodstein, E.S. (2008), *Economics and the environment* (5<sup>th</sup> ed.) Wiley & Sons.

**Required Articles and Book Excerpts:**

Cairncross, Frances. (1992). Growth and Sustainable Development, and Costs and Benefits, chapters 1 and 2 in, *Costing the Earth: The Challenge for Governments, The Opportunities for Business*. Harvard Business School Press. Boston.

Costanza, Robert, et al. (1997). The Value of the World's Ecosystem Services and Natural Capital, *Nature*, 387, 253-260.

Hanna, Susan, Carl Folke, and Karl-Goran Maler. (1996). Property Rights and the Natural Environment, chapter 1 in *Rights to Nature: Ecological, Economic, Cultural, and Political Principles of Institutions for the Environment*, Island Press.

Hardin, G., (1968) The Tragedy of the Commons, *Science*, 162, 1243-1248.

Hawken, Paul. (1993). Pigou's Solution, and When and Ethic is Not an Ethic, chapters 5 and 8 in, *The Ecology of Commerce: A Declaration of Sustainability*. Harper Business. New York.

Lovins, Amory, Hunter Lovins, and Paul Hawken. (2007). A Road Map for Natural Capitalism, *Harvard Business Review*, July-August, 172-183.

McDonough, William, and Michael Braungart. (2002). Excerpts from *Cradle to Cradle: Remaking the Way We Make Things*. North Point Press. ISBN 0865475873

Porter, Michael. (2008). The Five Competitive Forces that Shape Strategy. *Harvard Business Review*, January, 78-93.

WBCSD. (2002). *Business & Biodiversity: A Handbook for Corporate Action*.

Publication found here:

<http://www.wbcd.org/plugins/DocSearch/details.asp?txtDocTitle=schmidheiny&txtDocText=schmidheiny&DocTypeId=-1&ObjectId=Mzc2&URLBack=result.asp%3FtxtDocTitle%3Dschmidheiny%26txtDocText%3Dschmidheiny%26DocTypeId%3D-1%26SortOrder%3Ddoctype+desc%26CurPage%3D4>

Schmidheiny, Stephan. (1992). The Business of Sustainable Development, chapter 1 in, *Changing Course: A Global Business Perspective on Development and the Environment*. MIT Press. Boston.

Schumpeter, Joseph. (1945) Creative Destruction, in Capitalism, Socialism, and Democracy. (Source TBA)

Unruh, Gregory. (2008). The Biosphere Rules. *Harvard Business Review*, February, 111-117.

### **Case Studies**

Economy, Elizabeth, and Ken Liebenthal. (2007). Scorched Earth: Will Environmental Risks in China Overwhelm Its Opportunities? *Harvard Business Review*, June, 88-96.

### **Recommended Books and Articles:**

Carson, Rachel. (2002). *Silent Spring* (Paperback). Mariner Books; Any edition. ISBN 0618249060

Leopold, Aldo. (1989). *A Sand County Almanac and Sketches Here and There* (Paperback). Oxford Univ Press.

**Course length:** 7.5 Weeks

**Contact Hours:** 45 Hours

**Credit Value:** 3.0

### **Program Outcomes:**

#### **1. Communication**

- 1.1. Oral/Written – Present business information orally and in writing using appropriate technology that is concise, clear, organized, supported, and persuasive in a professional manner appropriate to the business context
  - 2. Critical Thinking/Problem Solving**
    - 2.1. Critical Thinking – Incorporate and synthesize information, theory, and practice in order to implement appropriate business actions
    - 2.2. Problem Solving/Decision Making – Given a business situation, diagnose the underlying causes of the situation, evaluate possible solutions, and determine and defend appropriate course of action
    - 2.3. Information Literacy – Access information from a variety of sources, evaluate the credibility of the sources, and apply that information to solve business problems
  - 3. Team**
    - 3.1. Leadership – Describe the requirements of team members and leaders to work effectively and creatively in achieving team goals
    - 3.2. Collaboration – Collect, categorize, and consider the views of all stakeholders
  - 4. Ethics**
    - 4.1. Ethics – Identify the ethical principles related to personal and corporate behavior in specific business situations and explains the potential consequences
  - 5. Diversity**
    - 5.1. Diversity – Identify the impact of both cultural and economic factors on the modern enterprise and explain the potential consequences
  - 6. Analysis/Application**
    - 6.1. Applied Technology – Select and defend business technology solutions to typical business problems
    - 6.2. Integration – Describe the interrelationship of the functional business areas of statistics, accounting, finance, marketing, operations, and strategy within the context of specific organizational goals
- Concentration**
- 7. Sustainability Organizational Constructs and Strategy**
    - 7.1. Given a business case related to sustainable business practice, create a strategy (s) to integrate sustainability principles into the operational functions of the organization. Analyze the potential effectiveness of the strategy (s) along with implementation plans, and evaluate opportunities for continued success.

**Course Objectives:**

1. Analyze and evaluate fundamental theories and practices in ethics and economics, using them to examine relationships between the natural environment and social and economic systems. (Program outcomes 1.1, 2.1, 2.3, 3.2, 4.1)
2. Evaluate emerging issues in ethical knowledge related to sustainable business practice, by considering social, environmental and economic impacts of business activities. (Program outcomes 2.1, 2.3, 4.1, 5.1)
3. Determine and address externalities of business practices, developing innovative, ethical market solutions that move practices from unsustainable to sustainable (Program outcomes 1.1, 2.1, 2.3, 4.1, 6.2, 7.1)

4. Measure and report sustainable economic and ethics practices, using global and industry specific standards, practices and policies (2.1, 2.2, 2.3, 4.1, 5.1, 6.2, 7.1)
5. Integrate environmental, economic and social considerations in business decisions and operations, applying triple bottom line metrics as part of the decision making process. (Program outcomes 2.1, 2.3, 3.1, 3.2, 4.1, 6.2, 7.1)
6. Apply ethical and economic principles to a specific sustainable organizational opportunity. (Program outcomes 1.1, 2.1, 2.2, 2.3, 3.2, 4.1, 5.1, 6.2, 7.1)

### Assignment Table

	Topics	Reading Assignments	Formative Assignment/Assessment
1	Ethics Sustainable development foci: Land Ethic, Property Rights Natural Resources	Goodstein Ch 2, 6, 7 McKibben, essays: <ul style="list-style-type: none"> <li>• Muir on Hetch Hetchy Valley (5 pp.)</li> <li>• Leopold Land Ethic (3 pp.)</li> <li>• Zahniser Wilderness Act (2 pp.)</li> <li>• Carson Pesticides (4 pp.), W.O.Douglass Sierra Club v. Morton (2 pp.)</li> <li>• Abbey Industrial Tourism (5 pp.)</li> </ul>	<b>Participation Assignment:</b> <b>Select client for course project</b>  Students conduct independent research to come to a decision regarding a “client” which will be the focus of their course projects. Instructor to provide a list of companies from which students will choose. Students will need to indicate choice and provide a rationale for their choice by . Proposals should be one page in length, with a references page attached.
2	Economic theories and models Are there limits to growth? Natural Capitalism & Sustainable Economics	Costanza, The Value of the World's Ecosystem Services and Natural Capital, <i>Nature</i> , 387, 253-260. (5 pp.)  Daly, Ch 1 Steady State Economy (14 pp.), Ch 3 Consumption, Value-added, Welfare (10 pp.)  Hawken, When and Ethic is Not an Ethic (Ch 8 – 14 pp.) in, <i>The Ecology of Commerce: A Declaration of Sustainability</i> . Harper Business. New York.  WBCSD, <i>Business &amp; Biodiversity: A Handbook for Corporate Action</i> . (13 pp.) Publication found here:	<b>Participation Assignment:</b> Students will use a matrix to analyze economic theories and how those theories relate to the concept of sustainability. A sample matrix that includes criteria with which to evaluate theories will be supplied to the students. That matrix will contain a partial analysis of one economic theory, as it relates to sustainability

		<p><a href="http://www.wbcsd.org/plugins/DocSearch/details.asp?txtDocTitle=schmidheiny&amp;txtDocText=schmidheiny&amp;DocTypeId=-1&amp;ObjectId=Mzc2&amp;URLBack=result.asp%3FtxtDocTitle%3Dschmidheiny%26txtDocText%3Dschmidheiny%26DocTypeId%3D-1%26SortOrder%3Ddoctype+desc%26CurPage%3D4">http://www.wbcsd.org/plugins/DocSearch/details.asp?txtDocTitle=schmidheiny&amp;txtDocText=schmidheiny&amp;DocTypeId=-1&amp;ObjectId=Mzc2&amp;URLBack=result.asp%3FtxtDocTitle%3Dschmidheiny%26txtDocText%3Dschmidheiny%26DocTypeId%3D-1%26SortOrder%3Ddoctype+desc%26CurPage%3D4</a></p> <p>Schumpeter, The Process of Creative Destruction, Chapter 7 (7 pp.) in Capitalism, Socialism, and Democracy. Publication found here: <a href="http://members.shaw.ca/competitivenessofnations/Anno%20Schumpeter%20CS D%20Ch.%20VII%20Creative%20Destruction.htm">http://members.shaw.ca/competitivenessofnations/Anno%20Schumpeter%20CS D%20Ch.%20VII%20Creative%20Destruction.htm</a></p>	
3	Externalities and the Commons	<p>Goodstein Ch. 3 Pollution &amp; Resource Degradation (11 pp.), Ch 16 Theory of Incentive-based Regulation (17 pp.) Ch 17 Practice in Incentive-based Regulation (20 pp.)</p> <p>Hardin, (1968) The Tragedy of the Commons, <i>Science</i>, 162, 1243-1248. (6 pp.)</p> <p>McKibben, essays:</p> <ul style="list-style-type: none"> <li>• Hornaday the Bird Tragedy on Laysan Island (3 pp.)</li> <li>• Dreiser A certain Oil Refinery (4 pp.)</li> <li>• Ding Darling on Duck Hunting (1 p.),</li> <li>• Durning on Consumption (5 pp.)</li> <li>• Ehrlich on Population (3 pp.)</li> </ul>	<p><b>Formative Assignment 1 (20%)</b> Student applies matrix material to their case study. Submit a 2 page proposal for the case study, plus a references page</p>
4	Developing Market-based Solutions	<p>Goodstein Ch. 18 Theory on Promoting Clean Technology (23 pp.)</p> <p>Lovins, et al, A Road Map for Natural Capitalism, <i>Harvard Business Review</i>, July-August, 172-183. (9 pp.)</p> <p>McDonough &amp; Braungart, in <i>Cradle to Cradle: Remaking the Way We Make Things</i>. North Point Press. ISBN</p>	

		0865475873 (30 pp.)	
5	Managing & Accounting for Triple Bottom Line	Cairncross, Growth and Sustainable Development (Ch 1 – 25 pp.), and Costs and Benefits (Ch 2 – 20 pp.) in, <i>Costing the Earth: The Challenge for Governments, The Opportunities for Business</i> . Harvard Business School Press. Boston  Goodstein Ch 10 Benefit & Cost in Practice (18 pp.)	<b>Formative Assignment 2 (20%):</b> Submit a draft of the case study: 6 pages, plus references
6	Measuring and Reporting Company Performance	Goodstein Ch. 15 Monitoring & Enforcement (14 pp.)  McDonough & Braungart, Chapter 3 Eco-Efficiency, in <i>Cradle to Cradle: Remaking the Way We Make Things</i> . North Point Press. ISBN 0865475873 (24 pp.)  Hawken, Pigou’s Solution (Ch 5 – 16 pp.) in, <i>The Ecology of Commerce: A Declaration of Sustainability</i> . Harper Business. New York	<b>Participation Assignment:</b> Compare and contrast different performance measurement methods, categorizing them from least to most effective. Apply to company case study. 2-page briefing paper
7	Corporate Social Responsibility, standards, risks, policies, global policies and standards, national policies and standards, industry specific standards, industry specific risks.	Porter, Michael. (2008). The Five Competitive Forces that Shape Strategy. <i>Harvard Business Review</i> , January, 78-93. (15 pp.)  Unruh, Gregory. (2008). The Biosphere Rules. <i>Harvard Business Review</i> , February, 111-117. (6 pp.)	<b>Formative Assignment 3 (35%):</b>  Final version of case study <ul style="list-style-type: none"> <li>• Final paper 6 pages plus references (Drop box)</li> <li>• PowerPoint presentation of case study, 6-7 slides (Doc share)</li> </ul>
8	Course Wrap Up		

## Grading Criteria

### *Grading Scale*

<b>A</b>	100 – 93 %
<b>A-</b>	92 – 90 %
<b>B+</b>	89 – 88 %
<b>B</b>	87 – 83 %
<b>B-</b>	82 – 80 %
<b>C+</b>	79 – 78 %
<b>C</b>	77 – 73 %
<b>C-</b>	72 – 70 %
<b>F</b>	69 and below

### *Grading requirements*

<i>Attendance/participation/Discussion</i>	<i>25%</i>
<i>Formative Assessment 1</i>	<i>20%</i>
<i>Formative Assessment 2</i>	<i>20%</i>
<i>Formative Assessment 3</i>	<i>35%</i>
	<i>100%</i>

## **Library**

*All resources in Argosy University's online collection are available through the Internet. The campus librarian will provide students with links, user IDs, and passwords.*

All resources in Argosy University's online collection are available through the Internet. Students can access the online collection by logging into the student portal and clicking on the library link. Library Resources: Argosy University's core online collection features over 48, 889 full-text journals and 23,000 electronic books and other content covering all academic subject areas including Business & Economics, Career & General Education, Computers, Engineering & Applied Science, Humanities, Science, Medicine & Allied Health, and Social & Behavior Sciences. Many titles are directly accessible through the Online Public Access Catalog at <http://library.argosy.edu>.

In addition to online resources, Argosy University's onsite collections contain a wealth of subject-specific research materials searchable in the Online Public Access Catalog. Catalog searching is easily limited to individual campus collections. Alternatively, students can search combined collections of all Argosy University Libraries. Students are encouraged to seek research and reference assistance from campus librarian.

## **Academic Policies**

Academic Dishonesty/Plagiarism: In an effort to foster a spirit of honesty and integrity during the learning process, Argosy University requires that the submission of all course assignments represent the original work produced by that student. All sources must be documented through normal scholarly references/citations and all work must be submitted using the current edition of the *Publication Manual of the American Psychological Association*. Students are encouraged to purchase this manual and become familiar with its content as well as consult the Argosy University catalog for further information regarding academic dishonesty and plagiarism.

Scholarly writing: The faculty at Argosy University is dedicated to providing a learning environment that supports scholarly and ethical writing, free from academic dishonesty and plagiarism. This includes the proper and appropriate referencing of all sources. You may be asked to submit your course assignments through "Turnitin," ([www.turnitin.com](http://www.turnitin.com)), an online resource established to help educators develop writing/research skills and detect potential cases of academic dishonesty. Turnitin compares submitted papers to billions of pages of content and provides a comparison report to your instructor. This comparison detects papers that share common information and duplicative language.

## **Americans with Disabilities Act Policy**

It is the policy of Argosy University to make reasonable accommodations for qualified students with disabilities, in accordance with the Americans with Disabilities Act (ADA). If a student with disabilities needs accommodations, the student must notify the Director

of Student Services. Procedures for documenting student disability and the development of reasonable accommodations will be provided to the student upon request.

Students will be notified by the Director of Student Services when each request for accommodation is approved or denied in writing via a designated form. To receive accommodation in class, it is the student's responsibility to present the form (at his or her discretion) to the instructor. In an effort to protect student privacy, the Department of Student Services will not discuss the accommodation needs of any student with instructors. Faculty may not make accommodations for individuals who have not been approved in this manner.

### **The Argosy University Statement Regarding Diversity**

Argosy University prepares students to serve populations with diverse social, ethnic, economic, and educational experiences. Both the academic and training curricula are designed to provide an environment in which students can develop the skills and attitudes essential to working with people from a wide range of backgrounds.