



# ***THE SOCIETY FOR BUSINESS ETHICS NEWSLETTER***

*Spring, 2008*

*Volume XVIII, Number 4*

## **Report from the President**

"Moral Hazard, Private Profits and Socialized Risks"

Vincent Reinhart, former Director of Monetary Affairs of the U.S. Federal Reserve (the highest ranking staff position of the Washington office), has concluded that the bailout of Bear Stearns by the U.S. Federal Reserve was the "worst policy mistake in a generation" and that the bailout "eliminated forever the possibility the Fed could serve as an honest broker (Ip, 2008: C3)." Reinhart is not alone in his criticism of the Fed. Paul Volcker, a former head of the Fed, has concluded that the bailout went to "the very edge of [the Fed's] lawful and implied powers (Ip, 2008: C3)." There is also some criticism within the finance capitalism industry. For example, Mr. David Einhorn, Director of the Greenlight Capital hedge fund, charges that "The owners, employees and creditors of these [financial institutions] are rewarded when they succeed, but it is all of us, the taxpayers, who are left on the hook if they fall. This is called 'private profits and socialized risk'. Heads, I win. Tails you lose. It is a reverse-Robin Hood system (Stein, 2008: BU2)."

What is going on here and what is the Fed doing? One characteristic shared by the junk bond financed PE-LBO scandals of the late 1970s and early 1980s, the savings and loan scandals of the late 1980s and early 1990s, the investment banking scandals of the early 2000s, and the sub-prime mortgage and sub-prime PE-LBO scandals of 2007-2008, is that many of the financial institutions can make more money from highly leveraged, short-term commissions and fees for advising, arranging the financing, and trading the new types of highly leveraged financial transactions and financial engineering deals than they could from returns on long-term assets (Baskin and Miranti, 1997; Beaud, 2000; Fohlin, 2007; Kane, 1985, 2008; Kindleberger and Aliber, 2005; Nielsen, 2003, 2008; Useem, 1996). For example, if one financial institution invests \$1 billion and borrows \$20 billion

(twenty to one leverage) to finance a deal that gains 5% or \$1 billion and another financial institution receives 5% or \$1 billion in commissions and fees for passing on the deal to someone else, that can be 200% profits on the original \$1 billion investment. However, if the deal goes sour such that the value of the deal declines by 15%, \$3 billion, before it can be passed along to someone else, there is a \$3 billion loss and the initial capital is wiped out. If the financial institutions do enough of these deals, they can either go broke or be bailed out by the Fed.

In order to reduce the exponentially negative effects of such highly leveraged, broken deals for both financial institutions and ordinary people, the U.S. Federal Reserve has greatly reduced interest rates, offered lower cost financing to commercial banks, investment banks, brokerage companies, and mortgage companies, and offered to lend treasury assets to financial institutions in exchange for sub-prime assets. If this works, it will help bail out the people and the institutions who caused the problem (Morgenson, 2008; Guerrero, White, & Guha, 2008).

These types of bailouts can and have hurt innocent people and, in effect, transfer income and wealth from ordinary people to financial institutions. People living on fixed incomes and people and organizations whose expenses are weighted toward imported commodities, products, and services can experience reductions in income and wealth as interest rates are reduced, inflation is stimulated, deficits increase, and the dollar falls in value. For example, if someone is living on an income from a defined contribution type pension and receiving \$50,000 in income from a "safe" 5% money market or short-term bond fund, and the Fed reduces interest rates to 3%, that person typically would have a 40% reduction in income to \$30,000 a year.

*cont'd. on page 3*

**Society for Business Ethics**  
www.societyforbusinessethics.org

**Board of Directors**

*Past President*

Ed Hartman  
973-353-5987  
hartmanedwin@hotmail.com

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617-552-0456  
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rphilli3@richmond.edu

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804 287 6083  
jciulla@richmond.edu

Ian Maitland  
651 338 2549  
imaitland@csom.umn.edu

***Business Ethics Quarterly***

Editor in Chief:

Gary R. Weaver  
BEQ@udel.edu

Associate Editor:

Al Gini  
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**Executive Director**

Joe DesJardins  
Department of Philosophy  
College of St. Benedict  
37 S. College Avenue  
St. Joseph, MN 56374  
320-363-5915  
jdesjardins@csbsju.edu

**Communications Director**

Steve Lawler  
314-753-7911  
Steve.lawler@SBEthics.org

**Newsletter Editor**

Gina Wolfe  
708-524-6493  
rwolfe@dom.edu

## CIC Report

*In each issue of the Newsletter, the Committee on International Collaboration (CIC) asks colleague organizations around the world to share information about their association and its activities. The CIC hopes that these materials will create broader awareness of the work of our global colleagues and offer SBE members opportunities for participation and collaboration of which they might not have been previously aware. It is our hope that the brief overview of some of these activities might prompt further contact, collaborative efforts, additional learning and greater networking. If you would like to suggest an organization to include or your organization is engaged in an innovative or otherwise noteworthy activity, please email Laura Hartman at LHartman@depaul.edu or Daryl Koehn at koehnd@stthom.edu.*

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### "Volvic 1L for 10L Program"

This March, I had the opportunity to go to the Western African nation of The Republic of Mali with nine Keio University students. It was part of the Corporate Social Responsibility project called, "Volvic 1L for 10L" program. For every liter of Volvic (French mineral water produced by Danone) purchased in Japan, Volvic Japan donates a portion of the profits to UNICEF. UNICEF then promises to provide ten liters of clean, safe drinking water through their well creation program in the Republic of Mali. My seminar class at Keio University became a partner in this program last year and conducted research on how Japanese consumers perceive and react to this kind of CSR or Cause Related Marketing (CRM).

Previous research had indicated that Japanese consumers are skeptical about this kind of CRM. However, our research findings indicated that the recent CSR boom in Japan might change their attitude toward CRM. The majority of Japanese consumers are willing to participate in this kind of program and some of them actually change their product choice. The 2007 Danone campaign ended last fall and was quite successful. As an academic partner whose major is business ethics, we also feel a responsibility to verify that the donated money is spent efficiently and effectively. For this reason, we went to Mali to see the actual water supply situation and the effect of the well-digging process on local Mali communities.

For all of us, it was the first trip (perhaps "adventure" is more appropriate) to a developing country, and it impacted us tremendously. It was not easy to see the situation and quality of living where so many children have to drink unsafe water and to witness how complicated it is to provide clear water to these communities. After this trip, my students and I shared the same mixed feelings, a mixture of a certain level of skepticism, but also the firm conviction that the situation has to be changed. The practice of CSR and the study of business ethics must share the same roots.

Hiro Umezu

*President's report cont'd.*

In addition, as the dollar falls 50%, at least in part because of repeated such bailouts, commodities such as heating oil, gasoline, and food can increase in price by 50% while people's incomes are being reduced by 40%.

This type of bailout with its potential negative effects might create an issue of "moral hazard" (Nielsen, 2008). Kindleberger and Aliber (2005), in the fifth edition of their classic book, *Manias, Panics, and Crashes: A History of Financial Crises*, explain as follows: "A key topic is 'moral hazard' – if investors are confident that they will be 'bailed out' by a lender of last resort [The Fed], their self-reliance may be weakened. But on the other hand, the priority may be to stop the panic, to 'save the system today' despite the adverse effects....The primary rationale for non-interference is the moral hazard that the more interventionist the authorities are with respect to the current crisis, the more intense the next bubble will be, because many of the market participants will believe that their possible losses will be limited by government measures. The moral hazard argument is that intervention skews the risk and rewards trade-off in the minds of many ...by reducing both the likelihood and the scope of future losses" (2005: 19).

There can also be moral hazard within financial institutions. For example, several top managers of financial institutions, such as Charles Prince of Citigroup and Stan O'Neal of Merrill Lynch, were allowed to resign with hundred million dollar "retirement" packages when the subprime mortgage and subprime corporate debt incurred under their watch collapsed (Cohan, 2008). Gapper (2007: 9) explains, "But, by giving them shares they should not have been eligible to collect unless they had performed better, Merrill and City have damaged Wall Street. By doing so, the two banks have created moral hazard, which appears when there are incentives for people to behave in ways that undermine their own institutions or the financial system as a whole...You may shrug your shoulders at this point and reflect that Wall Street has always been like this. But you are wrong. When Salomon Brothers....fell apart in the 1991 Treasury bond scandal, its new leaders fired John Gutfreund, its risk-taking chief executive. Salomon's bosses, including Warren Buffett, who stepped in as chief executive, refused Mr.Gutfreund any severance pay-off and even blocked him from exercising his option on the bank's shares...That is how to discourage the others."

There appears to be some validity to Kindleberger's and Aliber's analysis and worry about increasingly dangerous, bailout facilitated bubbles. This appears to be the situation today, and also for the last thirty years, with the U.S. Federal Reserve bailing out financial institutions, their investors, and top managers in the first PE-LBO bust of the 1970s, the savings and loan bust of the late 1980s, the high tech bubble of the late 1990s, the investment banking scandals of the early 2000s, and the subprime mortgage and subprime corporate debt busts of the present. While all this has been going on over the last thirty years, it appears that ordinary people are, in effect, subsidizing the bailouts and transferring income and wealth to re-capitalize financial institutions while average incomes are stagnating and declining in real terms but upper 2% incomes are rising exponentially (Plender, 2008). It appears that we have been increasing "moral hazard" through Fed bailouts. Are we also facilitating a political-economy of "private profits and socialized risks"? If we can't avoid subsidizing, bailing out, and re-capitalizing the financial institutions to some extent at the expense of ordinary people, at a minimum, we need better and stronger regulations to protect against the recurring, exponentially negative effects of over-leveraging, bubbles, and bailouts.

Richard P. Nielsen, Boston College

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## Report from the Executive Director

As is appropriate for springtime, change has been the word of the season for SBE. I am happy to inform you that Jeff Frooman, University of New Brunswick, has agreed to serve as our next Executive Director. Jeff has been an active member of SBE for years, and most recently was responsible for arranging the very successful keynote address in Atlanta by Ray Anderson, CEO of Interface Inc. I will work closely with Jeff through this year's annual meeting in Anaheim to help with the transition and Jeff will take over fully in August. Already, Jeff has taken the lead in revitalizing and updating our website. Please join me in thanking Jeff for his willingness to serve us in this capacity.

Our SBE newsletter is also in the process of transition. Jeffery Smith, University of Redlands, has agreed to serve as our new Newsletter editor. Jeffery will work with Gina Wolfe for the next issue and take on full responsibility beginning in the fall. A special thanks to Gina for her leadership and service over the past few years and thank-you to Jeffery for his service.

By the time you receive this newsletter, you should have received your ballot (and returned your vote!) for this year's election to the SBE Board. We were happy to receive a number of nominations and especially happy to have three very strong candidates who were willing to stand for election. This year's ballot includes Denis Arnold, University of Tennessee, Kevin Gibson, Marquette University, and

Jeffery Smith, University of Redlands. The winner of this election will serve a five-year term on the SBE Board of Directors beginning at this year's annual meeting.

Speaking of the meeting, Rob Phillips is this year's program chair and has done a terrific job managing the submissions, reviews, and setting up the program. You'll find the preliminary program on page of this newsletter. You can register for both the meeting itself and for the hotel by clicking on links on the SBE website. You'll be connected to the Philosophy Documentation Center, who again will handle the logistics of the meeting, and the Anaheim Doubletree, where you will receive our conference discount on the hotel room.

At last year's annual meeting I shared with you my decision to step down as executive director. My new administrative position at the College of St. Benedict and St. John's University has proven to be as time-consuming as I feared and simply doesn't allow me to devote the time to SBE that it deserves. Frankly, more than a few items fell through the cracks this year as I struggled to keep up. I plan to remain an active member of SBE and look forward to seeing you all at the annual meeting. It has been a real joy to work with so many talented, dedicated, creative, and fun people.

Joe DesJardins  
College of St. Benedict/Saint John's University

### **SBE 2008 Annual Meeting August 7-10 Anaheim, California**

**Register by July 4, 2008 to avoid the late registration fee.  
Online registration can be made through the Philosophy Documentation Center at  
<http://www.pdcnet.org/2008-SBE-Conference.html>**

**Conference Hotel: Doubletree Guest Suites Anaheim Resort/Convention Center  
2085 S. Harbor Blvd., Anaheim, California, USA 92802  
Phone +1.714.750.3000; Fax: +1.714.750.3002**

**Rooms at the conference hotel can be booked online at  
<http://www.hilton.com/en/dt/groups/personalized/SNADCDT-SBE-20080807/index.jhtml>**

**The deadline for registering at the conference rate is July 16.**

# SBE Annual Meeting – Preliminary Program

August 7-10, 2008

Doubletree Anaheim Convention Center  
Anaheim, California

## Wednesday, August 6 Pre-conference Event

5:30 to 7:00 pm International Reception (All early arriving attendees are invited.)

## Thursday, August 7

10:00 am to 2:00 pm Board Meeting

Noon to 6:00 pm Registration

4:30 to 6:00 pm

Panel: Potential next steps for SBE

Norm Bowie, Ed Freeman, Dennis Moberg, Richard Nielsen, and Gary Weaver

6:00 to 7:00 pm Reception

## Friday, August 8

8:00 am to 4:00 pm Registration and Book Display

7:30 to 8:30 am Continental Breakfast

8:15 to 8:30 am Welcome: Richard Nielsen, President

8:30 to 9:30 am Concurrent Sessions

### Paper Session: Boards and Governance

*Taking (and Sharing) Power: How Boards of Directors Can Bring About Greater Fairness for Dependent Stakeholders*, Harry van Buren, University of New Mexico

*Corporate Governance and the Politics of Agency Theory*, Jordan Otten & Ben Wempe, RSM Erasmus University

*The Utilization of New Female Corporate Directors on Boardroom Committees*, Paul Dunn, Brock University

### Panel: Business Opportunities, Institutional Barriers, and Corruption at the 'Base of the Pyramid'

Chair: Patricia Werhane, University of Virginia/DePaul University

Dennis Moberg, Santa Clara University

Manuel Velasquez, Santa Clara University

### Panel: Socially Responsible Investing

Harry Hummels, Maastricht University

Simone de Colle, The Darden School, University of Virginia

Jeffrey York, The Darden School, University of Virginia

Jim Hawley

9:30 to 9:45 pm Break

9:45 to 10:45 am Concurrent Sessions

Idea Lab: The Responsibility Gap

Joshua Margolis, Harvard Business School

Paper Session: Stakeholder Theory

*Nietzsche's Stakeholder Theory: Beyond Friedman and Freeman*, Christopher Field, University of the Incarnate Word

*Corporate Sustainable and Social Reporting: In Search of Stakeholder Salience and Other Differentiating Factors*, James Weber & Elizabeth Hanna, Duquesne University

*"Economia Aziendale" and the Stakeholder Management Theory: Towards a Better Clarification of Some Critical Points*, Gianfranco Rusconi, University of Bergamo, Italy

Emerging Scholars

*Moral Imagination Extended*, Carlo Carrascoso, Darden School, University of Virginia

*Developing an Instrument to Measure Moral Imagination* Barbra Enlow, Gonzaga University

*Leadership Emergence in Influencing Responsible Corporate Behaviors*, Jegoo Lee, Boston College

10:45 to 11:00 am Break

11:00 am to 12:15 pm Concurrent Sessions

Featured Papers

*A Deontological Analysis of Insider Trading*, Alan Strudler, The Wharton School, University of Pennsylvania

*Reasoned Moral Agreement: Applying Discourse Ethics Within Organizations*, Jason Stansbury, Vanderbilt University

Panel: Exploring Practical Wisdom as a Foundation for Ethical Decision-Making

Chair, Laura Dunham, University of St. Thomas

Dennis J. Moberg, Santa Clara University

Edwin M. Hartman, New York University

Paper Session

*The Legal Ontology of the Corporation as a Description of its Role in Society*, David Ronnegard, INSEAD

*Finding Moral Imperative in an "Amoral" Theory of Economics*, Jeff Frooman, University of New Brunswick

*The Constitutive View of Corporate Moral Responsibility*, Martin Sandbu, University of Pennsylvania

12:15 to 2:00 pm Lunch (on your own)

2:00 to 3:15 pm Concurrent Sessions

Featured Papers

*Multinational Corporations as Corporate Citizens- An Empirical Analysis of UN Global Compact Participants in Switzerland*, Dorothee Baumann, University of Zurich

*A Necessary Supplement- What the United Nations Global Compact Is and Is Not*, Andreas Rasche, Helmut-Schmidt-University, University of the Federal Armed Forces

Paper Session: Virtue Ethics

*Vocation and Integrity: Prospects for a Virtue Ethics Approach to Business*, David McPherson, Marquette University

*Characterological Ethics: Virtue and why it Matters in Organizational Behavior*, Miguel Angel Alzola, Fordham University

*Moral Charisma, Corporate Leadership*, Denise Kleinrichert, San Francisco State University

Paper Session: Ethics and Information Technology

*Information Technology and the Ethical Firm*, Norman Mooradian

*Computer Ethics in Lebanese Small & Medium Enterprises*, Tony Feghali, Hanin Abdallah & Raja Chahrouri, American University of Beirut

*Corporate Transparency: The New ICT-Driven Ethics?* Antonino Vaccaro, Carnegie Mellon University

3:30 to 4:45 pm Concurrent Sessions

Featured Papers

*A Puzzle About Executive Compensation*, Jeffrey Moriarty, Bowling Green State University

*A Defense of St. Thomas Aquinas' Concept of the Just Price*, Daryl Koehn, University of St. Thomas

Panel: Ethical Decision Making

Chair: Kirsten Martin, The Catholic University of America  
Bidhan Parmar, The Darden School, University of Virginia  
John McVea, University of St. Thomas

Paper Session: Issues in Global Organizational Ethics – China

*Soft Seat on the Long March: Foreign Business and the Rule of Law in China*, Michael A. Santoro, Rutgers University

*Aiming Higher: Chinese Businesses Advancing Consumer Rights*, Beverly Kracher, Creighton University

*Google In China: Employing a Manager-Friendly Model for Resolving Cross Cultural Ethical Conflicts*, J. Brooke Hamilton III, University of Louisiana at Lafayette

5:30 to 7:00 pm Reception

**Saturday, August 9**

8:00 am to 4:00 pm Registration and Book Display

7:30 to 8:30 am Continental Breakfast

8:30 to 9:30 am Concurrent Sessions

Paper Session

*Facing Ethical Challenges in the Workplace: Conceptualizing and Measuring Professional Moral Courage*, Leslie E. Sekerka, Menlo College

*Walking the Talk Matters to Boundary Spanners*, Richard Mays Owen

Paper Session: Issues in Global Organizational Ethics

*The Business Ethics Glass Ceiling in Middle East Corporate Governance: Scaling and Tailoring Business Ethics with improved Corporate Governance for SMEs and Small/Medium-Sized Firms*, Norman D. Bishara, University of Michigan

*Hierarchy in Business and Society Concepts: A Cognitive Study with SME Leaders, CEOs, and Experts*, Yves Fassin & Annick Van Rossem, Ghent University, Belgium

*King Car Part II: The Tata Nano and the Automobile Industry's Strategies for India and Other Less Developed Nations*, Martin Calkins, University of Massachusetts – Boston

9:30 to 9:45 am Break

9:45 to 10:45 am Concurrent Sessions

Paper Session: Ethics and Vulnerable Populations

*Occupational Safety and Coercion*, Denis G. Arnold, University of Tennessee

*Four Possible Factors in Unethical Marketing to Minors*, Whiton S. Paine, Richard Stockton College of NJ

*Stakeholder Theory and Direct Child Marketing*, Russell Fail, Capella University

Featured Papers

*The Friendship of Buzz, Blog and Swag*, Kalynne Pudner, Auburn University

*Risk Management and Distributive Justice*, Robert W. Kolb, Loyola University – Chicago

Emerging Scholars

*Milgram Reinterpreted*, Bidhan Parmar, Darden School, University of Virginia

*I Have a Dream: Fabricated Managerial Success Through Coerced Collective Deviance*, Niki den Nieuwenboer, RSM Erasmus University

*Supererogation: Beyond Positive Deviance and Corporate Social Responsibility*, Daina Mazutis, Ivey School of Business, University of Western Ontario

*Ethical Dimensions of Sovereign Wealth Funds*, Colleen Baker, Wharton School, University of Pennsylvania

10:45 to 11:00 am Break

11:00 am to 12:15 pm Concurrent Sessions

Featured Papers

*Facebook, Lady Godiva, and Privacy Zones*, Kirsten Martin, The Catholic University of America

*Generation Facebook and the Facebook Phenomenon: An Argument For a Heightened Duty of Care*, Tara J. Radin, The Wharton School & Katherina Glac, University of St. Thomas / The Wharton School

Paper Session

*Harvesting Rawls' Bounty*, Geoffrey Archer

*Vivuntary Responsibility: A New Framework for Business & Environmental Ethics*, Donald L. Adolphson, Brigham Young University & Eldon Franz

*Linking Corporate Social Actions to Corporate Reputation*, Carol-Ann Tetrault Sirsly, John Molson School of Business, Concordia University

Panel: Continental challenges to business ethics practice: Rethinking whistle-blowing, codification and risk...

Chair: Mollie Painter-Morland, DePaul University  
David Bevan, Royal Holloway, University of London  
Stephen Meinster, DePaul University

12:15 to 2:00 pm Luncheon and Presidential Address

2:15 to 3:45 pm Concurrent Sessions

Paper Session: Looking to the Past

*Mythology and Management: The Ethics of Bricolage in Management Theory*, Paul Harper

*Hustling Heritage: Corporate Social Responsibility and the Business of Culture*, Kevin Gibson, Marquette University

*Corporate Social Responsibility: Understanding the Historical and Modern Construct for Future Results*, Larry Ruddell, Houston Baptist University

Featured Papers

*A Successful Approach to Teaching Business Ethical Decision Making: Use of the Inquiry Based Method to Raise the Level of Moral Maturity*, Frederick R. Post, Robert D. Yonker, University of Toledo

*Teaching Meaningful Work: Philosophical Discussions on the Ethics of Career Choice*, Christopher Michaelson, University of St. Thomas

Panel: A Case of Corporate Revitalization: Past Successes and Future Challenges at Snow Brand Milk

Chair: Daryl Koehn, University of St. Thomas

4:00 to 5:00 pm Business Meeting

5:00 to 6:00 pm Reception

6:00 to 7:30 pm **Joint SIM/SBE Program**

Keynote Speaker – Rakesh Khurana, Harvard Business School

Author of *From Higher Aims to Hired Hands: The Social Transformation of American Business Schools and the Unfulfilled Promise of Management as a Profession* and *Searching for a Corporate Savior: The Irrational Quest for Charismatic CEOs*

Chair, Doug Schuler, Rice University

\*\*SBE wishes to thank the Banta Center for Business, Ethics and Society at the University of Redlands and the Business Roundtable Institute for Corporate Ethics for their support of this event.

7:30 to 8:30 pm Reception

## **Sunday, August 10**

7:30 to 8:30 am Continental Breakfast

8:45 to 10:00 am Concurrent Sessions

### Paper Session: Measuring and Reporting

*Institutional Impediments to Voluntary Ethics Measurement Systems: An International Perspective*, O. Scott Stovall, John D. Neill & Brad Reid, Abilene Christian University

*Ethics and Compliance Initiatives: A Holistic View for Deployment*, Robert M. Krug, St. Joseph's College (New York)

*Communicating CSR: A Descriptive Study of How Companies Communicate CSR*, Paul Ziek, Rutgers University

### Panel: Potentiality and Limit of CSR in Japan : The Case of Volvic's "1 L for 10 L" Project

Mitsuhiro Umezu and Students of Keio University

### Emerging Scholars

*Bounded Business Ethics*, Simone DeColle: Darden School, University of Virginia

*The Norwegian Government Pension Fund: An Exploration in Transparency and Socially Responsible Investing for a Sovereign Wealth Fund*, Robert Strand, Carlson School of Management, University of Minnesota

*Managing Stakeholder Networks in the Pharmaceutical Industry*, Dominic Kaeslin, University of Zurich

10:00 to 10:30 am Break

10:30 am to noon Concurrent Sessions

### Featured Papers

*Moral Partiality In Business Practice*, Alexei M. Marcoux, Loyola University – Chicago

*Conflict of Interest: from Conceptual Analysis to Normative Evaluation and Institutional Design*, Wayne Norman, Duke University and Chris McDonald, St Mary's University (Halifax)

### Paper Session

*Building Better Agents*, Wayne Eastman, Rutgers University

*Exploratory Research into the Impact of "Stories" On Individual Ethics*, Beth Haley, University of Redlands

*The Brave New World of Global Civil Society*, Ian Maitland, University of Minnesota

## **End of Program**

12:30 to 2 pm BEQ Board Meeting

# Call for papers

## Humanistic Management in Practice Call for Cases

The Humanistic Management Network tries to impact the way businesses operate by integrating humanistic thought into strategy in the quest for a more 'life-conducive' economy. Aiming to create actionable knowledge the Network is compiling a book with case studies that represent positive examples of how businesses can succeed in generating social value whilst running a profitable organization.

A prerequisite for managing a business in tune with humanistic principles is the emancipation from a singular focus on maximizing profits. The common ground such businesses share is that they are managed as an integrated and responsive part of society by: a) Seeing their organizational *raison d'être* also in the promotion of social benefit for which the use of business methods and market mechanisms is a tool – a means to support an end rather than an end in itself. b) Submitting themselves to the necessity of earning at least a sufficient income to be a self-sustaining organization but without submitting themselves to a normative heightening of profit maximization. c) Maintaining the liberty to opt out of the application of market rationality in situations where this would create a conflict with, or decrease the social benefit the organization aims to create.

We are initially looking for case abstracts of no more than 500 words which we need to receive by **July 1, 2008**. These abstracts should cover the following questions: a) Why is this case a good example for a responsible business, a business that is managed respecting the three criteria mentioned above? b) What is the company's name, headquarter location, and size (Start-up, SME, large corporation...)? c) What goods or services does the business offer?

Abstracts should be submitted to Ernst von Kimakowitz at [evkimakowitz@humanetwork.org](mailto:evkimakowitz@humanetwork.org) To download the full call for cases including some background information please go to [http://www.humanetwork.org/Research\\_Download\\_Area/Research\\_Download\\_Area.htm](http://www.humanetwork.org/Research_Download_Area/Research_Download_Area.htm)

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## Employee Responsibilities and Rights Journal Special Issue

The issue theme is "Balancing Ethics, Social Responsibility, and Employee/Employer Rights"

The struggle between balancing legal rights, ethics and social responsibility is a challenge for employers, particularly in the complex, post-Enron business environment. Increasingly organizations see corporate social responsibility (CSR) as a competitive advantage in considering not just

financial measures of success, but also ethical and socially responsible measures of success. This special issue is dedicated to understanding how organizations successfully develop strategies to do what is legally acceptable, but also go beyond the legal minimums to consider the ethical and societal implications of their actions. Topics may span from the micro level, including employee relations and HR practices to the macro level, including corporate strategy and interorganizational alliances and relationships. We welcome manuscripts that explore, but are not limited to, such topics as:

- Triple Bottom Line
- Ethics and emerging technology
- Health and financial obligations to retirees
- Developing ethical employee management systems
- Strategic philanthropy
- Ethics in a team-based culture
- The relationship of ethical work climates to retention and recruiting
- Organizational commitment to ethics and social responsibility
- Training for ethics and CSR
- Understanding prejudices and biases from an ethical frame
- Moral psychology and cognitive development
- National culture and ethics/CSR expectations
- Trans-national ethical perspectives on the employee/employer relationship

We encourage and will consider qualitative, quantitative and theory papers, and evaluate based on: 1) representation of the theme for

the special issue, 2) theoretical contribution to the literature, and 3) implications for management practice. All manuscripts will be double-blind reviewed.

Inquiries and manuscripts should be emailed to the guest editors at [ERRJSpecialIssue@siue.edu](mailto:ERRJSpecialIssue@siue.edu) by **October 1, 2008**, with decisions made by early 2009, for publication later in 2009. Please ensure there is a cover page with contact information and then a title/abstract page that is author blind in the submitted manuscript. Guest editors are Robyn Berkley, SIU-Edwardsville, and George Watson, SIU-Edwardsville.

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### **Corporate Governance: An International Review Special Issue**

*Corporate Governance: An International Review* (CGIR) invites paper submissions for a special issue on shareholder activism. Whereas the phenomenon of activist shareholders has a rather long tradition in Anglo-Saxon countries, shareholder activism has become more prevalent in other governance environments, too. The popular business press extensively discusses the pros and cons of shareholder activism, but scholarly thought has yet to weigh in substantively. In particular, we are interested in learning more about the antecedents and effects of shareholder activism, as well as more in-depth understanding of the various forms and features of this phenomenon. Research questions that are of particular interest include the following:

- Do corporate governance proposals advanced by institu-

tional investors lead to better corporate governance and/or enhanced firm performance?

- Do other shareholders and/or stakeholders get ignored when activist investors become more influential? What are the fiduciary duties of activist investors?
- How do shareholder activists pick and influence their targets?
- How do boards, and how should boards, respond to activist shareholders?
- Is shareholder activism more effective than traditional governance mechanisms such as involved and independent boards or formal rules and regulations?
- How do the laws vary from nation to nation regarding shareholder activism?

It is the tradition of CGIR to welcome a wide variety of theoretical perspectives and methodological approaches. Since the overarching mission of the journal is to develop a global theory of corporate governance, international comparative studies are especially welcome. Both national and international topics are appropriate for consideration, but priority is given to research which spans multiple governance environments. We also invite papers dealing with different types of activist shareholders such as pension funds, (socially responsible) mutual funds, hedge funds, sovereign funds, and private equity investors.

This list of topics is suggestive rather than exhaustive. We are open to a wide range of approaches from different disciplinary backgrounds (e.g., finance, management, economics, or sociology). Both theoretical and empirical work will be considered. In accordance with CGIR's mission,

we seek for research that is both rigorously done and relevant to practitioners and/or policy-makers.

Papers must be submitted via the CGIR website, which is at <http://mc.manuscriptcentral.com/corg>, and should indicate that the manuscript is intended for this special issue. Contributors should follow the CGIR Author Guidelines, which can be found at [www.cgir.org](http://www.cgir.org). The deadline for submissions is **March 31, 2009**. Papers will be subject to our standard double-blind reviewing process. It is anticipated that papers accepted for this special issue will be published in the last issue of 2009 or the first issue in 2010.

For queries about this special issue, please contact the guest editors, Huimin Chung at: [chunghui@mail.nctu.edu.tw](mailto:chunghui@mail.nctu.edu.tw) or Till Talaulicar at: [t.talaulicar@ww.tu-berlin.de](mailto:t.talaulicar@ww.tu-berlin.de).

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### **Business & Society Special Issue**

Special issue of *Business & Society: The Role of Nongovernmental Organizations in the Business – Government – Society Interface*. Submission deadline is **September 26, 2008**. A range of methodological approaches and epistemological traditions are welcomed. Editors encourage contributions from all countries and regions, and articles that employ multi or interdisciplinary approaches. Guest editors: Jonathan Doh, Hildy Teegen, and Nicolas M. Dahan. For complete call see: <http://bas.sagepub.com/>

# Positions and Fellowships Available

## Robert J. Kutak Center for the Teaching & Study of Applied Ethics University of Nebraska- Lincoln

The Robert J. Kutak Center for the Teaching & Study of Applied Ethics at the University of Nebraska-Lincoln, has an opening for a full-time assistant director of the Center. The Center has a Director and a Board of Advisors consisting of faculty from across the disciplines. The Center's mission is "to highlight the importance of critical thinking and moral reasoning in resolving ethical dilemmas and encourage its exploration in the context of different disciplines, professions, and methods of inquiry. The mission will be accomplished by providing support and sponsoring programs for students, faculty, and the community and serving as a clearinghouse of resources for researching and teaching about ethics and ethical decision-making."

The Center is housed at the College of Law but is a resource for faculty across the campus who want to incorporate ethics into their classroom teaching and research. The primary responsibility of the Assistant Director is to assist the Director with day-to-day operation of the Center. Job duties include:

- Plan on-campus events such as outside lectures, brown-bag lunches, etc.
- Continue development of the ethics library.

- Explore Center-sponsored opportunities for faculty development in ethics and curriculum development.
- Write grants for programming.
- Collaborate with interdisciplinary teams seeking external funding for research, particularly in the sciences and engineering.
- Conduct outreach for development.
- Organize Board of Advisors meetings.
- Maintain content on website.

Master's degree in philosophy, ethics or related field required. Knowledge of applied ethics essential. Excellent verbal and written communication, interpersonal, organizational and computer skills necessary. Administrative and budget management experience preferred. Experience or involvement in the field of applied ethics in research, science or engineering desirable.

Anticipated salary is \$40,000 to 45,000 plus benefits. To apply, see requisition #080308 at <http://employment.unl.edu>.

Applicant review begins **May 30, 2008**.

The University of Nebraska, Lincoln is committed to EEO/AA and ADA/504.

If you require accommodation, further details, or have questions please contact the Director of the Center, Dr. Susan Poser at [sposer1@unl.edu](mailto:sposer1@unl.edu) or 402-472-2116.

## School of Business and Technology College of St. Scholastica

The College of St. Scholastica School of Business and Technology seeks candidates for a tenure-track endowed chair of Management and Ethics starting in fall 2009. The Arend J. Sandbulte Chair in Management and Ethics was established at the College of St. Scholastica in 1995 to emphasize teaching and community involvement in business ethics.

Candidates must have a Ph.D. (or equivalent degree) in Business Ethics or a closely related field. Candidates should have demonstrated ability to teach both undergraduate and graduate courses in business ethics and corporate social responsibility, a commitment to research, community service and engagement, and strong interpersonal skills. Teaching experience and research record should be commensurate with rank sought.

Candidates should have the intellectual capacity to make a contribution to the mission of the School and the College. The Mission of the School of Business and Technology is to develop leaders who embody the values of the School and demonstrate consistently the highest levels of ethical decision-making, social responsibility, global awareness, and professional excellence.

The School and its faculty play an integral role in the College's in-

structional programs and in its vision to be recognized for excellence. The successful candidate will also possess a commitment to the ideals of the College's mission. Shaped by the Catholic intellectual tradition and its Benedictine heritage, The College of St. Scholastica provides intellectual and moral preparation for responsible living and meaningful work.

Review of applications will begin immediately and continue until position is filled. Apply on-line at [www.csshrjobs.com](http://www.csshrjobs.com). Qualified women and minority candidates are especially encouraged to apply. AA/EOE

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### **Stern School of Business New York University**

Exciting Leadership Opportunity in socially conscious academic environment!

NYU's Stern School of Business has a challenging opportunity for a Director of its undergraduate, four-course Social Impact Core. These courses require our students to study the impact between business and society, as well as personal and professional responsibility and ethics across all four years of their studies.

The selected candidate will hold an affiliated clinical faculty appointment in one of Stern's six academic departments (e.g., management, marketing or economics) and work in partnership with faculty and administrators across the school to ensure that students receive an intellectually rigorous, social impact curriculum. The director will teach courses and work

with faculty course leaders to direct program delivery, provide programmatic and thematic leadership, and coordinate faculty recruitment. The director will also cultivate new and existing external relationships to develop relevant co-curricular activities that leverage and expand upon the students' classroom experiences.

The selected candidate will have advanced academic credentials, a Ph. D. preferred, teaching and demonstrated professional experience in socially relevant areas such as ethics or corporate responsibility. Proven communication and staff management skills are desired.

New York University Stern School of Business, located in New York City's Greenwich Village, is one of the nation's premier management education schools and research centers. We offer a collegial and supportive culture, an excellent benefits package, which includes NYU tuition remission for self and eligible family members, generous vacation, health, dental and pension plans. For more information about working at NYU Stern School of Business, please visit our website at <http://www.stern.nyu.edu/hr>.

Electronic application materials must include a cover letter, CV, nominees for letters of reference and teaching evaluations if available and must be submitted by visiting the following link: <http://newapplicant.stern.nyu.edu/applicant/login.asp> by **May 30, 2008**. Please select Cross-Disciplinary as the primary dept you are applying to and Markets, Ethics, and Law as the secondary department. In your cover letter,

please indicate where you learned about this opportunity and when asked, "How did you hear about the position?" please specify the source.

NYU is an Equal Opportunity/Affirmative Action Employer. Women, minorities and persons with disabilities are strongly encouraged to apply.

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### **Robins School of Business University of Richmond**

The Department of Management at the Robins School of Business, University of Richmond, expects a significant increase in enrollments for the 2008-2009 academic year and is inviting applications for several visiting faculty positions beginning August 2008. Among these is a position in *business ethics*. The successful candidate will teach six (6) courses in both undergraduate and part-time graduate programs. Classes are, however, small – averaging 20 students per class. Candidates are expected to have completed or be near completion of their Ph.D. Some prior business experience is strongly preferred, and evidence of teaching excellence is considered a top priority.

The Robins School of Business is part of a private, highly selective university, with a liberal arts orientation and a rising national and international profile. *U.S. News & World Report*, as well as other college guides, consistently rank University of Richmond as one of the nation's top universities. A recent *BusinessWeek* ranking of undergraduate business programs put the Robins School in the top

20 nationally (#4 in academic quality).

The university is noted for its challenging academic programs, excellent facilities, commitment to undergraduate education, and strong resource base, including an endowment of well over \$1 billion. The Robins School recently completed a new 5-year strategic plan that provides a strong sense of momentum for the future and includes plans for a 33,000 square feet addition.

Application submissions for this position should include a current curriculum vita and the names and contact information of three references that are familiar with the candidate's qualifications with respect to excellence in the classroom and success in scholarship. Inclusion of recent teaching evaluations, either in a separate document or in the vitae, will facilitate the selection process. The screening of applications will begin immediately and continue until an appointment is made.

The University of Richmond is committed to developing a diverse faculty and student body, and to modeling an inclusive campus community which values the expression of differences in ways that promote excellence in teaching, learning, personal development, and institutional success.

E-mail applications, which are preferred, should be directed to Robert Phillips at [rphilli3@richmond.edu](mailto:rphilli3@richmond.edu). Physical mail is also acceptable. The address is: Robert Phillips, Department of Management, Robins School of Business, University of Richmond, VA 23173

## **Radcliffe Institute for Advanced Study Harvard University**

The Radcliffe Institute for Advanced Study at Harvard University awards approximately 50 fully funded fellowships each year. Radcliffe Institute fellowships are designed to support scholars, scientists, artists and writers of exceptional promise and demonstrated accomplishment, who wish to pursue work in academic and professional fields and in the creative arts. Applicants must have received their doctorate or appropriate terminal degree by December 2006 in the area of the proposed project. Radcliffe welcomes proposals from small groups of scholars who have research interests or projects in common. Please check the Web site for more information.

The stipend amount is \$70,000. Fellows receive office space and access to libraries and other resources of Harvard University.

During the fellowship year, which extends from early September 2008 through June 30, 2009, residence in the Boston area is required as is participation in the Institute community. Fellows are expected to present their work-in-progress and to attend other fellows' events.

Applications must be postmarked by **October 1, 2008**.

For more information, visit our Web site at [www.radcliffe.edu](http://www.radcliffe.edu). Write, call, or e-mail for an application: Radcliffe Application Office, 8 Garden Street, Cambridge, MA 02138. Tel. 617-496-1324; Fax 617-495-8136; Email: [fellowships@radcliffe.edu](mailto:fellowships@radcliffe.edu)

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## **Faculty Fellowships in Ethics Harvard University Academic Year 2009-2010**

Applications are invited from teachers and scholars who wish to develop their ability to address questions of moral choice in the professions and public life more generally. Applicants should hold a PhD in philosophy, political theory, theology or related discipline, or an advanced professional degree, and should be no more than ten years from their first academic appointment. Deadline for receipt of applications is **October 31, 2008**.

For more information see [www.ethics.harvard.edu](http://www.ethics.harvard.edu) or contact: The Edmond J. Safra Foundation Center for Ethics, 79 John F. Kennedy Street, Cambridge, MA 02138. Tel. 617-495-1336; Fax: 617-496-6104; Email: [ethics@harvard.edu](mailto:ethics@harvard.edu)

### **Society for Business Ethics International Networking Reception**

(All SBE Members, Spouses, Partners, Significant others and Friends Welcome!)

5:30 p.m. - 7:00 p.m.

Wednesday, Aug. 6, 2008

Doubletree Guest Suites Anaheim Resort/Convention Center

Coordinated by the SBE Committee on International Collaboration

R.S.V.P. to Dr. Daryl Koehn at [koehnd@stthom.edu](mailto:koehnd@stthom.edu)

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Society for Business Ethics  
Department of Philosophy  
College of St. Benedict  
37 S. College Avenue  
St. Joseph, MN 56374

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