CORPORATE SOCIAL RESPONSIBILITY

Professor Mohamed Mattar
Beirut Arab University - Faculty of Commerce and Business Administration
December 5-16, 2011

Course Description:

Corporate Social Responsibility (CSR) means responsible business that promotes social and environmental innovation, creating social benefits to the shareholders and in the meantime giving back to the broader community and the society as a whole. The purpose of this course is to examine the concept of corporate social responsibility as a means of improving products and benefiting the society and as an instrument to balance the self-interest of corporations with sustainable development. The course will cover the following topics: the concept of corporate responsibility and its historical and contemporary meanings; ethical and responsible decision making; self-regulation and voluntary codes of conduct; labor rights; the role of the government in business; the involvement of NGOs and other elements of civil society in CSR; international business and human rights; human trafficking; corruption and business bribery. The course is “case-based” and will present several case studies highlighting the best and worst practices that reflect achievements, ethical standards, obligations, processes, corporate citizenship and voluntary compliance.

By the end of the course, students are expected to be able to: apply and articulate ethical reasoning to complex business situations; critically analyze corporate and business decisions; articulate the impact that corporate actions have on both the internal life of organizations and the external environment; identify potential liability of corporations for human rights violations under international and national laws; and provide recommendations on responsible corporate behavior.

Course Requirements:

The assigned materials will constitute the basis of class discussion, and Students are also encouraged to do the recommended readings to deepen their understanding of the topics. To successfully complete the course, Students are required to:

1) Read the assigned materials for each unit;
2) Read the assigned texts for each unit;

3) Submit three projects (maximum two pages each, single spaced, Times New Roman, 12 pt. font);

4) Conduct a survey on the compliance of a company with corporate social responsibility, addressing the following questions: i. Does the company have a code of conduct? (If so, please attach a copy.); ii. Does the company have any activities that link the company with the community? (If yes, provide examples.)

**Deadlines for Submissions**

The first project is due by midnight on Tuesday, December 6, 2011. The second project is due by midnight on Monday, December 12, 2011. The third project is due by midnight on Thursday, December 15, 2011. The results of the survey are due by midnight on Monday, December 19, 2011.

Please submit the three projects and the results of the survey to Ms. Elaine Panter at epanter2@jhu.edu.

All assigned materials, texts and recommended readings can be downloaded by logging into the following link:

http://www.4shared.com/dir/C4XgMaHh/Corporate_Social_Responsibilit.html

Password: csrbau2011

**COURSE UNITS AND SCHEDULE**

**UNIT 1 – The concept of Corporate Social Responsibility: definitions, sources, theories, and distinctions**
(Monday, December 5th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** What is the business of business?; The CSR of corporations and the CSR of the non-profit sector; The ethics of business; What does it means to be ethical?; What are the legal and
historical sources of CSR?; Who are corporations responsible to?; Businesses and their obligation before society; Decision-making models in corporations; Major theories of CSR; Historical and contemporary thinkers; Management dilemma; Distinguishing between personal ethics and corporate ethics; Responsible decision-making; Problem formulation and social responsibility; The Wal-Mart case.

**Assigned materials:**


**Texts:**


**Recommended readings:**


**UNIT 2 – Global Governance and Corporate Liability: The Crisis of Multinational Enterprises**
Corporate Social Responsibility

(Wednesday, December 7th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** Do corporations have any duty to protect human rights?; Are there any enforcement mechanisms?; How can violations to human rights perpetrated by corporations be investigated?; How can the perpetrators be prosecuted and punished?; What forms of protection exist for the victims of human rights violations?; What is the role of the United Nations and other intergovernmental agencies in promoting corporate social responsibility?; What is the goal of establishing a minimum standard of conduct for companies around the world?

**Assigned materials:**

**Texts:**

**Recommended readings:**
UNIT 3 – Self-Regulations, Codes of Conduct and Voluntary Compliance  
(Thursday, December 8th, 2011, 4pm—7pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** The self-regulatory nature of the code of conducts; Similar mechanisms voluntarily adopted by corporations; The growing pressure imposed on corporations by the market to comply with ethical business principles; Corporate codes of conduct; The processes of developing CSR standards and policies; Other self-regulatory mechanisms; International forums and agencies; Soft law vs. hard law; Legal obligations that multinationals have to fulfill; Domestic laws and the concept of extraterritoriality.

**Assigned materials:**

**Texts:**

**Recommended readings:**

**Project 1:** *Draft a code of conduct based on the ten principles of the UN Global Compact 2011.*
UNIT 4 – Recognition and Enforcement of Internationally Recognized Labor Rights: Reconciling the Interests of Management and Workers
(Friday, December 9th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

Key concepts: Are economic, social and cultural (ESC) rights human rights?; How do they differ from civil and political rights?; Right to housing; Right to an adequate standard of living; Right to food; Right to health; Right to a clean environment; Human development indicators and other socio-economic statistics as essential tools for monitoring ESC rights and assessing governments’ compliance with their obligations; Freedom of association; Right to form unions; The right to strike; Regulation of working hours; Right to a healthy and safe work environment; Principle of non-discrimination; Sexual harassment; Special protection of women.

Assigned materials:

Texts:
ILO Declaration on Fundamental Principles and Rights at Work (1998).
ILO No. 138 Minimum Age Convention (1973)

Recommended readings:
UNIT 5 – The Role of Governments in Business: Regulatory Rules of Foreign Direct Investment, Privatization and Free and Fair Competition
(Monday, December 12th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

Key concepts: Balancing business incentives; Compliance with domestic rules of health, safety, labor and environment; Prohibition against dominance and the need for consumer protection; Accomplishing the objectives of privatization without harming internationally recognized labor rights.

Assigned materials:

Texts:
Lebanon No. 228 Privatization Law (2000)
Lebanon No. 360 Investment Law (2001)

Recommended readings:

Project 2: You have been hired by the government of Lebanon to assist the process of the privatization of company A. Design an action plan to protect workers’ rights.

UNIT 6 – The Role of NGOs and other Elements of Civil Society in Fighting Corporate Greed and Combating Corruption
(Tuesday, December 13th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** Finding a definition of civil society and corruption; How does corruption affect human rights?; Corruption and bribery as inhibition on legal enforcement; The fight against corruption on the national and international level.

**Assigned materials:**


**Texts:**


**Recommended readings:**


UNIT 7 – Illicit Business Practices: Child Labor, Forced Labor and Labor Trafficking
(Wednesday, December 14th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** The relationship between the various kinds of human trafficking (child labor, forced labor, and sex tourism) and corporate social responsibility; The engagement of companies in combating human trafficking and sweatshops; Strategies used by corporations to prevent illicit businesses; International legal instruments against human trafficking; Successes and failures on
human trafficking law throughout the world, business practices regarding CSR and human rights issues.

**Assigned materials:**


**Texts:**

“Human Trafficking and Business: Good Practices to Prevent and Combat Human Trafficking.”


ILO No. 182 Worst Forms of Child Labor Convention (1999)

The U.S. Child Labor Deterrence Act, 1999

The U.S. International Marriage Broker Regulation Act (IMBRA), 2005

The U.S. Trade and Development Act, 2000

United Nations protocol to prevent, suppress and punish trafficking in persons, especially women and children (2000)

**Recommended readings:**


**Project 3:** *Draft a public awareness campaign addressing measures to prohibit human trafficking in the production of goods.*
UNIT 8 – “Protect, Respect and Remedy”: Human Rights and the Social Responsibility of Business
(Thursday, December 15th, 2011, 4pm—7pm, room BUSS 411 - Omar Faroukh Hall)

Key concepts: The United Nations “Protect, Respect and Remedy” Framework; Poverty and labor exploitation; The shareholder activism model; The State duty to protect against human rights abuses by businesses; The corporate responsibility to respect human rights; The Ruggie Framework; The role of voluntarism and law in governing business behavior.

Assigned materials:

Texts:

Recommended reading:

UNIT 9 – The Future of CSR and Responsible Investment
Corporate Social Responsibility

(Friday, December 16th, 2011, 3pm—6pm, room BUSS 411 - Omar Faroukh Hall)

**Key concepts:** Assessment of the history of CSR; The current situation and perspectives of CSR; Emerging nations and CSR; Possible scenarios for 2020; The scarcity of natural resources and the behavior of companies; The increasingly important leadership of corporations to tackle social and environmental issues; The potential ways in which CSR can develop.

**Assigned materials:**


**Recommended readings:**