Integrating Mini-Debates in Business & Society/Business Ethics Classes

An Activity/Exercise submitted to the 2022 MOBTS Conference

Abstract:

This submission presents an activity I’ve done in my Business & Society classes in which students participate in debates. Issues up for debate are ethical dilemmas where the profit-seeking interests of business conflict with the broader interests of society. This submission provides classroom instructions and potential issues for debates, as well as a description of the how the session will proceed. Session attendees will have the opportunity to participate in a debate as either a debate team member or as a judge.

Keywords: Debates, business ethics, business and society

**Introduction**

A central premise of any Business Ethics, or Business and Society course is the intersection of the profit seeking interests of business and the general interests of the broader society. Corporations exist to make money and maximize profits, yet those often come at the expense of other societal concerns. While a goal of all business programs is to prepare students to be commercially successful, a complementary goals is to create profits while enhancing society, or at least minimizing societal damages (Bishop, 1992, Edwards & Gallagher, 2018). When business interests affect society negatively, businesses risk government involvement through regulatory activity (Soule, 2002).

The conflicting interests inherent in business-society interactions make wonderful fodder for debates, as both sides have strong opposing positions. Moreover, debates have long proved to be effective pedagogical exercises (Jagger, 2013). This is especially cogent for business ethics, as debates create a form of conversation where students engage different perspectives thus creating a classroom environment valuing different perspectives (Sims, 2004).

In an attempt to expose students to both sides of a business/society dilemma (Stanley et al., 2020), and to present the responsibility of government through regulation, I have found in-class mini-debates to be an effective exercise that requires students to consider both the business and societal interests of a particular issue. In the debate, one group of students argues for the side of business interests, while another group argues for the side of society’s broader interests. All the other students act as judges.

This paper presents the debate exercise with a number of topical issues so that other instructors may consider integrating debates into their courses. In so doing, this paper is divided into four sections. The first is a theoretical foundation of the interests of profitability on one hand, and societal interests on the other. Second is a listing of the exercise’s learning objectives. The third section is a description of how I administer debates in my classes with student feedback, while the fourth section describes how I would present this as a conference session. Additional thoughts and observations conclude the paper.

**THEORETICAL FOUNDATIONS**

The profit seeking interest of business was famously presented by Milton Friedman, who wrote that professional managers should report only to their corporations’ owners whose ownerships interest were limited to profitability and increasing share value. Firms have to obey relevant laws and ethical customs, of course, but the only ethical obligation of managers was to increase shareholder value to the owners. He argued that doing anything other than that was either spending the owners’ money, and/or placing an undue tax to the customer. Activities benefitting society without benefiting the corporation was essentially a form of socialism (Friedman, 1970).

The alternative perspective is that the interests of society are represented by government and acted upon through regulation. Regulation occurs to reduce commercial harm, or damage inflicted by business, as business may pursue its own interests ahead of those of the broader society (Soule, 2002).

**LEARNING OBJECTIVES:**

The objectives of this exercise, are fivefold.

* Learning Objective 1: Students research a controversial issue in which the interests of business conflict with those of the broader society.
* Learning Objective 2: Students are required to look at a business situation from a societal perspective
* Learning Objective 3: Students are required to consider the role of government in the business environment.
* Learning Objective 4: Students work with others in a team setting.
* Learning Objective 5: Students present verbally in a debate in front of other students.

**ADMINISTRATION OF THE MINI-DEBATES:**

At the beginning of the semester, I randomly divide the class into groups. In our program, we typically try to keep our classes to around 30 students, so I divide them into eight groups of three-to-four students each. I assign two groups to take on each side of a business/society issue, resulting in four different issues to debate. Below is an example of one of the debate issues (other issues are included in the Appendix):

“Should pharmaceutical corporations that have patent protection for a product be allowed to increase the price of the product soon before the patent expires? When a company has a patent on a product, it essentially has monopoly power when it comes to pricing. However, patents expire and companies lose that monopoly position. In 2016, Mylan Corp. made the news when it increased the price of its EpiPen by about 600%. The company was probably just trying to maximize revenue before it lost its patent (which is legal), but it created a significant financial hardship for those dependent on the EpiPen.”

One group is assigned the proposition position, or, the position that pharmaceutical companies should be allowed to increase prices while the other group is assigned the opposition position, that pharmaceutical companies should not be allowed to increase prices prior to patent expiration.

In addition to their issues and positions, the students are given the rules and expectations of the actual debates (see appendix). The groups have about five weeks to research their topic, prior to the debates. Students participate on one debate team in one debate. When the students are not debating, they take on the role as debate judge.

**EXERCISE OVERVIEW – FORMAT OF THE MINI-DEBATES:**

Please note the rules of these in-class debates differ significantly from those of traditional debating societies. Organizations such as the National Parliamentary Debate Association have highly structured and explicit rules (NPDA, n.d.), and one should not confuse this exercise as an “official” debate. Instead, these are modifications that attempt to capture the spirit of debates, altered to accommodate issues such as class-time and student experience. Very few of our students have had previous debate experience, thus making this their first exposure to debating.

* Instructor introduces the debate issue to the class (judges) identifying the sides and their positions: 1 minute
* Proposition team presents its opening arguments: 2 minutes
* Opposition team presents its opening arguments: 2 minutes
* Proposition team asks questions directly to the Opposition side: 4 minutes
* Opposition team asks questions directly to the Proposition team: 4 minutes
* Proposition team gives its closing arguments: 2 minutes
* Opposition team gives its closing arguments: 2 minutes
* Both teams leave the classroom while the judges (remaining class members) vote on which team won: 3 minutes.
* Once the ballots have been collected and counted, students return to the room to lean which team won: 1 minute

**Judges’ responsibility:**

All students not on one of the debating teams act as judges. They listen to the debate, and vote for which team was more successful based on three criteria from the instructions, “1) general clarity, 2) persuasiveness of argument, and 3) integration of course material.” Each judge is given a slip of paper to use as a ballot to keep voting secret. It’s important to remind judges they should be impartial, and vote for the team that did a better job presenting their side. Students often have their own preferences for one side or the other, but they’re judging the quality of the debates, not their personal position.

**Grading:**

I intentionally attempt to keep these exercises light and fun, so there isn’t a big reward for winning a debate, nor is there a penalty for losing. I simply give each team member one extra-credit point for every vote their team received from the judges. In a class of 32 students, and debate teams of four students each, the total number of judges’ votes would be 24. If a team won unanimously, each member of that team would get 24 extra-credit points, and the losing team’s members would get 0. Rarely are the votes unanimous, and usually, the outcomes are quite close. Therefore, nearly all the team members earn some extra-credit. In the past, I would award the winning team an arbitrary amount of extra-credit, (20 points for example), but I found that was dispiriting to the losing team members, especially if the vote was close. Giving points per vote rewards effort as well as outcome.

**Student Responses:**

In order to gauge student feedback for the debates, I surveyed my fall semester 2021 students about four weeks after we completed the debates. Using a 5-point Likert scare of Agreeability (Strongly Agree = 5, Agree = 4, Neutral = 3, Disagree = 2, Strongly Disagree = 1) the survey captured student opinions on seven statements. Of the 29 students in the class who participated in the debates, 26 completed the survey. Below are the statements and their mean scores.

+ + Insert Table 1 about here + +

Overall support for the debates was strong as students agreed with the statements. The statement that scored the lowest 3.93, dealt with the team experience more than the exercise itself. Team assignments tend not to be very popular at our school. We have a significant number of commuter students whose schedules don’t align very easily with group projects. The strongest agreement (4.56) was for the final statement endorsing the use of debates in the future. This statement was intended to measure the overall debate exercise rather than any specific component of it.

**SESSION DESCRIPTION**

If this paper is accepted, I would have the attendees participate in a mini-debate. Ideally, we would be in a room where we can set up chairs in front where the teams can sit together. Depending on the number of session attendees, I would ask for volunteers to be on two opposing debate teams. Ideally we would have 3-4 members for each side. If numbers are sparse, we would have two members per team. The rest of the group would act as judges. Below is a chronological breakdown of the session:

* Minutes 1-5: Overview of the session and request for volunteers to participate in the debate:
* Minutes 6-20: Debate teams leave the room to prepare. During that time, I’ll provide an overview of the exercise for the remaining participants.
* Minutes 21-40: Debate teams return to the room and we conduct the debate. After the conclusion of the debate, the debate teams leave the room again while the remaining participants vote as to which side won.
* Minutes 41-60: Session discussion and post-mortem to reinforce the learning objectives, and provide an opportunity for feedback on the exercise.

Participating teams will receive the debate issue and their assigned position: proposition or opposition. They will also be given the format of the debates as described above. The issue for the conference session would be well known and relatively straight-forward, so the need for external research would be minimal. Both teams would leave the room to work on their debates to come up with opening and closing arguments and questions to ask of the competing side. If the number of attendees is too sparse to conduct a debate, I’ll simply present the activity without the exercise.

**CONCLUSION**

With the exception of online sections mandated by the pandemic, I have been conducting variations of these debates for over ten years, and each time I’ve received overwhelmingly positive feedback. In students’ end-of-semester course surveys, many mention the debates as the highlight of the semester. Moreover, our department has repeatedly cited these debates as an example of “high impact practices.” Besides the debates themselves, the exercise requires group work and oral presentations. Students typically respond positively to such engaged learning.

Many of the debates have been lively, with some spirited speakers (some debates have even continued into the hallway while the judges were voted). Fortunately, none of the debates devolved into nastiness. Part of that is intentional. I’ve avoided topics about which students may feel passionate. For example, I won’t assign gun control as a topic because our campus has students who already feel strongly about the issues.

The format presented here allows for a lot of variation, and I encourage others to customize the exercise to best suit their situations. I wrote the debate issues in the Appendix, although anyone could write their own. For example, I’ll probably add a debate issue pertaining to mobile sports betting. Businesses will always doing things that other sectors of society find objectionable.

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**TABLE**

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| **Table 1: Student Feedback** |
| The debates were helpful in my understanding of business and ethical situations: | 4.28 |
| The debates encouraged me to think of a business situation from a different perspective: | 4.36 |
| The debates encouraged me to consider the societal implications in business situations: | 4.24 |
| The debates improved my understanding of the governments’ role in business situations: | 4.20 |
| I benefited from working with others in a team environment: | 3.96 |
| Conducting the debates in front of classmates was beneficial to the exercise: | 4.24 |
| Debates should be component of future sections of Business, Government and Society: | 4.56 |

**APPENDIX**

**Debate Instructions:** Each student will be assigned to a team, which will work together to debate an issue in class. Based on class votes deciding which team won, each team member will earn one extra-credit point for every vote the team receives. For example, if ten students believed a team won the debate, each member of that team will earn ten points. There is no penalty for losing a debate. Class votes will be based on three criteria, 1) general clarity, 2) persuasiveness of argument, and 3) integration of course material. The debates will follow the following format: two minutes to present each side; four minutes for each side to ask questions of the other side; and two minutes for closing arguments. All students must have a speaking role in the debates.

**Additional Debate Issues**

**Issue 1: Should American companies be able to stash profits in other countries to avoid paying U.S. taxes on those profits.** Companies like Apple and Google have been accused of hiding profits overseas to avoid paying billions of dollars in U.S. taxes. Tax law is complicated, especially for multinational companies, and there appear to be legal ways for storing profits in other countries. Although it appears these companies haven’t done anything illegal, the ethicality of avoiding taxes comes into question. Many argue that as U.S. companies, they should pay their fair share, especially when they benefit from American government expenditures and investments. Others argue that companies should be able to take advantage of the tax code and pay as little as legally possible.

**Issue 2: For the sake of public health, should municipalities be able to charge an additional tax on soft drinks.**  In the United States, several cities including Chicago, Philadelphia, and Oakland have recently instituted an additional tax on soda, with more cities expected to join the list. The tax varies between one and two cents per ounce. For a six-pack of soda, a 2-cent tax raises the price by $1.44. This is an attempt to lessen the number of calories people consume, especially children. All sides agree there is an epidemic of weight-related illnesses such as childhood obesity and diabetes. However, soda companies argue that people should be able to buy and drink as much as they want; especially considering sodas are legal substances.

**Issue 3: Should the United States Government have bailed-out General Motors and Chrysler in 2008?** Over the last few decades, the American auto industry has struggled losing money and market share to (mostly) foreign car companies. Being one of the largest American industries, allowing the two companies to fail would have huge economic repercussions (parts suppliers would also fail as would dealerships). On the other hand, the car companies have been failing while others have been succeeding. People were still buying cars, just fewer American cars. Also is it fair to Ford to bail-out their competition?

**Issue 4: Should the burden of health insurance be moved from employers to the government?** Most Americans who have health insurance get it through their employers; although, companies are not legally required to offer insurance to their employees (The Affordable Care Act only incentivizes companies to provide employees insurance). It has simply become standard practice to provide insurance as an employment benefit. In the era of globalization, American businesses claim they are at a disadvantage to foreign companies who do not have to pay for their employees’ healthcare. As the cost of health insurance has increased, many companies have found that they cannot afford to insure their employees. As a result, many companies have required employees to share the costs or drop the insurance altogether. With employer-provided insurance, too many Americans (non-working, part-time, temps, etc.) do not have insurance for themselves or their families. If the government were to take over insurance, all Americans would have healthcare although there would be a significant tax increase to pay for it. On the other hand, companies claim the increase in taxes would be cheaper than what they’re currently paying for health insurance.

**Issue 5: Should the government have more discretion about corporate tax write-offs for charitable donations?** An effective way for corporations to lower their tax obligations is by making charitable contributions to legitimate non-profit organizations (401(c)). The tax breaks encourage charitable donations, thus distributing society’s wealth to worthy causes. Currently, any charitable donation is tax-exempt. However, critics of the system claim that this is an efficient method of distributing money to the neediest causes. Companies can very strategically identify their donations to get maximize their public relations value (think Ronald McDonald Houses) which may help the corporations’ bottom lines, but some other causes may suffer. If the government had more discretion, it would assign charitable donations where they are most needed. On the other hand, if the government interfered with charitable donations, the amount of corporate gifts would drop considerably.

**Issue 6: Should municipalities be able to regulate the marketing efforts of companies?** A San Francisco Councilman recently proposed legislation banning McDonalds from including toys in their popular Happy Meals. He argues that the toys are essentially a bribe, encouraging children to develop unhealthy eating habits. McDonalds argues that the Happy Meal toys are perfectly legal in the state and federal courts, and, it would be unfeasible to customize marketing campaigns to individual cities or towns.

**Issue 7: Should the U.S Government regulate what Chief Executive Officers and other key executives of American corporations earn?** Currently, CEOs earn about 270 times what the average worker earns. Many believe this is excessive, and no one deserves to make so much more than someone else. One possible solution is that the government put limits as to what CEOs (and other key executives) earn. Others argue the executive labor market is just like any other market, and the market should decide someone’s worth, not the government.

**Issue 8: Should corporations have the same First Amendment rights as individuals when it comes to free speech and supporting political candidates?** In 2010, the Supreme Court in Citizens United v. Federal Election Commission essentially said that corporations have the same unrestricted free speech rights as people, and can spend unlimited amounts on independent expenditures such as running television advertisements independent of the candidates and their campaigns (corporations cannot contribute directly to campaigns, but they can participate through PACs and other mechanisms). Corporations have deep pockets, and can conceivably have undue influence in an election. Should corporations have the same free speech rights as individuals when it comes to elections?