

BUSINESS ♦ AND ITS ♦ ENVIRONMENT



DAVID ♦ P ♦ BARON

BUSINESS AND ITS ENVIRONMENT

DAVID P. BARON
Stanford University



Prentice Hall
Englewood Cliffs, New Jersey 07632

Library of Congress Cataloging-in-Publication Data
Baron, David P.

Business and its environment / David P. Baron.
p. cm.

Includes bibliographical references and index.

ISBN 0-13-092511-X

1. Social responsibility of business. 2. Industry and state.
3. Commercial law. 4. business ethics. I. Title.

HD60.B37 1993

658.4—dc20

91-43118

CIP

Acquisition Editor: Alison Reeves
Production Editor: Joanne Palmer
Cover Design: Anne Ricigliano
Prepress Buyer: Trudy Piscioti
Manufacturing Buyer: Patrice Fraccio
Editorial Assistant: Diane Peirano



©1993 by Prentice-Hall, Inc.

A Simon & Schuster Company

Englewood Cliffs, New Jersey 07632

All rights reserved. No part of this book may be
reproduced, in any form or by any means,
without permission in writing from the publisher.

Theo. van Doesburg, Simultaneous Counter-Composition. (1929-30)

Oil on canvas, 19¼ x 19⅞". Collection, The Museum of Modern Art, New York.

The Sidney and Harriet Janis Collection. Photograph ©1992. The Museum of Modern Art, New York.

Printed in the United States of America

10 9 8 7 6 5 4 3 2

0-13-092511-X

0-13-092826-7 {PROFESSIONAL}

Prentice-Hall International (UK) Limited, *London*

Prentice-Hall of Australia Pty. Limited, *Sydney*

Prentice-Hall of Canada Inc., *Toronto*

Prentice-Hall Hispanoamericana, S.A., *Mexico*

Prentice-Hall of India Private Limited, *New Delhi*

Prentice-Hall of Japan, Inc., *Tokyo*

Simon & Schuster Asia Pte. Ltd., *Singapore*

Editora Prentice-Hall do Brasil, Ltda., *Rio de Janeiro*

BUSINESS AND ITS ENVIRONMENT

To Mary

PREFACE

The environment of business is composed of market and nonmarket components. In their market environment, firms interact with customers, suppliers, employees, and other firms. The market environment is shaped by the nonmarket environment, which includes the policies of government, pressures from activists and interest groups, and the force of ethical principles. Similarly, activities in the market environment generate issues that are addressed in the nonmarket environment. The field of business and its environment is concerned with the interrelationships between the market and nonmarket environments and with effective means of dealing with issues that arise therein.

This book focuses on nonmarket issues that impact the performance of firms and on approaches for effectively participating in the processes governing their resolution. The book thus does not take a public policy perspective but instead adopts the perspective of managers responsible for the performance of their firms. The approaches emphasize analysis and reasoning as the foundations for strategies for improving that performance. Rather than surveying the broad range of issues affecting firms, the emphasis is on central issues and the institutions that address them. For example, instead of surveying the international environment of business, the nonmarket environments of Japan and the European Community are considered in some detail.

The approach taken to these issues is not to tell readers what to think or how to act but instead to provide methods of analysis and institutional background so that readers may reason for themselves about issues. This is appropriate because the environment of business is constantly changing and prescriptions that are appropriate today may be inappropriate in the future. In contrast, methods of analysis and frameworks for reasoning about issues are more general and more durable. Moreover, many of the issues that arise in the environment of business are sufficiently complex that simple prescriptions are poor substitutes for careful analysis. In addition, when normative and ethical issues are involved, people may differ in their judgments about appropriate courses of action. What serves managers best in the long run is being able to reason thoroughly and thoughtfully about issues and to develop strategies for addressing them that are both responsible and improve performance.

This approach places considerable responsibility on the reader to decide which actions to take and which policies to adopt in a particular situation. Because of the

complexity of issues and the diversity of perspectives held by individuals, discovery through discussion is a central part of the learning process. To provide vehicles for that discovery, each chapter includes several short cases that are integrated with the text. The cases provide an opportunity to explore issues in more depth and in more complex settings.

Most of the cases are short. They are intended to engage the reader quickly, and to provide only that descriptive detail necessary to apply the chapter material. The cases are not intended to provide exemplary lessons or descriptions of current practice but instead to pose a managerial problem that requires analysis and a course of action. The cases typically are set at the point at which the firm must make a decision, develop a policy, or formulate a strategy.

The book is organized in five parts. Part I introduces the nonmarket environment of business and the types of issues that firms face. It considers the evolution of nonmarket issues, including such forces as the media and activist and interest groups, which affect that development. A framework is presented for organizing the analysis of issues and the formulation of strategies for addressing them.

Part II is concerned with issues addressed in the context of government institutions with an emphasis on legislatures. An approach to analyzing the politics of issues is developed based on the ability of interest groups to generate political pressure and on the structure of governmental institutions. The emphasis is then on the formulation and implementation of strategies for addressing political issues that directly affect firms and shape their market and nonmarket environments. The framework developed in this part provides a foundation for Parts III and IV.

Part III focuses on the interactions between government and markets with an emphasis on antitrust, regulation, liability, and environmental protection. The approach to these subjects combines the perspective developed in Part II with theories of the relationships among governments, firms, and markets. The principal institutions considered are the courts and regulatory agencies. The issue of product safety is used to introduce the liability system and to contrast judicial and regulatory approaches to controlling hazards and risks.

Part IV is explicitly international and focuses on Japan, the European Community, and international trade policy. The chapters provide frameworks for understanding the institutional structure and the relationships between business and government in those settings. International trade policy is considered because it shapes the international environment of business and because it serves to integrate the study of issues that involve more than one country.

Part V is explicitly normative and considers issues involving the responsibilities of firms and the guidance that ethics provides managers. Corporate social responsibility is considered, and the nature and extent of that responsibility is argued to be found in ethical principles. Ethical systems and ethical reasoning about managerial issues are then considered, and the guidance that firms provide their employees on these dimensions is addressed. The book concludes with chapters on ethical issues that arise in the employment relationship and in international business.

Courses in this field take a variety of forms, serve a number of purposes, and cover a diverse set of topics. The book recognizes this variety and is organized to serve a number of course designs. A course that focuses on social issues can be built on Parts I and V with selections from the other parts to include topics such as product safety, environmental protection, legislative activity, and international business. A course that focuses on business and government can be built on the first four parts. A course that addresses both normative and business–government issues can use Parts I, II, and V, with selections from Parts III and IV.

A number of people have provided encouragement for this project. They include George Leland Bach, Jonathon Bendor, David Brady, Thomas Gilligan, Kirk Hanson,

Charles Holloway, Keith Krehbiel, and Susanne Lohmann. I wish to thank them for their advice about the content and presentation of the materials and for their contribution of a number of cases. Thanks go as well to Philip L. Cochran, Pennsylvania State University; Mark A. White, McIntyre School, University of Virginia; Susan Smart, Indiana University; Barry Nalebuff, Yale University; Ian Maitland, University of Minnesota; Michael E. Howard, Eells and Peiffer; Melissa Birch, Darden School, University of Virginia; Krishna L. Ladha, Washington University; Wesley A. Magat, Duke University; James A. Morone, Brown University; Michael N. Hayes, Miami University; Wallace Hendricks, University of Illinois; Paul L. Wilkens, Florida State University; Julie Nelson, New York University; Robert J. Baum, University of Florida; F. Neil Brady, South Dakota State University; Ernie Englander, George Washington University; Leonard A. White, University of Arkansas; Bernard L. Stern, Cornell University; John Ellwood, University of California at Berkeley; Elizabeth Bailey, Carnegie Mellon University; Eugene Bardach, University of California; Jongryn Mo, University of Texas at Austin, and Steven M. Maser, Willamette University. I would particularly like to thank the Graduate School of Business of Stanford University, which provided the institutional support without which this project could not have been undertaken.

Stanford, California
June 1992

CONTENTS

Preface

PART I NONMARKET ISSUES AND ACTIVITY

Chapter 1	The Subject of Business and Its Environment	3
Introduction		3
An Example of the Nonmarket Environment: The U.S. Automobile Industry		4
Management and the Nonmarket Environment		7
<i>The role of management</i>		
The Unit of Analysis: The Conjunction of Issues and Organizations		9
The Scope of the Field: Market and Nonmarket Issues		9
Nonmarket Issues: Levels, Focus, and Time Frame		11
<i>The level of analysis/Time frame</i>		
Institutional Arenas		13
Approaches to the Analysis of Nonmarket Issues		14
A Framework for the Analysis of Nonmarket Issues		16
Example: Citibank and Credit Cards for Undergraduates		19
Summary		22
CASE: Global Warming		24
CASE: Buffalo Savings Bank (A)		27
CASE: Graduation Cards (A)		28
Chapter 2	The Nonmarket Environment and Issue Life Cycle	30
Introduction		30
The Nonmarket Environment and Issue Agenda		31
<i>Nonmarket issues and the environment/An example of a nonmarket issue agenda:</i>		
<i>McDonald's</i>		
Change in the Nonmarket Environment		36
The Nonmarket Issue Life Cycle		37
Management and Nonmarket Issues		41

The Responsibility for the Management of Nonmarket Issues	43
Summary	44
CASE: The Nonmarket Issue Environment of Anheuser-Busch	45
CASE: An Emerging Nonmarket Issue	46
CASE: Calgene Inc. and Its Herbicide-Resistant Cotton (A)	50
Chapter 3 The News Media and Nonmarket Issues	51
Introduction	51
The Role of the News Media in Nonmarket Issues	52
Anticipating News Media Coverage and Treatment	53
Theories of the News Media	54
<i>The audience interest theory/The societal significance theory/Combining the theories</i>	
An Extension of the Theory	59
<i>Newsworthiness/The Cost of Coverage</i>	61
The Nature of the News Media	61
<i>The news media as a business/The profession/Standards/Does the media treat issues selectively?</i>	62
Business Issues	63
Media Behavior and Public Attitudes Toward the Media	64
Interactions with the News Media	65
<i>The need for information/Developing relationships with the media/Media interviews</i>	
Strategies for Addressing Media Issues	68
<i>Unanticipated events</i>	
Recourse in Disputes with the Media	69
<i>Private recourse/recourse to the law</i>	
Summary	71
CASE: The Alar Episode (A)	73
CASE: Illinois Power Company (A)	75
CASE: Big Mac Counterattack (A)	76
CASE: Procter & Gamble and Neighbor to Neighbor	77
Chapter 4 Private Collective Action	79
Introduction	79
Activist Strategies	80
Activist Organizations and Activities	83
<i>The Nader organization/The center for auto safety</i>	
Interacting with Activists	87
An Example	90
Summary	91
CASE: Domino's Delivers (A)	93
CASE: ABC Entertainment, Inc.	94
CASE: Nike and the Operation Push Boycott (A)	95
CASE: Nike and the Operation Push Boycott (B)	97

PART II NONMARKET STRATEGIES AND POLITICAL INSTITUTIONS

Chapter 5 Theory and Institutions

viii	Introduction	101
------	--------------	-----

Markets	101
<i>The role and functioning of markets/Capital markets and the objectives of the firm</i>	
Consumer Surplus and Economic Rents	103
A Connection Between the Market and Nonmarket Environments	105
<i>The demand for nonmarket action/The costs of collective and nonmarket action</i>	
Social and Political Dilemmas	108
<i>The prisoner's dilemma/Dilemmas, repeated encounters, and cooperation</i>	
Majority Rule-Based Institutions	109
<i>Properties of majority rule/Arrow's impossibility theorem and political institutions/Agendas/The median voter theorem/Committees in legislatures/Bargaining/Congress/The organization of the congress/The legislative process/Committees/Committee power/Bargaining in political institutions/Delegation/Behavior of legislators/Vote trading/Committee and personal staff/State legislatures/Parties/The presidency and the legislative branch</i>	
Politics and the Public Interest	125
The Politics of the Extension of Daylight Saving Time	125
<i>The nature of political explanations/The legislative history of the extension/The politics of daylight saving time/The role of facts/An analytical characterization of the politics of daylight saving time</i>	
Summary	130
Appendix	132
CASE: Stanford University's On-Campus Housing Program	134
CASE: A Problem of Collective Bargaining	134
CASE: An Electoral Dilemma (A)	135
CASE: An Electoral Dilemma (B)	136
Chapter 6 Political Analysis for Business	137
Introduction	137
A Framework for the Analysis of Political and Collective Action	138
<i>Interests and interest groups/The amount of political action/The demand for political action/The costs of political and collective action/The effectiveness of group action/The distributive politics spreadsheet/The nature of political competition/Institutions and institutional arenas</i>	
Moral Determinants of Collective and Political Behavior	146
Case Example: Boeing in a Pickle	146
Analysis of the Case	148
<i>The nonmarket issue/Distributive consequences/Boeing's nonmarket agenda and objectives/The nature of the politics of the issue/The demand and supply of political action/The distributive politics spreadsheet/Institutions and institutional actors/Strategy formulation</i>	
Summary	156
Appendix	156
CASE: Lotus Development Corporation and Marketplace Household	159
CASE: Scrubbers and Environmental Politics	159
CASE: Pizza Hut and the Legal Drinking Age	161
Chapter 7 Formulating Political Strategies	
Introduction	162
Responsible Political Action	162
<i>Criticisms of business participation in political activity</i>	

Political Strategy Formulation	166
<i>Managers and political strategies/An approach to strategy formulation/Strategy formulation</i>	
Examples of Political Strategies	171
<i>Toshiba and United States trade sanctions/Section 89 of the 1986 Tax Act</i>	
Implications of Theory for Strategy Formulation	175
Summary: A Checklist for Political Analysis and Strategy Formulation	177
CASE: Drug Exports	180
CASE: Political Entrepreneurship	181
CASE: RBOC Politics (A)	182
Chapter 8 Implementing Political Strategies	
Introduction	186
Lobbying	186
<i>Lobbying by managers/The nature of lobbying/Persuasion or information provision/Access/Timing/Government allies/Controls on lobbying</i>	
Grassroots Strategies	191
<i>Grassroots strategies and the constituent connection/Mobilization/Business grassroots campaigns/The effectiveness of grassroots programs</i>	
Coalition Building	194
<i>Peak associations/Trade associations/Forming ad hoc coalitions/Coalition objectives/Pharmaceutical politics</i>	
Testimony	198
Business Political Entrepreneurship	199
<i>Election financing laws/The pattern of campaign contributions and expenditures/Purposes of campaign contributions</i>	
Communication and Public Advocacy	202
Judicial Strategies	203
<i>The courts/Regulatory and administrative law strategies</i>	
Advisory Panels and Committees	205
Organizing for Political Effectiveness	206
Summary	206
CASE: Drexel Burnham Lambert and Junk Bond Politics	208
CASE: CAFE Standards	209
CASE: AMEX and the Credit Card Surcharge	216

PART III GOVERNMENT AND MARKETS

Chapter 9 Antitrust	221
Introduction	221
Antitrust Law and Enforcement	223
<i>The antitrust statutes/Exemptions/Enforcement</i>	
Schools of Antitrust Thought	229
<i>The traditional or structural approach/The Chicago school/The strategic approach</i>	
Examples of the Differences in Antitrust Thought	235

Vertical arrangements/Predatory pricing and entry deterrence/Collusion and price-fixing

Mergers and Merger Guidelines	239
State Antitrust Enforcement	241
Compliance	241
The Politics of Antitrust	241
Summary	243
CASE: Apple Computer and Mail-Order Sales	244
CASE: Goodyear Tire and Rubber Co.	245
CASE: The Malt Beverage Interbrand Competition Act	247
Chapter 10 Regulation	251
Introduction	251
Periods of Regulation Change	252
The Constitutional Basis for Regulation	253
Regulatory Commissions and Agencies	253
The Nonmarket Environment of Regulatory Agencies	254
Regulatory Procedures and Discretion	257
Explanations for Regulation	258
Market Imperfections	259
<i>Natural monopoly/Externalities/Public goods/Asymmetric information/Moral hazard/Transactions costs/Destructive competition</i>	
The Political Economy of Regulation	265
<i>Cross-subsidization/Cost-based regulation</i>	
Telecommunications and Regulatory Change	268
<i>Alternative to cost-based rate-of-return regulation</i>	
Summary	271
CASE: Sears and the Local Regulation of Advertising	272
CASE: The FCC and the Access Charge	274
CASE: The FCC and International Telephone Rates	275
Chapter 11 Product Safety: Liability and Regulation	278
Introduction	278
The Product Safety Problem and Social Inefficiency	279
Entitlements, Liability, and Social Efficiency	281
<i>The Coase theorem/Entitlements and their protection/Transactions costs/The assignment of rights and their protection/The assignment of entitlements and distributive consequences</i>	
Products Liability Law	286
<i>Products liability cases/The development of products liability/Allowable defenses/Imperfections in the liability system/Absolute liability/Further change and revision of products liability</i>	
Product Safety Regulation	296
Chain Saw Safety	299
<i>The safety issue/Market imperfections/Channels of distribution/CPSC's standard setting efforts</i>	
Summary	304
CASE: California Space Heaters, Inc. (A)	306
CASE: ALZA Corporation and the Products Liability Crisis	309
CASE: Bic Disposable Butane Lighters	312

Chapter 12 Environmental Protection

Introduction 316

Socially Efficient Regulation of Pollution Externalities 317

Institutional alternatives/Socially efficient regulation of externalities/Implementing socially efficient regulation

The Environmental Protection Agency 322

The Politics of Environmental Protection 325

Example: Scrubbers 1990 333

Management of Environmental Protection Issues 335

Environmental bargaining

Summary 340

CASE: The Next Environmental Frontier? 342

CASE: American Nukem, Inc.

CASE: Procter & Gamble and Disposable Diapers 345

PART IV INTERNATIONAL BUSINESS AND NONMARKET ISSUES

Chapter 13 The Political Economy of Japan 351

Introduction and Overview 351

A Perspective on the Japanese System 351

The Political System 353

Political parties and the electoral system/The bureaucracy/Unions and political influence/The judicial system

The Media 370

Tying the Components Together: Political Exchange in Japan 371

Framework/Political exchange

Summary 380

CASE: The Proposed Breakup of Nippon Telephone & Telegraph 381

CASE: Fujitsu Inc. and Buying In 383

Chapter 14 Business-Government Interactions in Japan 385

Introduction 385

Aspects of Business in Japan 385

The organization of business/Keiretsu/Business attitudes toward shareholders and the market for control/Business practices

Business and Government 393

The organization of business for political action/Political strategies/Lobbying and points of access/Joint ventures as a mechanism for accessing the government/Information/Coalition building/An incident/Corporate political styles

Summary 400

CASE: Syntex: The Challenge in Japan 402

CASE: Toys 'R' Us in Japan 406

Chapter 15 The European Community 409

Introduction 409

The Nations and their Organization 409

The European Community 410

Formation/The origins of the Single European Act (SEA)

A Single Market: Europe 1992	412
<i>The SEA/Fiscal harmonization/Public health, safety, and the environment/Monetary and political integration/The European Economic Area</i>	
The Institutions of the European Community	415
<i>European Commission/The Council of Ministers/European Parliament/Economic and social committees/The EC legislative process/European Court of Justice</i>	
European Community Policies	420
<i>Common agriculture policy/Products liability/Competition policy/Company law/Social democracy and labor/Competition among the states/Fortress Europe?</i>	
Nonmarket Strategies in the EC	428
<i>The selection of strategies/Pronuptia and franchising</i>	
Germany	431
<i>The structure of government/The role of banks/Labor unions and codetermination/The organization of business for political influence</i>	
Summary	437
CASE: Europe 1992: The Auto Industry	438
CASE: Philips N.V. and the Challenge of Europe 1992 (A)	444
CASE: Toys 'R' Us in Germany	447
Chapter 16 International Trade Policy: Economics and Politics	449
Introduction	449
The Economics of International Trade	450
<i>Competitive theory</i>	
The Political Economy of International Trade Policy	455
<i>The dual nature of the politics of international trade/The asymmetry of the politics/GATT/Other multilateral agreements/Bilateral agreements/An example of trade negotiations: telecommunications and the procurement code/GATT negotiations on agricultural subsidization</i>	
Summary	467
CASE: The Next GATT Round: Environmental Protection	469
CASE: Antidumping Policy	470
Chapter 17 United States Trade Policy, Politics, and Negotiations	472
Introduction	472
The U.S. Trade Deficit	472
U.S. Trade Policy	474
<i>The structure of U.S. trade policy/U.S. trade law and its administration/The international trade commission</i>	
The Politics of Protectionism	477
<i>U.S. protectionism/Channels of protection/Destler and Odell's Study of anti-protectionist political action</i>	
The Politics of Market Opening	483
<i>Introduction/The Omnibus Trade and Competitiveness Act of 1988 and "Super 301"</i>	
Trade Negotiations Between the United States and Japan	486
<i>Introduction/Cellular telephone negotiations</i>	
Summary	488
Appendix	489
CASE: Cement Politics	493

CASE: Supercomputer Politics and Trade Relationships	494
CASE: The Semiconductor Trade Agreement: Round II	495

PART V ETHICS AND RESPONSIBILITY

Chapter 18 Corporate Social Responsibility	501
Introduction	501
<i>Example: tuna and dolphins</i>	
The Role of Business in Society	503
<i>The efficiency perspective/Example: a plant closing/Concerns about the efficiency perspective/Market capitalism and managerial capitalism/The social responsibility perspective</i>	
Conceptions of the Social Responsibility of Business	506
<i>The law/Corporate social responsibility as market value maximization/The business roundtable statement on social responsibility/An example of the difference between Friedman and the Business Roundtable/The stakeholder concept</i>	
Examples of Corporate Social Responsibility?	512
<i>Unocal corporation and the dirty car bounty/Gasoline price restraints/Aetna and housing rehabilitation/Shorebank</i>	
A Typology for Social Responsibility	514
Corporate Governance	517
<i>Constituent representation/Accountability/The duties of boards of directors/The market for control</i>	
Summary	522
CASE: Corporate Social Responsibility?	524
CASE: Western National Bank	525
CASE: Headquarters Relocation: Kimberly-Clark and the State of Wisconsin	526
Chapter 19 Ethical Systems and Management	530
Ethics and Its Role in the field of Business and Its Environment	530
What Ethics Is and Is Not	531
The Methodology of Ethical Analysis	532
Ethics Versus Values	533
What to Expect from Ethics in Managerial Analysis and Policy Formulation	534
The Relationships Among Moral Philosophy, Ethics, and Political Philosophy	535
Classifications of Ethical Systems	536
Objectives and Organization	537
Utilitarianism	538
<i>Consequences and their evaluation/Act and rule utilitarianism/Utilitarianism and rights/Positive methods and utilitarianism/Criticisms of utilitarianism</i>	
Kantian Rights	542
<i>Maxims or moral rules/The relationships between maxims and rights/Criticisms of Kantian rights</i>	
Categories of Justice Theories	545
Rawls' Theory of Justice	545
<i>The framework for justice as fairness/The principles of justice/The roles of incentives/Criticisms of Rawls' theory</i>	
Injustice and Compensatory Justice	550

Injustice/Compensatory justice

Exercises	552
CASE: Sex-Differentiated Retirement Benefits	554
CASE: Living Benefits	556
CASE: Uptown (A)	558
Chapter 20 Ethical Reasoning in Management	560
Introduction	560
Ethics and Private Interests	560
Casualty	561
<i>Example: saving the division</i>	
The Application of Utilitarian Analysis	563
<i>Categories of situations/Methodology/Difficulties in the implementation of utilitarian analysis/Examples</i>	
Applied Rights Analysis	569
<i>Classes of rights/Claimed and granted rights/A method for rights analysis/Example: corporate social responsibility?/Example: insurance screening for preexisting conditions/Conflicts among rights/Example: integrity tests</i>	
The Application of Principles of Justice	575
<i>Example: corporate social responsibility?/Example: integrity tests:/Example: insurance screening for preexisting conditions</i>	
Example: Renger Garden Equipment Company	577
Analysis of the Renger Garden Equipment Company Example	578
<i>Utilitarian analysis/Rights analysis/Justice and fairness</i>	
Summary	584
Exercises	585
CASE: Delta Instruments, Inc.	587
CASE: Airline Safety and Special Issuances	588
CASE: Genetic Testing	589
CASE: Johnson's Crispy Chicken Restaurants, Inc.	590
Chapter 21 Implementing Ethics Systems	592
Introduction	592
Moral Determinants of Nonmarket Behavior	593
<i>An approach/Example: Buffalo Savings Bank revisited</i>	
Tensions in the Implementation of Ethics Principles	594
<i>Individual actions and responsibility for their consequences/Paternalism/Political action and restraint</i>	
The Corporate Social Responsibility Issue Revisited	597
Corporate Social Responsibility and Ethics in Practice	599
<i>Statements of commitment and expectations/Codes of conduct/Example: competitive and proprietary information/Defense contractors and ethics programs/Compliance/Examples of implemented policies</i>	
Sources of Unethical Behavior	606
Summary	607
Exercises	608
CASE: Circle K Corporation and Employee Health Care Costs (A)	610
CASE: Responsibility for Your Customers?	611
CASE: Fair Competition	613