

Business Ethics - Assignment for 2021

Due date: 27 June 2021 at 23:59

TECHNICAL REQUIREMENTS:

- Create a front page for your assignment with your name, student number and subject code.
- The assignment has to be typed in Arial 12 and 1.5 spacing
- Pages must be numbered
- Make use of proper paragraphs and sentences
- Do a language and spelling test using English UK
- Use the VUT Post Graduate referencing guide that is available on VUTELA

An assignment will automatically obtain 0 in the following instances:

- Where the similarity score is above 40%
- Where the similarity score is less than 5%
- When it is clear that unethical methods were used to reduce the similarity score. If you do not agree with the decision that unethical methods were used to lower the similarity score, you will have to make a written submission to your lecturer. Your submission will be evaluated by the 2 lecturers teaching business ethics and their decision will be final.
- When you use language that is incoherent and does not make sense.

In this assignment you need to look at ethical issues related to fair trade.

Marking guidelines:

CONTENT			
A. Concepts		6	
Explain the following concepts in detail:			
1. Ethical Trade	2		
2. Fair trade	2		
3. Fair wage	2		
B. Fair trade			
1. Discuss the early example of fair trade linked to the Salvation Army. Why and how was it started?	5	10	
What were their objectives and do they still follow the same objectives?	3		
How did their products change over time?	2		
2. Discuss who or what Max Havelaar is.	3	6	
What role did Max Havelaar play in establishing fair trade in Europe?	3		
3. Fairtrade in coffee		25	
Fairtrade tries to address a number of issues. Explain three of these issues.	3		
What is meant by a Fairtrade Minimum Price (floor price) for coffee beans?	2		
How did the fixing of a Fairtrade Minimum Price lead to unethical practices by coffee farmers?	3		
Added to the Fairtrade Minimum Price, coffee bean buyers must also pay a fixed premium. What should this premium be used for?	2		
Explain what was found when researchers tried to establish how the premiums were used.	1		
Not everybody is convinced that Fairtrade is working and achieving its objectives. Explain two reasons why people feel this way.	2		

Discuss how the following alternatives to Fairtrade works, and how it is different from the principles followed by Fairtrade. SPP-coop Equal Exchange Coffee and farmer equity	4 4 4		
C. Case study		10	
In March 2020 an exposé of Britain's Channel 4's <i>Dispatches</i> program revealed an ethical breach in Guatemala in which both Starbucks and Nespresso were involved			
1. Describe what the exposé found on the coffee farms and how both companies' ethical principles were violated.	2		
2. How did Starbucks respond to the charges?	3		
3. If a coffee company should find that a farmer not complying to ethical standards they often feel that banning the farmer and not buying from that farm would be appropriate punishment			
3.1 Describe John Stuart Mill's greatest happiness principle	2		
3.2 Evaluate the reaction of the large coffee companies' to farmers' transgressions of ethical values in light of Utilitarian ethics.	3		
D. Conclusion Getting the most for your money in whatever you buy seems to be the norm. As a student who now knows about ethical theory and ethical decision making, can you in good conscience still follow the norm? Motivate your answer.		3	
CONTENT TOTAL			60

TECHNICAL			
Technical requirements (<i>submission name of the assignment, correct font and spacing, index, headings, page numbers etc.</i>) and general language use (<i>paragraphs, sentences, is/are, was/were, etc.</i>) (1 mark will be deducted for each non-compliance with a technical requirement up to a maximum of 10)		10	
Spelling (1 mark will be deducted for each spelling error up to a maximum of 10)		10	
Bibliography: 4 marks for every reference used correctly in the text as well as listed correctly in the bibliography (4 x 5 references)		20	
TECHNICAL TOTAL			40
GRAND TOTAL			100