PEPPERDINE UNIVERSITY  
THE GEORGE L. GRAZIADIO  
SCHOOL OF BUSINESS AND MANAGEMENT  

PROFESSOR WILLIAM LARSON  
MBFE 653.41  
POLITICAL, REGULATORY, ETHICAL AND LEGAL ISSUES OF BUSINESS  
SPRING 2004  
MONDAYS  
6:00 TO 10:00 PM  
ORANGE COUNTY CENTER  

SYLLABUS
POLITICAL, REGULATORY, ETHICAL AND LEGAL ISSUES OF BUSINESS
MBFE 653.41 SYLLABUS
Spring, 2004

Mondays, 6:00 – 10:00 PM
Orange County Center

PROFESSOR: William G. Larson, Attorney at Law

Certificate - Oxford University
J.D. - Loyola University School of Law
M.A. - Pepperdine University
B.A. - University of New Mexico

Office Phone: (310) 568-5539
Home Phone: (949) 363-7232
Home Fax: (949) 388-2692
E-mail: bill.larson@pepperdine.edu

COURSE DESCRIPTION:

This course develops and utilizes critical thinking skills in examining the environment of legal, political, and regulatory processes as they pertain to profit and nonprofit organizations and their impact on management decisions in relation to the general public, employees, customers, competitors, suppliers, and the wider national and international community. Emphasis also is given to specifics of formulating, negotiating, and enforcing contracts; anticipating, neutralizing, and defending against liabilities; evaluating the various forms of business ownership and investment modes; incorporating government regulations and decisions; and working with attorneys and the legal/regulatory system.

OBJECTIVES: At the completion of this learning experience, the successful student will be competent to:

1) Evaluate belief systems, discern criteria for rational discourse, and implement methods of skillful expression

2) Recognize the importance of cultural, religious, environmental, legal, political and sociological influences as they impact domestic and global business operations

3) Understand the structure of law as it applies generally to society and to the business community in particular, with emphasis to the emerging role of e-commerce and internet law to that process
4) Grasp the subtleties of legal terminology in its application to the business environment

5) Utilize legal representation to its fullest benefit

6) Understand the relative legal advantages and disadvantages of the various forms of business organization

7) Generate a comprehensive approach toward minimizing service and product liability

8) Apply learned writing, oral, team building and analytic skills to effectively achieve contractual and other business objectives

9) Negotiate, craft and implement business transactions; dispute avoidance and/or resolution

10) Discern the broad course and trends of legal doctrines and technology as they interface with business needs and change

11) Interface legal/ethical responsibilities at all levels of business operation


**COURSE STRUCTURE:**

In keeping with the progressive teaching posture of the Pepperdine University School of Business and Management and the work experience level of GSBM students, this course will not be confined to traditional structuring and will involve and utilize the talents of all class members.

The core of the subject matter will be presented by the professor. Said material may radically depart from the confines of the text, and chapters listed in the "Projected Session Schedule and Sign-up Roster" are identified for purposes of general reference only.

Other material will be assigned to individual students who will be responsible for presentations, utilizing charts and other creative techniques and resources as may enhance the process. At the time of the first class meeting, a sign-up sheet will be provided so that students may reserve and have time to prepare their respective topics. Students are put on notice that in-depth study and analysis of their selected topic is required. The professor, though present as a resource person, will expect those making presentations to be thoroughly versed on the subject. It is probable that the textbook will
be a most helpful resource but is to be considered as only a first step toward meeting the challenge of this research commitment.

In order to facilitate the efficient assimilation of information, at the time of the presentation the individual or team scheduled must provide each class member with a written outline of the material to be covered. The presentation itself should focus upon major points and issues as opposed to a protracted attention to detail. This effort is a practical and integral part of the class program and said presentation will thus constitute a substantial portion of the final grade. As the "Projected Session Schedule" illustrates, not all chapters in the text, Business Law, are to be covered. Students are responsible for material delivered by the professor, student presentations, class discussion, assigned chapters in the text and other selected readings. The mid-term and final examinations will consist of problem, multiple choice and true and false questions drawn from the above sources. Students have the option of writing expanded answers to any examination question. Prior to sitting for the final examination, a written self-evaluation directed to class participation is required.

**GRADING:** Grade determination will be based upon the following:

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<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Presentation</td>
<td>30%</td>
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<tr>
<td>Mid-term Examination</td>
<td>20%</td>
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<td>Final Examination</td>
<td>40%</td>
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<td>Class Participation</td>
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**NOTICE:** This course is structured so as to draw upon group support and participation. Because of this emphasis and separate from the above identified class participation factor, absence from class three or more times is here specifically identified as grounds for a full letter reduction of the final grade.

**COURSE CONTENT**

1. Explores the historical, political, philosophical and religious basis of legal systems, the ethical posture of law as it relates to the moral dimensions of the technological and economic complex, and the policies and implementation procedures of federal, state and local regulatory bodies.

2. Analysis of selected aspects of criminal law and the American legal structure, utilizing existing and predictable intense interest as a vehicle for the introduction of broader legal concerns. Emphasis given to development of vocabulary and issue spotting skills with specific attention to business crimes.

3. Examination of torts, spanning intentional acts, negligence, and strict liability. Earlier crimes unit serving as preparation for intentional torts which in turn
introduces the concept of civil liability and sets framework for the subsequent analysis of negligence and strict liability.

4. Thorough study of fundamentals, strategy and subtleties of contract law. Such effort to include the nature of contracts, business ethics, bargain, consideration, capacity, legality, third party rights, performance and remedies.

5. With the above as foundation the class is prepared to master other related subjects such as product liability, sales, property, e-commerce, insurance, intellectual property and internet law, competitive tort remedies, and employment law.

6. Investigation of agency, encompassing the basis for its creation, relation, authority, and liability.

7. Study of the various forms of partnership, with attention to strengths and weaknesses, creation, relationship between partners, partners to third entities, dissolution and winding up.

8. Analysis of the corporation as a statutory creation wherein the nature of corporation and incorporation, organization and financing corporate business, operation, duties, shareholders' rights, securities regulation, and foreign corporation status are explored.

9. Evaluation of the legal advantages and disadvantages of various forms of product and service distribution, with particular attention to e-commerce, franchising and the independent distributor.

10. Strong emphasis given to government and court regulation of business, labor and technology as manifested by state and federal constitutional powers, statutes, agencies and case law.

11. Examination of the legal and cultural aspects of international transactions in light of technology, domestic and foreign law, as well as various emerging doctrines of the global community.
Conduct

“The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.
- Forgery, alteration, or misuse of University documents, records, or identification.
- Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.
- Interference with the academic or administrative process of the University or any of the approved activities.
- Otherwise unprotected behavior that disrupts the classroom environment.
- Theft or damage to property.
- Violation of civil or criminal codes of local, state, or federal governments.
- Unauthorized use of or entry into University facilities.
- Violation of any stated policies or regulations governing student relationships to the University.

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:

**Dismissal** – separation of the student from the University on a permanent basis.

**Suspension** – separation of the student from the University for a specified length of time.

**Probation** – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation.” GSBM Catalog.

Policy on Disabilities

Assistance for Students with Disabilities:

“Students with disabilities, whether mental or physical, are encouraged to contact the Equal Opportunity Office before the academic year begins or soon after classes are in session. This office will assist each student by providing general information about campus facilities and available resources. The office will assist in providing reasonable accommodation to students with disabilities pursuant to applicable laws. Inquiries should be directed to equal opportunity officer, Dr. Calvin H. Bowers, (310) 456-4208. (Students who wish to file a formal grievance should refer to the “Nondiscrimination Policy,” which is listed in the “Legal Notices” section of this catalog.)” GSBM Catalog.
### PROJECTED SESSION SCHEDULE AND SIGN-UP ROSTER

**MBFE 653.41**

<table>
<thead>
<tr>
<th>Monday Session 1</th>
<th>Introduction and Discussion</th>
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<tbody>
<tr>
<td>1/5/04</td>
<td>Business Ethics and the</td>
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<td>Regulatory/Legal Environment</td>
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<td>Chapters 1, 4</td>
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<tr>
<th>Monday Session 2</th>
<th>Introduction and Discussion</th>
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<tr>
<td>1/12/04</td>
<td>Legal Environment/Crimes</td>
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<td>Chapter 5</td>
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**Monday 1/19/04**  **Holiday (make up required)**

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<th>Monday Session 3</th>
<th>Introduction and Discussion</th>
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<tr>
<td>1/26/04</td>
<td>Crimes/Intentional Torts</td>
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<td>Chapters 5, 6</td>
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<tr>
<th>Monday Session 4</th>
<th>Introduction and Discussion</th>
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<tr>
<td>2/2/04</td>
<td>Intentional Torts/Negligence</td>
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<td>Chapters 6, 7</td>
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**Team A**  **Student Presentations – Agency**  **(BONUS POINTS)**

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<tr>
<th>Saturday Session 5</th>
<th>Introduction and Discussion</th>
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<tr>
<td>2/7/04</td>
<td>Negligence (continued)</td>
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<td>Chapter 7</td>
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<td>Strict Liability</td>
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<td>Chapter 7</td>
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Monday Session 6  Introduction and Discussion
2/9/04 Product Liability Chapter 20

Student Presentations

______________ Limited Partnerships, LLC Chapter 37, 40
______________ LLP, LLLP Chapter 37, 40
* _____________ Franchising Special Topic

Monday 2/16/04 Holiday

Monday Session 7  Mid-term Examination
2/23/04

Monday Session 8  Introduction and Discussion
3/1/04 Overview of Contracts Chapter 9

Note: Article 2 of the UCC (Chapter 19) and some aspects of warranty (Chapter 20) will be examined during the contract series.

Team C  Student Presentations – Corporations Chapters 41-44

* ____________
Monday Session 9
3/8/04
Introduction and Discussion
Overview of Contracts (continued) Chapter 9
Offer Chapter 10
Acceptance Chapter 11
Consent Chapter 13

Team D  Student Presentations – Current Issues


Monday Session 10
3/15/04
Introduction and Discussion
Capacity Chapter 14
Consideration Chapter 12
Illegality Chapter 15
Writing Chapter 16

Student Presentations

Bankruptcy Chapter 30
Intellectual Property Chapter 8
Commercial Torts Chapter 8

Monday Session 11
3/22/04
Introduction and Discussion
Consideration (continued) Chapter 12
Performance Chapters 18, 21
Student Presentations

_____________  E-Commerce and Internet Law  Special Topic

_____________

Employment Law  Chapter 51

_____________

**Monday Session 12**  
3/29/04  
Introduction and Discussion

Conditions  Chapter 18

Discharge and General  Chapter 18

Summation of Contract Material

Student Presentations

_____________  International Business  Special Topic

_____________

**Monday Session 13**  
4/5/04  
Introduction and Discussion

Discharge/Performance (continued)

Remedies  Chapters 18, 22

Team E  Student Presentations

_____________  Regulatory  Chapters 48-50

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GENERAL INFORMATION

Note that there is an opportunity to choose between an individual or a group effort. Students are reminded that if teamed with others, the presentation should be coordinated in such a way as to best utilize collective talents.

The presentations identified with an asterisk (*) are not to be selected unless all other topics have already been reserved.

Assignment of presentation topic (see pages 7-10) is to occur at the end of the first class session.