

The Carlson Company and Protecting Children in the Global Tourism Industry

Marilyn Carlson Nelson, in her seventh year as chief executive officer (CEO) of the Carlson Company, a global marketing, travel, and hospitality company, faced a major dilemma. In 2006, the company was considering a proposal to expand its luxury Regency accommodations and services to Costa Rica. The venture gave many indications of being strategically sound and highly profitable, and it would also provide a basis for future expansion throughout Latin America. However, during the feasibility study of a promising property located in Papagayo, a popular tourist destination along Costa Rica's northern coast, company executives learned that the surrounding area was notorious for child trafficking and prostitution. This was of particular concern to Carlson Nelson, because under her leadership Carlson had, in 2004, signed the *Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism* (the Code). This global project brought together the travel and tourism industry and nongovernmental organizations to prevent sexual exploitation of children at tourist destinations.

As part of its obligations under the Code, Carlson had adopted a corporate ethics policy designed to eliminate any organizational association with sex trafficking. Carlson Nelson was confronted with the need to assess whether the proposed Regent resort could ensure compliance with the Code in an environment where sexual exploitation of children was often an integral part of doing business. Should Carlson Companies decide to abandon the

By Robyn Linde and H. Richard Eisenbeis. Copyright © 2011 by the *Case Research Journal* and the authors. Used by permission. All rights reserved. This case study was generously funded by the *United Front for Children Conference: Global Efforts to Combat Sexual Trafficking in Travel and Tourism*, held at the University of Minnesota in Minneapolis in April 2006. The Curtis L. Carlson Foundation was one source of funding for the conference. Interviews for the case study were conducted between 2006 and 2008 with Carlson Companies executives, including Marilyn Carlson Nelson, then president and chief executive officer of Carlson Companies; Deb Cundy, assistant dean of external relations at the Carlson School of Management at the University of Minnesota; Doug Cody, corporate vice president of public relations and communications; Kim Olson, vice president, chief communications officer; Tom Polski, vice president of global communications and external relations; Bill Van Brunt, executive vice president, Carlson Companies; and Jay Witzel, president and CEO of Carlson Hotels Worldwide. Carol Smolenski of *End Child Prostitution Child Pornography and Trafficking of Children for Sexual Purposes* (ECPAT) was an especially valuable resource during the many drafts of this case. Robyn Linde would additionally like to thank Sally Kenney, Holiday Shapiro, Kathryn Sikkink, fellow case writers in Professor Kenney's seminar on *Case Studies on Women and Public Policy* at the University of Minnesota, and the anonymous reviewers for their helpful comments on earlier drafts.

project, it would certainly lose a viable opportunity to become a major player in the high-end Central American tourism market.

Carlson Companies, Marilyn Carlson Nelson, and the Code

Carlson's history was one of the classic business success stories in the American free enterprise system. Starting in 1938 with an idea and a \$55 loan, entrepreneur Curtis L. Carlson founded the Gold Bond Stamp Company in his home town of Minneapolis. He knew that grocery stores, drug stores, gas stations, and other independent merchants could use stamps to drive customer loyalty and to distinguish themselves from their competitors. During the 1950s and 1960s, Gold Bond and its sister company, Top Value Stamps, helped revolutionize the way retail goods were marketed. Trading stamps proved to be right for the times and swept the nation in a wave of dramatic growth.¹

In the late 1960s, when the trading stamp market reached its peak, the Gold Bond Stamp Company expanded into the hospitality industry. In the 1970s, the company acquired dozens of additional businesses, including T.G.I. Friday's and Radisson. To reflect its diversification, Gold Bond changed its name to Carlson Companies in 1973. Based in Minneapolis, Minnesota, Carlson brands generated more than \$31.4 billion in gross sales system-wide and employed about 188,000 people in more than 140 countries by 1999. In 2006, to demonstrate that they were one company serving a variety of needs, the firm became known as the Carlson Company.²

The company had long been involved in philanthropy through its Curtis L. Carlson Family Foundation. Established in 1959, the foundation was one of many avenues Carlson Companies chose to carry out its charitable work. Curtis Carlson, the son of Swedish immigrants, became widely recognized in Sweden for his success in business as well as for his charitable endeavors. His ancestral ties to Sweden eventually led to a lasting friendship between the Carlson family and the royal family of Sweden.

Marilyn Carlson Nelson, Curtis Carlson's eldest daughter, graduated with honors from Smith College with a degree in international economics and a minor in theater. She also attended the Sorbonne in Paris and the Institute Des Hautes Etudes Economiques Politiques in Geneva, Switzerland, where she studied political science and international economics. Carlson Nelson succeeded her father as president and CEO of Carlson Companies in 1998. In this role, she was responsible for the day-to-day operations of one of the largest privately held companies in the world. Carlson Nelson led the management of a global business portfolio encompassing Carlson's major operating groups, specializing in corporate solutions and consumer services: Carlson Hospitality Worldwide (hotels, restaurants, and cruise ships); Carlson Wagonlit Travel (business travel and leisure travel brand); Carlson Leisure Group (leisure travel agencies and tour operators); and Carlson Marketing Group (incentive and loyalty marketing). By 2006, under Carlson Nelson's leadership, Carlson's annual sales exceeded \$37 billion and it employed over 150,000 people worldwide. She was widely recognized as one of the world's most influential women.³

¹ Based on "Company History," www.carlson.com.

² Based on "Our Founder and History," www.clcfamilyfoundation.com.

³ Beverly Kopf and Bobbie Birleffi, "Not Her Father's Chief Executive," *U.S. News and World Report*, October 2006, <http://www.usnews.com/usnews/news/articles/061022/30nelson.htm>, last accessed February 24, 2011; Maggie Rauch, "Leading the Field: Marilyn Carlson-Nelson," *Incentive Magazine*, May 1, 2006, <http://www.incentivemag.com/News/Industry/Articles/Leading-the-Field-Marilyn-Carlson-Nelson/>, last accessed February 24, 2011; "Carlson Chair and CEO Named 'Businesswoman of the Year,'" *Travel Daily News*, April 2005; "Marilyn Carlson Nelson (Chairman & CEO, Carlson Companies)" *Ethisphere*, December 2007, <http://ethisphere.com/marilyn-carlson-nelson/>, last accessed February 24, 2011; "The World's Most Powerful Women," *Forbes*, 2005, <http://www.forbes.com/lists/2005/11/PV8L.html>, last accessed February 24, 2011.

Carlson Nelson defined her role as president and CEO of Carlson as follows:

A CEO has to train and operate like a jet pilot. Once the company's talented executive team is flying in formation, I'm usually raising peripheral vision issues—how a decision is going to impact other pieces of the business, how it's going to impact our shareholder relationships and our banking relationships. I really go through the various stakeholders in my mind. And I might try to impact the final outcome so that it will bring people the broadest possible ownership of the decision.

Carlson Nelson's general management style was described by other executives in the organization as being "collective." Kim Olson, vice president and chief communication officer, described Carlson Nelson as:

... having a participative leadership style. When making decisions at the corporate level, we hear and discuss all points of view before arriving at a decision. We believe these collective decisions enhance our sense of global corporate citizenship.

Tourism and the Commercial Sexual Exploitation of Children

Although the commercial sexual exploitation of children occurred in countries worldwide, the growing popularity and declining cost of travel and the rise of new communication technologies had changed the nature of child exploitation by facilitating the rise of global sex tourism. The World Tourism Organization defined organized sex tourism as:

Trips organized from within the tourism sector, or from outside this sector but using its structures and networks, with the primary purpose of effecting a commercial sexual relationship by the tourist with residents at the destination.

Prostitution, child prostitution, and sexual exploitation of children have existed throughout history. However, prior to the last quarter of the 20th century, the child segment had been confined largely to the poorer, more destitute countries of the world where selling female children for sex was often seen as an accepted means of family survival. By the 1990s, the survival dimension had changed dramatically. Trafficking children for sex had become a formidable international business and part of a multi-billion-dollar industry in which approximately two million children were exploited annually.

Basically, sex trafficking was a type of commercial trade in people, either across borders or within countries, whereby individuals were forced into sexual slavery. Children under the age of 18 made up a large portion of this trade and were trafficked for multiple reasons, including forced labor, criminal activity, and sexual exploitation. The travel and tourism industry facilitated the trafficking of children in two ways: (1) hotels, airlines, trains, and buses provided the means by which children were trafficked; and (2) more commonly, the industry transported the sex tourists to his/her destination and provided accommodations once there.

A few travel companies actually targeted sex tourists and actively sought their business. For example, an advertisement by Lauda Air, an Austrian airline, consisted of a picture of a partially clothed girl and captions reading, "From Thailand with Love," and "the tarts in the Bangkok Baby Club are waiting for us." Generally, however, companies in the travel and tourism industry downplayed their role in the sex trade and the sexual exploitation of children by turning a blind eye toward tourist industry practices that inadvertently exposed children around the world to sexual abuse and violence.

International and U.S. Law Regarding Sex Trafficking

International legal efforts to protect women and children from trafficking were first made at the beginning of the 20th century, when many conventions were established to end what was then referred to as "white slave traffic." Both international and U.S. enforcement officials had been unwavering in their condemnation of the trafficking of children. In addition, the International Criminal Court had declared it a crime against humanity, and a number of other international treaties and declarations had condemned the practice and called on states to prevent it. The most important and widely cited international agreement for the protection of children is the 1990 *Convention on the Rights of the Child*, which had been ratified by nearly every state in the international system. Article 35 of this convention provided that "States shall take all appropriate national, bilateral, and multilateral measures to prevent the abduction, sale, or traffic of children for any purpose or in any form."

Children's advocates had also targeted the demand side of child sex trafficking in hopes of curtailing the number of tourists who sexually exploited children while traveling. In 1994, the Child Sexual Abuse Prevention Act made it illegal for U.S. citizens and permanent-resident aliens to travel abroad to commit sexual acts with minors. As a result, the U.S. government was able to prosecute Americans for sexual acts with children even if those acts took place outside U.S. borders. Moreover, efforts to prosecute travel agencies that catered to sex tourists continued to increase.

Sex Trafficking and Child Sexual Exploitation in Costa Rica

By the late 1980s, Costa Rica had become one of the principal tourist destinations in Central America, and the expanding industry became the country's primary source of foreign capital. According to the U.S. Department of State, the boom in tourism had also resulted in Costa Rica becoming a "source, transit, and destination country" for sex trafficking.⁴ Women and girls were trafficked into Costa Rica from Nicaragua, the Dominican Republic, Colombia, Guatemala, Russia, and Eastern Europe for sexual exploitation. Costa Rican women and girls were trafficked within the country as well as to other Central American countries, Mexico, and Japan. The problem of child prostitution in Costa Rica was so serious that one NGO, the National Institute for Children (PANI), put the number of child prostitutes at 3,000 in the capital, San Jose, alone. This group, along with other NGOs, had continued to fight against sex tourism and had condemned the practice in the West.

Nongovernmental organizations began to raise concerns about Costa Rica's problem with sex tourists and child exploitation in the late 1990s, but the Costa Rican government did not make concerted efforts to address the issue until 2006.⁵ Not until 2009 did the

⁴ Casa Alianza and ECPAT International, "Creating a Database as a Tool For Campaigning," San Jose (2002); ECPAT International, "Five Years after Stockholm," The Fifth Report on the Implementation of the Agenda for Action Adopted at the World Congress against Commercial Sexual Exploitation of Children, Sweden (2001); ECPAT International, "Informe Global de Monitoreo de las acciones en contra de la explotacion sexual comercial de ninos, ninas y adolescentes: Costa Rica" (2006); Michael B. Farrell, "Global Campaign to Police Child Sex Tourism," *The Christian Science Monitor*, April 22, 2004; Julia O'Connell Davidson and Jacqueline Sanchez Taylor, "Child Prostitution and Sex Tourism: Costa Rica," ECPAT International (1995); Susan Song, "Children as Tourist Attractions," Youth Advocate Program International Resources Paper, Washington, D.C. (2004); U.S. Department of State, "Trafficking in Persons Report" (2002); U.S. Department of State, "Trafficking in Persons Report" (2006); U.S. Department of State, "Trafficking in Persons Report" (2007); U.S. Department of State, "Trafficking in Persons Report" (2009); U.S. Department of State, "Trafficking in Persons Report" (2010); U.S. Department of State, Bureau of Democracy, Human Rights and Labor, Country Reports on Human Rights Practices, "Costa Rica" (2005).

⁵ See U.S. Department of State "Trafficking in Persons Report" from 2002 to 2010 to see the evolution of Costan Rican efforts to curb child trafficking.

country make all forms of trafficking illegal: trafficking became punishable by prison terms of 6 to 10 years, which could be increased to 16 years if a minor was involved.⁶ Despite these penalties, the U.S. Department of State determined that the government of Costa Rica did not meet the “minimum standards” for eliminating trafficking as endorsed by the United States.

The Marriott Incident

In 2002, a Marriott Resort Hotel employee in Papagayo, Costa Rica, was indicted for the aggravated pimping of minors in a case that involved a number of its hotel employees. The fallout for Marriott was next to catastrophic. The Interfaith Center on Corporate Responsibility, a coalition of faith-based investors that files shareholder actions against corporations in the name of social responsibility, organized a widespread shareholder campaign against Marriott. The First Swedish National Pension Fund (Första AP-fonde) also played a key role in drafting a shareholder resolution condemning Marriott for failing to adopt policies that would prevent similar exploitation from happening in the future. Marriott failed to respond. In 2005, immediately preceding its annual stockholder meeting, the resolution became public knowledge. Marriott was immediately subjected to severe and damaging criticism throughout the world. Although Marriott had been pressured prior to the litigation to adopt a strong policy against sexual exploitation of children, it had failed to do so. However, as a result of the international outrage stemming from the shareholder resolution, the firm undertook an internal review of its policies that eventually produced a human rights policy to combat child sex trafficking, somewhat placating its critics.⁷

Queen Silvia, the Code, and Carlson Company’s Response

In 1998, in response to concerns about the ways in which the travel and tourism industry facilitated child trafficking and at the initiative of Queen Silvia of Sweden, an influential NGO (ECPAT—End Child Prostitution, Child Pornography, and Trafficking of Children for Sexual Purposes), the Scandinavian Tourism Industry, and the World Tourism Organization combined forces to create a Code of Conduct for companies in the industry. The Code was a voluntary commitment for travel and tourism companies to pledge their aid in combating child trafficking. Key elements of the code included:

1. Establishing an ethical policy regarding commercial sexual exploitation of children.
2. Training personnel in the country of origin and travel destinations.
3. Introducing a clause in contracts with suppliers, stating a common repudiation of commercial sexual exploitation of children.
4. Providing information to travelers by means of catalogs, brochures, in-flight films, ticket slips, and home pages, etc.

⁶ Although 268 Costa Rican companies and organizations have become members to the code. See www.thecode.org for more information.

⁷ Forsta AP-fonden, “Första AP-fonden Influences Marriott to Combat Child Sex Tourism,” <http://www.ap1.se/en/Asset-management/Ethical-and-environmental-consideration-in-our-investments/Long-term-commitment-pays-off/Forsta-AP-fonden-influences-Marriott-to-combat-child-sex-tourism/>, last accessed February 24, 2011; Interfaith Centre on Corporate Responsibility, “Selling Innocence: Child Sex Tourism,” <http://www.docstoc.com/docs/66828019/Accor-Hospitality-Asset-Management>, last accessed February 24, 2011; “Marriott Hotel Chain Combats Child Sexual Exploitation” (December 2006), <http://www.humantrafficking.org/updates/494>, last accessed February 24, 2011.

5. Providing information to local "key persons" at the destinations.
6. Filing annual reports to various monitoring bodies.

Companies that adopted the Code were required to submit annual reports on their corporate practices to international, transnational, and national monitoring bodies to demonstrate compliance with the Code, share information, build know-how about best practices, and identify problems. Companies that adopted the Code were also encouraged to monitor their employees and the practices of their contractors through documented spot checks.

As of November 2009, more than 947 companies in 37 countries had signed the Code, affecting millions of tourists who employed the services of these companies. However, only two U.S. companies had signed. The absence of signatories among U.S. companies presented a serious problem given that an estimated 25 percent of sex tourists outside of the United States were Americans who presumably utilized U.S. travel and tourism services. The majority of U.S. hoteliers, travel agencies, airlines, and tour companies had not signed the Code for fear of such consequences as:

1. Negative publicity that their adoption of the Code might generate.
2. The burden the Code imposed on companies to police their employees and contractors.
3. Litigation from trafficked children themselves.
4. Litigation initiated by guests who might witness trafficking while utilizing a company's travel and tourist services.
5. Absence of other corporate signatories.

Carlson Nelson and Queen Silvia of Sweden shared a long-held concern for at-risk children, which led to numerous collective projects over the years. Foremost among them was the establishment of the World Childhood Foundation, founded in 1999 by Queen Silvia along with 14 cofounders, including the Carlson Family Foundation. When asked by the Queen to become a signatory to the Code in 2004, Carlson Nelson enthusiastically committed. Carlson Companies thus became the first major North American travel and tourism company to sign, committing to the Code for all of Carlson's brands.⁸ In signing the code, Carlson Nelson assured the tourism industry that all future decisions made by Carlson's executive team would take into consideration the next generation—"thinking about children and teens and the impact of the company's actions upon their welfare and development."

When asked about Carlson Companies' early adoption of the Code, Carlson Nelson remarked:

We like to think that we play a leadership role on this particular issue. Sometimes I wish we weren't as far out in front as a leader because we had hoped that more travel and hotel companies would sign on to the Code.

However, initially there was not full agreement among executives within Carlson Companies that signing the Code was a good idea.⁹ Concerns identified by Carlson executives essentially mirrored the concerns of other executives in the travel and tourism

⁸ The other North American signatories at the time were the American Society of Travel Agents and Amazon Tours. Since then, three more companies have signed the Code: Millennium Hotel St. Louis, Delta Airlines, and Hilton Hotels.

⁹ However, each Carlson executive interviewed made it clear to the researcher that signing the Code was Carlson Nelson's decision and that it was adopted as policy because she advocated for it. No different or alternative views were expressed during the course of the interviews.

industry. Doug Cody, corporate vice president of public relations and communications, further questioned:

Why should Carlson get involved in something so ugly when there are so many other worthwhile causes that we could be involved with? . . . Do we really want to associate our name with such an ugly thing? No other major travel and tourism company has signed the Code in North America, and the issue of child trafficking is not widely discussed in the media. My primary concern is associating with it. Even though we are fighting against it, it could backfire and hurt you. People could misunderstand it or believe that somehow we were connected with it. There were a lot of reasons to say “no.”

Cody’s opinion about the public relations liability of the Code abruptly changed when Carlson Nelson invited him along to witness the signing of the Code at the United Nations with Queen Silvia. Upon seeing dozens of television cameras from around the world present to witness the signing, it occurred to Cody that the media exposure would prove very beneficial to the company—indeed “the eyes of the world were watching.” Even so, Cody argued that other companies in the travel and tourism industry would be “steered away from the Code because of the legal ramifications if the Code is not followed once signed.”

In retrospect, Tom Polski, vice president of global communications and external relations, said:

The shift in thinking at Carlson Companies about the Code resulted from increased awareness of the whole issue through activities at the World Childhood Foundation. Carlson Companies and the travel and tourism industry are in the “happiness” business, and child trafficking is not very pleasant and people sometimes don’t want to hear unpleasant things. I supported the Code because child exploitation is a reality in the travel and tourism business.

By many accounts, Carlson’s corporate culture was noticeably affected by its newfound commitment to curtailing child trafficking. Jay Witzel, president and CEO of Carlson Hotels Worldwide, said:

Once Carlson Companies signed the Code, the level of commitment to end child trafficking throughout the entire Carlson system rose to an unbelievable level where people actually started to say, “That is not going to happen here.” Once you get to that position . . . the people on the staff have come to the conclusion that they can do something about it . . . it is not a hopeless situation. Signing the Code raised our diligence. It certainly raised our commitment and it raised the involvement of the greater community of Carlson hotels, their owners, operators, and employees to do something about it.



The Dilemma

Within a few years after signing the Code, Carlson Companies began planning for development of a Regent Hotel and Resort in the Papagayo region of Costa Rica. Regent, Carlson’s luxury brand, provided higher-end accommodations to its patrons than its Radisson brand, which was already established in the capital of San Jose. The venture would be Carlson’s first luxury hotel and resort in Central America. It offered Carlson the opportunity to expand its luxury chain into Costa Rica’s lucrative and rapidly growing high-end tourist market, as well as the potential for further expansion into Central and South America.

Initially, the proposed project was well received by Carlson executives, as its Radisson Hotel in San Jose was doing well.

It was Jay Witzel, president and CEO of Carlson Hotels Worldwide, who learned during the course of his research of the extensive problem of child sex trafficking in Costa Rica and immediately brought it to Carlson Nelson's attention. Witzel's concerns were well-founded. Between the opening of the first Radisson Hotel in San Jose in 1996 and the new opportunity in Papagayo, two important events had occurred that had a major impact on whether the project should be given the go ahead. First, Carlson had signed the Code of Conduct, creating new obligations within its companies in the fight against child sex trafficking. Concerns were raised about whether management would be able to fully enforce the Code once the resort became operational. If Carlson could not fully guarantee the protection of children within the resort complex, could or should this be considered a viable business opportunity? The second concern stemmed from the Marriott child sex trafficking case and its implications for Carlson's Regent resort. The fact that Carlson would face a similar environment in Costa Rica as Marriott was cause for alarm. Any plans to introduce the Regent brand to Costa Rica would have to be reassessed, especially in light of the proliferation of child sex trafficking in Costa Rica and new concerns over trafficking litigation.

However, the potential advantages of developing the hotel in Costa Rica were many. First, Carlson executives believed that it presented a lucrative business opportunity, one that they were hard-pressed to abandon. Additionally, the executives saw the opportunity to serve as a positive force and role model in the travel and tourism business, a prospect that was especially attractive to Carlson Nelson given her commitment to children. Witzel described his conversations about the Costa Rica project with Carlson Nelson as "robust." If they could succeed in meeting the challenges of socially responsible hotel management in a country rife with child sex trafficking, they could demonstrate the project's feasibility to others in the industry and the world.

But changes to the policies and practices of other travel and tourism companies were not the only positive externality that Carlson Nelson and her executives hoped for. They also believed that by empowering hotel employees to monitor and act against the exploitation of children in Carlson hotels, this vigilance would have a spillover effect, benefiting the communities to which the employees belonged. Carlson Nelson argued that:

The more we train our employees, the better the potential that they will use their judgment and in a way, it becomes like a social anthropology and there is a higher likelihood that a culture will reject or self-correct around somebody who is acting inconsistently with our policy.

The goal was that the employees themselves would serve as agents of social change, improving the larger community of which they were a part.

Although the promises of both social change and increased revenue were certainly tempting, the project's disadvantages also caused Carlson management several concerns. The first arose as Carlson Nelson and the executive team watched the Marriott litigation. As the case unfolded, they became more and more aware of the impact the case would have on Carlson's future Costa Rica operations. They took special note of the Swedish National Pension Fund's blacklisting of the company and the very public international shaming of Marriott over the trafficking issue. It was disturbing that the actions of just a handful of Marriott employees brought that company international rebuke and a shareholder resolution against it. Second, there was the risk that the international community would associate Carlson's Regent Hotel with child sex trafficking simply because it was located in Costa Rica. A third concern was that the resort would fail to meet its obligations under the


Code and Carlson would risk public censure from the Code's monitoring body. Indeed, a variety of powerful stakeholders, including local politicians, corrupt law enforcement officers, travel agents, and others, would benefit substantially from child sex trafficking and could pressure employees to violate the Code.

Additionally, for the Code's implementation to be successful there had to be commitment from franchise owners—no easy task. Enforcement would require employees and contractors to monitor guests, business transactions, and one another in a way that might not be possible or even advisable. Was it worth the risk to place the reputation of Carlson, a highly respected international company, in the hands of franchise owners and untested local employees, some of whom might have multiple and conflicting loyalties? And, there was some doubt whether it would be possible for a hotel resort to create an environment intolerant of child sex trafficking without losing a significant portion of its high-end tourist trade. Was it possible that sex tourism constituted such a large share of tourism in Papagayo that by rejecting it in its hotel, Carlson would be unable to earn an acceptable return on its investment?

Yet, Carlson executives agreed that the biggest disincentive to developing the hotel was the fear of litigation, both from tourists who might witness child exploitation—despite efforts on Carlson's part to deter the practice—and from those who might be victimized by traffickers utilizing Carlson's services. If Carlson continued with the project, would it risk compromising its commitment to the Code and to eliminating the sexual exploitation of children? On the other hand, if Carlson abandoned the project, the company would forfeit a potentially lucrative business opportunity. Time was drawing near for the final decision. Should Carlson Nelson push forward with the project? Then again, were there other possible alternatives?

Discussion Questions

1. Why did the Carlson Company sign the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism? Do you agree with the company's decision, and why or why not?
2. What are the advantages and disadvantages to the Carlson Company of developing the hotel complex in Costa Rica?
3. What stakeholders would be affected by a decision to develop the hotel complex in Costa Rica, and how would they be affected? What are their interests and sources of power in this situation?
4. Would developing the hotel complex in Costa Rica be ethical, or not? Why do you think so?
5. If the Carlson Company decides to proceed with the hotel development, what steps can it take to assure that the company remains in compliance with the code of conduct it has signed?


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