

# BUSINESS ETHICS

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# BUSINESS ETHICS

## VOLUME 1

*Ethical Theory, Distributive Justice,  
and Corporate Social Responsibility*

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and  
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# Introduction

Fritz Allhoff and Anand J. Vaidya

## Introduction to Ethical Theory

Before beginning our discussion of *business ethics*, we might first wonder what *ethics* itself is. Presumably, there is some broader area of ethics, of which business ethics might be considered to be one aspect. Broadly speaking, ethics is the field of philosophy concerned with how we *ought* to act. While different philosophers might disagree as to what is the proper criterion of right action, they would nevertheless agree that the goal of their discipline is to provide such a criterion.

Technically, philosophers would divide ethics into three ‘branches’: meta-ethics, normative ethics, and applied ethics. Normative ethics is the branch concerned with the issues discussed in the preceding paragraph, which largely have to do with the notion of moral obligation. Meta-ethics is the most amorphous of the areas of ethics and includes topics in a wide range of issues: the metaphysics of morality, moral epistemology, the linguistic analysis of moral claims, the nature of moral motivation, etc. Applied ethics covers a number of different topics as well: business and professional ethics, biomedical ethics, environmental ethics, etc. In the first part of this introduction, we will focus on normative ethics given its relevance for our upcoming forays into business and professional ethics.

As we said above, different philosophers would disagree as to the proper criterion of right action. In these volumes, you will notice that many of the contributors presuppose disparate moral theories. Of course, the differing theories will affect the results that these writers derive, and much of the debate on specific issues (e.g. corporate social responsibility) derives from the different theories with which the authors begin. In this part of the introduction, we would like to discuss the two most prevalent theories that you will encounter in these volumes.<sup>1</sup> From the outset, you should think about which theory you find the most attractive since your allegiance to one will most likely dictate the stance that you will take on particular issues.

## Utilitarianism

One of the most canonical of the moral theories is *utilitarianism*. This theory has a long historical tradition, which begins with the Epicureans of classical Greece (c. 300 B.C.E.), continues through the British empiricist David Hume (1711–1776), and receives its central modern formulations in Jeremy Bentham (1748–1832) and John Stuart Mill (1806–1873). The central thesis of utilitarianism is that actions are right if and only if they maximize total aggregate happiness. So, according to the utilitarian, when we are deliberating about how to act, we must choose the action that will bring the most happiness



into the world. If, for example, we are trying to decide whether to show up to teach our classes or else stay at home and watch television, we would have to apply various utility forecasts to determine what to do. If we stayed at home, we might have fun watching television and our students might be moderately relieved that they did not have to sit through a lecture. If we went to class, we might have fun teaching philosophy, and our students might derive tremendous pleasure from expanding their horizons. Or else, they might find philosophy to be a miserable bore and be terribly unhappy that they have to endure it. Regardless, the idea is that the right action, attending the class or staying home, would be dictated by which action produced more happiness, and this determination would be affected by empirical considerations.

Because utilitarianism attempts to predicate right action upon empirical results, some of its adherents have maintained that it offers a ‘scientific approach’ to ethics. To figure out which actions are right and wrong, we would have to go out into the world and *measure* the amounts of happiness produced, and this empirical foundation gives utilitarian ethics a scientific basis. There are, of course, going to be methodological and epistemic hurdles (i.e., *how* to measure happiness and how to *know* what quantity of happiness would be produced) but, conceptually, it would still be an empirical matter.

Pushing further, we might look at the various elements that would be used to measure happiness. Bentham proposed seven elements of the so-called *hedonic calculus*: intensity, duration, certainty, propinquity, fecundity, purity, and extent. Let’s take these in turn. All else equal, more *intense* pleasures are preferably to less intense pleasures. If watching a basketball game makes you really happy and watching a football game only makes you somewhat happy then, all else equal, you would be morally required to watch basketball. Again, all else equal, we must choose pleasures that have longer *duration*. If watching a television show only satiates you for an hour but an hour of studying philosophy could reward you for the rest of your life, then you must choose philosophy! Next is *certainty*: more certain pleasures are desirable to less certain pleasures. If you had a 10% chance of winning \$50 or a 20% chance of winning \$50, you should obviously opt for the latter. And note how certainty and intensity could simultaneously be facets of the same deliberation: would you choose a 10% chance of winning \$20 or a 20% chance of winning \$15? Why?

Another factor is *propinquity* (or nearness): we should prefer utilities that are temporally close to those that are temporally far. For example, imagine that you could receive \$10 now or its equivalent in 2020. You should take the money now since you might not still be around in 2020, you might not need the money in 2020, etc. *Fecundity* holds that, all else equal, we should prefer pleasures that give rise to further pleasures over those that do not (or do so to a lesser degree). Exercising, for example, leads to better health, better self-confidence, better attractiveness, etc., and would therefore be comparatively fecund. Conversely, *purity* maintains that we should not choose pleasures that lead to pains. Drug use, for example, might be relatively pleasurable in the short term but leads to various problems (e.g. economic, social, health) in the

long term and therefore suffers on considerations of purity. Lastly, the utilitarian would say that we have to invoke these above considerations for everyone who would be affected by actions; this is the element of *extent*. For example, if I were to make a decision between saving one drowning person or saving five drowning people then, all else equal and assuming these were lives of positive utility, I should save the five over the one.

So the idea behind utilitarianism is that we would apply this hedonic calculus to determine which, of the actions available to us, would maximize total aggregate happiness. An idea implicit in this one is that of *impartiality*: we add up the total happinesses of all people affected by any action, and none of those happinesses is weighted more than any others. This might be contrasted with partisan ethical theories, such as egoism, which might hold that the right action is the one that maximizes *my* happiness. On this view, my happiness would receive infinite weight (or, equivalently, other happinesses would receive zero weight). But utilitarianism thinks that all happiness is equally morally important, regardless of whose it is. For example, the utilitarian could not say that a mother should save *her* child as against someone else's since the weightings of the children should be equal. When Bentham and Mill were proposing the theory, this was taken to be a very progressive feature of it since, in Victorian England, the interests of the elite few were commonly taken to be more relevant than the interests of the many. Another consequence of the impartiality feature of utilitarianism is that the theory need not be anthropocentric: any sentient being capable of pleasure and pain would factor into the hedonic calculus. Those concerned with animal welfare, for example, often adopt utilitarianism as their normative theory since it directly affords moral status to any non-human animal capable of pleasure and pain.

This discussion has set out the central tenets of utilitarianism, but let us address one concern often expressed by those who first encounter the view: pragmatic applicability. Some people might say that this theory sounds all well and good but could be very skeptical about their ability to apply it in the real world. After all, how can we tell what utilities will be manifested by some action? Should we save the drowning person or not? S/he might be the one who would deliver the cure to cancer, or s/he might be the next Hitler. The utilitarian would hold that the right action (saving or not saving) would be predicated upon the answers to these questions, and these answers are certainly not available to the prospective moral agent. In responding to this objection, we might draw a distinction between a *decision procedure* and a *standard of right and wrong*. What utilitarianism provides us is a standard of right and wrong: actions are right if and only if they, out of the options available to the agent, maximize total aggregate happiness. This claim is logically distinct from a decision procedure which would tell us *which* actions maximize total aggregate happiness. If we think that the goal of moral philosophy is to provide a criterion of right and wrong, then it is irrelevant whether utilitarianism would suffer problems (e.g. epistemic) of application. The utilitarian might offer another decision procedure as the one that fallible humans should adopt, and these could include intuition, rules of thumb, heuristics, etc.

There are many objections to all ethical theories, and utilitarianism is no exception. Rather than catalog this litany of objections, I would like to elucidate one that will be most relevant to selections in these volumes: the notion of *rights*. Remember that, for the utilitarian, the right action is the one that maximizes total aggregate happiness. If, for example, happiness would be maximized by torturing or killing someone, then utilitarianism would require it. Some people would want to argue that we have rights against being tortured or killed, and that these rights are insensitive to considerations of utility. This view (often called deontology) will be discussed shortly, but one comment might be helpful. It is true that, for the utilitarian, rights would not have *primary* moral status since we would only ascribe to a system of rights (or, more cynically, ‘rights’) insofar as it contributed to happiness. In cases where happiness were maximized by violating those rights, utilitarianism would require us to do so. But Mill talks about rights, and he says that, in the vast majority of cases, protections of life, liberty, etc. will tend to promote happiness and, consequently, would be maintained under his theory. The critic could still complain about the derivative nature of those rights, but a utilitarian might (with some exceptions or in some particular cases) generate a similar system of rights as the deontologist.

### Deontology

Alongside utilitarianism, deontology is one of the most dominant moral theories. Etymologically ‘deontology’ is the study of *rights* and *duties*: according to the deontologist primary moral consideration should be afforded to rights and duties instead of the utilitarian’s happiness. The deontologist does not hold the (implausible) position that happiness is morally irrelevant, but s/he denies its *primacy* in moral reasoning. The deontologist could hold that, *ceteris paribus*, we should maximize happiness, though he would go on to say that we *cannot* aim at happiness if doing so requires rights violations. To take a simple example, imagine that someone asks you whether you like the birthday present she gave you, and further imagine that you do not. What should you do? An innocent lie might surely maximize happiness: the gift giver would then be pleased that the present was well-received and you, let us assume, would not be overly ridden with guilt (and perhaps even derive pleasure at contributing to another’s happiness). So, according to the utilitarian, we might imagine that the morally required action is to lie. But the deontologist could disagree: he might argue that you have a *duty* not to lie and, furthermore, that the giver of the present has a correlative *right* not to be lied to. Thus, for the deontologist, you might be required to tell the truth and risk offending the gift-giver.

So we now understand that deontology is an ethical system consisting of rights and duties. But which rights? Which duties? It is not enough to merely assert that *some* rights and duties exist: we need to also know what they *are*. In answering these questions, we might turn to Immanuel Kant (1724–1804), one of the most famous of all deontologists. Kant’s philosophy is very complicated,

but we should be able to get through some of the main ideas without too much strife. According to Kant, all actions are guided by *maxims*. A maxim is a 'rule of action', and is of the form: In conditions C, I perform action A in order to achieve end E. So, for example, a maxim might be 'When I am thirsty, I drink water in order to satisfy my thirst'.

For Kant, a maxim must have all these elements. Every time we act, it is against some background conditions, and these are (or at least can be) morally relevant. For example, imagine that I am debating whether to eat a loaf of bread. This action might be contemplated against two sets of hypothetical background conditions. In the first, let us imagine that my consumption of the bread will lead to the starvation of someone else (and let us further imagine that my consumption of the bread is not necessary to allay my own starvation). In the second, let us imagine that my consumption of the loaf of bread is necessary to allay my own starvation and that nobody else would be adversely affected by the action. In both cases, the *act* is *exactly* the same: I eat the bread. What is different is the background conditions. And these make all the moral difference in the world: the consumption is impermissible in the former case and permissible (or perhaps even obligatory) in the latter. So the important lesson is to recognize that, whenever specifying your maxim, you must include the background conditions.

Relatedly, you must include the end at which your act aims. Again, consider two hypothetical maxims. In the first, imagine that, in some arbitrary conditions C, I lie to my mother-in-law *in order to* hurt her feelings (by, for example, telling her that I do not like a present that I in fact do). In the second, and in the same arbitrary conditions C, I lie to my mother-in-law *in order to* spare her feelings (by, for example, telling her that I do like a present that I in fact do not). Again, in both cases, the *act* itself is identical: I lie to my mother-in-law. And, by stipulation, the background conditions are the same. What is different is the *goal* of the action, and this is certainly morally relevant since the latter action more morally laudable than the first. (Remember, though, that *some* deontologists might hold that both are impermissible.)

So now that we know what a maxim *is*, we can look at Kant's ideas regarding which maxims are morally permissible. Kant's general strategy is going to be to offer a test that we will apply to individual maxims. Maxims that pass the test will be morally permissible and maxims that fail the test will be morally impermissible. (And, furthermore, maxims whose negations fail the test will be morally *required*.) This test is often referred to as the 'categorical imperative test' and is based upon Kant's notion of the categorical imperative.

Kant makes a distinction between what he calls hypothetical imperatives and categorical imperatives. Hypothetical imperatives tell an agent how to achieve some end that he finds desirable. For example, if we want to do well in school, then we ought to study; this maxim relates some antecedent desire that we have with a necessary means to that end. But what if we have no desire to do well in school? Then this hypothetical imperative would exert no force upon me. Turning to morality, Kant was worried about its governance by hypothetical imperatives. Why? Well, the maxims would go something like

this 'If A wants to be moral, then A will  $\phi$ ' (where  $\phi$  is some generic action required by morality). But what if A has no desire to be moral? Then this hypothetical imperative would be motivationally impotent against me. And this worried Kant: he did not think that the demands of morality should be only contingently applicable to agents who happened to have an interest in being moral. Rather, he thought that moral edicts should apply to *everyone*, regardless of their desires. Hence the categorical imperative. These imperatives bind everyone *categorically*, which is to say that they take no inputs (e.g. contingent desires) and apply universally. Categorical imperatives are therefore of the form 'Do  $\phi$ ' as opposed to 'If  $\psi$ , then do  $\phi$ '.

Kant thinks that the categorical imperative is synonymous with the moral law, though he thinks that this moral law can be expressed in different formulations. He offers four formulations, though only two are commonly discussed. (It is worth noting that, since these are supposedly all formulations of the same moral law, they should be equivalent, though they certainly do not appear to be; this purported equivalence is an important issue in Kantian scholarship.) The first, the so-called 'Law Formulation' says 'act only on that maxim that you can simultaneously will to be universal law'. And the second, the so-called 'Humanity Formulation', says 'always treat humanity, whether yourself or others, as an end, and never as a means only'. While the humanity formulation deserves much discussion, we will concentrate on the law formulation because of easy applicability for the categorical imperative test.

So remember that the basic idea is that maxims which pass the test are permissible and maxims which fail the test are impermissible. This test, which makes use of the law formulation, has three steps. First, you must formulate a maxim. Secondly, you must universalize the maxim, which means that you apply it to all the moral agents of the universe. Finally, you search for 'a contradiction' (i.e. two statements that cannot simultaneously be true). If there is a contradiction, the maxim is impermissible and, if there is none, then it is permissible. Certainly this all sounds daunting, but let's consider elucidating examples. A fairly straightforward one is: 'When I want money, I rob a bank in order to acquire money'. Hopefully, this will come out impermissible. Since we have the maxim, we now universalize it: 'Whenever anyone wants money, s/he will rob a bank in order to acquire it'. Now we must try to find a contradiction. Think about what would happen if everyone who wanted money went around robbing banks. Most likely, one of two things would happen: people would succeed and banks would go bankrupt or else banks would tire of being robbed and enact impenetrable defenses. Either way, future robberies would fail. And now we can generate a contradiction. If banks are commonly robbed, then prospective robberies will undoubtedly fail. Therefore, nobody will end up robbing a bank. But remember that my maxim involved the element of *my* robbing a bank. However, if *nobody* can rob a bank, then certainly *I* cannot rob a bank: an entailment of the universalization of my maxim is inconsistent with the maxim itself. So we have located a contradiction, and the maxim is therefore impermissible. If the contradiction is between the maxim and an entailment of the universalization, we say that we have located a *contradiction of*

*conception*. We ascribe this label because we cannot *conceive* of a world wherein the universalization of the maxim attains. For example, we cannot imagine a world wherein everyone who wants money robs a bank in order to get money for the aforementioned reasons.

We are almost finished with Kant, but for one more important idea. There are, unfortunately, types of contradictions other than contradictions of conception. Imagine another putative maxim: 'Whenever someone is drowning, I will fail to provide aid in order to not inconvenience myself'. Again, this should come out impermissible. So we universalize the maxim: 'Whenever someone is drowning, *nobody* provides aid in order to prevent inconvenience'. Any contradiction yet? Is this universalization conceivable? Yes, it is. So we have to press further in order to derive the contradiction. Next, we invoke the so-called 'standing intention' (i.e., an intention which we always have): 'I will all means necessary to achieve my ends'. Intuitively, this should make sense as we are rationally required to will all necessary means to our ends. For example, if I wanted to get married, and getting married required the finding of a potential spouse, then it would be irrational to say that, while I wanted to get married, I did not want to find a potential spouse. Now we can generate the necessary contradiction in the previous example. Imagine that we live in the (conceivable) world wherein nobody saves drowning people. Furthermore, imagine that *I* begin to drown and need saving. Whatever ends I might have, continued survival must be a necessary condition to their attainment (e.g. I cannot go fly a kite if I drown) – Kant famously argued against the permissibility of suicide – so I must will that *someone save me*; this is required by the standing intention. But one feature of the universalization of my maxim was that nobody was saving anyone! Hence, nobody would be saving me. Since, according to Kant, I am committed to all logical entailments of my universalization, we have the contradiction: I am simultaneously willing that nobody saves anyone and that somebody saves me. If the contradiction is located between an entailment of the universalization and an entailment of the standing intention, we say that we have located a *contradiction in will*. Finally, Kant argued that we have *perfect duties* to perform the negation of maxims which lead to contradictions in conception and that we have *imperfect duties* to perform maxims whose negations lead to contradictions in will. If there is a conflict between the two (can you create one?), perfect duties trump imperfect duties.

We have now come a long way through a lot of hard and abstract moral theory. In the chapters that follow, you will realize that most of the authors adopt either utilitarian or deontological approaches to ethics, and you will now hopefully understand the foundational differences among these views. When disagreements ensue, you should realize that the disagreements are as likely to have to do with the normative theories underlying the respective views as they are at some more applied level. Which theory do you find more compelling? Are you a deontologist or a utilitarian? Certainly your allegiance to one view over another will affect your stances on many of the issues discussed in these volumes.

## Business Ethics and Professional Ethics and Objections

Now that we have considered what ethics is, what branches of ethics there are, and some of the most important normative theories still in use today it will be useful to consider some objections that are often offered against business and professional ethics. These objections are aimed at undermining the ethical project of both of these areas of applied ethics. In addition, these objections are not specific to these areas of applied ethics – they are often offered against any area of applied ethics.

First, I will say a bit about business and professional ethics. Business ethics is distinguished from professional ethics by the fact that professional ethics is specific to the established professions, such as medicine, law, and accounting. Business ethics is more general and pertains to issues dealing with business, such as employee rights, corporate obligation, advertising, and intellectual property. In some sense professional ethics, in so far as the professions are businesses, can be seen as a sub-field of business ethics; but the prevailing trend has been to keep them separate.

The criticisms that both of these applied fields face are the following:

- Business ethics is *useless* because individuals upon reaching the age at which they will enter the workforce already have ingrained habits and procedures for deciding what is the morally correct thing to do in a specific situation.
- Business ethics is *valueless* because it is *indeterminate*. Ethicists disagree over which normative theory is the correct normative theory, and since different normative theories give different answers to specific problems, business ethics is indeterminate.
- Business ethics is *beside the point* because for the most part we already know what is the morally correct thing to do, what we want is to figure out how to get people to *behave* morally; since business ethics focuses on what is the morally correct thing to do it is beside the point.

Each of these criticisms is in a sense naïve; however, exploring why they are wrong shows a lot about the nature moral psychology, moral theory, and moral reasoning.

The main reason why business ethics, and professional ethics in particular, is not *useless* is because people do not have *static* moral psychologies or personalities. In general, people do change the way in which they evaluate a moral problem. The explanation for this is quite clear. More often than not people undergo experiences that force them to change their moral beliefs, and when those moral beliefs change, how they subsequently evaluate a moral problem changes. In addition, in a world in which most of us are uncertain about the future it is rational to attempt to gain the most accurate information when making a decision. One component of the information gathering process will be acquiring the best model for evaluating moral problems. Acquiring the best model will require that one changes whatever moral assumptions are in the model that do not maximally fit with other information available to the agent.

Moreover, it is just bad psychology to think that people cannot or would not change their behavior because their behavior has already been determined at the age at which they enter the work force.

The second criticism is a bit more astute. The criticism can be formulated as the following argument:

1. Business ethicists disagree over first principles.
2. If theorists in a field of inquiry disagree over first principles, then there are no determinate answers within that field.
3. If there are no determinate answers within a field, then the field of inquiry is valueless.
4. So, business ethics is without value.

The argument gets its force from what was discussed above in the sections on normative ethics. There are competing normative theories. And in many cases these normative theories give different answers to specific applied questions. As a result one can become frustrated with business ethics. The goal was to go to business ethics to find answers to specific problems, and instead one finds a host of inconsistent answers. This leads some to think that business ethics is valueless.

It is important to note from the beginning that this argument is thoroughly general. We could replace premise (1) with the claim that economists disagree over first principles, and arrive at the conclusion that economics is without value. And it is true that there are different schools of economic thought, and as a consequence there are different answers to specific questions depending on which school you consult. But we are less inclined to say that economics is without value.

The way to assuage the pressure of this argument is to argue that premise (3) is false. The reason why indeterminacy over first principles does not render a discipline valueless is because debates over first principles are themselves valuable. Their value lies in the fact that innovation is made possible through these debates, and clarity over first principles is often gained. Scientific revolutions serve as a great example of how debates over first principles lead to innovation. In addition, it false to assume that the indeterminacy over first principles means that disparate theories do not converge in the answers they give in certain cases.

The third criticism is that we already know what the morally right thing to do is in most situations, and thus the real issue is over how to get people to behave the right way. And since the real issue is over behavior we ought to consult psychology, rather than business and professional ethics.

There is a grain of truth to this criticism. Corporate culture plays a big role in how one behaves. If one's peers at work more or less are immoral in their behavior, one will be more prone – through peer pressure – to behave in an immoral fashion. So, the question is how to get people to behave morally, so that we have the appropriate corporate culture.

However, there are two misconceptions underlying this criticism. First, it is



not true that we already know what is the morally correct thing to do in every situation. Genetic engineering would not be a hot topic if we already knew that it was morally permissible/impermissible. More to the point, as technology advances new ethical questions come with it. In fact some of the problems of the past, such as nuclear arms, have been caused by technology advancing far beyond our ethical reasoning. Ethics needs to stay at the cutting edge of technology. In addition, we don't want to answer novel ethical questions by just consulting what happened in the most similar case in the past. We want the novelty of the technology and the time in which it was developed to play a role in determining what is the ethically correct decision. So, in general it is not wise to assume that we already know what the ethically correct thing to do is in every situation.

Second, it is false to think that studying case studies and moral theories cannot change one's ethical outlook, or aid one in moral decision making. The whole point of the case study approach to business ethics is that by seeing how things went wrong in a well defined setting, which is not so uncommon, we can learn from our past mistakes. Case studies show us how people reasoned in the past, what they did, and what were the consequences; those are exactly the ingredients of what makes a person want to decide if they want to act in a similar way. Furthermore, learning to reason effectively about morality provides one with confidence about the moral decisions they are making. It turns out to be the case that we are most confident about the decisions we are making when we understand the reasons that go into them. So, since business ethics and professional ethics provide us with a spectrum of reasons, and theories, we can be assured that it is effective in having the capacity to motivate us to act appropriately.

### **The Central Debate in Business Ethics**

The central debate in business ethics is over what moral obligations corporations have; often this topic is called corporate social responsibility (CSR). The reason why this is the central debate is because many of the other topics in business ethics relate in one way or another to what obligations corporations have.

On one side of the debate we have those that argue that the sole moral obligation of a corporation is to maximize the profit of its shareholders. This position was originally argued for by the Nobel Laureate economist Milton Friedman. On the other side, we have those that argue that corporations have a moral obligation that includes shareholders, but extends to stakeholders, individuals who have a vested interest in the corporation because of how they are affected. Stakeholders generally include distributors, employees, suppliers, and customers. Those that are of the stakeholder persuasion generally maintain that corporations have a wider net of responsibilities.

The general idea is that if corporations only have obligations to shareholders, then if it is to the advantage of the shareholders to close down a

factory that has been in operation for as long as the company has been in operation, there is no moral consideration that holds the corporation back from making this decision. The mere fact that the community which is dependent on the factory will break down – due to the lack of jobs – does not present a moral problem for the corporation. Stakeholder theories of corporate social responsibility maintain that the detrimental effect to the community does count as a serious consideration that the corporation from a moral standpoint must attend to.

One novel wrinkle in this debate is whether or not the two theories are really distinct, and if so how to distinguish them. If it turns out to be the case that respecting the rights of groups other than the shareholders actually is more profitable than not respecting the interest of these groups the two theories would seem to prescribe the same things. One way of separating the two theories is by thinking of what the motivation is for the action. This approach is discussed by several authors who think about corporate social responsibility.

### The Contents of the Series

The three volumes on business and professional ethics contain an extensive list of classic pieces as well new pieces in each field. We have broken down the three volumes so that each one represents a set of closely related ideas.

Volume 1: *Ethical Theory, Distributive Justice, Corporate Social Responsibility* was created for those interested in getting a firm foundation in both the central topic of business ethics as well as the background that goes into doing good business ethics research. Unit 1: *Ethical Theory and Business Ethics* introduces the dominant normative theories, such as deontology, utilitarianism, and virtue theory; as well as some non-classical sources of business thinking, such as Sun Tzu's *Art of War*. The point of this section is to introduce to the reader the background ethical theories that are necessary for doing good business ethics. Unit 2: *Distributive Justice* adds to the background information that one needs for doing business ethics. Though ethical theory is central to good research in business ethics, distributive justice play a prominent role because its central issue is what constitutes a just distribution of goods. The section contains both classical sources, such as Hobbes' *Leviathan* and excerpts from Rawls' *A Theory of Justice*, as well as contemporary discussions of intellectual property. Unit 3: *Corporate Social Responsibility* moves on to the central debate in business ethics. The section contains the classic articles by Friedman and Freeman, as well as more contemporary discussions by Sen. In addition, this section contains articles on topics such as sweatshops and environmental responsibility.

This volume not only provides the background for business ethics as well as good coverage of the central debate, but also the tools for understanding a deeper level topics covered in Volumes 2 and 3.

Volume 2: *Fairness and Justice in the Workplace* was created for those interested in all the ways in which fairness and justice pervade the business world. Unit 1: *Rights and Obligations of Employers and Employees* canvasses all the

central issues that arise between employers and employees, such as: employment at will, drug testing, privacy, work/life balance, and safety. In addition, the popular topic of whistle blowing has been included in this area. Unit 2: *Justice and Fair Practice* also includes topics that relate to the relation between employees and employers, such as affirmative action and sexual harassment, but it also includes more general business related issues such as the permissibility of bluffing in business negotiations.

The articles in this volume will be helpful to those wanting to do research in specific areas of business ethics, as well as topics that stretch out in general ethical theory. For example, though affirmative action and sexual harassment are specific topics in business ethics they are also very important general topics in ethical theory. In addition, there will be various links between themes in articles from this volume to the central debate, corporate social responsibility, discussed in Volume 1.

Volume 3: *Professional Ethics* was created for those interested in doing research on any of the following professions: law, medicine, accounting, and journalism. The section on accounting is *new*, most other anthologies do not offer it. It was primarily introduced because of the recent growth in interest in this field due to the accounting scandals of the 2002. However, it also contains articles of general interest on the ethics of insider trading. The section on legal ethics and medical ethics shares in common the topic of confidentiality, attorney–client and doctor–patient, but each topic in each section is discussed in its own particular way. The volume will provide non-researchers also with a good forum to understand some of the more general ethical issues that arise in the profession they are interested in. So, on the one hand, while the articles are good for those interested in research on the topics, the articles are not so abstract that a person looking for a good understanding of ethical issues in, say journalism, would be lost.

1 While we will only discuss utilitarianism and deontology, it should be noted that *virtue ethics* completes the standard triumvirate of moral theories. We will omit it here not because it is unimportant, but rather because hardly any of the articles in these volumes adopts a virtue-theoretic stance toward business or professional ethics. We expect to see a greater industry in these approaches in upcoming research but, for now, virtue theory has not made substantial contributions to the topics of these volumes.