

Solomon: Ch 3: Conflicts of Interest and the Meaning of Morality

There are two contrasting theories of human nature which can ground our conflicts. Lorenz-Hobbes characterizes our basic nature as aggressive and egotistic: we are naturally wired to actively pursue our own self interest. Lackey-Rousseau characterizes our basic nature as cooperative and interested in preservation of our group: we are naturally wired to promote interests of our group. Both have empirical support.

Q1. Please examine this issue with regard to its support of capitalism, e.g., a person's being motivated to maximize profits: (a) begin by defining egotistic and cooperative actions (be sure to be able to distinguish actions which are self-interested simply because they are motivated by my interests, whatever the content of my interest happens to be and those which are self-interested because I believe that they will lead to my benefit.), and (b) as outlined in class, what are the empirical results concerning basic human motivations.

Nature of an ethical dilemma: (1) it is seemingly irresolvable; (2) it is not based solely on conflicts of self interest, but involves others' interests; (3) a conscientious solution is needed, not just a consensus; (4) it is more important to be complete, than efficient, in deliberations.

Nature of morality: (1) they are prima facie rules to guide actions; (2) they apply to all individuals and are independent of individual's interests; (3) they are reason based.

Two broad theories which ground morality: (1) morality of principle: Kantian criterion of if it is possible for everyone to do x, then x is moral (this is a version of the golden rule); (2) goal oriented morality: utilitarian criterion of if x is for the greatest good of the greatest number of people, then x is moral.

In summary, minimal conditions of morality: consistency, universality, reason-based, involves concerns for others.

Discussion issues: (1) Is the profit motive essentially self-interested and as such does that make it immoral? (2) Consider the GE case on pp. 100-101, what is the "morality" of this bribery case?

Q2. Be able to discuss the following question: "Is the profit motive essentially self-interested and as such does that make it immoral?" Use the framework of utilitarianism to answer this question: (a) begin with the assumption that each individual's interests are morally valuable with the consequence that each should be allowed to pursue his/her own interests; (b) it is morally right to limit these individual pursuits in some cases in order to maximize the overall interests of the most people.

Skip the historical interlude of Kant and Mill.

Solomon: Ch 4: Corporations and Cultures

Legally, a corporation is a fictional entity to limit liability and organize resources take on certain legal and financial obligations and responsibilities. Socially, corporation it is a collection of individuals with a shared purpose (consistent with many differences). It also has a culture which provides it with a

structure and values (which may include a formal code of ethics). The activity of a corporation in the open market is made more complex when ownership of a corporation is dispersed among stockholders because owners' interest may diverge from management's interest. The ideal of an entrepreneur maximizes freedom and autonomy, as well as financial risks and vulnerability.

Solomon: Ch 5: Rules, Roles, and Responsibilities.

A practice is a system of behaviors defined by roles, rules, and goals. Practices differ in at least two respects: how specifically the rules define practices and whether the goals are internal or external to the practice. Games typically involve practices, like running the bases in baseball that are whole rule defined and its goal, scoring a run, is wholly internal to the game. Roles can be specialized or general, e.g. a pitcher in baseball is a specialized role with only certain duties. In business, the notion of a manager is best characterized as general (in a liberal arts kind of way.)

Responsibility is both having authority over a certain area and accountability for what happens in that area. The "system problem" is when each individual fulfills his/her responsibility, but there remains an additional "layer" of responsibility that is over and above each individual's responsibility.

Q3. Be able to discuss the "nestled" nature of our individual actions as first belonging to a game (or game-like activity), and also belonging to a larger game-like activity, and then finally to our culture in general. Be sure to use an example like "scoring a run" in baseball and then consider baseball not just as a sports game, but as a business, and finally as a part of our culture. Finally apply this analysis to "maximizing your profit" as an activity in the "open market."

Solomon: Ch 6: Competition, Games, and Decisions.

Q4. Please counterexample to following claims: (a) 'x is a game iff x is a business,' and (b) 'x is a competition if x is a game.' Solomon offers one counterexample to (b) on p. 182.

Game theory exercise with noncooperative zero sum and nonzero sum games.

Q5. Summarize the prisoners' dilemma and gas stations' dilemma games from p. 195. What lessons can be learned concerning the rationality of certain choices within each game?

Q6. What lessons can be learned concerning the rationality of sealed bids in the Computers Inc. vs. New Computers Inc. bidding process?

Solomon: Ch 7: Rationality, Ends and Means, Cooperation, and Coordination.

The rationality of choices depends upon the social context. It is important also to distinguish means from ends, intrinsic from extrinsic goals, and objective vs. intersubjective goals.

Solomon: Ch 8: "It's not My Problem": The Concept of Responsibility.

Solomon's notion of responsibility is a set of duties and activities that constitute the roles that we have. Moral responsibilities are a distinct set of these duties because they apply to all people regardless of

specific role and they “trump” other non-moral responsibilities. These need to be distinguished from legal responsibilities which depend upon the specific laws governing an area and are conventional in that they can be legislatively changed. As corporations are artificial legal entities, corporate actions are subject to responsibility if the actions are the result of a corporate internal decision structure.

Misunderstandings: responsibilities do not arise external to an action but are intrinsic to them, cannot be confused with personal favors, requires autonomy, and are in our long-range bet self-interest.

Understanding moral conflicts: overriding principles do not make the overridden principles disappear, some instances of responsibility are collectively shared by many, we are not responsible only for what we can change or do at that time. There is also consumer and stockholder responsibility. We also have a responsibility to forgive bankruptcies.

Solomon: Ch 9: Social Responsibility and the Stakeholder.

1. Social responsibility requires personhood. This claims that personhood is a necessary condition. To show that this is false, let's first look at a different, but related claim: personhood is sufficient for social responsibility. This sufficiency claim is incorrect. There are two types of counterexamples: desert island and quadriplegic cases. In both situations, either because of extreme isolation or inability, a person is unable to act in any socially responsible manner. In these situations, we alleviate the persons from any type of responsibility because the responsibility to do x requires the ability to do x. This means that if a person does not have the ability, then they do not have the responsibility. In conclusion, what seems to be the relevant necessary condition for social responsibility is having the ability to act.

2. The above distinction may not make a difference if whatever has the ability to act is also a person. However, corporations have the ability to act, but are not persons. We can propose a couple of additional sufficient conditions as follows: if x has the ability to act and can receive benefits from society and can act to improve/damage society, then x has social responsibility. If this is true, then persons are not necessary for social responsibility. Both people and corporations, as well as governments, can have social responsibilities.

3. Given the above, a further objection to a corporation having social responsibilities is that they are designed to make profits, not respond to social responsibilities. We need to remember that corporations and governments are entities constructed by us for various purposes and if it turns out that any such entity is not in the best interest of our society, we can certainly alter or ban them.

4. Does S have a social responsibility to do y, if it is not in the best interest of S?

- a. x is required for doing u, so y is not relevant.
- b. if x is also an activity in z and y is relevant to z, then y is relevant.
- c. z has the right to sanction/ban S because x ignores y.

In the Allen Iverson gangster rap example, x is basketball talent and u is playing basketball, y is promoting gangster rap, z is a sport/entertainment business. y is relevant to z because it is believed it y hurts z's reputation and income. It follows that z has the right to ban/alter S's doing y, even if y is not relevant to playing basketball. By analogy, for business corporations, x is making a profit and u is being a successful business, and y is being socially responsible. z is society and as long as making profit are also activities in society, then society has the right to sanction/ban profit making activities, if they ignore social responsibilities.