For my Dad

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CONTENTS

Preface xiii
Acknowledgements xvi

INTRODUCTION: THE ETHICS AND VALUES OF BUSINESS
AND ECONOMIC LIFE 1
I.1 Introduction 1
I.2 The Approach Taken in This Book 2
I.3 The Big Picture 4
   A. Personal and Institutional Points of View 4
   B. The Subject Matter of this Book 5
   C. Three Competing Perspectives about the Role of Ethics in Business and
      Economic Life 8
         Invisible Hand Arguments 8
         Law and Regulation Arguments 8
         Professional Ethics Arguments 9
   D. Organization of Chapters 9
I.4 What You Need to Get Started: A Primer on Ethics 11
   A. Ethics, Norms, and Law 11
   B. Ethical Theories 12
      Assessing the Consequences of Action 12
      Assessing Actions Apart from Their Consequences 13
      The Importance of People’s Motives 14
      Character and Virtue 15
      Methods of Ethical Reasoning 16
I.5 Summary 16
Key Terms 17
Discussion Questions 17

PART I   BASIC CONCEPTS 18

1. MARKETS 18
   1.1 Introduction 18
   1.2 What Are Market Exchanges? 19
   1.3 Why We Begin with Market Exchanges? 21
   1.4 Debates about How to Define Markets 22
   1.5 Blocked Exchanges 24
   1.6 Background Conditions for Markets to Operate 25
   1.7 Three Dialogues That Shape This Book 25
## Contents

4.9 Summary  72  
Key Terms  73  
Discussion Questions  73  

5. THE STAKEHOLDER THEORY OF CORPORATE RESPONSIBILITY  75  
5.1 Introduction  75  
5.2 A Global Perspective: “All Is Not Well”  76  
5.3 Corporate Purpose, Stakeholder Rights, and Managerial Duties  78  
5.4 Ethical Justifications  82  
5.5 Interpreting the CSR Movement from the Stakeholder Perspective  84  
5.6 Corporations and Government  85  
5.7 Ethics, Self-Interest, and Markets  87  
5.8 Personal and Institutional Points of View Revisited  89  
5.9 Corporate Personhood  90  
5.10 Summary of Chapters 4 and 5  92  
5.11 Book Digest  92  
Key Terms  93  
Discussion Questions  93  

**PART III EFFICIENCY AND WELFARE: THE MOST COMMON ETHICAL GUIDES IN BUSINESS AND ECONOMICS  96**  

6. EFFICIENCY AND WELL-BEING  96  
6.1 Introduction  96  
6.2 Pareto Efficiency as an Ethical Ideal  97  
6.3 How Idealized Markets Create Efficiency Gains  98  
6.4 Background Conditions  101  
6.5 How Actual Markets Approximate Ideal Markets  103  
6.6 How Efficiency Is a Basis for Criticizing Markets  105  
6.7 The Ethical and Practical Appeal of the Efficiency Standard  108  
6.8 Complications about the Meaning of Efficiency  109  
   A. The Tangled Relationship between Efficiency, Preferences, and Well-Being  110  
   B. The Difference between Welfare and Consent  112  
6.9 Summary  113  
Key Terms  113  
Discussion Questions  113  

7. PUBLIC GOODS AND THE UTILITARIAN TRADITION  115  
7.1 Introduction  115  
7.2 Public Goods  116  
7.3 Two Neighborhoods and a Park: A Public Goods Problem  118  
   Let’s Now Generalize the Problem  122
7.4 The Tragedy of the Commons 124
7.5 Ethical Motives, Government Regulation, Property Rights, and Corporate Responsibility 125
   A. The Personal Point of View: Ethical Motives and Social Norms 125
   B. The Institutional Point of View: Government Regulation and Privatizing Goods 126
   C. Corporate Responsibility 127
7.6 Limitations to Pareto Efficiency as a Normative Standard 129
7.7 The Tradition of Utilitarianism 130
7.8 The Attraction and Limitations to Utilitarianism 132
   A. Problems with Utilitarianism 132
7.9 Summary 133
Key Terms 134
Discussion Questions 134

8. THE INVISIBLE HAND: ETHICS, INCENTIVES, AND INSTITUTIONS 136
8.1 Introduction 136
8.2 The Metaphor of the Invisible Hand 138
   A. Limited Role for Ethics from a Personal Point of View 139
   B. Limited Role for Government and Law from the Institutional Point of View 141
   C. An Adjusted Invisible Hand Model 142
8.3 The Law and Regulation Model 143
8.4 The Professional Ethics Model 144
   A. Professional Ethics within an Efficiency Framework 145
   B. Noninstitutional Foundations for Professional Ethics 147
   C. Mutual Benefit as a Personal Value 148
8.5 Conflicts of Interest 150
   Read the Case Study Blowing the Whistle only on MySearchLab 152
8.6 Ethics and Values: Moving beyond Efficiency and Welfare Discussions 152
   A. The Dance between Ethics, Incentives, and Institutions 152
   Read the Case Study Sarbanes-Oxley only on MySearchLab 152
8.7 Looking Ahead 153
8.8 Summary 153
Key Terms 154
Discussion Questions 154

PART IV ETHICS BEYOND EFFICIENCY 156
9. LIBERTY 156
   9.1 Introduction 156
   9.2 Two Concepts of Liberty 156
      A. Negative Freedom 157
      B. Positive Freedom 158
9.3 Institutional Implications of Negative Freedom 159
   A. Markets, Property Rights, and an Argument in Support of Markets 159
   B. Property Rights, Poverty, and an Argument Critical of Markets 160
   C. Markets, Voluntary Choice, and Noninterference 161
9.4 Institutional Implications of Positive Freedom 162
   A. Democracy and Markets 162
   B. Democratic Capitalism 163
   C. Two Visions of a Free Society Drawing on both Positive and Negative Freedom 164

Read the Case Study Smoking Laws only on MySearchLab 166
9.5 Freedom and Ethics 166
   A. Ethics and Business 166
   B. A Tight Conceptual Link between Freedom and Ethics 167
   C. The Disconnect between Freedom and Ethics 169
9.6 A General Model of Ethics and Values 170
9.7 Summary 171
Key Terms 171
Discussion Questions 171

10. RIGHTS 172
10.1 Introduction 172
10.2 Preliminaries 173
   A. Legal, Natural, and Human Rights; and Other Distinctions 173

Read the Case Study Employee Privacy Rights only on MySearchLab 173
10.3 Rights as Side-Constraints 175
10.4 Rights and Markets 178
   A. The Entitlement Theory of Justice 178
      A History of Transactions 178
      The Wilt Chamberlain Example 179
      Rectifying Injustice 180
      Applying the Entitlement Theory to Global Capitalism 181
      The Interdependence of Ethics and Justice 183
      Remedies: Invisible Hand, Government Regulation, and Business Ethics Models 183
   B. Undeserved Inequalities 184
      Rights to Assistance 186
10.5 Criticisms of Nozick's Entitlement Theory of Justice 184
   A. Undeserved Inequalities 184
10.6 Justifying Rights 186
   Trade-offs among Values 188
10.7 Summary 189
Key Terms 189
Discussion Questions 189

11. EQUALITY 191
11.1 Introduction 191
11.2 Fundamental Equality 193
14. COMMUNITY AND THE COMMON GOOD 243
14.1 Introduction 243
14.2 Creative Destruction and Community 244
14.3 The Human Personality: Seeking Change and Tradition 245
14.4 Market Triumphalism versus Concern for the Common Good 246
14.5 Markets That Build Communities 247

Read the Case Study Life Choices only on MySearchLab 248
14.6 The Meaning of the Common Good 248
  A. The Common Good as the Shared Interests of Each Person 248
  B. The Common Good as the Aggregated Interests of All Persons 249
  C. The Common Good of Community Derived from the Social Nature of Persons 249
14.7 Communitarianism 251
14.8 Justice and the Common Good: Complementary or Conflicting Values? 252
  A. A Progression of Ideas 252
  B. The Relevance of Culture for Ethics and the Common Good 254
14.9 Summary 255
Key Terms 255
Discussion Questions 255

Glossary 258
Index 264
Preface

This book develops a study of ethics as a path toward a deeper understanding of markets, corporations, and the business system. How can ethics guide our interpretation of this world and our choices within it?

This book is designed to help you make ethical decisions and find practical ways to discuss ethics with others. It’s written in a conversational tone. In practical settings much of ethics is less about being a lone ranger and more about initiating conversations with others at the right moments. A great practical skill is having the ability to discuss ethical challenges from several angles in dialogue with others. It requires a mix of honesty and humor. The book isn’t about giving advice or recommending positions. It’s about entering ethical discussions and then clarifying the strongest arguments for and against competing positions. The book aims to increase your comfort and skills for doing two things: (1) interpreting the business and economic system as a whole from an ethical point of view and (2) understanding specific ethical debates for developing your own decision-making within business and economic life.

Consider this puzzle. Some people believe that self-interest alone and free markets create the best business and economic system. In the words of political philosopher David Gauthier, markets ideally are morally free zones that allow for the unbridled pursuit of self-interest—and yet all for an ethical result. Others reject this idea, believing that in our professional lives, we must work beyond self-interest and bring ethical reflection directly within our everyday decisions. Both perspectives express a role for ethics but in different ways. Who is right? How do we decide who is right? Which ethical guidelines and self-interested considerations should guide our decision-making in business and economic life? This book addresses these questions, among many others.

The book begins by introducing basic but challenging ideas about ethical theories, markets, property rights, corporations, and law. These discussions lead to a debate about corporate responsibility in Part II. Some say that a corporation’s only responsibility is to maximize profits within the law. Others say that this credo misses the ethics part. We will examine this debate. Then, in Parts III and IV, the book introduces and applies ethical ideas about efficiency, liberty, rights, equality, what people deserve, character, community, and others. Each of these later chapters offers a central ethical value as a focal point of discussion. Taken together, these chapters integrate a range of values for assessing the moral complexities of business and economic life.

Distinctive Features of this Book

1. Current business context. The economic and financial crises of the last several years have motivated a cultural and global debate about the rules of the business system and the choices people make within that system. The book emphasizes a balance between personal and institutional perspectives, integrating a micro perspective about the
ethics of individual decision-making alongside a macro perspective about evaluating
the rules of the system that shape those choices.

2. **Continuity across subjects.** The book examines the role of ethics in business and
economic life from the perspectives of consumers, investors, managers, owners,
and employees—basically, all those who participate in the system in one capacity or
another. In this sense the book is for all readers who wish to deepen their understand-
ing of markets, corporations, and the business system from an ethical perspective. The
book covers all the major topics discussed in texts in business ethics, and the special
emphasis is continuity and integration of subjects across business, economics, political
philosophy, and ethics.

3. **Engaging chapters.** Each chapter analyzes a central concept with digestible and engag-
ing discussions, and then applies these materials to debates in business and economic
life. Students practice ethical reasoning throughout the chapters—including online
case studies—to develop skills that are versatile and have many applications beyond
the text.

4. **The challenge of ethical debate.** How is productive ethical debate possible? First, it
requires mastery of a range of important basic concepts, which are covered through-
out the book. Second, there is a fairly well-defined structure to the ideas that lead to
competing visions about the role and content of ethics in business and economic life,
and this book develops that structure. A study of ethics is more than a balancing of in-
tuitions. An important question is how do those intuitions and debates fit into a more
comprehensive understanding of ethics and values? This book focuses on developing
this systematic perspective, which reveals intriguing, challenging, and enjoyable intellec-
tual puzzles. Experiencing and responding to these intellectual puzzles can lead to a
healthy respect for ethical debate.

5. **Chapter organization.** The goal of each chapter is to integrate and develop important
ideas on the chapter topic, analyze provocative ethical puzzles, and indicate how the
chapter ideas have versatile applications. The text emphasizes core concepts underly-
ing many ethical debates and how they form building blocks for competing arguments
across topics.

   Each chapter includes a listing of skills to be developed in that chapter, an intro-
duction, a summary, a listing of key terms defined within the text, and discussion
questions. The discussion questions are especially notable for this text. They are an
integral part of the study of each chapter for those who seek a more advanced under-
standing of the material. These questions can focus your interests on some particular
aspect of the reading or indicate additional puzzles beyond the core discussion. The
online materials include a brief list of recommended readings that can also be assigned
in tandem with the main text. As the chapters progress, the materials become part of
an expanding network of ideas for engaging ethical discussions and debates. Taking all
of these organizational elements together, each chapter is designed to allow for great
flexibility to focus on themes that are of greatest interest.

6. **Practical Applications.** The text includes many applications and examples, and there
are accompanying online materials with case studies for analysis, which are indicated
by the [insert book icon] symbol within each chapter. In addition, your own online
searches can also yield a treasure trove of examples. Many of the best cases and exam-
pies happen in real time, and the daily news invariably provides revealing and exciting
applications. By following current events, you can witness the ideas of the text playing out in real time before your eyes.

7. Background. This book offers a comprehensive introduction and requires no previous acquaintance with philosophy, business, or economics. The fourteen chapters are designed for a one-semester course of study. The book defines all of its key terms and in that sense is a self-contained study for introductory classes; but the discussions are designed to offer challenges at varied levels of analysis. The writing is appropriate as an introduction for business, philosophy, and general education students; as the main text for business ethics and professional ethics classes; and as a text for interdisciplinary majors that combine philosophy, politics, economics, and law. In addition, the writing is designed for broader and more advanced backgrounds for MBA courses and advanced applied ethics, political philosophy, or ethics and economics courses.

This text is available in a variety of formats—digital and print. To learn more about our programs, pricing options, and customization, visit www.pearsonhighered.com.
ACKNOWLEDGMENTS

After a decade of teaching and writing, this book began to take shape through my experience and conviction that many people enjoy and seek discussion of ethical puzzles in business and economics but the opportunities can seem too few. This book responds to the hope of contributing to greater public dialogue about the role of ethics in public life.

There are so many people to thank for all of the discussions, debates, and inspiration—more than I could possibly list. It's a product of many influences and many years.

Let me begin by thanking my Dad to whom this book is dedicated. Over a long career I saw how his undergraduate and MBA students loved his humor, common sense, and humanity about all matters concerning business and economics. Were I to carry forward even in small part his years of inspired teaching, I would feel lucky. I still remember our first conversation about economics—he started by asking me the purpose of businesses—and ever since the two of us have discussed and debated economic issues, always to my enjoyment and profit. I will always cherish the countless conversations through the many drafts of this book, with his probing questions at every step of the way. For everything, Dad, this book is dedicated to you.

I thank my wife Debby and daughter Sophia for their endless encouragement and support, especially in those moments when the work took many times longer than I imagined that it would. Debby always fortified me to take the time that I needed to bring this book to life. My family not only endured innumerable hours that I spirited away on research and writing, but they endured the scintillating conversations that I couldn't help but initiate about topics such as externalities, deontological ethics, and global governance gaps. For this and far more than I could ever write here, I am forever grateful.

At Binghamton University, outstanding students generated dynamic debates year after year, including an introductory class called “Markets, Ethics, and Law” that enrolled more than 2,000 students over a decade. This collective dialogue was a source of great creativity in my thinking and writing. The ideas in this book were also refined through other advanced undergraduate and graduate courses and in my teaching at the University of Baltimore, where I now work. Teaching at a university can keep you young because it provides a continuing antidote to those who think that the younger generation has lost its way. The hard work, intelligence, and passion of young people that I experienced year in and year out is truly remarkable. I have so many students to thank for these years of conversations—too many to mention given the great cumulative impact. Let me especially mention Samuel Itin, Lucas Testiori, Murray Friedman, and Dustin Frost—their interest in this book project led them to read and offer helpful comments on early versions of this manuscript. These conversations included many alumni interactions as well. I'd like to especially thank Owen Pell, Binghamton University class of 1980, not only for the enriching dialogue on topics related to this book but his inspiring views on education and the role of ethics in business and economic life.
I have special gratitude to David Schmidtz, my advisor at the University of Arizona, where I taught my first course in business ethics and learned new ways to connect philosophy and economics. David created an intellectual community where ideas germinated in an atmosphere of freedom—an idyllic environment. David continues to mentor generations of students into the philosophy profession.

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