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# CHAPTER 1

**The Nature of Morality**

**Learning Objectives**

After completing this chapter students should be able to:

* Define the nature and sources of ethical and moral standards.
* Distinguish between moral and non-moral questions.
* Examine our business environment and debate the extent to which business ethics differs from ethics in other contexts.
* Connect personal moral codes to behavior.
* Recognize some of the social and psychological factors that can affect moral decision making.
* Use standard logic and argument processes to make moral judgments.

**Glossary**

1. **argument**: Perhaps the most important element of moral reasoning, which is a group of statements. One or more of these statements are premises and one of them is a conclusion. The premises are reasons to believe the conclusion.
2. **argument form**: The form of reasoning an argument uses. The same form of reasoning can underlie different arguments and statements. The argument “All men are mortal, Socrates is a man, therefore Socrates is mortal” uses the argument form “All A are B, C is a B, therefore C is an A.” Argument forms can be valid or invalid.
3. **conclusion**: A statement of an argument. Arguments are meant to give us reasons to believe conclusions. Arguments are often given to persuade people to believe something—the conclusion.
4. **considered moral beliefs**: Considered moral beliefs or are our intuitive moral beliefs that we are still confident are true after thinking them through. They are our *refined* common sense. We should consider objections and counterexamples to our intuitive beliefs to make sure they aren't merely based on a hunch or prejudice. Considered moral beliefs can be taken to be provisionally true and they can be used in moral arguments.
5. **counterexample**: Proof that an argument is invalid or a belief is false due to the existence of an incompatible fact. Logical counterexamples prove argument forms to be invalid because they use an argument's form and have true premises, but a false conclusion. Informal counterexamples can be used as objections to beliefs.
6. **divine command theory**: The belief that immoral actions are immoral just because God says they are immoral
7. **premises**: The statements used to justify a conclusion when we give an argument.
8. **sound arguments**: Arguments that are valid and have true premises. An argument is unsound when these conditions aren't met.
9. **valid arguments**: Argument forms are valid when it's impossible for the premises to be true and the conclusion to be false at the same time. Invalid arguments can have true premises and a false conclusion at the same time. It's important for arguments to be valid or they're unreliable. We can't trust the conclusions of invalid arguments even if the premises are true.

**Chapter Summary Points**

1. Morality deals with individual character and the moral rules that are meant to govern and limit our conduct. It investigates questions of right and wrong, duty and obligation, and moral responsibility. 'Ethics' can be used as a synonym for 'morality' but it can also refer to 'moral philosophy.' Philosophy is a quest for knowledge through reason. Moral philosophy can help us attain improved moral opinions by learning how to apply logic and good reasoning to morality. We can do this (in part) by considering multiple perspectives, arguing, and theorizing.
2. Business ethics is a form of moral philosophy that helps us determine what's morally right or wrong in a business (or organizational) context.
3. Moral standards concern behavior that has serious consequences for human well-being, and they take priority over other standards, including self-interest. Their soundness depends on the adequacy of the reasons that support or justify them.
4. Morality must be distinguished from etiquette (rules for well-mannered behavior), from law (statutes, regulations, common law, and constitutional law), and from professional codes of ethics (the special rules governing the members of a profession).
5. Morality is not necessarily based on religion. Although we draw our moral beliefs from many sources, for philosophers the issue is whether those beliefs can be justified.
6. Ethical relativism is the theory that right and wrong are determined by what one’s society says is right and wrong. There are many problems with this theory. Also dubious is the theory that business has its own morality, divorced from ordinary ideas of right and wrong.
7. Accepting a moral principle involves a motivation to conform one’s conduct to that principle. Violating the principle will bother one’s conscience, but conscience is not a perfectly reliable guide to right and wrong. Many psychologists think our conscience is developed by internalizing parental demands, but such demands are not necessarily justified.
8. Part of the point of morality is to make social existence possible by restraining self-interested behavior. Sometimes doing what is morally right can conflict with one’s personal interests. In general, though, following your moral principles will enable you to live a more satisfying life.
9. Morality as a code of conduct can be distinguished from morality in the broader sense of the values, ideals, and aspirations that shape a person’s life.
10. Several aspects of corporate structure and function work to undermine individual moral responsibility. Organizational norms, group commitment, and pressure to conform (sometimes leading to bystander apathy or groupthink) can all make the exercise of individual integrity difficult.
11. Moral reasoning consists of forming moral judgments, assessments of the moral worth of persons, actions, activities, policies, or organizations. Moral reasoning and argument typically appeal both to moral standards and to relevant facts. Moral judgments should be entailed by the relevant moral standards and the facts, and they should not contradict our other beliefs. Both standards and facts must be assessed when moral arguments are being evaluated.
12. Philosophical discussion generally involves the revision and modification of arguments; in this way progress is made in the analysis and resolution of moral and other issues.
13. We must be careful not to consider all our moral beliefs to be true without first examining them closely. Conformity with our *considered moral beliefs* is an important consideration in evaluating moral principles. A considered moral belief is one held only after we have made conscientious effort to be conceptually clear, to acquire all relevant information; and to think rationally, impartially and dispassionately about the belief and its implications. We can provisionally assume that our considered moral beliefs are true and we should doubt any moral principle that clashes with many of our considered beliefs. Considered moral beliefs are based on “refined” common sense.

**Teaching Suggestions**

1. **Ethics** – This is the first exposure that many students will have had to ethics. Therefore, at the beginning of the course, it may be useful to distinguish three areas of ethics: descriptive ethics, normative ethics, and metaethics.

Descriptive ethics is simply the description of the ethical beliefs of a certain group of people. It is a matter of sociology or anthropology, not philosophy. By contrast, normative ethics attempts to answer substantive questions of right and wrong. For example, determining whether insider trading really is morally permissible or impermissible—not simply whether a particular group of people thinks it is permissible or impermissible—is an issue of normative ethics.

Normative ethics includes not just the discussion and analysis of particular moral questions but also the attempt to develop and defend a general theory of right and wrong. Normative theories like utilitarianism and Kantianism aim to provide a general account of when actions are right and when they are wrong. By contrast, metaethics deals with the nature and meaning of ethical language and the question of whether (or the extent to which) any particular normative theory can be justified. That is to say, while a normative theory provides an account of right and wrong, metaethics is the philosophical analysis of morality itself, independent of any substantive theory of right and wrong, focusing on the meaning and justification of moral statements.

Although Shaw and Barry present different normative theories of ethics in chapter 2, their book does not discuss metaethics. Moreover, there is often no direct connection between one’s metaethical position and the normative theory one adopts. (For example, some utilitarians are cognitivists or realists in metaethics while others are non-cognitivists or non-realists.) Nevertheless, it may be useful to explain to students the difference between normative ethics and metaethics and to point out that in ethics philosophical issues arise at two different levels.

Some students are likely to believe that ethics is one of those subjects where “anything goes.” That is to say, they will come with the belief that ethics is not something that can be argued about in a rational or objective way or that it is all “a matter of opinion.” Shaw and Barry’s book tries to show that both these opinions are false. When discussing these matters, it might be useful to ask the students to identify some of their beliefs about what is right (moral) and what is wrong (immoral). What should come out of this is an awareness of the way that language is used. In particular, you will probably hear things like:

a. Capital punishment is wrong.

b. Helping the poor is good.

c. It is wrong to harm other people.

d. Child abuse is wrong.

There are two things you can point out here. First, all of these moral claims seem to use language that functions informatively and not just emotively. That is, they state that something is or is not the case. This is important because if the language is not functioning informatively, then there cannot be arguments presented either for or against the moral claims. A necessary condition for moral reasoning and argumentation is that the language is functioning informatively, at least in part. Second, you can use this opportunity to distinguish between normative statements—statements that make value judgments—and non-normative statements. As examples of the latter, you can give statements such as:

a. NaCl is the formula for salt.

b. A bachelor is an unmarried male.

c. Validity is a characteristic of some deductive arguments.

d. 2+2 = 4

This, in turn, allows you to raise the question: “What’s the difference between these two classes of statements?” One answer has already been given—the first class concerns matters of values, whereas the second class doesn’t. However, what students are also likely to say is that the first class of statements is “relative,” in some sense of that term, whereas the second class of statements is “objective.” This is a good springboard for talking about the other subjects that make up Chapter 1. It allows you to discuss ethical relativism, religion (and the question of whether ethics must be based on religion), the relationship of ethics and law, conscience, and the issue of argumentation in ethics.

2. **Argumentation** –This is the first exposure that many students will have had to philosophy. This is one reason why the discussion of logic and argumentation is important. It should be emphasized that this is a philosophy class and we should do our best to justify our arguments using valid arguments. Shaw and Barry do not discuss what *argument form* is, but understanding logical validity requires us to have at least an intuitive understanding of argument form—the underlying structure of an argument stripped of content. A valid argument has a valid argument form. A counterexample can only show an argument to be invalid when we change the premises and conclusion *without changing the argument form*.

Students can find it useful to see examples of arguments and argument forms in addition to practicing their ability to make counterexamples.

An example of an argument is the following:

1. Hurting people just to benefit yourself is wrong.
2. If hurting people just to benefit yourself is wrong, then it's wrong to kill people just to take their money for yourself.
3. Therefore, it's wrong to kill people just to take their money for yourself.

This argument can be stripped of its content to reveal the following argument form:

1. A.
2. If A, then B.
3. Therefore, B.

Other arguments can use this argument form. For example:

1. Charity is always wrong.
2. If charity is always wrong, then giving money to the poor is wrong.
3. Therefore, giving money to the poor is wrong.

Counterexamples should use the same argument form as an argument, but the premises should be true and the conclusion should be false. This proves that the argument form can have true premises and a false conclusion at the same time, and that is sufficient proof to show that an argument is invalid. An example of an invalid argument is the following:

1. Killing is always wrong.
2. If hurting people is always wrong, then killing people is always wrong.
3. Therefore, hurting people is always wrong.

The argument form is the following:

1. A.
2. If B, then A.
3. Therefore, B.

A counterexample of the above invalid argument is the following:

1. All lizards are animals.
2. If all lizards are mammals, then all lizards are animals.
3. Therefore, all lizards are mammals.

It should be made clear that valid arguments are not necessarily good arguments, but good arguments should be valid. If an argument isn't valid, then it's unreliable. Even if the premises are true, the conclusion could be false anyway.

When having a class debate or analyzing arguments in class, it's a good idea to make sure that the arguments are valid. Students often have unstated assumptions they think are “too obvious to mention” and arguments can be valid once these assumptions are found. For example, a student might argue that “it's wrong to download copyrighted materials illegally because theft is wrong” but this argument implies that downloading copyrighted materials illegally is theft. That assumption is needed to make the argument valid. We can then state the students argument as, “It's wrong to download copyrighted materials illegally because theft is wrong and downloading copyrighted materials illegally is theft.”

Finally, it can be a good idea to remind students that refuting an argument doesn't disprove the conclusion, and refuting a conclusion is often unpersuasive unless the arguments for that conclusion can be refuted. After all, if the arguments are sound, then we know the conclusion is true. Moreover, the best way to refute an argument often requires us to refute one of the premises of the argument. Finally, we can't always prove a conclusion to be false, but we can often have reasons to doubt its truth. If a valid argument has a premise we have a good reason to doubt, then the argument will no longer be a good reason to accept the conclusion.

**Questions for Discussion**

Introduction

How far must manufacturers go to ensure product safety? Must they reveal everything about a product, including any possible defects or shortcomings? At what point does acceptable exaggeration become lying about a product or a service? When does aggressive marketing become consumer manipulation? Is advertising useful and important or deceptive, misleading, and socially detrimental? When are prices unfair or exploitative?

Are corporations obliged to help combat social problems? What are the environmental responsibilities of business, and is it living up to them? Are pollution permits a good idea? Is factory farming morally justifiable?

May employers screen potential employees on the basis of lifestyle, physical appearance, or personality tests? What rights do employees have on the job? Under what conditions may they be disciplined or fired? What, if anything, must business do to improve work conditions? When are wages fair? Do unions promote the interests of workers or infringe their rights? When, if ever, is an employee morally required to blow the whistle?

May employees ever use their positions inside an organization to advance their own interests? Is insider trading or the use of privileged information immoral? How much loyalty do workers owe their companies? What say should a business have over the off-the-job activities of its employees? Do drug tests violate their right to privacy?

What constitutes job discrimination, and how far must business go to ensure equality of opportunity? Is affirmative action a matter of justice, or a poor idea? How should organizations respond to the problem of sexual harassment?

Business and Organizational Ethics

Would it be right for a store manager to break a promise to a customer and sell some hard-to-find merchandise to someone else, whose need for it is greater?

What, if anything, should a moral employee do when his or her superiors refuse to look into apparent wrong-doing in a branch office?

If you innocently came across secret information about a competitor, would it be permissible for you to use it for your own advantage?

Morality and Law

What other examples can you think of that show how an action can be either a) illegal but morally right, b) legal but morally wrong, or c) both legal and morally right?

Where do Moral Standards Come From?

For philosophers, though, the important question is not how we came to have the particular principles we have. The philosophical issue is whether the principles we have can be justified. Do we simply take for granted the values of those around us? Or, like Martin Luther King, Jr., are we able to think independently about moral matters? The philosopher’s concern is not so much how we actually got the beliefs we have, but whether or to what extent those beliefs— for example, that women are more emotional than men or that telekinesis is possible—can withstand critical scrutiny. Likewise, ethical theories attempt to justify moral standards and ethical beliefs. Discuss how you think we should justify our moral principles.

The Limits of Conscience

How reliable a guide is conscience?

Moral Principles and Self-Interest

Using the example from this section, discuss whether you should follow your self-interest or your moral principles? There is no final answer to this question. From the moral point of view, you should, of course, follow your moral principles. But from the selfish point of view, you should look out solely for “number one.’’

**Additional Resources for Exploring Chapter Content**

Further Reading

* “Letter from Birmingham Jail” by Martin Luther King, Jr.
* “Is Business Bluffing Ethical?” by Albert Carr
* *The Adventures of Huckleberry Finn* by Mark Twain

Internet Resources

* Validity and Soundness

<http://www.iep.utm.edu/val-snd/>

* Metaethics

<http://plato.stanford.edu/entries/metaethics/>

* Association to Advance Collegiate Schools of Business

<http://www.aacsb.edu/>

Other Resources

Film

* *Enron: The Smartest Guys in the Room,* 2005
* *Inside Job,* 2010