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Ethical Theory and Business Practice

1.1 INTRODUCTION

Can business organizations be just? Should the chief obligation of managers be to look out for the bottom line, or do managers also have obligations to other stakeholders such as customers and employees? Should business organizations be environmentally sustainable? Do global business organizations have obligations to protect human rights wherever they do business? How much influence can businesses legitimately exert over public policy? These are some of the many questions that permeate discussions of the role of ethics in business.

The essays and cases in this book provide an opportunity to discuss these questions by reading and reflecting on influential arguments that have been made on these subjects by leading experts. The goal of this first chapter is to provide a foundation in ethical theory sufficient for reading and critically evaluating the material in the ensuing chapters.

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MORALITY AND ETHICAL THEORY

A distinction between morality and ethical theory is employed in several essays in this volume. *Morality* is concerned with social practices defining right and wrong. These practices – together with other kinds of customs, rules, and mores – are transmitted within cultures and institutions from generation to generation. Similar to political constitutions and natural languages, morality exists prior to the acceptance (or rejection) of its standards by particular individuals. In this respect, morality cannot be purely a personal policy or code and is certainly not confined to the rules in professional codes of conduct adopted by corporations and professional associations.

In contrast with *morality*, the terms *ethical theory* and *moral philosophy* point to reflection on the nature and justification of right actions. These words refer to attempts to introduce clarity, substance, and precision of argument into the domain of morality. Although many people go through life with an understanding of morality dictated by their culture or religion, other persons are not satisfied to merely conform to their upbringing or the doctrines that have been passed on to them. They want difficult ethical questions answered in ways that can be rationally explained and justified and can be coherently linked with other justified beliefs.

Ethical theorists seek to put moral beliefs and social practices of morality into a unified and defensible shape. Sometimes this task involves challenging conventional moral beliefs by assessing

the quality of moral arguments and suggesting modifications in existing beliefs. Other times it involves the application of ethical theory to new problems such as privacy in the Internet era, climate change, or pharmaceutical marketing. Morality, we might say, consists of what persons ought to do in order to conform to society's norms of behavior, whereas ethical theory concerns the philosophical reasons for and against aspects of social morality. Usually the latter effort centers on *justification*: philosophers seek to justify a system of standards or some moral point of view on the basis of carefully analyzed and defended concepts and principles such as respect for autonomy, distributive justice, equal treatment, human rights, beneficence, and truthfulness.

Social scientists, on the other hand, are primarily concerned with understanding why individuals, groups, and organizations behave in certain ways. Why are some people more susceptible to peer pressure than others? How can leaders encourage ethical conduct on the part of followers? What do employees perceive to be a just organizational environment, and what do they perceive to be unjust? What types of organizational systems and processes support ethical conduct, and what types support misconduct? These types of questions, and the empirical studies that are designed to answer them, are at the heart of the study of behavioral business ethics. While philosophical ethics is an ancient field of study dating back to at least ancient Greek philosophers such as Socrates, Plato, and Aristotle, behavioral business ethics is a new field of applied psychology and management studies dating from the 1990s. This book includes both subjects.

Most moral principles are already embedded in public morality, but usually in a vague and underanalyzed form. Justice is a good example. Recurrent topics in the pages of the *Wall Street Journal*, *Fortune*, *Businessweek*, and other leading business outlets, often discuss the justice of the present system of corporate and individual taxation as well as the salaries and bonuses paid to executives, especially at firms that lost money for shareholders or that require taxpayer bailouts to survive, and the offshore outsourcing of jobs from one country to another. However, an extended or detailed analysis of principles of justice is virtually never provided in the media. Such matters are left at an intuitive level, where the correctness of a particular moral point of view is assumed, without argument.

Yet, the failure to provide anything more than a superficial justification, in terms of intuitive principles learned from parents or peers, leaves people unable to defend their principles when challenged or to persuade others of their position. In a society with many diverse views of morality, one can be fairly sure that one's principles will be challenged. A business person who asserts that a particular practice is morally wrong (or right) can expect to be challenged within her organization by colleagues who disagree. She will have little influence within her organization if she cannot also explain *why* she believes that action is wrong (or right). To defend her assertion she must be able to *justify* her position by providing reasoned arguments. The tools of ethics, then, can be of significant value to students of business, managers, and leaders.

MORALITY AND PRUDENCE

Most students do not encounter ethics as an academic topic of study until college or graduate school. Morality, however, is learned by virtually every young child as part of the acculturation process. The first step in this process is learning to distinguish moral rules from rules of prudence (self-interest). This task can be difficult, because the two kinds of rules are taught simultaneously, without being distinguished by the children's teachers. For example, people are constantly reminded in their early years to observe rules such as "Don't touch the hot stove," "Don't cross the street without looking both ways," "Brush your teeth after meals," and "Eat your vegetables." Most of these "oughts" and "ought

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nots” are instructions in self-interest – that is, rules of prudence, but moral rules are taught at the same time. Parents, teachers, and peers teach that certain things *ought not* to be done because they are “wrong” (morally) and that certain things *ought* to be done because they are “right” (morally): “Don’t pull your sister’s hair.” “Don’t take money from your mother’s pocketbook.” “Share your toys.” “Write a thank-you note to Grandma.” These moral instructions seek to control actions that affect the interests of other people. As people mature, they learn what society expects of them in terms of taking into account the interests of other people.

One common observation in business is that self-interest and good ethics generally coincide, because it is usually in one’s interest to act morally. We continually hear that good ethics is good business. This fact makes evaluating another’s conduct difficult and may tend to confuse moral reasoning with prudential reasoning. An example of how moral and prudential reasoning can run together is evident in the decision BB&T bank made about its home lending practices. During the subprime mortgage lending craze that led to the credit crisis and the great recession, banks and other lenders issued lucrative mortgages to borrowers who could not hope to repay the loans, often using deceptive or predatory means. In the short term, borrowers were able to own homes they could not otherwise afford, and lenders made a lot of money. But in the end many borrowers lost their homes and lenders became unprofitable, went out of business, or required the government to bail them out. North Carolina-based BB&T, with 1,800 regional banking outlets, declined to issue these bad loans and remained profitable throughout the years of the credit crisis and the great recession. In explaining their lending practices, John Allison, the retired CEO of BB&T, said, “Absolutely never do anything that is bad for your client. Maybe you’ll make a profit in the short term, but it will come back to haunt you . . . We knew that housing prices wouldn’t go up forever, and we were setting up a lot of young people to have serious economic problems.”¹

Another example of moral and prudential reasoning running together in business is found in the decision of the Marriott Corporation to make a concerted effort to hire persons who had been on welfare. These individuals had often been considered high risk as employees, but changes in the US welfare system forced many welfare recipients to seek work. Marriott was one of the few major companies to take the initiative to hire them in large numbers. Such behavior might be considered an example of moral goodwill and ethical altruism. Although corporate officials at Marriott clearly believed that their decision was ethically sound and promoted the public good, they also believed that their initiative to hire former welfare recipients was good business. J. W. Marriott, Jr., said, “We’re getting good employees for the long term, but we’re also helping these communities. If we don’t step up in these inner cities and provide work, they’ll never pull out of it. But it makes bottom line sense. If it didn’t, we wouldn’t do it.”²

The mixture of moral language with the language of prudence is often harmless. Many people are more concerned about the *actions* businesses take than with their *motivations* to perform those actions. These people will be indifferent as to whether businesses use the language of prudence or the language of morality to justify what they do, as long as they do the right thing. This distinction between motives and actions is very important to philosophers, however, because a business practice that might be prudentially justified also might lack moral merit or might even be morally wrong. History has shown that some actions that were long accepted or at least condoned in the business community were eventually condemned as morally dubious. Examples include pollution of the air and water, forced labor, deceitful marketing, and large political contributions and lobbying directed at people of political influence.

Business people often reflect on the morality of their actions not because it is prudent to do so but because it is right to do so. For example, Elo TouchSystems Inc., a subsidiary of Raychem Corporation

that manufactures computer and other monitors, decided to relocate the company from Oak Ridge, Tennessee, to Fremont, California. As a matter of fidelity to its 300 employees, the company attempted to find new jobs for them in the Oak Ridge area by placing advertisements, sponsoring job fairs, and the like. It also offered generous bonuses for those who would relocate to California. In light of the pool of talent known to the company to be available in California, none of this activity in Tennessee seemed in the company's prudential interest. It simply seemed the morally appropriate policy.

It is widely believed that acting morally is in the interest of business, and thus prudence seems to be one strong motive – perhaps the main motive – for acting ethically. However, throughout this text we will repeatedly see that prudence often dictates a different business decision than does morality. In other words, business people must frequently choose between doing the right thing and doing what is good for business. This conflict informs many of the readings and cases in this book.

MORALITY AND LAW

Business ethics is currently involved in an entangled, complex, and mutually stimulating relationship with the law in various countries and international agreements. Morality and law share concerns over matters of basic social importance and often have in common certain principles, obligations, and criteria of evidence. Law is the public's agency for translating morality into explicit social guidelines and practices and for stipulating punishments for offenses. Several selections in this book mention case law (judge-made laws expressed in court decisions), statutory law (federal and state statutes and their accompanying administrative regulations), and international law (treaties and agreements among nations). In these forms, law has forced vital issues before the public and is frequently the source of emerging issues in business ethics. Case law, in particular, has established influential precedents in the United States that provide material for reflection on both legal and moral questions.

Some have said that corporate concern about business ethics can be reduced or eliminated by turning problems over to the legal department. The operative idea is "Let the lawyers decide; if it's legal, it's moral." Although this tactic would simplify matters, moral evaluation needs to be distinguished from legal evaluation. Despite an intersection between morals and law, the law is not the sole repository of a society's moral standards and values, even when the law is directly concerned with moral problems. A law-abiding person is not necessarily morally sensitive or virtuous, and the fact that something is legally acceptable does not imply that it is morally acceptable. For example, forced labor and slavery have been legal in many nations and are still sanctioned in some rogue nations but are clearly unjust. In Saudi Arabia current laws systematically discriminate against women. "If you're a Saudi woman, you can't board an airplane, get a job, go to school or get married without the permission of a male 'guardian,' whether a husband, father or, if they're both out of the picture, your son."³ Currently "at-will" employees in the United States and "casual workers" in Australia can be legally fired for morally unacceptable reasons. Many questions are raised in subsequent chapters about the morality of business actions such as plant relocation, outsourcing, and mergers that cause unemployment, even though such actions are not illegal.

Consider the following examples: It was perfectly legal when beer distributor CJW Inc. fired its employee 24-year-old Isac Aguero of Racine, Wisconsin, for drinking a Bud Light at a local bar after work. CJW is the local distributor of Miller beer, and Aguero's bosses disliked his supporting the competition. Because Aguero was an "at-will" employee, he had no legal recourse (see Chapter 2).⁴ So too, it was legal when Houston financier Charles E. Hurwitz doubled the rate of tree cutting in the nation's largest privately owned virgin redwood forest. He did so to reduce the debt he incurred when

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his company, the Maxxam Group, borrowed money to complete a hostile takeover of Pacific Lumber Company, which owned the redwoods. Before the takeover, Pacific Lumber had followed a sustainable cutting policy but nonetheless had consistently operated at a profit. Despite the legality of the new clear-cutting policy initiated by the new owner, it has been criticized as immoral.⁵ Lastly, it may have been legal for Merrill Lynch executives to pay themselves millions of dollars in bonuses after losing billions of dollars in shareholder value by making imprudent investments, but most outside observers believe this compensation was unfair (see Chapter 11).

A related problem involves the belief that a person found guilty under law is therefore morally guilty. Such judgments are not necessarily correct, as they depend on either the intention of the agents or the moral acceptability of the law on which the judgment has been reached. For example, if a chemical company is legally liable for polluting the environment, or a pharmaceutical firm is liable for a drug that has harmed certain patients, it does not follow that any form of moral wrongdoing, culpability, or guilt is associated with the activity.

Asbestos litigation is a well-known example. Because of the strength, durability, and fire resistance of asbestos, it was used in thousands of consumer, automotive, scientific, industrial, and maritime processes and products. Virtually no serious social attention was paid to asbestos in the United States until 1964, when a strong link was established between asbestos dust and disease. As many as 27 million US workers may have been exposed to this fiber, and 100 million people may have been exposed to asbestos in buildings. Manufacturers did not know about these problems of disease until around 1964; but beginning with the 1982 bankruptcy of the Johns-Manville Corporation, many corporations were successfully sued. The problem continues to escalate today, especially owing to cases brought by mesothelioma patients and by persons who worked with asbestos but actually have no asbestos-related illness. Over the years of litigation, at least 8,000 companies have been sued, 95 corporations have been bankrupted, and costs have exceeded \$70 billion. Although asbestos manufacturers and their customers originally had good intentions and good products, they paid a steep price under the law.⁶

Furthermore, the courts have often been accused of causing moral inequities through court judgments rendered against corporations.⁷ For example, Dow Corning was successfully sued by plaintiffs alleging that personal injuries resulted from Dow's silicone breast implants, leading the company to file bankruptcy. After an exhaustive study, the US Food and Drug Administration concluded that there is no evidence that silicone breast implants present health risks. In another case, Chevron Oil was successfully sued for mislabeling its cans of the herbicide paraquat, although the offending label conformed exactly to federal regulations, which permitted no other form of label to be used. In both cases it is easy to understand why critics have considered various regulations, legislation, and case-law decisions unjustified.

Taken together, these considerations lead to the following conclusions: If something is legal, it is not necessarily moral; if something is illegal, it is not necessarily immoral. To discharge one's legal obligations is not necessarily to discharge one's moral obligations.

THE RULE OF CONSCIENCE

The slogan "Let your conscience be your guide" has long been, for many, what morality is all about. Yet, despite their admiration for persons of conscience, ethicists have typically judged appeals to conscience alone as insufficient and untrustworthy for ethical judgment. Consciences vary radically from person to person and time to time; moreover, they are often altered by circumstance, religious belief, childhood, and training. One example is found in the action of

Stanley Kresge, the son of the founder of S. S. Kresge Company – now known as the K-Mart Corporation – who is a teetotaler for religious reasons. When the company started selling beer and wine, Kresge sold all his stock. His conscience, he said, would not let him make a profit on alcohol. The company, though, dismissed his objection as “his own business” and said that it saw nothing wrong with earning profits on alcohol.⁸ A second example is that of factory farming animals in confined conditions that cause them significant pain and suffering and that require the use of antibiotics to prevent disease. Many consumers don’t believe there is anything morally objectionable about these practices since it provides them with inexpensive protein, but increasing numbers of consumers believe that the pain caused to animals is unjustified and that the use of antibiotics is harmful to human health. Their consciences lead them to choose pasture farmed animal products or to adopt vegetarian diets. The consciences of some people lead them to take further action and to join activist groups and to protest factory farming. In rare cases, activists have physically destroyed factory farm facilities.

In any given classroom, the consciences of students will lead them to have different views about the moral legitimacy of using marijuana, hacking, or lying on one’s résumé. The reliability of conscience, in short, is not self-certifying. Moral justification must be based on a source external to individual conscience.

APPROACHES TO THE STUDY OF ETHICS

Morality and ethical theory can be studied and developed by a variety of methods, but three general approaches have dominated the literature. Two of these approaches describe and analyze morality, presumably without taking moral positions. The other approach takes a moral position and appeals to morality or ethical theory to underwrite judgments. These three approaches are (1) descriptive, (2) conceptual, and (3) normative (prescriptive). These categories do not express rigid and always clearly distinguishable approaches. Nonetheless, when understood as broad positions, they can serve as models of inquiry and as valuable distinctions.

Social scientists often refer to the first approach as the *descriptive approach*, or the *scientific study of ethics*. Factual description and explanation of moral behavior and beliefs of employees, managers, leaders, and organizations, as performed by management and organization science scholars, are typical of this approach. The second approach involves the *conceptual study* of significant terms in ethics. Here, the meanings of terms such as *right*, *obligation*, *justice*, *good*, *virtue*, and *responsibility* are analyzed. Crucial terms in business ethics such as *liability*, *deception*, *corporate intention*, and *stakeholder* can be given this same kind of careful conceptual attention. The proper analysis of the term *morality* (as defined at the beginning of this chapter) and the distinction between the moral and the nonmoral are typical examples of these conceptual problems.

The third approach, *normative* (prescriptive) *ethics*, is a prescriptive study attempting to formulate and defend basic moral norms. Normative business ethics aims at determining what *ought* to be done, which needs to be distinguished from what *is*, in fact, practiced. Ideally, an ethical theory provides reasons for adopting a whole system of moral principles or virtues. *Utilitarianism* and *Kantianism* are the two most influential theories and a basic understanding of them is essential for all university students. Utilitarians argue that there is but a single fundamental principle determining right action, which can be roughly stated as follows: “An action is morally right if and only if it produces at least as great a balance of value over disvalue as any available alternative action.” Kantians, by contrast, have argued for principles that specify obligations rather than a balance of value. For example, one of Kant’s best-known principles of obligation is “Never treat another person merely as a means to your own

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goals,” even if doing so creates a net balance of positive value. Both forms of these theories, together with other dimensions of ethical theory, are examined later in this chapter.

Principles of normative ethics are commonly used to treat specific moral problems such as fairness in contracts, conflicts of interest, environmental pollution, mistreatment of animals, and racial and sexual discrimination. This use of ethical theory is often referred to, somewhat misleadingly, as *applied ethics*. Philosophical treatment of business ethics involves the focused analysis of a moral problem and the use of careful reasoning that employs general ethical principles to attempt to resolve problems that commonly arise in the professions.

Substantially the same general ethical principles apply to the problems across professional fields, such as engineering and medicine, and in areas beyond professional ethics as well. One might appeal to principles of justice, for example, to illuminate and resolve issues of taxation, healthcare distribution, responsibility for environmental harm, criminal punishment, and racial discrimination. Similarly, principles of veracity (truthfulness) apply to debates about secrecy and deception in international politics, misleading advertisements in business ethics, balanced reporting in journalistic ethics, and disclosure of illness to a patient in medical ethics. Increased clarity about the general conditions under which truth must be told and when it may be withheld would presumably enhance understanding of moral requirements in each of these areas.

The exercise of sound judgment in business practice together with appeals to ethical theory are central in the essays and cases in this volume. Rarely is there a straightforward “application” of principles that mechanically resolves problems. Principles are more commonly *specified*, that is, made more concrete for the context, than applied. Much of the best work in contemporary business ethics involves arguments for how to specify principles to handle particular problems.

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RELATIVISM AND OBJECTIVITY OF BELIEF

Some writers have contended that moral views simply express the ways in which a culture both limits and accommodates the desires of its people. In the early part of the twentieth century, defenders of relativism used the discoveries of anthropologists in the South Sea Islands, Africa, and South America as evidence of a diversity of moral practices throughout the world. Their empirical discoveries about what is the case led them to the conclusion that moral rightness is contingent on cultural beliefs and that the concepts of rightness and wrongness are meaningless apart from the specific historical and cultural contexts in which they arise. The claim is that patterns of culture can be understood only as unique wholes and that moral beliefs about moral behavior are closely connected in a culture.

Descriptive claims about what *is* the case in cultures have often been used by relativists to justify a *normative* position as to what *should* be the case or what *ought* to be believed. That is, some ethical relativists assert that whatever a culture thinks is right or wrong really is right or wrong for the members of that culture. This thesis is normative, because it makes a value judgment; it delineates *which standards or norms correctly determine right and wrong behavior*. Thus, if the Swedish tradition allows abortion, then abortion really is morally permissible in Sweden. If the Mexican tradition forbids abortion, then abortion really is wrong in Mexico.

Ethical relativism provides a theoretical basis for those who challenge what they consider to be the imposition of Western values on the rest of the world. Specifically, some spokespersons in Asia have

criticized what they regard as the attempts of Westerners to impose their values (as the normatively correct values) on Asian societies. For example, it is argued that Asians give more significant value than do Westerners to the welfare of society when it is in conflict with the welfare of the individual. However, it has also been pointed out that because of the range of values embraced by and within Asian nations it is all but impossible to say that there is such an entity as “Asian values.” Secular Asian societies such as India, for example, have long traditions of respect for individual rights and embrace values consonant with Western societies. Also, younger generations tend to have significantly different views about the rights of individuals from those of older generations.

Despite the influence of relativism and multiculturalism, there have been many recent attempts by government agencies, non-governmental organizations, and multinational corporations to promulgate international codes of business conduct that surmount relativism (see Chapter 9). In the era of economic globalization, these efforts are increasing rather than diminishing.

Ethical theorists have tended to reject relativism, and it is important to understand why. First, we need to ask: What does the argument from the fact of cultural diversity reveal? When early anthropologists probed beneath surface “moral” disagreements, they often discovered agreement at deeper levels on more basic values. For example, one anthropologist discovered a tribe in which parents, after raising their children and when still in a relatively healthy state, would climb a high tree. Their children would then shake the tree until the parents fell to the ground and died. This cultural practice seems vastly different from Western practices. The anthropologist discovered, however, that the tribe believed that people went into the afterlife in the same bodily state in which they left this life. Their children, who wanted them to enter the afterlife in a healthy state, were no less concerned about their parents than are children in Western cultures. Although cultural disagreement exists concerning the afterlife (a disagreement about what is or is not the case), there is no ultimate *moral* disagreement over the moral principles determining how children should treat their parents.

A contemporary business example can also help illustrate this point. Bribery is widely used by businesses to obtain contracts in Afghanistan and Russia, but is regarded as an unacceptable means to secure contracts in Canada and Australia. This might be taken to show that bribery really is morally permissible in Afghanistan and Russia and wrong in Canada and Australia. However, the fact that bribery is widely practiced in Afghanistan and Russia does not necessarily mean that it is regarded as morally acceptable behavior by most people in those nations. It is more likely the case that those who engage in bribery simply have greater power than do most people in those nations and so can engage in the behavior without repercussions.

Despite their many obvious differences of practice and belief, people often do actually agree about what may be called *ultimate moral standards*. For example, both Germany and the United States have laws to protect consumers from the adverse effects of new drugs and to bring drugs to the market as quickly as possible so that lives are saved. Yet, Germany and the United States have different standards for making the trade-off between protecting consumers from side-effects and saving lives as soon as possible. This suggests that two cultures may agree about basic principles of morality yet disagree about how to implement those principles in particular situations.

In many “moral controversies,” people seem to differ only because they have different *factual* beliefs. For instance, individuals often differ over appropriate actions to protect the environment, not because they have different sets of standards about environmental ethics, but because they hold different factual views about how certain discharges of chemicals and airborne particles will or will not harm the environment. Climate change is a good example (see Chapter 8). A warming climate will cause harm to many people through, for example, droughts in some areas and rising seas in other areas. The vast majority of climate scientists, as well as scientists in related fields, believe that currently

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occurring climate change is caused by human greenhouse gas emissions (for example, the use of fossil fuels) and deforestation. However, many politicians claim that the science is inconclusive and that current climate change is a natural phenomenon. This difference in factual beliefs leads to differences about what public policies and business policies should be followed. Identical sets of normative standards may be invoked in their arguments about environmental protection, yet different policies and actions may be recommended.

It is therefore important to distinguish *relativism of judgments* from *relativism of standards*. Differing judgments may rely on the same general standards for their justification. Relativism of judgment is so pervasive in human social life that it would be foolish to deny it. People may differ in their judgments about whether one policy regarding keeping sensitive customer information confidential is more acceptable than another, but it does not follow that they have different moral standards regarding confidentiality. The people may hold the same moral standard(s) on protecting confidentiality but differ over how to implement the standard(s).

However, these observations do not determine whether a relativism of standards provides the most adequate account of morality. If moral conflict did turn out to be a matter of a fundamental conflict of moral *standards*, such conflict could not be removed even if there were perfect agreement about the facts, concepts, and background beliefs of a case. Suppose, then, that disagreement does in fact exist at the deepest level of moral thinking – that is, suppose that two cultures disagree on basic or fundamental norms. It does not follow even from this *relativity of standards* that there is no ultimate norm or set of norms in which everyone *ought* to believe. To see why, consider the following analogy to religious disagreement: From the fact that people have incompatible religious or atheistic beliefs, it does not follow that there is no single correct set of religious or atheistic propositions. Nothing more than skepticism seems justified by the facts about religion that are adduced by anthropology. Similarly, nothing more than such skepticism about the moral standards would be justified if fundamental conflicts of *moral standards* were discovered in ethics.

The evident inconsistency of ethical relativism with many of our most cherished moral beliefs is another reason to be doubtful of it. No general theory of ethical relativism is likely to convince us that a belief is acceptable merely because others believe in it strongly enough, although that is exactly the commitment of this theory. At least some moral views seem relatively more enlightened, no matter how great the variability of beliefs. The idea that practices such as slavery, forced labor, sexual exploitation under severe threat, employment discrimination against women, and grossly inequitable salaries cannot be evaluated across cultures by some common standard seems morally unacceptable, not morally enlightened. It is one thing to suggest that such beliefs might be *excused* (and persons found nonculpable), still another to suggest that they are *right*.

When two parties argue about some serious, divisive, and contested moral issue – for example, conflicts of interest in business – people tend to think that some fair and justified judgment may be reached. People seldom infer from the mere fact of a conflict between beliefs that there is no way to judge one view as correct or as better argued or more reasonable than the other. The more absurd the position advanced by one party, the more convinced others become that some views are mistaken, unreasonable, or require supplementation.

MORAL DISAGREEMENTS

Whether or not ethical relativism is a tenable theory, we must confront the indisputable fact of moral disagreement. In any pluralistic culture many conflicts of value exist. In this volume a number of controversies and dilemmas are examined, including trade-offs between cost-cutting and protecting

workers, blowing the whistle on the unethical or illegal activities of one's company versus company loyalty, deceptive marketing versus lower profits, insider trading, exploitation of labor in sweatshops, and the like. Although disagreements run deep in these controversies, there are ways to resolve them or at least to reduce levels of conflict. Several methods have been employed in the past to deal constructively with moral disagreements, each of which deserves recognition as a method of easing disagreement and conflict.

Obtaining Objective Information. Many moral disagreements can be at least partially resolved by obtaining additional factual information on which moral controversies turn. Earlier it was shown how useful such information can be in trying to ascertain whether cultural variations in belief are fundamental. It has often been assumed that moral disputes are by definition produced solely by differences over moral principles or their application and not by a lack of scientific or factual information. This assumption is misleading inasmuch as moral disputes – that is, disputes over what morally ought or ought not to be done – often have nonmoral elements as their main ingredients. For example, debates over the allocation of tax dollars to prevent accidents or disease in the workplace often become bogged down in factual issues of whether particular measures such as the use of protective masks or lower levels of toxic chemicals actually function better to prevent death and disease.

Another example is provided by the dispute between Greenpeace and Royal Dutch Shell. After lengthy investigation, Royal Dutch Shell proposed to sink a loading and storage buoy for oil deep in the North Sea (off the coast of England). Despite evidence that such an operation posed no environmental danger, Greenpeace conducted protests and even used a group of small boats to thwart the attempt. Royal Dutch Shell yielded to its critics, and the buoy was cut up and made into a quay in Norway. Later, however, Greenpeace came to the conclusion that new facts indicated that there had never been any serious environmental danger. Furthermore, it appears that Greenpeace's recommended method of disposing of the buoy caused environmental harm that would have been avoided by sinking it, as Shell had originally planned.

Controversial issues such as the following are laced with issues of both values and facts: how satisfactorily toxic substances are monitored in the workplace; how a start-up company has "appropriated" an established company's trade secrets; what effects access to pornography through the Internet produces; whether an extension of current copyright laws would reduce sharing of copyrighted recordings on the Internet; and how vaccines for medical use should be manufactured, disseminated, and advertised. The arguments used by disagreeing parties may turn on a dispute about liberty, harm, or justice and therefore may be primarily moral; but they may also rest on factual disagreements over, for example, the effects of a product, service, or activity. Information may thus have only a limited bearing on the resolution of some controversies, yet it may have a direct and almost overpowering influence in others.

Definitional Clarity. Sometimes, controversies have been settled by reaching conceptual or definitional agreement over the language used by disputing parties. Controversies discussed in Chapter 4 about ethical issues regarding diversity and sexual harassment, for example, are often needlessly complicated because different senses of these expressions are employed, and yet disputing parties may have a great deal invested in their particular definitions. If there is no common point of contention in such cases, parties will be addressing entirely separate issues through their conceptual assumptions. Often, these parties will not have a bona fide moral disagreement but, rather, a purely conceptual one.

Although conceptual agreement provides no guarantee that a dispute will be settled, it will facilitate direct discussion of the outstanding issues. For this reason, many essays in this volume dwell at some length on problems of conceptual clarity.