1984

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Recommended Citation

Chewning, Richard C. 1984. "Recommended Content of a Business Ethics Course." E.C.R.S.B. 84-6. Robins School of Business White Paper Series. University of Richmond, Richmond, Virginia.

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Those invited to participate in this conference on "Integrating Ethics Into Business Education" were offered opportunities to address any of six important topics. The last three of these were posed as questions: (4) Does ethics offer any "practical" decision rules for real-world business decision making?; (5) What should be the ethics content of a business ethics course and/or program?; and (6) Is business ethics a "Discipline"?

While this paper is constructed to offer an answer to question #5, What should be the ethics content of a business ethics course?, the answer assumes an affirmative response to the question, Is business ethics a "Discipline"? (Question #6). In addition, the analysis also hypothesizes that there are some decision guidelines that flow from a properly structured ethics discipline. These guides do offer "practical decision rules for real-world business decision making." (Question #4). The questions will be addressed in the following order: (6), (5), and (4), with the major emphasis being on number (5).

Is business ethics a "Discipline"? Yes - for those who see it as an applied part of the classical bodies of philosophical and theological ethics. If one rephrases the question to ask, "Is business ethics a discipline that can stand alone and disregard or deny that its roots are the same as the roots of philosophical and theological ethics?", then the answer would have to be, "No, business ethics is not a discipline." Trees cannot stand and live apart from their roots. Business ethics is

without form or body apart from classical ethics. With classical ethics as its roots, business ethics is a discipline - albeit a poorly understood one.

In my own endeavors to come to grips with "business ethics" as a discipline, I often became frustrated by the lack of any discernible structure, order, or processes within the field of philosophical and theological ethics that would help me untangle the complex maze of judgments about "good and bad" and "right and wrong" that are inherent in the discipline. What I did not know as a young neophyte was that ethics is the third order of business within the metaphysical spectrum. I did not know that the ontological questions related to our very existence ("being") came first and were followed by the epistemological questions related to our ability to "know." The "answers" from the first two subjects form the presuppositional base for the third - ethics.

None of this was clear to me when I was a graduate student in business administration, auditing an advanced seminar in Ethics under the very able guidance of Dr. A.I. Melden. Nor was it completely clear to me when I did post-doctoral study in ethics, comparative ethics, philosophy of religion, and comparative religion at the University of St. Andrews in Scotland. My holistic picture of ethics only began to take shape as I started teaching business ethics. I am compulsively ordered and structured. I was compelled to answer the question, "Is there a structure, order, and process to the discipline of ethics?" My formal education had thrown formal philosophical thought at me as if it were random and unrelated to its own parts! This was simply the conse-quence of "jumping in the river before I had learned to swim." I do

believe, though, that it is important to relate all of this to the audience, because most academicians in business administration who are approached with the suggestion that they teach "business ethics" are, in truth, neophytes and feel uncomfortable.
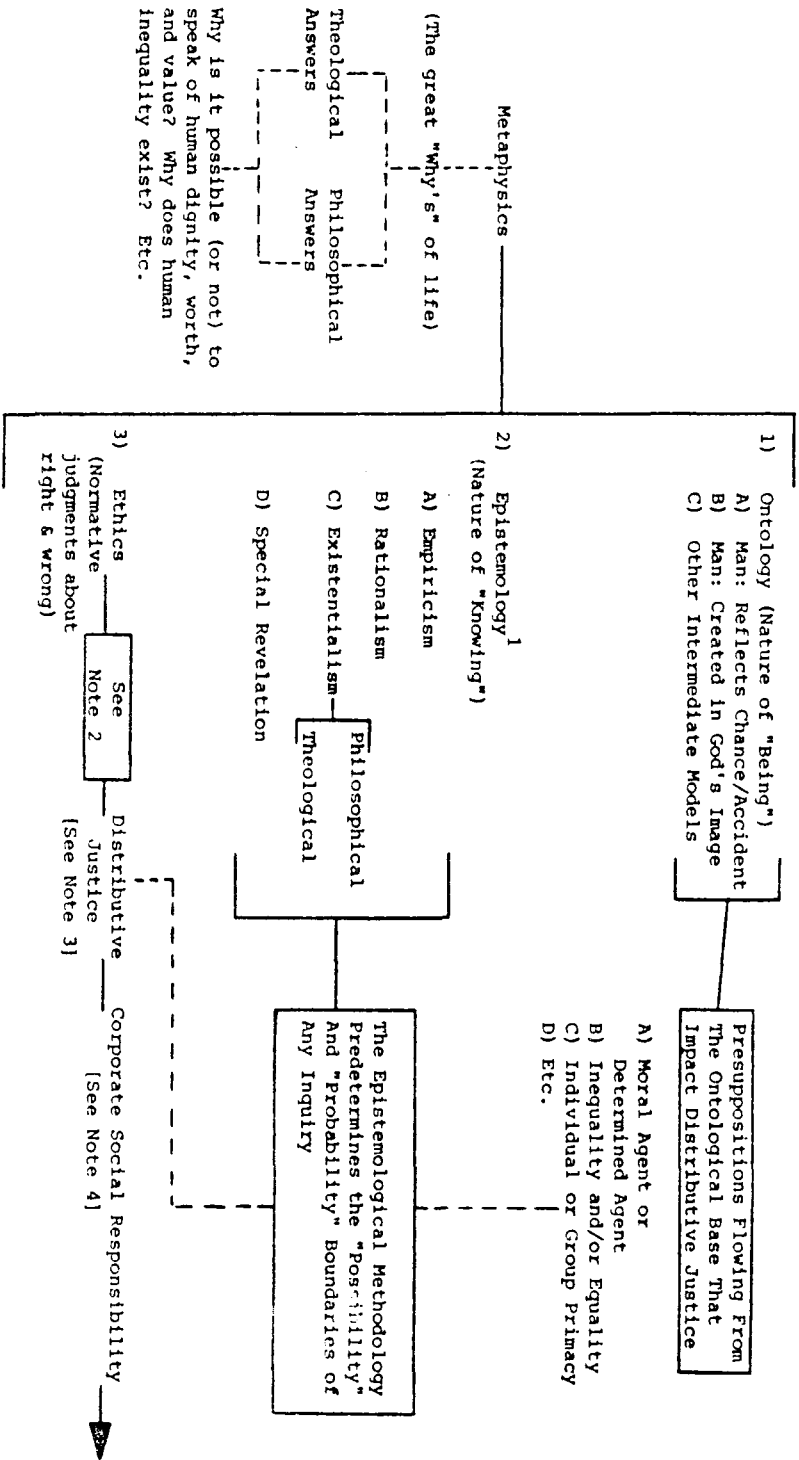
Having said all of this, however, I still believe that we in business can be taught very quickly the necessary structure, order, and process of ethical inquiry that will enable us to discern our own ethical roots. Once this is done, it is relatively easy to transfer this discovery process to the students. This approach is also very helpful in avoiding the parochial problem of indoctrination in ethics and assists in raising the level of discussion above that of merely sharing an opinion. Our work quickly takes on the form of a discipline.

Well - the above is quite a claim. If it is so, then what should be the content of a business ethics course that will allow such wonderful things to happen?

First, take a moment and look at Illustration 1 on the following page. It is an overview page of the structure, order, and process of working through questions related to business ethics. It first shows that there is a great "umbrella" of metaphysics that covers three huge areas of inquiry that are deeply interrelated - ontology, epistemology, and ethics. It shows that metaphysics is the very place where the great "WHY?" questions of life are searched out. (The physical sciences are totally silent when it comes to "why?") It further reveals that metaphysics may be approached from a theological posture and/or from a philosophical position. This very fact is fraught with a maze of presuppositions grounded in our ontological and epistemological assumptions.

Illustration 1

Theory of Business Ethics

Metaphysics

(The great "Why's" of life)

Theological Answers | Philosophical Answers

Why is it possible (or not) to speak of human dignity, worth, and value? Why does human inequality exist? Etc.

1) Ontology (Nature of "Being")
   A) Man: Reflects Chance/Accident
   B) Man: Created In God's Image
   C) Other Intermediate Models

Presuppositions Flowing From The Ontological Base That Impact Distributive Justice

   A) Moral Agent or Determined Agent
   B) Inequality and/or Equality
   C) Individual or Group Primacy
   D) Etc.

2) Epistemology [1] (Nature of "Knowing")
   A) Empiricism
   B) Rationalism
   C) Existentialism — Philosophical | Theological
   D) Special Revelation

The Epistemological Methodology Predetermines the "Possibility" And "Probability" Boundaries of Any Inquiry

3) Ethics (Normative judgments about right & wrong)

See Note 2

Distributive Justice [See Note 3] — Corporate Social Responsibility [See Note 4]

Note 1: See Illustration 6 for a sampling of those who comprise the various groups.

Note 2: See Illustration 2 for the formal structure of "Ethics" that bridges this gap.

Note 3: See Illustration 3 for the outline of the flow and systems of distributive justice.

Note 4: See Illustration 4 for the structure of "corporate social responsibility."
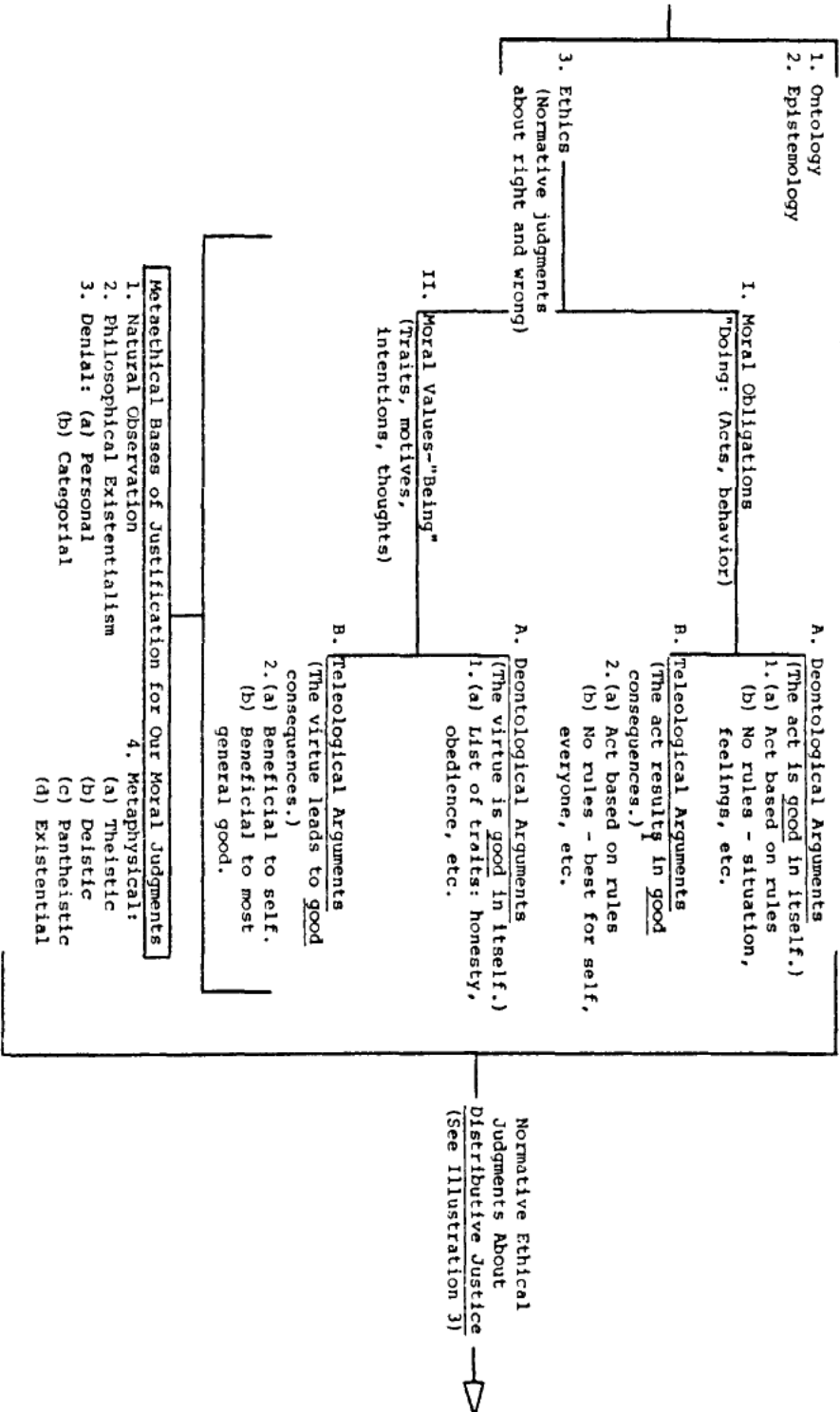
The subject of ontology is the "bedrock" of all ethics. Our assumptions about "man's nature" are grounded here and shape all of our presuppositions concerning human dignity, the character of morality, the value and place of human equality and inequality, and a host of other influential beliefs that shape our ethics. In fact, values placed on human inequality, which flow from our ontological presuppositions, do more to shape our later views on "distributive justice" than any other assumptions. (I spend the first week on "metaphysics" and "ontology" in my business ethics course, with the majority of the time being spent on the important presuppositions that impact distributive justice, flowing from the ontological bases.)

Next, the subject of epistemology is tackled. It is approached definitionally, illustratively, and with the objective of exposing the "predeterministic characteristics" of specific methodologies. It is the latter that is the real eye-opener for the students. Even though many of them may have been exposed to a method of inquiry (scientific and/or the possibility/probability analysis of historic events) they are unaware of the fact that the methodology selected will predetermine the outcome of the inquiry. For instance, the scientific method will produce an agnostic conclusion when it is used to investigate a theological presupposition about God and any information that He may have revealed to mankind about human nature. I spend the second week of the course in the unfolding of the central character of epistemology to the study of business ethics.

It is not until the third week that the subject of "ethics" is introduced formally. Look at Illustration 2 on the following page for the outline of the structure, order, and process of ethics. (This

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Illustration 2

STRUCTURE OF ETHICAL THOUGHT

1. Ontology
2. Epistemology
3. Ethics
   (Normative judgments about right and wrong)

I. Moral Obligations
   "Doing: (Acts, behavior)

   A. Deontological Arguments
      (The act is good in itself.)
      1.(a) Act based on rules
        (b) No rules - situation, feelings, etc.
   B. Teleological Arguments
      (The act results in good consequences.)
      2.(a) Act based on rules
        (b) No rules - best for self, everyone, etc.

II. Moral Values--"Being"
    (Traits, motives, intentions, thoughts)

   A. Deontological Arguments
      (The virtue is good in itself.)
      1.(a) List of traits: honesty, obedience, etc.
   B. Teleological Arguments
      (The virtue leads to good consequences.)
      2.(a) Beneficial to self.
        (b) Beneficial to most general good.

Metaethical Bases of Justification for Our Moral Judgments
1. Natural Observation
2. Philosophical Existentialism
3. Denial: (a) Personal
           (b) Categorial
4. Metaphysical:
   (a) Theistic
   (b) Deistic
   (c) Pantheistic
   (d) Existential

Normative Ethical Judgments About Distributive Justice (See Illustration 3) ⟹

Note 1: The "good" here is a nonmoral good - it refers to good "things" (profits, productivity, GNP, etc.).

Illustration is the "blow-up" of (3) Ethics at the bottom of
Illustration 1.) The structure of ethical thought is easy to learn and
apply analytically. It could be said that the ethical structure is
comprised of two major "highways" - moral obligation and moral values.
And each of these "highways" has north- and south-bound lanes: deontolo-
gical and teleological paths. The student is then easily brought to an
understanding that all ethical discussions have four levels of judgment:
Level 1 - judgments about people's behavior or character; Level 2 -
judgments about character and behavior with regards to its being "good
in itself" or "good in its consequences"; Level 3 - judgments about the
inherent goodness or good consequences based on "rules" or "no rules"
criteria and/or virtues; and, finally, Level 4 - the defense of all the
above judgments grounded in the metaphysical dimensions of ontology and
epistemology (the metaethical defense).

At this point in the course it is easy to interject and demonstrate
why there is so much ethical confusion in our society and why business
leaders seem to be so "out of step" to many in the general community.
First, Adam Smith virtually did away with any focus on the "highway of
moral values" when he declared that it did not matter what the motives
and thoughts of the individual businesssman were, because the "invisible
hand of competition" would cause him to "act" in the best interest of
society. This meant that for almost 200 years managers were "taught" to
focus on "actions" (moral obligations) and not on character (moral
values).

Second, with the adoption of utility theory in the public arena,
95% of all business decisions came to rest on the "teleological" path of
the moral obligation highway. This meant that the "net most good" and

"cost benefit analysis" methodologies ruled, which were, for generations, <u>almost</u> <u>exclusively</u> tied to "things" - profits, productivity, share of market, etc. These "things" are <u>nonmoral</u> in character and divorced in the minds of many from human (moral) considerations.

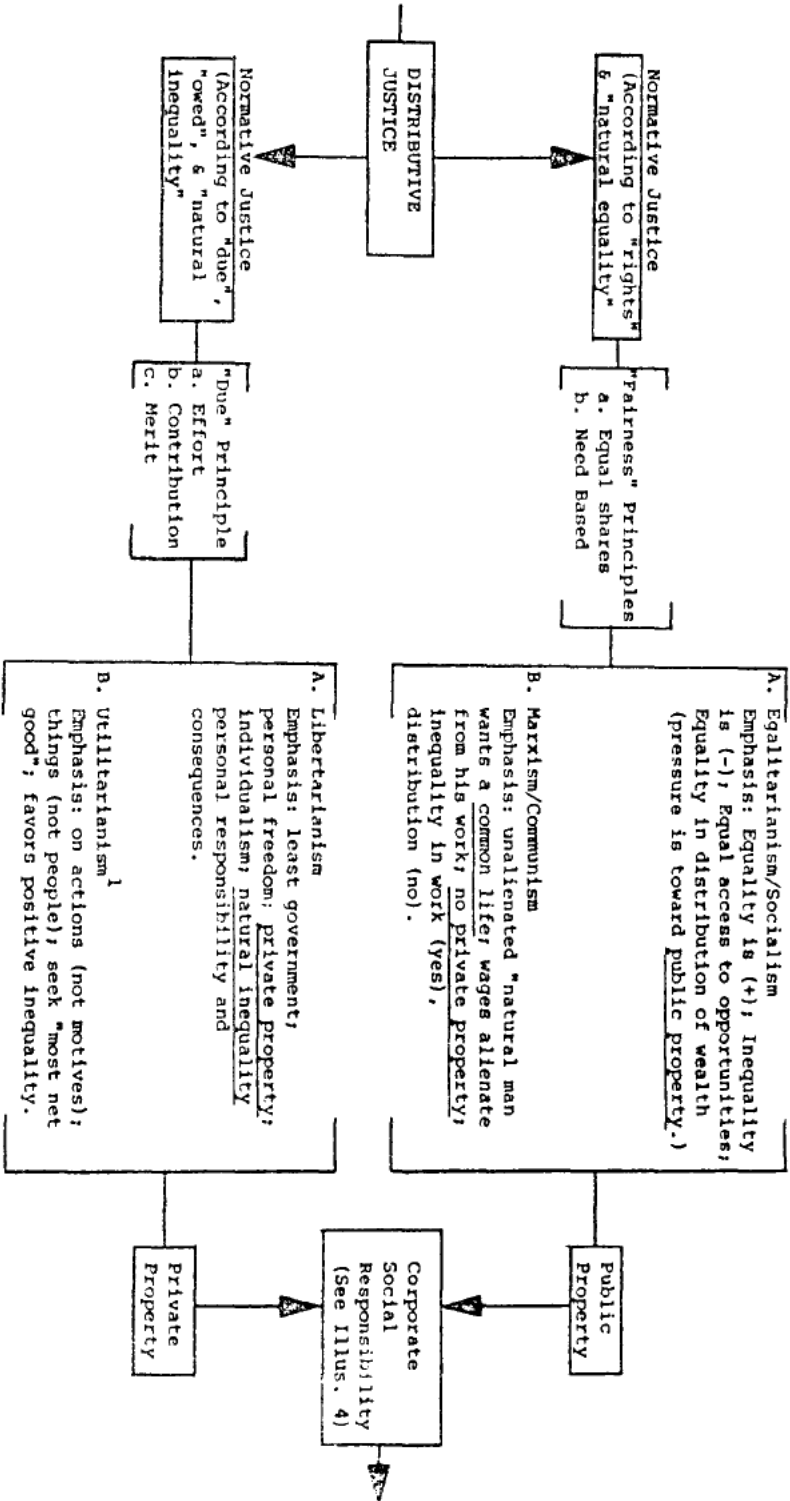And finally, existentialism has become the most dominant system for making moral judgments by those 35 years old and younger. Existentialism represents the "deontological" path, while utility theory is the "teleological" path; they are like ships passing in the night. They may well have different ports of call, and especially so when the ontological and epistemelogical presuppositions differ.

Look now at Illustration 3 on the following page - an outline of the structure, order, and process of "distributive justice." It is at this juncture that the confluence of ethics and economics is most profitably observed and examined. The very heart of macro-economics concerns itself with matters of distributive justice which in turn rest substantially on the ontological presuppositions surrounding the "nature of man" - most particularly the appropriate and/or inappropriate aspects of human equality and inequality. This being so, one comes to the issues of distributive justice with a a predisposition toward the assault upon, and defense of private and public property concepts. Our opinions about private and public property are as central to our views on corporate responsibility as are our ontological views on human nature and the epistemological methodology we employ in making our ethical judgments. (I cover this material in detail during the fourth week of the course.)

One then comes to the question of "corporate social responsibility" with a host of assumptions, facts, values, and perceptions. Illustration

Illustration 3

DISTRIBUTIVE JUSTICE

Normative Justice
(According to "rights"
& "natural equality")

"Fairness" Principles
a. Equal shares
b. Need Based

DISTRIBUTIVE
JUSTICE

Normative Justice
(According to "due",
"owed", & "natural
inequality")

"Due" Principle
a. Effort
b. Contribution
c. Merit

A. Egalitarianism/Socialism
Emphasis: Equality is (+); Inequality
is (-); Equal access to opportunities;
Equality in distribution of wealth
(pressure is toward public property.)

B. Marxism/Communism
Emphasis: unalienated "natural man
wants a common life; wages alienate
from his work; no private property;
Inequality in work (yes); no private property;
distribution (no).

A. Libertarianism
Emphasis: least government;
personal freedom; private property;
individualism; natural inequality;
personal responsibility and
consequences.

B. Utilitarianism [1]
Emphasis: on actions (not motives);
things (not people); seek "most net
good"; favors positive inequality.

Public
Property

Private
Property

Corporate
Social
Responsibility
(See Illus. 4)

Note 1: Ninety five percent (95%) or more of business decisions occur in this thought
structure and in Ethics (Illustration 2) fall on the Moral Obligation,
Teleological line (I,B.).

4 (see page 11) lays out the structure, order, and process of this labyrinth. The key issue, in this author's judgment, is "Who is morally responsible for the corporation?" Over a century ago a "legal veil" was fashioned between the corporation and those who direct and manage it. This has clouded the issues of "consequential accountability" and "moral responsibility." The legitimization of the corporate leadership is at stake and a democratic society has a responsibility to demand a clear answer to the question.
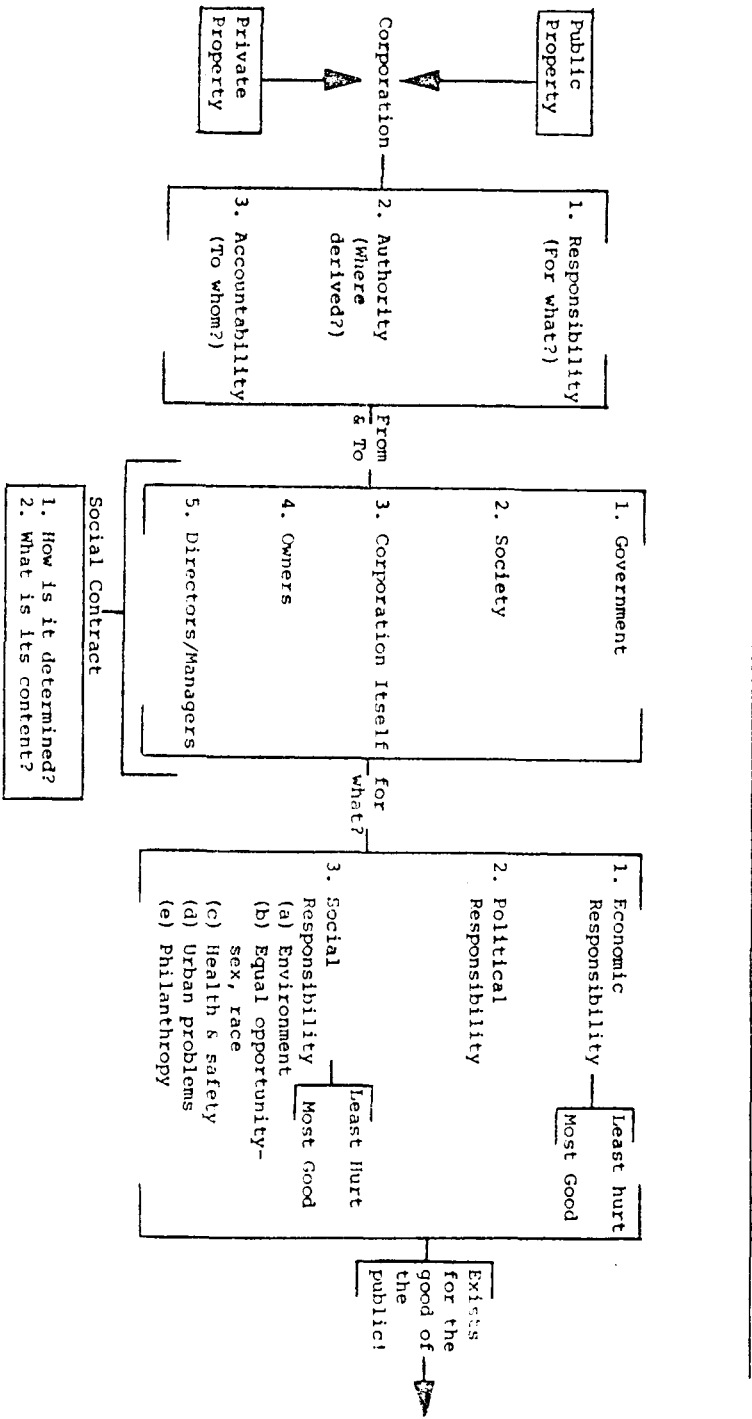
Discussions on "corporate social responsibility" should include work on at least seven critical questions. The answers to these questions are inherently steeped in ontological, epistemological, ethical, and distributive justice presuppositions. This affords a grand opportunity for integration and application of ethical assumptions to the last set of conceptual principles before moving on to the specific problems faced by business. The questions are: (1) Who is morally responsible for the corporation?; (2) Who determines what the corporation is responsible for?; (3) From whom does the corporation derive its authority?; (4) To whom is the corporation accountable?; (5) Have our answers to the first four questions moved us toward a corporation that is "private" or "public" property in character?; (6) What is the corporation's economic responsibility?; and (7) What are the corporation's non-economic (social) responsibilities? (Another full week is spent on this topic - the 5th week.)

Now one is free to spend the balance of the quarter or semester handling a variety of topics. (Illustration 5 on page 12 sets forth a sample of possible topics.) If the preceding material has been covered and the student required to learn both the discipline of ethics

ILLUSTRATION 4

CORPORATE SOCIAL RESPONSIBILITY

Assumptions: Corporation is a legal entity. It was personified legally and financially. Historically it was deemed to be moral if it made a profit. The "social contract" now has "quality of life" dimensions in addition to profits.

Problem: Who is __morally__ responsible for the corporation? (issue is one of accountability/liability.
Options for an answer: A. Public Property Corporations (Government, society at large).
B. Private Property Corporations (Corporation "itself", owners, directors/managers).

Public Property → Corporation ← Private Property

Corporation

1. Responsibility (For what?)
2. Authority (where derived?)
3. Accountability (To whom?)

From & To

1. Government
2. Society
3. Corporation Itself
4. Owners
5. Directors/Managers

Social Contract
1. How is it determined?
2. What is its content?

for what?

1. Economic Responsibility — Least hurt / Most Good
2. Political Responsibility
3. Social Responsibility — Least hurt / Most Good
   (a) Environment
   (b) Equal opportunity- sex, race
   (c) Health & safety
   (d) Urban problems
   (e) Philanthropy

Exists for the good of the public!

(along with its antecedents) and identify his or her personal assumptions, methodology, and perceptions, then the specific material can be discussed in a disciplined manner. (Example: Should the firm follow a policy of non-discrimination or affirmative action?) That is good education!

I would conclude by hypothesizing that there are decision guides that flow from a properly structured discipline of ethics and that these guides point the way to "practical decision rules for real-world business decisions." As an example, the ontological perceptions concerning human "inequality" might lead one to conclude that inequalities are a positive part of our created human dignity. In turn, a chain of logical deductions might follow resulting in the defense of private property; the need for stripping-away of the veil between the corporation and the directors/managers; and the restoration of full legal and financial responsibility and accountability for directors/managers. Or, one might conclude that inequalities are undeserved (a negative factor of reality), thereby establishing a logical chain of reasoning that could call for the institution of "public property" principles into a macro-economic model with all of its concomitant realities.

Yes, ethics is a discipline. Yes, business ethics is a discipline. Yes, business ethics, as a discipline, can be taught as a logical system, which provides guidelines for business conduct, with an array of consequential alternatives.

(Illustration 6, the last page, is an expansion of the epistemological portions of Illustration 1.)

Illustration 6

EPISTEMOLOGICAL SCHOOLS & PHILOSOPHERS TIME CONTINUUM

Empiricism

Socrates (470-399 BC)
Plato (428-348 BC) (Empiricist/Intuitionist)
Aristotle (384-322 BC) (Empiricist/Logicist)
Leonardo da Vinci (1452-1519)
Copernicus (1473-1543)
Francis Bacon (1561-1626)
Galileo (1564-1642)
Johannes Kepler (1571-1630)
Thomas Hobbes (1588-1679)
John Locke (1632-1704)
David Hume (1711-1776)
Jeremy Betham (1748-1832)
Auguste Comte (1798-1857) (Positivism)
John Stuart Mill (1806-1873)
Charles S. Peirce (1839-1914) (Pragmatism)
William James (1842-1910) (Pragmatism)
John Dewey (1859-1952) (Pragmatism)
Alfred N. Whitehead (1861-1947) (Empiricism/Positivism/ Behaviorism)
Bertrand Russell (1872-1962) (E/P/B)
G.E. Moore (1873-1958) (E/P/B)
A.J. Ayer (1910-) (Positivism)

Special Revelation

Old Testament Authors (1500-400 BC)
New Testament Authors (60-100 AD)
St. Augustine (354-430)
St. Thomas Aquinas (1255-1274)
Martin Luther (1483-1546)
John Knox (1505-1572)
John Calvin (1509-1564)
Jacobus Arminius (1560-1609)
John Wesley (1703-1791)
Charles Hodge (1797-1878)
James Thornwell (1812-1862)
Francis Schaeffer (1912-)
William F. Graham (1918-)
John W. Montgomery (1931-)

Existentialism

Soren Kierkegaard (1813-1855) (Philosophical/Theological)
Henri Bergson (1859-1941) (Philosophical)
Karl Barth (1886-1968) (Theological)
Paul Tillich (1886-1965) (Theological)
Reinhold Niebuhr (1892-1971) (Theological)
Jean Paul Sartre (1905-1980) (Philosophical)

Rationalism

Rene' Descarte (1596-1650)
Benedictus deSpinoza (1632-1677)
Leibniz (1646-1716)
George Berkeley (1685-1753)
Immanuel Kant (1724-1804) (Rationalism/Idealism)
Hegel (1770-1831)
Schopenhaur (1788-1860)
Karl Marx (1818-1860) (Dialectical Materialism)
Freidrich Nietzsche (1844-1900)
Martin Heidegger (1889-1976) (Phenomenology)
Thomas Nagel (1937-)