

# Ethics and Business

**A Global Introduction**



Noordhoff Uitgevers

**Bart Wernaart**

First Edition



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**Bart Wernaart, LL.M., Ph.D.**

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Noordhoff Uitgevers Groningen/Utrecht

*Cover design:* Michiel Uilen  
*Cover illustration:* Yuri Arcurs – Getty Images  
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ISBN(ebook) 978-90-01-86519-1  
ISBN 978-90-01-86518-4  
NUR 737

# Foreword

Ethics in the context of international business is a widely debated topic, and frequently dominates the headlines. The responsibility of companies is often addressed. Not surprisingly, mostly in cases in which this responsibility is not taken, as expected by the various stakeholders. Ethics in business is not a new topic and has been intensely discussed ever since the emergence of the so-called limited companies.

However, attention for this subject seems to have intensified for various reasons, as a result of several social trends. As we will see in Chapter 5, privatization, technological and digital innovation, changes in moral perception, economic and financial crises and globalization are important factors that stir a more recent debate on how companies should behave in our societies.

As a result of this renewed attention, many books have been written from many perspectives covering the academic discipline of ethics applied in national and international business context. We could perhaps say that the market for such books is already saturated. The literature list at the end of each chapter speaks for itself. I still, however, felt the urge to write this book, for various reasons.

As a teacher of applied sciences, I noticed that there was not really a fitting book on ethics that would truly cover all I want to teach in my lectures. There are wonderful books that discuss normative ethics in the context of the individual, focusing on ethical decision-making. There are outstanding books introducing triple bottom line thinking or circular economy concepts in the context of implementing ethics in a company. Last, there are great books discussing our global economy, geo-political relations and cultural diversity. There are, however, hardly any books that discuss and connect all three levels, while this seems to me a necessity to fully understand ethics in any economic profession.

Furthermore, I noticed amongst my students that they grew weary from the moral tone of most books on ethics. Many are written from either a European or an Anglo-Saxon perspective and communicate Western arrogance, while this does not do justice to other regions of the world, such as Asian, African, Latin American and Middle Eastern countries.

In this book I try to practice what I preach in my lectures. Ethics should imply an open debate on norms and values, using a sound methodology to get there. Ethics should cross borders: not only the borders of a country, but also the borders of someone's moral imagination. Ethics should not only be about harmony but also about conflict (and how to deal with that). Ethics should be realistic and well substantiated by academic research. Ethics

should be used to understand the complexity of the world, and the challenges companies struggle with on various levels. That is why I wrote this book; with great enthusiasm I must say.

Please accept that each time when I use 'he' it might as well be a 'she'. However, the book would become less readable if I would use both.

Although writing is a lonely business, I was never truly alone. I owe a great deal to some individuals who played an important role in the creation of this book, both on a professional and a personal level.

First of all, as with each book that I write, I would like to thank my students. In each lecture, they make me understand a little more about this world by asking the right questions, challenging each other's viewpoints, or simply say brilliant things. They keep my knives sharp, and I truly enjoy their intellect and talents. Without them, there would simply be no book.

In addition, I would like to thank Therese van Oosterhout (Fontys University of Applied Sciences, Eindhoven), and Ingrid de Vries (Hogeschool Zuyd, Vlissingen) for ghost reading my draft chapters and provide valuable feedback.

At Noordhoff I would like to thank Bettina Glazenberg (my publisher), Trijnnnet Oomkens (my editor) and Aernout Pilot (legal publisher) for their support, enthusiasm and confidence in my writing skills.

I would like to thank my parents and brothers, for their ongoing love and support, as well as my family in law, who all together were of great help in getting our little family up and running.

Thank you, Vik, for showing me what we are, and your untamable enthusiasm in life.

To conclude, I would like to thank my wife, Sylvia. She is the best possible sparring partner in the field of education, didactics and social studies. Our 'kitchen table talks' with a good glass of wine always lead to innovative ideas in education, which I thankfully use every day. On a more personal note, she is my partner-in-crime in many fields, including the raising of two beautiful children, music, academics and much more. During the writing process of this book, she gave birth to our beautiful daughter Bo, sister of our beautiful son Vik.

Therefore I would like to dedicate this book to our daughter. Your open attitude towards the world around you is a blessing, and will open many doors. While the world may seem a dark place once in a while, remember that it is your own morality that is the only true compass in dealing with whatever happens in life. I have no doubt that you will become a woman with the best possible compass that stems from who you are, because that what you are, is one of the most beautiful things I have ever seen.

**Bart Wernaart**

Valkenswaard, summer 2018

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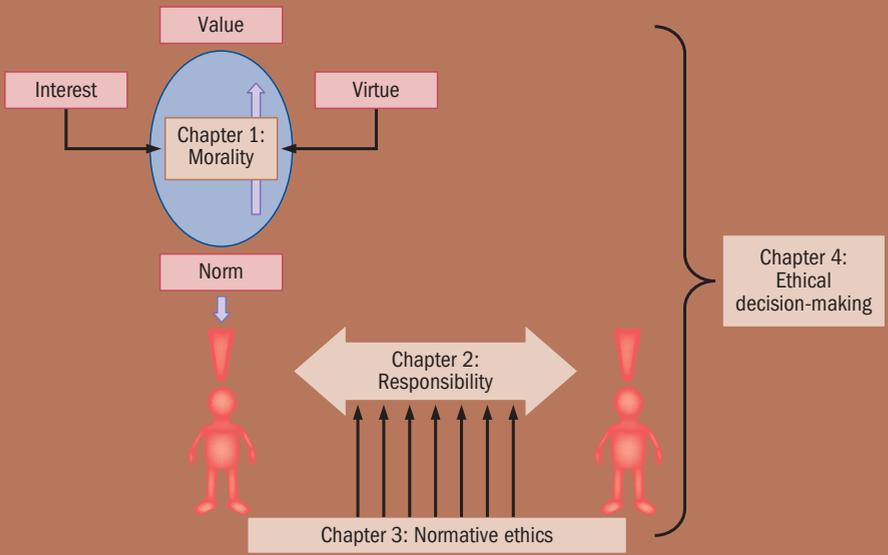
# Introduction

This book is composed of three parts in which ethics is discussed at different levels. In part one we discuss ethics at the level of the individual. In part two we discuss ethic and business. In the third part, ethics is discussed in the context of a globalized world.

In each chapter, we discuss the ethical complications of each topic from various – and preferably opposing – perspectives. Each perspective is methodologically and academically substantiated. Each chapter ends with an extensive literature list in which the original sources are listed for further reading. Furthermore, at the end of each chapter, a summary is written in which the most important definitions and viewpoints are highlighted.

On the website **[www.ethicsandbusiness.noordhoff.nl](http://www.ethicsandbusiness.noordhoff.nl)** you may find practice questions that can be used in preparation of an exam, an assessment or essay writing. There are three types of questions: open questions in which the student is invited to apply what he has learned, essay questions in which the student is invited to reflect on what he has learned, and multiple choice questions in which the student is invited to reproduce what he has learned.

A book is almost per definition not up to date. After its publication, the world will inevitably change. To fill this ‘time gap’ we will regularly publish blog posts and videos in which we comment on current developments that relate to this book. More info can be found at **[www.drwernaart.com](http://www.drwernaart.com)**, or on his socials. For teachers, presentations for each chapter as well as a teacher’s manual are available to support lectures based on this book.



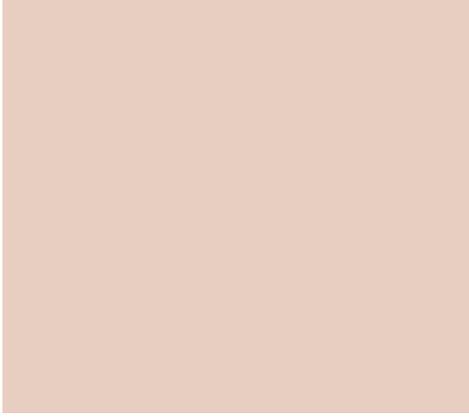
# **PART 1**

# Ethics and the individual

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In the first part of this book we will examine the relationship between ethics and the individual.

To this end, we will discuss what ethics really is in chapter one, and observe that morality is at the core of this discipline. While each individual has his own morality, it may collide with someone else's sense of morality. In case of such conflicting morality, the matter of responsibility is addressed. In the second chapter we discuss what factors may affect the way an individual can and wants to take a certain responsibility in a given situation. In ethics, there are various opinions on when and how people should take on a certain responsibility in their daily lives. This is called normative ethics, which we will explore in chapter three. Finally, in the last chapter of this part, we will introduce an ethical decision model, in which the most important elements of the first three chapters are embedded. This model can be used to structurally approach an ethical dilemma.



# 1

## What is ethics?

- 1.1 Ethical behaviour?**
- 1.2 Ethics as an academic discipline**
- 1.3 Morality**
- 1.4 The structural analysis**
- 1.5 The structural evaluation**
- 1.6 Ethics and related disciplines**

Ethics is a word that is used by many in different meanings and contexts, but at the same time a difficult concept to easily grasp. In economic professions, ethical behaviour has been an important theme for decades. But what do words like ethics and ethical behaviour really mean? In this chapter we try to provide a clear answer to this question. We do this by first briefly introducing the challenges we might come across when we talk about ethical behaviour. Then, we will explore ethics as an academic discipline: that is to structurally analyse and evaluate morality. We will continue by discussing the meaning of morality itself, and what is needed to act in a moral way. Then, we will discuss a method by which we can analyse and evaluate morality on a structural level. Finally we will discuss academic disciplines that are closely related to ethics, but not similar.

## 1.1 Ethical behaviour?

We open this section with an example in which we face an ethical dilemma.

### Leadership? It's in your DNA!

BrainCompass is a Dutch platform, located in Rotterdam. Together with a scientific board, they developed a method to assess employees in the field of leadership competencies. It is the view of this platform that talent is not only a combination of someone's mind-set and environmental factors (in other words: how someone is raised/nurtured). BrainCompass argues that we also need to go back to our basics in order to get a full view of someone's potential (how we are born). This can be found in our DNA. Therefore, individuals are assessed by an online development assessment and a DNA

test. The first is the more 'traditional' way of assessing people regarding their professional competencies. The last method is rather revolutionary: the DNA test will tell you how your biological systems work, based on five hormonal features. For instance, someone with a naturally high level of dopamine will generally respond quicker to things that happen in his environment, and be more sensitive to such stimuli. As a result, someone with a high hormonal level of dopamine will be more qualified for a job in the sphere of sales management (Hakker, 2016).

The example 'Leadership? It's in your DNA!' can lead to discussions and is food for thought. The fact that someone's body is used to assess that person regarding his professional competencies may lead to different and conflicting opinions and is therefore a controversial topic. Some might consider this a serious violation of someone's physical integrity and privacy, while others may see this as just another method to assess someone on a voluntary basis.

This case can raise various questions that relate to ethics in various grades of complexity. For example, a journalist once called me to pose the following question regarding this case:

- 'Is it ethically right to use DNA research as an assessment tool?'

However, formulating a question like this is perhaps too easy: it will lead to an unrealistic simplification by suggesting the answer could be either 'yes' or 'no'. If I understood that journalist correctly, he expected me to give the answer 'no', since physical integrity is considered by many people to be more important than assessing people for professional purposes. Using someone's DNA for such reasons makes people feel uncomfortable. I strongly felt that the reason why he called me is that he wanted to substantiate this feeling by arguments from the ethics discipline. However, I did not give him such arguments.

Instead, I kindly told him that ethics as a discipline does not necessarily agree on something or rejects certain things. Ethics explores morality on a structural level, as we will see in the next section. It helps us to reflect on what we consider as morally right or wrong, but does not necessarily prescribe what is right or wrong. There is not a single correct answer, as we might find in a discipline such as statistics. Instead, the answer is usually very personal.

The added value of studying ethics is that it helps us structure our moral reasoning, and it gives us the opportunity to try and understand different ethical viewpoints regarding a certain ethical dilemma. This helps us better understand the world around us, and may give us a more sophisticated opinion on complex issues, such as the ethics in technological innovation. DNA research used in assessing people could be an example of this.

Since the quality of the answer is as good as the quality of the question, it all starts with asking the right question first. When you truly want a reflective and useful answer in ethics, just make sure the question you ask is specific enough to go in-depth, and open enough to allow various viewpoints reach the surface.

Therefore, in the context of our DNA case a much more relevant question would be:

- ‘Under what conditions is it morally acceptable to use DNA research in the assessment of individuals regarding professional competencies?’

Or, alternatively:

- ‘How far may a company go in requesting (potential) employees to undergo an assessment in which analysing their DNA is part of the procedure?’

Both questions are not simply answered with a ‘yes’ or a ‘no’. Although we might have to reflect on formulating an answer for a while, asking a question like this will definitely lead to more in-depth answers that are more useful and do more justice to what is actually at stake.

If you really want to know: I answered the journalist that there are at least two ways of looking at this. The first is that physical integrity is a very important value that cannot be set aside too easily. There are less drastic ways to assess people than to ask them to make their bodies available for scientific research. While (potential) employees might participate on a voluntary basis regarding such assessments, it remains to be seen if an employee can truly say ‘no’ to such a method when his next career opportunity depends on it. The second way of looking at the issue is result-driven: in the end, alternative test methods in which we do not use someone’s DNA sample will probably lead to similar conclusions. However, they are much more costly, time consuming and intense for the (potential) employee. Using a DNA sample, as long as privacy is guaranteed, is a cheaper, less time-consuming and less intense way of figuring out whether someone matches a certain job profile. In essence, everyone – including the owner of the DNA – is better off in the end. As we will see in chapter 3, this is the classic difference between deontological and consequentialist ethics. To his credit, the journalist in his article included both of my answers, concluding that there are more viewpoints from an ethics perspective, greatly depending on how such DNA samples are specifically processed.

## 1.2 Ethics as an academic discipline

When we consider the case ‘Leadership? It’s in your DNA!’, we see that it is important to carefully consider what is the right thing to do. And this is exactly what ethics is about. In academic literature, there are numerous definitions on ethics which vary in length, sophistication and content. In this book, we will use the following definition, which includes most generally accepted elements of these definitions:

### Ethics

Ethics is an academic discipline that structurally analyses and evaluates morality.

This definition can be subdivided into four elements that need some further explanation: morality, structure, analysis and evaluation.

### Morality

First, in ethics we try to answer the question of what is right and wrong. Someone’s general perception of ‘rightness’ is also labelled as someone’s ‘morality’. Any person, organization, country or other organized groups of people have their own idea of what is right or wrong and have developed their own morality. As we will see in the next section, morality is the combination of norms and values someone (or a group) seeks to realize.

### Structure

Second, ethics as an academic discipline adds a thorough and well-considered structure in finding this answer to the question of what is right and wrong. Most debates in ethics – especially the one that touches highly sensitive matters – will not excel in a structured conversation. Just look at any heated discussion between politicians during an electoral race. Ethics as a discipline may offer structure to such a discussion, and in taking subsequent decisions in an ethical dilemma. This structure is sought in two academic approaches: analysis and evaluation.

### Analysis

In the case of analysis the researcher has a neutral attitude, and mainly tries to structurally map various ethical viewpoints on a certain matter. As you will see in section 1.4, we will use a comparative method for this called ‘functionalism’. This can be a useful activity when someone tries to reach consensus in taking a certain ethical decision, and wants to find out the common ground of the involved parties, or where the difficulties can be expected. It is also a good exercise in preparation of taking your own moral decisions; you want to make sure you have considered the case from all possible viewpoints and as a result take the best decision you can possibly come up with.

### Evaluation

This last activity is the structural evaluation, in which you eventually move from a neutral towards a more subjective perspective. When we evaluate, we do have an opinion about these ethical viewpoints, and carefully conclude what you consider to be the moral thing to do in a particular situation. There is no right or wrong here, since evaluating is a very personal activity, and really depends on the morality of the researcher. However, when the evaluation is preceded by a structural analysis, you will probably be better equipped to explain to others (and yourself) why you took that decision, or have a certain opinion about something.

In other words: we analyse to acquire knowledge and evaluate to take an informed decision regarding an ethical dilemma.

## 1.3 Morality

So, in ethics we structurally analyse and evaluate morality. At this point, we need to further specify the meaning of the word 'morality.'

I Morality is someone's perception in what is right.

Morality

We can consider morality on many levels, starting with the individual. However, also in organized groups we may distinguish a shared sense of what is right and what is wrong. Think of a company, a Non-Governmental Organization (NGO), a religious group, a neighbourhood, a country, or even a group of countries.

When a company upholds a moral view that is shared (or should be shared) by its employees, we usually refer to company morale. For instance, from the code of conduct of Shell we can learn that the company has some expectations of its employees with regard to ethics: *'The objectives of the Shell Group are to engage efficiently, responsibly and profitably in oil, gas, chemicals and other selected businesses and to participate in the search for and development of other sources of energy to meet evolving customer needs and the world's growing demand for energy. Our shared core values of honesty, integrity and respect for people underpin all the work we do and are the foundation of our Business Principles.'* (Shell, 2014).

Company morale

From this selection of Shell's company morale, you can deduce further work rules that need to be taken into account by all its employees when acting on behalf of the company. These work rules contain specific standards (norms) that aim to realize underlying principles (values).

For instance, one of the norms of the company morale of Shell is to search for other sources of energy next to the traditional ones. Obvious underlying values here are customer satisfaction and sustainability.

Furthermore, to be able to comply with this company morale you also need to show certain characteristics (virtues) and have access to certain tangible items (interests) that make this possible.

In the case of Shell, it intends to show virtues such as honesty, integrity and respect. Next to that, it needs access to raw materials that can be processed to gain energy, or alternative energy sources – its interests – to carry out its business.

### 1.3.1 Norms

The perception of what is right or wrong (morality) will depend on someone's norms and values. In our everyday language, these two words are usually not separately used, but rather as a single phrase (norms and values) to refer to morality as such. However, it truly adds value to explore the distinct meaning of each word in more detail. In short, the causal link between a norm and a value can be defined as:

I A norm is a rule that contributes to the realization of a value.

Norm

For example, a widely used norm is the rule 'ladies go first'. When a true gentleman is in the company of a woman, and they both need to walk through a doorway, he should make sure that she goes first. Most probably, the underlying value he tries to realize by doing so is the value 'respect'. What we can learn from this is that we can recognize a norm through

someone's behaviour, while a value – what someone tries to achieve by this behaviour – is less visible, but might be deduced from that behaviour.

The choice to comply with certain norms may be rather individualistic. After all, each human being will put an emphasis on a unique combination of norms that will greatly determine the way he lives. For instance, each student will probably have his own routine of waking up, getting dressed and having breakfast. This routine is a combination of permanent habits that altogether contribute to realize the value 'efficiency'. Such behaviour is very personal, and differs per person. Therefore, we address such norms as individual norms.

#### Individual norms

Sometimes norms are shared by groups of people however, and within these groups you are expected to comply with these norms. We refer to them as collective norms. If you choose to deviate from such a norm, the group might consider your behaviour to be unethical.

#### Collective norms

For instance, a group of students might agree on communicating through WhatsApp, and respond within one hour to messages that relate to their group work. These norms contribute to realize the value 'quality (of work)', or 'cooperation'. If one of the group members fails to comply with these norms, the other members will probably consider his behaviour as 'bad'.

As we have seen above, the sense of what is right and wrong can be shared by people on many levels. The same goes for sharing norms to comply with. These groups can be small and informal, such as a household, a family or a group of friends. Such groups can also be larger, more formal and institutionalized, such as a company, a professional branch, a university, a country, or even a group of countries. For instance, we could say that there is a difference in the perception of ethics between European and Eastern-Asian countries (Donleavy et al, 2008). Where European ethics is greatly influenced by the 19<sup>th</sup> century enlightenment, Eastern Asia is more of a Confucian state of mind. This – very roughly – leads to the fact that Europeans think more individualistic than East Asians, who think more from a collectivist perspective. This difference in ethics can – amongst others – be recognized by differences in behaviour. For example, intellectual property, where the individual can claim and protect creative work and exploit this economically, is obviously a more important phenomenon in Europe compared to East Asia.

In some cases we might even consider that certain norms have a universal scope with which almost each human being agrees. Such standards are universal norms. A generally shared standard of a universal scope will be: 'when an old person or a pregnant woman enters the bus and there are no more seats available, you offer her your seat'. This norm will probably not lead to any discussion or disagreement, wherever you may be on this planet. The underlying value then is most likely 'respect' or 'health' (or both). There are more of such universal norms, which can for instance be found in documents such as the Universal Declaration of Human Rights. We see in Article 3 of this declaration that *'everyone has the right to life, liberty and security of person'*. From this we could deduce the norm that 'no one should kill'. In itself a norm that seems to be rather clear and undebatable. However, does this also mean that we should abolish the death penalty for very serious crimes such as homicide? Apparently, in different regions of the world the answer to this question is also different. It is not always easy to

#### Universal norms

uniformly explain universal norms, and a certain caution towards assuming that 'this will work everywhere' is recommendable.

Collective norms could be culturally determined, or have a religious background.

An example of the latter is the norm 'during a certain period you should not eat and drink during the day'. It is remarkable that this norm appears in almost each religion in some shape of form. The general underlying idea is that usually fasting will make you to come closer to God or yourself. This might lead to the realization of values such as 'reflection', 'purification', 'penance', 'forgiveness' or 'reconciliation'.

Sometimes, norms are written standards that can be enforced by an authoritative institution. For instance, norms may be considered obligatory when they are codified as legislation. Such a law may prescribe that the speed limit on the highway is 120 kilometres per hour. When you break that rule and drive much faster you might get caught and fined by a police officer. The offender may agree or disagree with that rule, but will have to comply in the end (or pay endless fines). The norm 'your speed limit on a highway is 120 kilometres per hour' obviously was adopted to contribute to the value 'safety'. When we consider such written norms there is an overlap with the academic discipline of law, as we will explore further in section 1.6.1. While writing down norms leads to predictability, and therefore all people can learn the 'rules of the game' before they participate in society, the mere fact that something is written down does not necessarily make it a stronger rule. In some countries, written law is simply not effectively enforced, or the unwritten rules of society play a more dominant role than a Penal Code. However, the idea of legislation is that the adopted rules (whether written or unwritten) can be enforced, even though some people may disagree with them.

Also outside the discipline of law we might have the tendency to write down norms we find important so that people know they should comply with them beforehand. Think about a code of conduct in a company, the rules of behaviour in a theme park, or the rules of a board game. In all cases, these rules have some authority, and even though an involved individual may not agree with them, he is expected to comply with these rules.

It is important to note here that we should always be reflective on the relation between a norm and a value. After all, we can recognize a norm through someone's behaviour, but will not always see the underlying intention expressed in this behaviour. As we may see in the example 'holding hands, love or just friends?', the same norm may lead to totally different – even contradicting – values. Next to that, mindlessly acting in compliance with norms without verifying whether it still leads to the desired value is rather pointless. The reasoning 'a norm is a norm, and therefore we stick to it' is circular reasoning. If teachers use it, please do tell them. To illustrate this, let's go back to the 'ladies first' example. Of course this will be a good idea in most situations. However, when you're climbing stairs in summertime, and the lady in question wears a very short skirt, you might want to go first instead. And when you find yourself in the midst of a horrific school shooting, happen to be a male hiding with a female, seeking a way to flee, the remark 'ladies first' will probably lead to your value 'safety'. After all, if she survives fleeing in a certain direction, it might be safer to run in that same direction as well. This can hardly be considered an expression of 'respect', however.

#### Written norms

### Walking hand in hand: love, or just friends?

Consider a situation where two individuals of the same sex walk hand in hand. When this is seen in Northern European and American countries, this is usually explained as an expression of being in a sexual relationship. But in some Islamic, Asian and African countries this is an expression of a non-sexual form of friendship. In a number of African countries it is even a sign that two people are having

a good but private conversation and they do not wish to be disturbed. So, the same norm leads to the realization of very different values. In the first case, walking hand in hand is an expression of the value 'love', while in the second case the value 'friendship' is emphasized. In the third case, walking hand in hand expresses the value of 'privacy'.

### 1.3.2 Values

#### Value

A value is the ultimate goal we seek to achieve by acting in compliance with a norm.

A value is always described as an abstract concept, using a noun, not using a verb. Think of terms such as: love, respect, dignity, safety, welfare, wealth, health, friendship, reflection, anger, hatred, retaliation, equality, fun, lust, freedom, privacy and prosperity. In contrast: a norm is formulated as something you do, therefore using a verb.

In the previous section, we already explained that it makes sense to reflect on the relation between a norm and a value. Next to that, it is important to analyse in what way different values might lead to opposing behaviour.

### Banning Muslims: protection or discrimination?

One of his top priorities since Donald Trump was elected president of the USA in 2017, was to sign decrees that would temporarily ban people from a selection of countries. These countries included Iran, Libya, Somalia, Sudan, Syria and Yemen. This ban was widely criticized by people who considered this ban a 'Muslim ban' since the targeted countries were countries with predominantly a Muslim population. The decrees were brought before some courts, which led to the rejection of a decree in January 2017, and partly rejection of decrees that would replace the rejected version (Rosenberg, 2017).

On the one hand, the Trump administration argued that such a ban was an urgent necessity to guarantee and maintain public safety, especially in preventing a terrorist

attack. Trump argued that 'America is a proud nation of immigrants, and we will continue to show compassion to those fleeing oppression. But we will do so while protecting our own citizens and border. (...) This is not a Muslim ban, as the media is falsely reporting. (...) My first priority will always be to protect and serve our country, but as President I will find ways to help all those who are suffering' (Weber, 2017).

On the other hand, most courts considered this ban unnecessary discriminatory, and it would disproportionately harm certain groups. Examples are exchange students who would come from one of the listed countries, or foreign families who were now incomplete due to the fact that one of them was abroad at the time of signing the decree. According to some courts, the

Government did not sufficiently explain the causal link between the ban and public safety. To illustrate: a U.S. Courts of Appeals held that ‘the Government has pointed to no evidence that any alien from any of the countries named in the Order has perpetrated a terrorist attack in the United

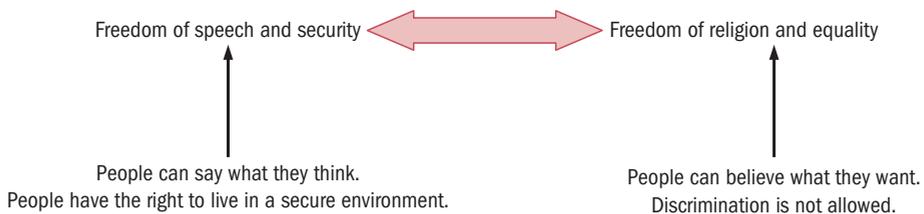
States.’ (United States Courts of Appeals for the Ninth Circuit, 7 February 2017).

However, ultimately, the Supreme Court of the United States allowed a third version of the Muslim ban to take effect in December 2017.

In the example ‘Banning Muslims: protection or discrimination?’ you can see that the values pursued by Trump are in sharp contrast with those who reject his decrees (see figure 1.1). Trump’s norm to temporarily ban travellers from a selection of countries with a Muslim background is supposed to contribute to the realization of public safety. This is in contrast with the opinions of his opponents, who claim that this ban is immoral, and instead want to reject it in order to realize the values ‘equality’ and ‘unity’. Also, they question Trump’s assumption that such a ban will indeed contribute to public safety in the first place.

In this example it is not easy to reconcile the values of both parties. After all, the realization of one value (safety) causes harm to those who seek to realize the other values (equality and unity). Since this topic has proven to be a delicate issue, it is not always easy to assess which value may prevail, while sacrificing the other. This is after all part of an ethical dilemma, and will be evaluated differently by various people.

**FIGURE 1.1** The relationship between norms and values regarding Trump’s Muslim ban



The question now is: how do you determine which value should prevail over the other in this case? This is part of an ethical dilemma and will be judged differently by different people. Can we say in general that some values are more important than others? Perhaps: in his famous works, the sociologist Milton Rokeach (1973, 1979) makes a distinction between terminal and instrumental values. Terminal values are ultimate goals people strive for. These are the essential things in life we cannot live without. Instrumental values are values that help us realize these terminal values, but are no end goal in itself. As you can see in the example ‘the terminal and instrumental values of Rokeach’, he classifies ambition as an instrumental value. When people act in the fulfilment of this value, it may in the end lead to wisdom or pleasure. After all, ambitious people will probably study hard at school, or earn good money which they can use for

Terminal values

Instrumental values

living a pleasant life. However, people may differ in which terminal values they emphasize in their behaviour. As we have seen in the example of the Muslim ban, both national security and equality are considered to be terminal values. Apparently Trump emphasizes the first in his decrees, where his opponents prefer the latter.

Please note however that the Rokeach method is not uncontested. We could criticize his selection method of the values. Mostly, because there seems to be evidence that people have a different understanding of the named values, which makes it difficult to universally claim they are terminal or instrumental (Keith & Iain, 1993).

### The terminal and instrumental values of Rokeach

The terminal values are true friendship, mature love, self-respect, happiness, inner harmony, equality, freedom, pleasure, social recognition, wisdom, salvation, family security, national security, a sense of accomplishment, a world of beauty, a world at peace, a comfortable life, an exciting life.

The instrumental values are: cheerfulness, ambition, love, cleanliness, courage, politeness, honesty, imagination, independence, intellect, broad-mindedness, logic, obedience, helpfulness, responsibility and forgiveness.

### 1.3.3 Virtues

Usually, it will not be easy to comply with a norm in the pursuit of a value when you do not possess certain characteristics.

#### Virtue

A virtue is a certain characteristic that is required to successfully comply with a norm.

A person who wants to be on time for an appointment in realizing the value politeness should be a punctual person. So, we need to have some sort of punctuality in our character – a virtue – if we want to successfully comply with the norm ‘being on time for an appointment’. Because this is about someone’s character, we usually refer to a virtue using an adjective or an adverb. For instance: ‘he is a selfish man’, or ‘she is a very precise girl’.

In certain jobs, some characteristics are helpful or even required. As we can see in the example ‘Luis Suárez: football with a bite’: we expect a professional football player not to be an aggressive person.

The exact required characteristics may however be influenced by someone’s cultural background, as we can see in the example ‘charismatic leadership in Canada and Iran’: in this case, the conclusion is that there are many similarities in virtues that are expected in a charismatic leader in Canada compared to Iran, but the cultural background also causes some differences.

### Luis Suárez: football with a bite

With great disapproval, the world responded to the behaviour of Luis Suárez (Uruguay) during the World Cup of 2014. During a match against Italy, he bit his opponent Giorgio Chiellini in his shoulder. Unfortunately, it was not the first time in his career that Suárez lost self-control during exciting moments and put his teeth in a member of the other team. We expect a professional football player, especially at the level of the World Cup, to behave. Not only the international press, but also the FIFA made it quite clear that they would have expected mister Suárez to be a calm and restrained man, instead of a heated and aggressive brute. Unfortunately, it seems

that Suárez did not possess nor master the required characteristics. As a punishment, the FIFA decided to suspend him for nine international matches, slap a fine on him, and he was banned from any football related activities for four months (FIFA press release, 24 June 2014). The fact that millions of people around the world watched the match played a dominant role in that decision, since especially in that case, Suárez was supposed to act as a role model. It seems however that Suárez did not learn much from this experience, since he appealed from this decision at least twice, mostly in vain (FIFA press release, 14 August 2014).

### Charismatic leadership in Canada and Iran

In a comparison between Canadian and Iranian managers (Javidan & Carle, 2004), researchers concluded that there were remarkable similarities between the characteristics that were expected in charismatic leadership, such as being an eloquent and tenacious leader. However, there were also differences. For instance, a Canadian executive is usually praised for being slightly rebellious and questioning the

established order, where this is not so much appreciated in the case of Iran. This could be explained by some differences in cultural features: where in Canada there is a relatively low power distance, in Iran this power distance is quite high. As a result, questioning the established order might be considered a good attitude in Canada, and a 'moral sin' in Iran, where leadership is usually more authoritative.

In psychological and educational sciences we see an interesting discussion about the origin of someone's characteristics: the nature vs. nurture debate. In other words, are you born with certain characteristics (nature), or did you develop them as a result of being raised and education (nurture)? Usually it is considered that it is a combination of both, but that your upbringing and education have a demonstrable prominent role to play in the development of a person's characteristics (Stiles, 2011). In our opening case 'Leadership? It's in your DNA!' we saw that the company Braincompass also assumes that who we are is a combination of nurture and nature.

Nature vs.  
nurture

#### 1.3.4 Interest

In order to comply with a norm for realizing a value, we do not only need characteristics to succeed. In addition you may require certain tangible and intangible things to help you.

Our interest is the combination of tangible and intangible things we use to comply with a norm.

Interest

The norm 'eat healthy food everyday' contributes to the realization of the value 'health'. However, if you do not have access to healthy food, it is going to be complicated. You may live in a region where there is no food supply due to a failed harvest as a result of extreme drought, a corrupt regime or a civil war. Then you have no physical access to the necessary food in order to lead a healthy life. You may also find yourself in a situation where there is healthy food all around you, but you do not have the financial means to purchase that food. The conclusion in this example – which unfortunately is a reality for many – is that healthy foodstuff or financial means form the interest that is required to comply with the norm 'eat healthy food everyday'.

The pursuit of interest becomes problematic when:

- 1 it stands in the way of someone else's interest
- 2 the interest is scarce and people compete for it
- 3 it stands in the way of the realization of other values you find important

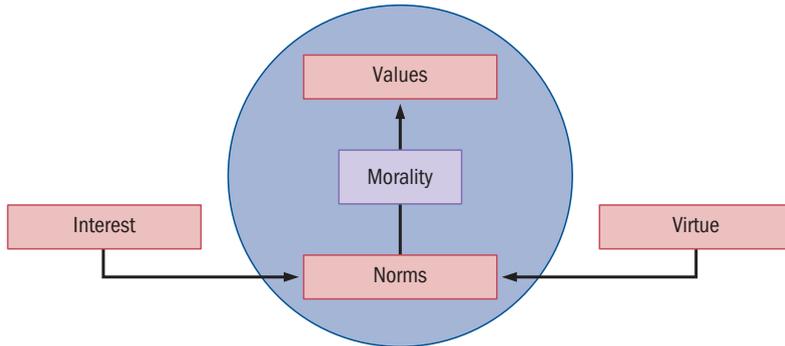
An example of the first could be the organization of a large dance festival. Some of the central values of this festival are probably pleasure, happiness and an exciting life. Norms could be: 'dance all night long', 'meet new people' or 'get slightly drunk'. The interest in this case is notably an incredibly large music system so the DJ can 'drop his beats' loudly. However, this interest may happen to stand in the way of the interest of those who live near the festival area, and try to catch some sleep (which is the norm), in order to realize the value 'a comfortable life' or 'health'. They will probably not be able to realize all this due to the loud sound system next door. Their interest is 'a quiet environment', which is at odds with the big sound system.

A second problem emerges when more people compete for gaining certain material or immaterial possessions while there is not enough to satisfy all of them. In essence, our economy is based on the assumption that there is a scarcity of products, and that the demand for such products determines the price people have to pay for this. This also means that per definition, there will always be people who cannot afford these products, and need to look for alternatives.

A geo-political example in which a conflict of interest leads to tensions is the territorial dispute in the South Chinese Sea. Neighbouring countries such as China, Vietnam, the Philippines, Malaysia, Brunei and Taiwan claim some of the territories in that sea, where others disagree with that claim. This 'no man's sea' is much desired for the huge amount of resources, such as fish and oil.

Finally, a problem may occur when some of your interest for the sake of realizing a certain value stands in the way of realizing another value. It will probably be a typical student dilemma: when you are having a good time on a Thursday night in a student bar, while you are supposed to attend college Friday morning. The student is celebrating life by drinking a fair amount of alcoholic beverages, in order to realize the values 'happiness' and 'pleasure'. These beverages are at that moment in time of interest for the student. No doubt however, that the next morning this interest stands in the way of realizing the value 'wisdom', for it will probably stand in the way of attending the class, or participate in a fruitful manner.

To conclude, and for a complete picture, the relation between morality, norms, values, virtue and interest is portrayed in figure 1.2.

**FIGURE 1.2** The relationship between morality, norms, values, virtue and interest

## 1.4 The structural analysis

In ethics, we structurally analyse morality. In many books, this analysis is composed of a structural overview of different approaches in ethics and how we should act based on those approaches. That's about it. What is often missing however is a sound methodological approach in structuralizing various viewpoints in ethics. The method used in this book allows us to compare different viewpoints based on functional equivalence. We call this comparative methodology the functional method, or functionalism.

Functionalism is the comparison of different solutions to the same problem on the basis of functional equivalence.

**Functionalism**

That is quite a mouthful, so we have some explaining to do.

### Homosexuality: it should be banned!

During one of my ethics classes, an unexpected fierce debate about homosexuality emerged. I was discussing various forms of discrimination, including discrimination of particular minorities, such as immigrants, disabled people and discrimination based on sexual preference. I learned that a group amongst my students opposed the idea of same sex relationships, and even voiced the opinion that it would be fine to beat up someone who publicly expresses such a relation. For me, this was not easy to listen to, since in my personal environment, homosexuality is widely accepted, and some of my best friends are in a same-sex relationship. I was especially shocked by the aggression in the debate by both those who

were hostile towards same-sex relationships and those who opposed them.

For me, it was a challenge not to become emotionally involved in the discussion and lose my neutrality. It is one of my goals as an ethics lecturer to stimulate students to voice their own opinion, also when this is not 'mainstream', unpopular or extreme. It is my sincere conviction that addressing such opinions and openly discuss them leads to more good than imposing my own moral views on my students. This time however I was struggling with maintaining this neutral attitude and I had to withhold myself from starting to preach that your sexual orientation should never be a reason for different treatment.

### A functional method

On the spot, I decided to try a method I fine-tuned when I was writing my PhD-dissertation: a functional method in which all solutions to a social issue are treated based on equivalence rather than judged and as a result accepted or rejected.

First, I explained to my students that apparently there are opposing views of same-sex relationships, and these views are in such contrast that it probably will be impossible to reconcile those viewpoints. However, that in itself is not a problem: those views can co-exist in a debate on ethics, and there is no need that one group convinces the other. What we do need however is a way to try and understand one another, using a functional method.

From the perspective of ethics as an academic discipline it is important to carefully formulate a social issue. This is not that difficult in this case, and probably boils down to something like ‘to what extent do you think a same sex relationship is morally right or wrong?’ As we have seen, my students responded differently to this question. However – different as they are – the opinions of my students respond to the same social issue, which makes them in their function comparable. In other words: the viewpoints of my students are functionally equivalent.

#### *Towards a fruitful debate*

By formulating the opposing viewpoints as functional equivalent responses to a similar

social issue, the fierce tone of the students turned into a more constructive attitude. After all, when you analyse ethical viewpoints in a functional equation, there is no need in proclaiming that you would like to beat up someone who is in a same-sex relationship. Instead, my students focused on reasoning, and deduced their moral views to norms and values, instead of using overly aggressive or hostile language. Even I could participate in this, because there was no need for me to remain neutral anymore: the functional method did that for me, since all viewpoints are considered functionally equivalent.

To illustrate: those students who were offended by same sex relationships assumed that such a relation is not natural, and as such should not be accepted in our society. This contributes to the value salvation. They also argued that it was not in line with their religious mind-set or tradition that homosexuality should be allowed to exist. This norm leads to the value piety and heritage. Those who would disagree held that same sex relationships are as good as any, and should be treated equally. They clearly preferred to strive for values such as equality, respect and freedom.

This stripped down analysis of the situation is not really rocket science, but in my lecture it did make the difference. It turned a heated, aggressive debate in a more fruitful conversation. It led to mutual understanding, while both parties gently agreed to disagree regarding its content.

Functionalism is a comparative method (Wernaart, 2013). As we can learn from the case ‘Homosexuality: it should be banned!’, comparing several moral viewpoints leads to more understanding of a social issue compared to separately discussing a moral view on its own. First of all, because you simply know more than you did before, and also listened to arguments you would probably not have heard if you would stay inside your bubble in which your own moral view is reaffirmed over and over again. Second, because it leads to more understanding of those who think differently. You do not have to convince the other, but instead try to understand the other. It does not stand in the way of having your own opinion, but it does give you the opportunity to learn from someone else, and perhaps fine-tune (or instead reaffirm) your own moral views. This attitude is very useful in many

professions, especially in international business, where you will encounter many people with different backgrounds and views on delicate matters.

Functionalism can be done through several steps. In short, you first formulate a moral question. Then you explore the various viewpoints towards this question on the basis of functional equivalence. Lastly, you try to clarify these viewpoints by narrowing them down to their underlying values.

A moral question is the central point of the comparison. In academics we call this an Archimedean point, that is the point with which we compare. This can be a very specific problem but also a complex global issue. As we have seen in the opening case 'leadership? It's in your DNA!', it is of vital importance to formulate a well-considered moral question. Two rules of thumb are that your moral question is open enough so it cannot be answered with a simple 'yes' or 'no'. Another rule of thumb is that the question should not be biased, in such a way that there is little room for alternative answers than the desired answer. So, in the case of 'homosexuality, it should be banned!' we should not formulate the moral question like this:

- Is a same sex relationship ethical?
- What can possibly be reasons to justify different treatment of same sex relationships?

Instead, the following questions could lead to a more fruitful comparison:

- To what extent do you think a same sex relationship is morally right or wrong?
- How should religious values relate to the idea of same-sex relationships?

Next, you carefully map how people could answer this moral question, from various ethical viewpoints. You can collect these answers on a small scale, for instance in a classroom. You can also academically collect these answers in studying the works of various philosophers, academics, or perhaps even politicians who represent a certain group in society. You can also try to collect the answers in comparing different cultures or regions in the world, and how they generally look at the moral issue.

The answer to the moral question will usually come down to a norm. All the answers are functionally equivalent and therefore comparable. Examples of norms that represent an ethical viewpoint are:

- 1 a same-sex relationship is not natural, and as such should not be accepted in our society
- 2 a same-sex relationship violates traditional and religious ways of living, and therefore is unethical
- 3 we are all equal, and same-sex relationships are as good as any other relationship, and should therefore not be treated differently
- 4 a sexual relationship is a private issue, and others should not judge this nor try to forbid the nature of this relationship.

Finally, you try to explain the selected norms by narrowing them down to values. You could, for example deduce the following values from the above mentioned norms:

- 1 salvation
- 2 piety and heritage
- 3 equality, respect and freedom
- 4 privacy and freedom

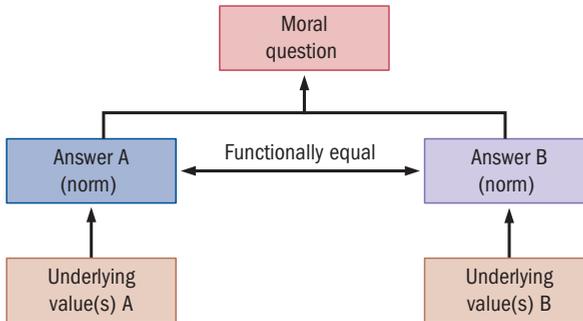
#### Moral questions

#### Ethical viewpoints

#### Values

In figure 1.3 you may find a schematic overview of this functionalist method. As we will see in chapter 4, elements of this functionalist method are integrated in the ethical decision model.

**FIGURE 1.3** The functionalist method in ethics



## 1.5 The structural evaluation

Where we structurally analyse to try to understand and explain various ethical viewpoints, the idea of a structural evaluation is to come to a well-informed decision as to which viewpoint is the best, and should be followed. In essence, where we choose to remain neutral in our analysis, we actually take a position in our evaluation.

### Discrimination or a reasonable choice?

Fatima holds the position of HRM consultant in a medium-sized enterprise. Currently, she is advising one of the team leaders in hiring a new employee for the sales department. At the end of the job application procedure, there are only two suitable candidates left: Jimmy (30) and Chin (27). Both make a very good impression on the team leader and appear to have similar competencies and the same educational background. What a coincidence it is that they happen to be in the same stage of their personal life as well. During the job interviews, both Jimmy and Chin proudly told that they just got married. Because the team leader has no preference for any of them, and considers them equally fit for the job, he asks Fatima for advice.

Fatima is facing a dilemma. On the one hand, the answer to the team leader's question seems quite simple: if Chin is planning to have babies, there is a considerable chance

she will try to have them within a couple of years. Jimmy is a male, while he might become a dad, he will most certainly not be on a paternity leave as long as Chin's possible maternity leave might take. For the company, a maternity leave means a lot of paperwork, looking for a temporary worker to do Chin's work while she's absent, and it will bring some extra costs. If the team leader wants to play it safe he should simply choose Jimmy, and not Chin.

On the other hand, Fatima considers that the last thing she wants is to judge people based on their gender, instead of their potential. She does not want to discriminate women. Next to the fact that it is no secret that women are hopelessly underrepresented in this branch, it would potentially damage the image of the company if such decision-making would end up in the press. Now, what should Fatima advise the team leader?

In the case ‘Discrimination or a reasonable choice?’ we could propose various ways of dealing with the matter. One option could be that Fatima advises to hire Chin, since she is convinced that no matter what, women should not suffer any form of discrimination. Another option would be to advise to hire Jimmy. After all, he will cause the least risk for the company in terms of maternity/paternity leave. A third option would be to advise hiring Chin with a slightly similar reasoning: it is the best for the company. First, because you will avoid suffering image damage, and second, because a diverse workforce is proven to yield better results than a homogenous. Since women are underrepresented in this field, the team leader might as well hire Chin. Fatima could put these three options in a comparative overview and check which norms and values she finds most important.

Which option Fatima will choose is her own choice, depending on her personal norms and values. Or perhaps the norms and values of the company may play a role of importance in her final decision. Whatever she chooses, by structurally analysing the various options (norms) and the underlying values, it will most likely be easier to make a well-considered assessment. If for instance Fatima wants to emphasize the value ‘equality’, she might advise the first option and hire Chin. If she would prefer the value ‘welfare’, she might go for the second option and hire Jimmy. If she rather stresses the value ‘safety’ and ‘sustainability’, she might go for option number three and hire Chin.

## 1.6 Ethics and related disciplines

The structural analysis and evaluation of morality relates to other academic disciplines as well. As a matter of fact, ethics is very often applied in other disciplines to guarantee that this discipline is practiced in the right way, and not used for wrong purposes. However, it remains important to distinguish ethics from those disciplines, to avoid confusion in our intentions, and make sure we are actually having the same conversation when we discuss something in a related discipline. Therefore, it is important to establish that there is a difference between an academic perspective, and a viewpoint within that perspective.

An academic perspective is an approach towards a certain situation exclusively from the perspective of that discipline.

Academic  
perspective

Below, we will further explore the relation between ethics on the one hand, and law, theology, psychology, theology and economics on the other. These are all academic disciplines that may approach a situation from a different perspective. Within such a perspective, we can argue about things and have a different viewpoint, or – if you like – opinion on a certain matter.

A viewpoint is a particular opinion within an academic discipline.

Viewpoint

### Ashley Madison: it only takes a moment

Ashley Madison is a successful international dating site, specialized in discreet love affairs. Its members can rest assured that they meet people with the same goal, and their privacy is guaranteed so their partner will never find out. As it appears, the company satisfies a certain need amongst its customers by filling an untapped niche in the market: *'when Ashley Madison started in 2001, there weren't many places adults could go for discreet dating. Meeting someone at work or through friends is too risky when discretion is your number one concern. Many turned to traditional online dating websites, but found it difficult to connect with people looking for a similar type of arrangement. And so Ashley Madison was created as the first website that was open and honest about what you could find there: like-minded people looking for married dating'*. The company promotes their services on their website, in recommending people who want to cheat on their partner to *'...feel the butterflies, experience the desire, and know what it is not to just live but to really come alive? Ashley Madison is the place to start your journey, to find your moment'*. After all, *'it only takes a moment'* ([www.ashleymadison.com](http://www.ashleymadison.com)).

#### *What the heck?*

In 2015, Ashley Madison dominated the headlines due to a massive data breach: hackers were able to reveal the names of 36 million users of the website. The motivation of the hackers was that they considered the website dishonest. One of the services of the company was the so-called 'full-delete-service'. For a fee, your account would be fully deleted and none of your personal data would be stored after your account was removed. A lie, according to the hackers, and a smart way to make money (Mansfield-Devine, 2015).

#### *Fake woman and suicide*

This has led to a large number of divorces, and it was even suggested that some of the revealed users committed suicide as a result (Baraniuk, 2016). Furthermore, it turned out that the website used fake female accounts (the so-called 'fembots') to keep the overrepresented men occupied while they were under the impression to flirt with real women. In the end, Ashley Madison paid a fine of 1.6 million U.S. dollar for failing to protect the privacy of its customers, and faced several lawsuits (Kuchler, 2016). Not surprisingly, these took a while.

Take for instance the case 'Ashley Madison, it only takes a moment'. We can consider what happened in this case from various academic disciplines. We could have a discussion about whether the privacy protection was adequate according to the law, or whether or not it is legal to use fembots as fake accounts to keep men occupied. We could furthermore wonder if Ashley Madison can be held responsible for suicide, and face charges for murder. In a court room, the lawyer of Ashley Madison will probably have a different viewpoint on these legal aspects compared to the public prosecutor, and defend this viewpoint accordingly until a judge imposes his viewpoint on the disputing lawyers.

We can also consider this case from the perspective of the economic discipline. We could ask ourselves the question to what extent there is a consumer's need for an online environment in which people can 'safely' cheat on their partner. Considering the initial success of the website, the company took full advantage of the untapped niche in the online dating market. At some point in time, the responsible employees probably had a debate about the economic potential to offer a full-delete-service. During

this debate, various viewpoints on the economic potential of such a service were balanced. In the end, the decision was made to offer the additional service, fulfilling the consumer's desire to having a sense of privacy, and keeping a grip on their personal data.

From an ethics perspective we could ask the question to what extent it is morally right to make money in facilitating people to cheat on their partner. There will be various viewpoints concerning this topic. Some might say that cheating is a wrong thing to do, and therefore the company is exploiting something that is morally offensive. Others might say that cheating happens anyway, so it would be ethical to reduce the sadness and hurt that might result from 'clumsy' cheating. Therefore a professional website specialized in this matter may reduce the harm that can be done. Another viewpoint might be that cheating is a personal matter, and the company is not responsible for the things people share with one another through their website. As a result, the company is morally neutral.

It makes sense to separate the disciplines in a debate. When I ask my students to consider the Ashley Madison case and raise the question to what extent they believe it morally right to make money in facilitating cheating, they sometimes give me answers from a different discipline. Some answer that the behaviour of the company is not forbidden by law, which leads to the conclusion that it is not unethical. Or some may emphasize the fact that there is a consumer's need, and the company merely fulfils this need, and as a result the behaviour cannot possibly be unethical. However, the fact that something is not forbidden, or may be profitable, says very little about the question whether something is ethical. You might circumvent the issue, and confuse a viewpoint from the law or economic discipline with a moral justification. Please note that this does not change the fact that it is always a good idea to consider things from various disciplines, as long as you do not mix up the viewpoints within a discipline with viewpoints from another discipline.

In figure 1.4 we see a schematic overview of the relation between an academic discipline and a viewpoint.

**FIGURE 1.4** The relation between an academic perspective and a viewpoint



### 1.6.1 Ethics and law

As we have seen in the previous section, law is different from ethics.

I In law we ask ourselves the question whether something is legal.

Law

Of course, there is an overlap between ethics and law. Sometimes, law is a codified expression of morality. This sense of morality is then formalized,

and can be imposed on the citizens within the jurisdiction of that law. This can be done at different levels. At international level, morality is codified in international legal norms, such as a treaty or international customary law. For instance, Article 11 of the International Covenant on Economic, Social and Cultural Rights stipulates that everyone has a right to an adequate standard of living. Also on a national level, countries adopt legislation that can be considered as an expression of morality. For instance, Article 102 of the Malaysian Penal Code reads *'the right of private defence of the body commences as soon as a reasonable apprehension of danger to the body arises from an attempt or threat to commit the offence, though the offence may not have been committed; and it continues as long as such apprehension of danger to the body continues.'* In other words: you have the right to defend yourself when someone seeks to harm you. Even at individual level, legislation may play a role. Think of a permit granted by the city to your university to organize a music festival at the beginning of the academic year. Apparently, the town considers it a good idea to open the year with some fun. In all these examples we can read some kind of morality: it is the right thing to make sure that everyone has an adequate living standard, protect yourself if someone inflicts harm on you, and open the academic year with some music. In that sense, there is an overlap between ethics and law: in ethics we ask ourselves what is right and wrong, where in law we codify what we think should be right or wrong.

#### Consequences

There are of course also differences between ethics and law. The first is that the consequences of unethical behaviour are different from the consequences of violating a law. Law can be enforced, so violating a legal norm can lead to punishment such as a fine or a prison sentence. In some countries even the death penalty applies, and violating a law could lead to the loss of your own life. When violating a norm in ethics, the consequences are not the same. While probably most people consider adultery as something that is wrong, this is not forbidden in most countries. So, cheating on your partner will not lead to a prison sentence. However, those who are related to the cheater will most likely think poorly of him, and perhaps act accordingly by excluding him, or end their friendship. The main difference between the consequences of violating a legal and an ethical norm therefore is that in case of the first, the consequences are institutionalized and enforceable, where in case of the latter, the consequences are informal and not enforceable.

A second difference between ethics and law is that law is not always an expression of morality. Where we could argue that law is an expression of morality when law is intended to deliver justice, this simply is not always the goal of adopting legislation. In legal philosophy, it is generally accepted that next to justice, law should achieve two other goals as well: opportuneness and legal certainty (Habermas, 1992).

#### Justice

So, justice as a goal in law indeed relates to the question what should be considered as right in a given society. In general, we consider it a wrong thing to kill someone, and this act is mostly forbidden by law. That is quite clearly an expression of morality. However, a law should also be opportune. This means that a law should be practical. Lawyers can hypothetically try to make legislation that theoretically delivers most justice, but this is so complex that it cannot be executed by a legal professional. Unfortunately, this law will then not be opportune. Next to that, law is sometimes simply used to practically organize something in society, without an explicit moral charge. Think about the choice to ride a car on the left or right side of the

#### Opportuneness

road. In each country, traffic laws will dictate which side of the road must be used in that society. However, the choice in itself says little about morality. It is just a practical decision to choose one side, and enforce that choice.

A last function in law is to guarantee legal certainty. The fact that charges against an alleged kidnapper are dropped due to a lack of evidence will not always be received as just. Especially not by those who consider themselves a victim. However, when we take a closer look at the news item, it would on the other hand lead to undesirable situations when someone can be imprisoned just because he might look like the one who tried to kidnap you. This approach contributes to the idea of legal certainty: you can only be condemned for something that was forbidden at the moment you acted, and the evidence points out that you were the one who committed the act, without doubt. While occasionally this would mean that a criminal will not be punished, this is preferred above the possibility that an innocent man ends up in prison, merely because he has certain looks, or reminds people vaguely of someone who might have committed the act. A fine example of this can be found in the news item.

Legal certainty

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A third difference between ethics and law is that law, if it expresses morality in the first place, only expresses the norms and values chosen by those who are in control. In case of ethics, this is clearly not the case. Those who are in control could be a democratically elected legislature, but also a dictator, or the military. This also means that the morality that is expressed by their laws is not automatically the morality that is shared by all individuals within the country they rule. For instance, abortion is prohibited in Chile, and at least 26 per cent of its population disagrees with that (Agnus Reid Global Monitor, 2006).

CBS MIAMI, 13 JANUARY 2017

## Charges have been dropped against a Miami man accused of trying to abduct young girls

Marshawn Andrews, 25, was arrested in December after a Miami Police officer noticed him attempt to pick up two females, at two separate locations, within minutes of each other.

It came after similar reports of attempted abductions had occurred in the area on November 10th and December 12th. One girl was 15, the other 17.

On December 23rd, Andrews was seen making a U-turn at N.W. 29th Street, east of N.W. 7th Avenue, stopping his car to talk to a young woman walking on the sidewalk, authorities said. The officer, in an unmarked vehicle, then pulled up

behind Andrews to check on her and see if she was alright. She told him that Andrews offered her a ride.

Andrews continued driving westbound. Minutes later, the officer observed him offer another woman a ride who was walking along N.W. 7th Avenue. She would get in. Andrews was soon pulled over and gave a conflicting account of what happened, according to a memorandum from the State Attorney's Office. He told officers that the woman was his girlfriend. The woman, however, admitted that she didn't know Andrews and had been asked if she needed a ride.

Fitting the description of the suspect, in both appearance and due to the proximity of the previous encounters, Andrews was arrested later that day. Investigators would call in the two other victims to the police station, trying to tie Andrews to the previous attempted abduction incidents. They both picked

him out of a photo line-up as the same guy who tried to kidnap them, the State Attorney's Office said. But this evidence would not be enough for a conviction, prosecutors argued. For one, both victims didn't get a clear look at their attacker.

Finally, it is important to note that in some cases, the legislature deliberately chooses to remain silent on certain matters in which ethics on the other hand plays a very important role. We have seen above that in many countries, cheating is not forbidden by law. Only in some countries, adultery (cheating during your marriage) is forbidden. This means that in most jurisdictions, having an affair is considered a private matter that is not to be dealt with by legislation. Most probably, a majority of the citizens of these countries would consider cheating an unethical thing.

### 1.6.2 Ethics and theology

#### Theology

In theology we critically analyse and evaluate the nature of the divine.

Religion, and the study of the divine (theology), shows a strong relationship with ethics. The subject of both disciplines has a lot to do with the question of what is morally right. Many ethical standards are derived from religion and religious writings or thoughts, and consequentially influence the norms and values of many people. Religion in itself is therefore an important source of inspiration for people in determining their morality.

But there are also very essential differences. Norms and values in religion mostly appear in a prescriptive tone. When you follow a certain religion, you have to comply with certain norms to be a faithful believer. For instance, you should fast a certain period, pray at given times of the day, or dress in a particular way. These norms and values are prescribed by, or derived from a holy entity (or holy entities) such as a God. These religious rules are then mostly written down in a widely accepted book, such as the Holy Bible or the Holy Quran. There are usually representatives of this holy entity that have the authority to interpret the norms and values according to their religion, such as a Pope, or an Imam.

In essence, there are many religious norms and values that coincide with theories in normative ethics. The norm 'treat the other as you would like to be treated' is a rule that appears in almost each religion, but is also incorporated in the moral philosophy of Immanuel Kant (Crane & Matten, 2010).

However, while in its appearance this norm is the same, the reasoning behind this norm is fundamentally different. In religion, we treat the other person the way you want to be treated because this is prescribed by a divine authority, where in ethics we do so because we believe it is the right thing to do.

### The use of contraceptives and the church

A very delicate matter amongst Christians is the usage of contraceptives. The idea is that while using contraceptives, people can experience sexual pleasure and intimacy without getting pregnant. However, this is forbidden by the Vatican as an interpretation of the phrase 'Be fruitful and multiply and fill the earth and subdue it' (Genesis 1:28): the marital act should be without any reservations because it must be unconditional and an expression of true love.

This is for example aptly stipulated in an encyclical of Pope Paul VI, in which he wrote that: *'the fundamental nature of the marriage act, while uniting husband and wife in the closest intimacy, also renders them capable of generating new life – and this as a*

*result of laws written into the actual nature of man and of woman. And if each of these essential qualities, the unitive and the procreative, is preserved, the use of marriage fully retains its sense of true mutual love and its ordination to the supreme responsibility of parenthood to which man is called'* (Pope Paul VI, *Humanae Vitae*, 2:6).

#### Criticism

This viewpoint of the Catholic Church was criticized more than once. Especially in countries in which HIV infection is a serious concern, the prohibition to contraception can lead to a worsening of the situation, in which mostly children born from HIV infected parents are an innocent victim (UN Committee on the rights of the child, 2014).

Considering the example 'The use of contraceptives and the church', the reasoning of Pope Paul VI would not be accepted in ethics. After all, we do not act in compliance with a norm because we consider this the will of God, but instead because we are convinced that something is right or wrong after careful analysis and evaluation. This does not mean that we do not carefully study in theology; the focus is just different.

### 1.6.3 Ethics and psychology

Yet another related academic discipline we should explore is the study of psychology.

I In psychology we seek to understand and explain human behaviour.

Psychology

Where psychology tries to understand and explain behaviour, in ethics we ask ourselves the question whether this behaviour is morally right or wrong.

### Carrie Bradshaw and Manolo Blahnik high heels

In the famous series and films 'sex and the city', the main characters are four material girls from New York. Carrie, Samantha, Charlotte and Miranda love fashion, going out, and date good-looking men. The ideal environment for product placement. In the storylines, Carrie is well known as a big fan of Manolo Blahnik high heels. Her boyfriend (Mister Big) even uses such shoes in a

wedding proposal, as a substitute to a ring. It is no secret that the appearance of Manolo Blahnik in various episodes of Sex and the City led to a huge boost in their brand awareness. On the other hand, it is also no secret that Manolo Blahnik alongside with some other brands was quite eager to pay significant sums of money for such appearances. According to Sarah

Jessica Parker, the producer of the first movie and actress who plays the character of Carrie, producing the movie would most

certainly not be affordable without such deals (Nichols, 2008).

It will be clear that in the case of 'Carrie Bradshaw and Manolo Blahnik high heels' the advertisers expect that showing their products in a popular TV show or movie will affect the purchase behaviour of its viewers. In psychological studies, we try to find out whether such product placement indeed has the intended effect, and may change the buying behaviour of consumers (Waldt e.a., 2007). Such information is very important for companies that are looking for effective ways of advertising. However, from an ethics perspective we could ask the question whether product placement is a moral thing to do. After all, the viewers of the show are not always aware of the fact that they are not only watching a movie; simultaneously an advertiser is deliberately trying to manipulate their buying behaviour during this show. So, from the perspective of psychology we could ask ourselves the question whether product placement actually works, where from the ethics discipline we raise the issue whether this is a right thing to do.

#### 1.6.4 Ethics and sociology

##### Sociology

I In sociology we seek to understand and explain social relations.

Social relations are usually defined as relations between social groups, and their behaviour towards one another. Where we try to understand and explain this behaviour in sociology, in ethics we ask ourselves the question whether this behaviour is morally right.

#### Shell in the Niger Delta

For decades, Shell has employed business activities in the Niger Delta, a region in Nigeria, Africa. This region is well known for its oil resources. In the delta, Shell has negotiated the rights to harvest this oil, but is at the same time strongly opposed by the local inhabitants. They have lived there for ages, and deeply regret that their livelihood is seriously affected as a result of the oil drilling. This has had considerable negative effects on the local fishery and agriculture. To make matters worse, there have been oil leaks in the process, resulting in permanent infertility of the soil of certain regions.

Shell strongly denies that it is responsible for these leaks, and claims that these oil spills are a result of vandalism by angry locals, and not a direct result of any actions of the company (Shell, 2013). However, Shell is opposed by those who claim that the spills are a direct result of negligence caused by Shell (Amnesty International, 2013). In 2013, a Dutch court – using Nigerian law – ruled that four of those spills were indeed a result of vandalism, but two were caused by negligence, and therefore Shell should take its responsibility and pay the awarded damages (District Court of The Hague, 30 January 2013).

From the perspective of sociology, it is interesting to study the way Shell tried to handle this situation. It is striking that Shell, in the Shell in the Niger Delta case, approaches the issue on a very technocratic manner (Shah, 2004). The management of Shell mainly took decisions on the basis of expected results and dealt with the local population accordingly. That resulted in a very corporate way of acting in which the management was mainly focused on realizing the greatest possible oil harvest. If that would require investing in the local infrastructure in order to keep the complaining citizens happy, then that is what should be done. However, the locals could very well sense that Shell did not invest in the infrastructure because they were intrinsically motivated to improve their livelihood, but instead considered this as a necessity to realize their ultimate goal: oil harvest. This way of dealing is typically a Western European approach, in which we try to categorize social actors in 'boxes' and are very much focused on the function of these actors towards our cause. It is then the role of the management to use these 'boxes' in such a way that it turns out to work well for the company.

From a sociological perspective it is interesting to analyse the impact of the rather (Western) European approach of Shell in Nigeria, and explain the relation between this behaviour and the responding behaviour of the local community. More than once, the local inhabitants showed their disdain for Shell, and accused Shell of using them as a means to an end, and most certainly not acting in their best interest (Schram, 2014). As it seems, the approach mustered by Shell worked counterproductive, considering the resulting court trials.

From an ethics perspective, we should ask ourselves the question whether the behaviour of Shell (or the local community) is morally right. For instance, we could discuss the question to what extent it is morally right to use people as a means to an end, or to use sabotage as a way to put pressure on a company when you disagree with them and the company won't listen.

### 1.6.5 Ethics and economic disciplines

A last related academic discipline to ethics is economics.

In the economic discipline we seek to explain – and sometimes even predict – how our economy works.

Economic  
discipline

So, where in the economic discipline we want to explain and predict our economy, in ethics we reflect on whether we think the way our economy works is morally right.

#### Macro and microeconomics

The essence of economics is usually defined as the production, distribution and consumption of goods and services. These goods and services are not unlimitedly available, due to the fact that resources are – in various degrees – scarce (Sloman & Wride, 2009). While we could hypothetically want unlimited resources, there is always a certain scarcity. This scarcity has an effect on the relation between supply of and demand for a particular product or service. This relation will usually determine the market price in a capitalist market system. For instance, when supply is relatively scarce and demand large, the prices are high, while when the supply is relatively high and demand low, the

prices will be low. There are of course other systems than a capitalist system, such as a communist market system, in which the government tries to regulate supply and demand, rather than rely on the effect of supply and demand in itself.

Since the thirties, the economic discipline is subdivided in two main fields: macro and microeconomics. In macroeconomics we study the economy on a national or international level, where in microeconomics, we study the economic behaviour of individuals and organizations (such as a company).

Let's explore macroeconomics first. In this field, we usually discuss general economic theories and phenomena. Famous academics such as Adam Smith, Milton Friedman, Karl Marx, John Stuart Mill, David Ricardo and John Maynard Keynes have developed well-known macroeconomic theories. They have tried to explain how our global economy works from different economic perspectives. In such theories, we usually discuss issues such as inflation, the effects of exchange rates, the impact of government policy on economic growth, imports and exports, employment, the principle of free trade, market protectionism and globalization.

BBC NEWS, 28 OCTOBER 2016

## The Poles looking to leave the UK after Brexit

By: Erika Benke

Incidents of hate crime aimed at the UK's Polish community increased after the summer's EU referendum and as a result, some Poles are considering leaving the country.

Joanna Kalinowska believes that the decision to leave the EU was a turning point – when anti-Polish sentiment became increasingly vocalised and continuing to live in the UK became a much less attractive prospect.

'When I first came to England, I thought it would be a big chance for me to have a better life, to learn new skills, to be among nice people,' she says. 'But after more than seven years of being here, I've said that's enough, I don't have to be here any more.' Joanna lives in Poole and says at times she has been made to feel like a second-class citizen and has even been confronted by a stranger on the street.

'I was talking to my daughter (in Polish), we were joking and laughing. A man passed and said "if you are in England you

have to talk in English... otherwise you go back to your country", she tells the BBC's Victoria Derbyshire programme.

'I said to that guy, "I am talking with my child, so I will talk to my child in my language. And this is also my country, and I have equal rights here."

The man, she says, answered in reply: 'You don't have any rights here any more.'

'That was my experience after Brexit,' she says.

'They think we're invaders.'

Joanna lost her job in a food processing factory four months ago and is now considering moving abroad.

'I don't see any future for me here, especially after what happened after Brexit,' Joanna says.

According to the latest figures, published in August, there are 2.23 million EU nationals working in the UK – an increase of 238,000 on the same period in 2015. An estimated 850,000 Poles live in the UK.

Joanna is keen to challenge the view, held by some, that EU nationals come to the UK to access welfare payments.

‘(Polish people) were prepared to come here, work hard and be normal members of society,’ she says. ‘We integrate very easily and are very willing to integrate with the Brits. But the Brits don’t want to integrate with us.’

‘They think we are invaders, that we want to take something from them.’  
‘No,’ she says emphatically, ‘we don’t want to take, we want to give.’

The newspaper article ‘The Poles looking to leave the UK’ reflects a debate with a macroeconomic origin. After all, most of the debate that preceded the UK referendum that resulted in Brexit was about economics. If the UK would remain a member state of the EU, this would also mean that citizens of other EU countries could move to and reside in the UK and look for a job. This may lead to tensions when for instance people from Poland compete with UK citizens for jobs when there is a certain rate of unemployment, especially when people from Poland are willing to work for a lower wage than the British. Leaving the EU, and making it less easy for foreign workers to find a job in the UK would then protect UK workers looking for a job. On the other hand, we could argue that united countries are stronger. Where on the short term the tensions between Polish workers in the UK and UK citizens could be a problem, trade with open borders on the long term might lead to the most efficient way of allocating resources – including worker – and in the end all will benefit from this. This assumption forms the basis of much international economic cooperation, such as the World Trade Organization (WTO), the North Atlantic Free Trade Agreement (NAFTA), the African Free Trade Zone (AFTZ) and the Caribbean and Common Market Community CARICOM). After all, one of the conditions of a free market economy is the removal of trade barriers between countries, so that trade is not depending on nationality, but rather on the system of supply and demand.

While economists generally agree that the principle of a free market economy will theoretically lead to a more prosperous society on the long term, there are always short term side effects that may be negative for especially those who find it difficult to adapt quickly to the whims of this mechanism of supply and demand. In other words: prosperity is not always fairly distributed. This leads to the question to what extent governments should (or may) interfere in the functioning of this free trade principle, and for instance adopt measures to protect their local markets. And here we need ethics: to what extent do we consider it morally right to depend on a free market economy, potentially leading to the greatest prosperity, and to what extent do we feel the need to protect the interest of those who do not necessarily gain something from this free market economy. In chapter 11, we will discuss this into much more detail.

Translated to the news item, we see a moral dilemma between the ‘brexiteers’ and the ‘breinainers’: where the ‘brexiteers’ urged the UK government to step out the EU and protect the local workers, the ‘breinainers’ urged their government to remain in the EU, and enjoy the wider and long term benefits of a free European economy. Of course it needs to be noted here that the Brexit debate was much more complicated and encompassed a broader range of issues than the news item reflects.

On the micro-economic level we study the individual decisions regarding the production, distribution and consumption of goods and services. These individual decisions are taken by companies that decide to produce and distribute their products and services because they want to meet a certain demand, and by consumers or other businesses who will try to satisfy their individual needs. In microeconomics we predominantly ask ourselves the question what the effects are of these individual decisions on our economy. In ethics, we ask ourselves the question to what extent these decisions are morally right. So, considering the energy drink case, from a microeconomic perspective we could try to understand the effect of Red Bull communicating that their product is not dangerous on the buying behaviour of consumers. From an ethics perspective we ask ourselves the question if it is morally right to set aside the worries of many scientists about the effect of their product on young people, or that Red Bull and other energy drink suppliers especially target this group in their advertisements.

### **Business administration**

Next to macro and microeconomics there are many subjects in the academic circuit that relate to the functioning of companies but do not necessarily seek to explain our economy or individual economic behaviour. We usually find these subjects in applied sciences, in the curricula of business schools. These subjects typically study the functioning of companies and contribute to making companies more efficient and profitable.

For these disciplines we usually apply the term 'business administration', which mainly distinguishes between:

- marketing and sales
- finance and accounting
- organization sciences (such as management, HRM and logistics)

So, where in business administration we try to optimize the functioning of companies, and make them more profitable, in ethics we ask ourselves the question whether this is done in a morally right way. For instance, from a marketing perspective we could analyse whether the various sponsor deals of Red Bull with various sports events have a positive effect on their image or sales. From an ethics perspective we ask ourselves the question whether it is morally right to associate energy drinks with sports achievements.

### **Business Ethics?**

The academic area – where economics and ethics are linked – is sometimes referred to as 'business ethics', thereby suggesting that this is an applied form of ethics in the business context. Some use another popular term to address the same: Corporate Social Responsibility (CSR). These terms have been used many times in many different context and by many different actors, and as a result, its exact meaning is sometimes hard to define (Griseri & Seppala, 2010). For instance, most multinationals claim to 'do' CSR, but in practice their interpretation and the level of incorporating CSR concepts is very different.

The idea of 'business ethics' is criticized by some with good arguments. It is argued that the concept 'business ethics' is an oxymoron: words that are internally contradicting (Collins, 1994). One way or another, a company can only survive when it makes a profit, or at least does not suffer financial loss.

This also means that per definition, in the consideration of a company, money plays a dominant role. This leads to a 'distortion' of ethical decision-making. When ethics and profit go hand in hand, there is no problem, and we can safely talk about business ethics. However, when a company faces a choice between making more profit and acting less in line with their morality on the one hand, and making less profit but acting morally more correct in the other, we can wonder whether the ethical decision-making will be 'pure'.

### Energy drinks: giving you wings or making you crash?

Energy drinks are very popular among young people. As a matter of fact, the smell of my lecture hall is drenched with energy drink flavour on a Friday-morning lecture. It is however doubtful whether such drinks are safe to consume.

The World Health Organization warns us for the usage of these drinks, especially by youngsters. In a broad European study, the researchers argue that *'consumption of energy drinks among adolescents is associated with other potentially negative health and behavioural outcomes such as sensation seeking, use of tobacco and other harmful substances, and binge drinking and is associated with a greater risk for depression and injuries that require medical treatment. Recent literature has also found an increasing number of problems with behaviour modification and cognitive capabilities in adolescents who use energy drinks.'*

Especially the caffeine that appears in these drinks seems to be a problem. The researchers firmly hold that...

*'The health risks associated with energy drink consumption are primarily related to their caffeine content. A caffeine overdose can cause palpitations, hypertension, diuresis, central nervous system stimulation, nausea, vomiting, marked hypocalcemia, metabolic acidosis, convulsions, and, in rare cases, even death. In adults, there is also an increased risk of arterial hypertension and Type 2 diabetes, as high consumption of caffeine reduces insulin sensitivity. High-caffeine consumption among pregnant women increases the risk of late miscarriages, small for gestational age infants, and stillbirths.'*

*Although some types of coffee can have caffeine levels comparable to energy drinks, coffee is typically consumed hot and consequently more slowly. Further, the proliferation of new brands of energy drinks has included some brands, which contain extreme caffeine levels much higher than mainstream brands as they try to establish themselves in the market. In Europe, the EFSA study showed that the estimated contribution of energy drinks to total caffeine exposure was 43% in children, 13% in adolescents, and 8% in adults. There are proven negative consequences of caffeine consumption among children and adolescents, including effects on the neurological and cardiovascular systems, which can cause physical dependence and addiction' (Breda et al. 2014).*

What a difference with the health statement of Red Bull in their FAQ list:

*Red Bull Energy Drink is available in 171 countries, including every state of the European Union, because health authorities across the world have concluded that Red Bull Energy Drink is safe to consume. More than 6 billion cans were consumed last year and over 62 billion cans since Red Bull was created more than 30 years ago. One 250 ml can of Red Bull Energy Drink contains 80 mg of caffeine, about the same amount of caffeine as in a cup of coffee. The European Food Safety Authority (EFSA) concluded in 2009 that the ingredients of energy drinks are of no concern. In 2015, the EFSA confirmed the safety of energy drinks and their ingredients (<http://energydrink-us.redbull.com>, 2017).*

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Considering the 'energy drinks' case it is probably not surprising that a company such as Red Bull will not communicate things about their products that are too negative. After all, they want to sell it, and are proud to do so. On the other hand, the WHO and the related researchers are an authoritative institution when it concerns health issues. They give us almost desperate warnings about the consumption of energy drinks. Red Bull is very popular amongst its target group, and these youngsters probably do not want Red Bull to change a thing about their advertising, sponsor activities and image. So, Red Bull is facing a certain dilemma here: they have a very successful and popular product, a positive brand image amongst their target group, and an undoing increase in sales. Why would they change a thing in what they do? On the other hand, it seems that the WHO and many scientists believe that their product leads to health issues. Now, can we expect Red Bull to communicate to their target group to please not buy their product too often, because it might be dangerous? From an ethics perspective, we could very well argue that the value 'health (of our youngsters)' is more important than the value 'profit' of Red Bull.

There is also another 'distorting' factor in ethical decision-making when we consider the concept of 'business ethics'. Companies are mostly legal personalities that are owned and managed by individuals. However, these individuals do not necessarily act in line with their own moral convictions when they act on behalf of this company. It may very well be that the web designer of Red Bull does not like his children to consume energy drinks every day, but simultaneously facilitates the information that Red Bull provides about their products. The fact that companies are not natural persons can lead to a certain institutionalization, which makes it sometimes difficult to distinguish ethical decision-making from calculative profit making.

Does this mean that a phrase such as 'business ethics' is nonsense per definition? Probably not: as long as we are honest and clear of its purpose. Therefore, in this book we make a distinction between ethics and business on the one hand, and business ethics on the other.

Where in ethics in business we ask the question what is morally correct in our economic behaviour, in business ethics we ask the question how we can make profit in doing the right thing.

In the example 'the marketing success of anti-animal testing', we see that profit and ethics go well hand in hand, as long as they both lead to the same outcomes. The Body Shop is a formula that appeals to consumers. The ethical responsibility has always been their unique selling point, which has led to a worldwide success.

### The marketing success of anti-animal testing

In 1976, Anita Roddick sets up a cosmetics company in London. The unique selling point has always been that it supplies cosmetic products while at the same time showing a strongly embedded

moral awareness. The Body Shop was one of the first cosmetics companies that fundamentally opposed to animal testing, and therefore would only sell products that were not tested on animals. In addition,

the company has always been very active in the field of human rights and environmental protection. The company tries to establish partnerships and is campaigning in this field to contribute to these goals. For these reasons, the Body Shop commits itself: ...to enrich, not exploit. For us, this means enriching people as well as our planet, its biodiversity and resources. We are committed to working fairly with our farmers and suppliers and helping communities to thrive. Our products enrich, but never make false

*promises and are never tested on animals. We are proud to be original, irreverent and campaign for what's right; together we can do it.* (www.thebodyshop.com, 2017). This also appeals to the consumer, which is illustrated by the fact that in 2017 the Body Shop is a worldwide brand with more than 3000 establishments in more than 65 countries, and proud winner of the 'business in the community international responsible business of the year' award twice.

We could also consider 'business ethics' as a behavioural study, rather than an ethics discipline, as Crane & Matten seem to suggest (2010). They define business ethics as 'the study of business situations, activities, and decisions where issues of right and wrong are addressed.' This approach would most certainly result in a very interesting perspective, but it is not the approach in this book. As we have seen, the purpose of this book is to structurally analyse and evaluate morality in the context of professionals working in economic professions.

# Summary

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- ▶ Ethics is an academic discipline that structurally analyses and evaluates morality. Morality is someone's perception in what is right, and is the combination of norms and values someone seeks to realize.
  - A value is the ultimate goal we seek to achieve by acting in compliance with a norm.
  - A norm is a rule that contributes to the realization of a value.
- ▶ Norms can be divided into:
  - individual and collective norms (some are even considered to be universal)
  - religious and cultural norms
  - written and unwritten norms
- ▶ Values can be subdivided in:
  - terminal values, which are essential in life
  - instrumental values, that help us achieving the terminal values
- ▶ In realizing norms and values, virtue and interest play an important role:
  - A virtue is a certain characteristic that is required to successfully comply with a norm.
  - Our interest is the combination of tangible and intangible things we use to comply with a norm.
- ▶ We structurally *analyse* morality by using a comparative method: functionalism.
  - Functionalism is the comparison of different solutions to the same problem on the basis of functional equivalence.
  - A functional comparison consists of three steps:
    - determine the moral question
    - map the various ethical viewpoints/answers to this question (norms)
    - explain the selected norms by narrowing them down to values
- ▶ We can structurally *evaluate* by carefully making a well-informed decision on which ethical viewpoint is to be chosen above all others.
- ▶ Ethics is closely related to other academic disciplines. It can *deepen* a debate when you explore different viewpoints within an academic discipline, while it can *broaden* this debate when you consider things from various academic disciplines. That is, as long as there is no confusion about which viewpoint comes from which discipline.

- An academic perspective is an approach towards a certain situation exclusively from the perspective of that discipline.
- A viewpoint is a particular opinion within an academic discipline.
- ▶ In law we ask ourselves the question whether something is legal.
  - Law should achieve justice, opportuneness and legal certainty.
- ▶ In theology we critically analyse and evaluate the nature of the divine.
- ▶ In psychology we seek to understand and explain human behaviour.
- ▶ In sociology we seek to understand and explain social relations.
- ▶ In the economic discipline we seek to explain – and sometimes even predict – how our economy works. The economic discipline can be divided in:
  - Macroeconomics, in which we study the economy on a national or international level
  - Microeconomics, in which we study economic behaviour of individuals and organizations
  - Business administration, in which we study the functioning of companies and contribute to making companies more efficient and profitable
- ▶ The academic area where economics and ethics are linked is sometimes referred to as business ethics.
  - Where in ethics in business we ask the question what is morally correct in our economic behaviour, in business ethics we ask the question how we can make profit in doing the right thing.

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