

UTILITARIANISM: Morality as Costs and Benefits

The Ford Pinto and cost-benefit analysis: Ford needed to make smaller, more fuel efficient cars, because of competition from Japanese and European car makers.

However, in their rush to get out a new car (the Pinto), Ford engineers shortened the design and testing period, so that it overlapped the manufacturing process.

By the time engineers discovered the Pinto's gas tank could easily be ruptured from a low speed rear end collision, the tooling process was well under way.

A study by Ford showed that modifying the gas tank of the 12.5 million Pintos it planned, would cost the company about \$11 a unit for a total of \$137 million

The government officially valued a human life at \$200,000, insurance companies valued a serious burn injury at \$67,000, and the average residual value on subcompacts was \$700.

Net (monetary) utility: "\$137 million of society's money to provide a benefit society valued at only \$49.15 million" (74-5)

Act Utilitarianism: Jeremy Bentham (1748-1832): "An action is right from an ethical point of view if and only if the sum total of utilities produce by that act is greater than the sum total of utilities produce by another act the agent could have performed in its place" (76)

What is a *utility*? Roughly, a unit of satisfaction or other benefit to a person



Avoiding Important misunderstandings:

- (i) Utilitarianism is about **overall**, utility — the utilities of **everyone** affected by an action — the sum of **every** individual's utility
- (ii) the benefits/costs of each action must also be compared with **all alternative available actions**—it's not enough for the benefits of any given action to outweigh its cost
- (iii) we must consider future and indirect consequences

So to consider the utility of action A, one must:

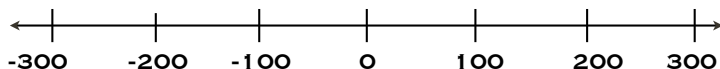
- (1) consider all possible available alternatives
- (2) calculate, for each alternative, the overall direct and indirect utility for those affected by the action for the foreseeable future
- (3) choose the action with the greatest overall net utility

Assumption of Utilitarian theory? To be able to compare the relative benefits and costs (positive and negative utilities) it must be possible to measure these relative on a common numerical scale, and these must be able to be added and subtracted from each other

Proposals for units:

- hedons/utils — units of pleasure or pain
- preference rankings

Slicing pinky Teeth cleaning Public Dancing Watching traffic Nice espresso Good movie Teaching



Preferences rank-ordered from most to least preferred

Teaching LIBS
Good movie
Nice espresso
Watching traffic
Public Dancing
Teeth cleaning
Slicing pinky

Aside on Formulating and Testing Moral Theories:

As educated, cultured human beings, we continually make ethical judgements

We learned to make these judgements since we were young, partly from the teachings of our parents, teachers, and our culture

There also seems a “natural” (biological?) aspect to morality—we seem designed to sort actions into good/bad, right and wrong (e.g., as are chimps and capuchins)



The goal of an ethical theory is to make these teachings and capacities explicit, to harmonize and unify them, and also to explain them

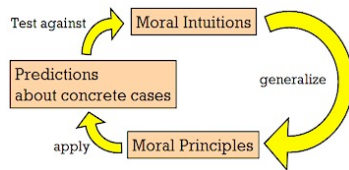
So, the **data** any moral theory has to account for is the past history of “considered” moral judgements, together with the output of our “intuitive” sense of right and wrong

Thus a vital test of a moral theory is how well it agrees with our intuitive sense of right and wrong, together with the repository of careful moral judgements

Of course, our historical judgements and intuition are themselves sometimes imperfect and inconsistent

So, once we’ve formulated a promising theory that handles the great majority of the data, we may allow that theory to correct some of our past judgements and intuitions

This process of formulating a theory to explain the moral “data,” then using the theory to correct some of the original “data,” and so on, is sometimes called “reflective equilibrium” (from Rawls)



graphic from: <http://philosophy.hku.hk/think/value/reflect.php>

http://en.wikipedia.org/wiki/Reflective_equilibrium

<http://plato.stanford.edu/entries/reflective-equilibrium/>

Reasons for adopting Act Utilitarianism:

- (i) Act utilitarianism explains how we design government policies and determine public goods;
- (ii) Act utilitarianism also matches how people often discuss moral conduct
- (iii) Act utilitarianism also explains why morality requires impartiality
- (iv) Act utilitarianism provides simple approach to moral dilemmas
- (v) Act utilitarianism provides support for traditional moral commands against lying, adultery, murder, etc.

Important! Unlike traditional morality, Act Utilitarians deny that the above actions are good or bad *in themselves*—they are seen as *usually* bad, because they *usually* have bad consequences

Occasionally, however, traditionally “bad” actions cause more benefits than costs and so are good from a Utilitarian standpoint

(vi) Utilitarianism has been highly influential in economics

Economics adds to the moral theory the empirical assumptions that

(a) people actually act to maximize their own utility and

(b) the utilities of goods equals the price people will pay for them

A Utilitarian economics seeks to give the most people the best price for the goods they desire

Utilitarianism is also the basis of cost-benefit analysis: We (should) choose those actions whose benefits outweigh their costs

Problems for Utilitarianism as a complete moral theory:

Moral theories can (be argued to have) failed in the task of explaining morality in two ways:

- **Internal** : Can the theory be applied clearly or consistently?
- **external**: Does the theory largely agree with our considered moral judgements?

I. Measurement problems with utility: (internal)

(i) How can one objectively measure the relative utility different people get from some action, since the benefit people get seems subjective and personal?

E.g., who would get greater utility from a job?

(ii) It seems morally *inappropriate* to measure some things in terms of benefits and costs:

e.g., the value of health or life

Thus, Ford managers valued a life at \$200,000, but how does one get such a value?

It also seems morally wrong *to many people* even to attempt to put a value on life

(iii) Measuring the benefits and costs of some actions which can't be reliably predicted, e.g., putting money on basic scientific research, with uncertain outcomes vs. spending it on social housing

(iv) Agreeing what are costs and benefits. For some versions of societies or persons, the outcomes will be benefits, while for alternatives, they will be harmful

e.g., A student who is choosing whether to become a philosopher or theologian: which the student makes may determine whether, say, reading Russell's *Why I am Not a Christian?* is a benefit or harm

(v) Utilitarianism assumes the value of all goods can be measured on a common standard (e.g., dollar value), and are thus perfectly tradable or are otherwise equivalent; but can you trade pizza for freedom of speech, pushpin for poetry?

Utilitarian Responses to these problems:

- (A) Though we can't always get precise measures of utility, we can often rank things as better or worse; so, e.g., we can tell that a job has more value for a single mother with children, than for a person with many other job opportunities
- B) We can sort things into those that have
 - (a) intrinsic value, and
 - (b) instrumental worth

e.g., health has intrinsic value
the pain of a dentist's drill has instrumental value

Thus, freedom of speech might have (nearly) intrinsic value because _____?

whereas pizza has purely instrumental worth (since it's just one way to fill your tummy, please your taste buds)



- (C) We can also distinguish between:
 - (a) **needs** (food, shelter, clothing, medical care, safety, security) and
 - (b) **wants** (desired things that will advance interests in some way)
- (D) Monetary evaluations are the most flexible way of evaluating things: What a person will pay for a thing indicates its utility to that person

What about the common anti-Utilitarian objection that health and life have no price?

Utilitarian Response: People may **say** this, but they **act** as if they **believe** health and life actually have a price—since they take risks

That is, depending on what we are willing to pay to prevent risks, given their probability, our attitude shows the worth of our health and life to us.

e.g. Improved safety equipment reduces the risk of being killed from 5/100,000 to 4/100,000: If we are only willing to pay \$5 more for this equipment, this shows we value 1/100,000 of our lives at \$5, and thus a whole life at \$500,000.

Rationale: Since life is risky, living demands trade-offs between different risky courses of action

II. Utilitarian Conflicts with Rights and Justice

To formulate these (external or conflict) problems, we try to create cases where utility clearly conflicts with principles of rights or justice

(1) **Rights:** e.g., Your cancerous uncle has a year to live; utility says you would be right to kill him, because you would save the lives of other potential cancer sufferers—assuming you couldn't be caught, and that killing your uncle didn't create other, more negative consequences,

But to gain these benefits, you would be violating a person's most basic right: their right to determine their own life

(2) **Justice:** Suppose the majority live quite well off the subsistence labour of migrant workers.

Utilitarianism would seem to say that this is morally acceptable.

However, you would be distributing social benefits and burdens in an *unjust* way

e.g., Ford managers made the majority of Pinto buyers happy (\$11 less per car), but forced 180 to absorb all the costs—the costs and benefits were not spread around in a just way

Utilitarian Replies to Objections on Rights and Justice

Rule Utilitarianism: (Richard Brandt)

- I. An action is morally right if and only if the action would be required by those moral rules that are correct.
- II. A moral rule is correct if and only if the total utilities produced if everyone were to follow that rule is greater than the total utilities produced if everyone were to follow some alternative rule.

Dealing with killing the uncle and subsistence wages:

Would a moral rule that allowed individuals to kill others to maximize perceived benefits make society better off than a rule which prohibited killing people without due process?

Problem for Rule Utilitarianism: It seems that it can be reduced to (turned back into) act utilitarianism by allowing rules with beneficial exceptions

e.g. "People are not to be killed without due process *except when* doing so will produce more utility than not doing so" (87)

Doesn't this rule maximize utility more often than the exceptionless rule?

Two Rule-Utilitarian Replies to this problem:

- (1) Human nature is weak and self-interested, and so we can't be relied on to follow such context-dependant rules in a maximal way

e.g., we can't be relied on to calculate our taxes to maximally benefit both ourselves and society. It's simpler and more reliable just to follow the rule: "Pay your taxes according to the law."

- (2) If it really were true that acting unjustly, say, *reliably* maximized benefits, the other "just" alternatives must actually be worse (87)

Summary: Two main concerns about the Utilitarian approach:

- (1) It can be hard to use for values that are difficult if not impossible to quantify
- (2) It seems to have problems with issues involving rights and justice

Practical syllogism

1. When Ford sold the Pinto in the way it did, Ford produce X units of benefits and Y units of costs.
2. Producing X units of benefits and Y units of costs maximizes social utility.
3. Maximizing overall social utility is always the right thing to do.
4. Ford did the right thing in selling the Pinto in the way it did.



For those who want to learn more about Utilitarianism, here are some links:

<http://en.wikipedia.org/wiki/Utilitarianism>

<http://www.rsrevision.com/Alevel/ethics/utilitarianism/>

<http://www.csus.edu/indiv/g/gaskilld/ethics/Utilitarianism%20notes.htm>

Tougher:

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

<http://plato.stanford.edu/entries/consequentialism-rule/>

<http://www.ianmontgomerie.com/manifesto/utilitarianfaq.html>