

In December of 1994 Transportation Secretary Federico Pena said that he would drop efforts to make General Motors recall pick-up trucks which the Department of Transportation had judged potentially deadly in exchange for \$51.3 million from General Motors to support safety programs unrelated to trucks. The Department of Transportation determined, based upon accident rates and other statistics, that 32 people can be expected to die in fires caused in part by the faulty design of the General Motors pick-up trucks before the six million pick-up trucks already on the road are junked. Mr. Pena contended, however, that more lives would be saved through safety programs financed in part by General Motors. For example, he said, one program to buy child safety belts for poor families is expected to save at least 50 lives and prevent 6,000 injuries.

Is Secretary Pena's decision in this case ethically justifiable? If so, why? If not, why not?

MODERATOR'S ANSWER: Secretary Pena's decisions were ethically justifiable. The recall process is intended to protect the public, not as a punishment for manufacturers. In making judgments about policies in regard to public safety it is appropriate, and, in some instances, necessary for an agency to weigh overall social costs and benefits by comparing the evils caused, prevented, or avoided through adopting a policy with the evils caused, prevented, or avoided by not adopting it. Such a weighing process probably figured in the Department of Transportation's initial decision to order the recall, and the Department was justified in relying upon a similar weighing process in its decision to cancel the recall.

Case from the 1995 Intercollegiate Ethics Bowl. Copyright Robert Ladenson, Center for the Study of Ethics in the Professions, Illinois Institute of Technology, 1995.