

BUSINESS ETHICS:
LESSON 5

CLASSICAL ETHICAL PHILOSOPHIES AND BUSINESS IMPLICATIONS



THE SOCRATIC TRADITION AND VIRTUE ETHICS

- **Socrates & Plato:** These philosophies emphasize that the "unexamined life is not worth living," focusing on the development of the soul and the pursuit of truth as the highest good.
- **Aristotle's Virtue Ethics:** * Aristotle defines the human good as an activity of the soul in accordance with virtue.

He posits that humans are "social animals" by nature, meaning we are meant to live and thrive within a community (polis).

The Golden Mean: Virtue is found in the balance between two extremes (deficiency and excess); for example, courage is the mean between cowardice and recklessness.

DEONTOLOGY (DUTY-BASED ETHICS)

- **Immanuel Kant:** This philosophy focuses on the morality of the action itself rather than the consequences.
- **Categorical Imperative:** Kant proposes that you should act only according to rules that you would want to become universal laws.
- **Respect for Persons:** A core tenet is to treat humanity always as an end in itself and never merely as a means to an end.

UTILITARIANISM

- **Jeremy Bentham & John Stuart Mill:** This framework evaluates the morality of an action based on its outcomes.
- **The Greatest Happiness Principle:** The "right" action is the one that produces the greatest amount of good or pleasure for the greatest number of people.
- In business, this is often reflected in "cost-benefit" analysis, though it is criticized for potentially ignoring the rights of the minority.

JOHN RAWLS: JUSTICE AS FAIRNESS

The Theory of Justice: Rawls argues that a just society is one where social and economic inequalities are arranged to benefit the least advantaged.

The Veil of Ignorance: This is a thought experiment where individuals design a society without knowing their own place in it (wealth, gender, race, etc.).

Two Principles of Justice:

- **Liberty Principle:** Everyone has an equal right to basic liberties.
- **Difference Principle:** Social and economic inequalities are only permissible if they result in compensating benefits for everyone, especially the most vulnerable members of society.

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THANK YOU!