30 TF questions

Write out principles that you had on the first test.

Define 10 box words

1 short discussion question

1. Orlando Argument
   1. Refutation of arguments involving alleged asymmetry in the weight of interests of shareholders and employees
      1. Property rights
      2. Fiduciary duties
         1. Other people’s money
      3. Assumption of risk
         1. Shareholders
            1. They risk their current money after the mortgage, food, putting money towards their kids college fund, etc are paid.
         2. Employees
            1. Loses primary source of income
            2. May lose electricity, car, or even the home
            3. What’s at risk is more fundamental
      4. Contracts
         1. Basis of economic system
         2. Mutually voluntary and mutually beneficial
         3. The worker will give their labor for a wage; the investor will receive all profits of the corporation.
         4. The worker expects that he will keep the job for life so long as they do not mess up in their job
            1. This idea is being seen less and less now as job security is becoming less important/demonstrated throughout the world
         5. When management refuses to downsize, they’re in some way violating the interests of shareholders.
            1. This seems unlikely due to

Shareholders are people who didn’t really enter into any contract with any contract

It’s unlikely you wouldn’t invest in a company if they said they weren’t going to downsize to increase profits

Most shareholders expect the corporation to take into account the interests of stakeholders and not just care about profits

* 1. Utilitarian Argument
  2. Positive Argument against downsizing (in many circumstances)
     1. It is morally wrong to cause a great harm for a lesser benefit. (Even to a large # of people).
        1. Utilitarian’s may disagree or agree with this statement.
           1. If they interpret it as the net utiles being negative then they would agree
           2. If they interpret it as a great harm to a few but a few positive utiles to a lot of people but the NET utiles is positive they’d agree

See example of Trent in class

See example of headaches

* + 1. Downsizing (sometimes) does cause a great harm for a lesser benefit (Even to a large # of people)
       1. To prevent a collapse of a company it is OK
       2. To raise profits, depends
    2. (In those cases) downsizing is morally wrong