

## *Clarifying the Avenues for Ethical Analysis*

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A comprehensive review of the many ways in which scholars have organized *critical thinking in ethics* is beyond the scope of this short essay. It is possible, however, to briefly sketch several of the more important types of thinking that have been proposed.<sup>1</sup>

### *Interest-Based Thinking*

One of the most influential avenues of ethical analysis, at least in the modern period, is what we can call *interest-based*. The fundamental idea behind *interest-based* analysis is that the moral acceptability of actions and policies depends solely on their consequences, and that the only consequences that really matter are the interests of the parties affected (usually human beings). *On this view, ethics is all about harms and benefits to identifiable parties.* Moral common sense is governed by *a single dominant objective: maximizing net expectable utility* (happiness, satisfaction, well-being, pleasure). Critical thinking, on this view, amounts to testing our ethical instincts and rules of thumb against the yardstick of social costs and benefits.

There is variation among *interest-based* analysts, depending on the relevant beneficiary class. For some (called *egoists*) the class is the actor alone -- the short and long term interests of the self. For others, it is some favored group -- Greeks or Englishmen or Americans -- where others are either ignored or discounted in the ethical calculation of interests. Sociologists call the latter phenomenon *ethnocentrism*. The most widely accepted variation of *interest-based thinking* (called *utilitarianism*) enlarges the universe of moral consideration to include all human beings, if not all sentient (feeling) beings. Jeremy Bentham and John Stuart Mill in the 19<sup>th</sup> Century were the most well-known defenders of utilitarianism.

There are, of course, debates over different aspects of *interest-based thinking*.

- How does one *measure* utility or interest satisfaction? Does economics provide a metric using monetary values?

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<sup>1</sup> It is important to add at the outset that the work of Jonathan Haidt in anthropology and social psychology (see Haidt, *The Righteous Mind*, Vintage, 2012) complements the philosophically-based discussion that follows. He uses *moral foundations theory* to identify five innate foundations or patterns of processing moral decisions in research on human social groups over many millennia: care/harm, fairness/cheating, loyalty/betrayal, authority/subversion, and sanctity/degradation. Some societies or parts of societies have tended to emphasize one or two of these patterns to the exclusion of the others (e.g., care and fairness to the exclusion of loyalty, authority, and sanctity). These foundational frames will recur, however, and conflicts will seek to “right the ship” so that all five are represented in some way. More on this complementarity later.

- For *whom* does one measure it (self, group, humankind, beyond)? How do we factor in the interests of the aged and the unborn? Do animals count?
- What about the *tyranny of the majority* in the calculation? Is it wrong to override some interests *even if* the majority might be in favor?

In business administration, *interest-based* reasoning often manifests itself as a commitment to the social value of market forces, competitive decision making, and (sometimes) regulation in the public interest. *Interest-based thinking* is sometimes thought of as a “democracy of values.”

**ILLUSTRATIONS.** Arguments for “Environmental Impact Statements” in connection with major private (or public) capital expenditures for roads, buildings, power plants, etc. represent the application of “cost-benefit analysis” (maximizing benefits, minimizing costs). The debate over using ANWR for domestic oil production in the US is a cost-benefit debate that runs up against not only human interests, but the interests of other species. If the interests of the many can be served by the sacrifices of a few, interest-based reasoning is often invoked. Corporate political activism before and after the 2020 elections in the US, including social media platforms like Google, Twitter, and Facebook, were most often defended by arguments appealing to the *interests* of the public.

### ***Rights-Based Thinking***

A second important avenue can be called *rights-based* analysis. The central idea here is that moral common sense is to be governed *not* by maximizing interest satisfaction, but by equalizing rights protection. And the relevant rights are of two broad kinds: rights to fair distribution of opportunities and wealth (Rawls’ *contractarianism*), and rights to basic freedoms or liberties (Nozick’s *libertarianism*). Social justice as “fairness” is often explained as a condition that obtains when all individuals are accorded equal respect and equal voice in social arrangements. Basic liberties are often explained in terms of individuals’ opportunities for self-development, work’s rewards, and freedoms including religion and speech.

Rights can be viewed as interests that we believe are *not* subject to majoritarian adjudication (as in Jefferson’s insistence on the *Bill of Rights*). They are “trumps” in debates with utilitarians over “the greatest good for the greatest number.”

Problems and questions regarding this avenue include:

- Is there a trade-off between equality and liberty when it comes to rights?
- Does *rights-based thinking* lead to *tyrannies of minorities* that are as bad as tyrannies of majorities?
- Is this type of thinking excessively focused on individuals and their entitlements without sufficient attention to larger communities and the *responsibilities* of individuals to such larger wholes?

In business administration, *rights-based* reasoning is evident in concerns about stakeholder rights (consumers, employees, suppliers) as well as stockholder (property) rights.

**ILLUSTRATIONS.** Debates about diversity in the workforce (gender, race, religion) often are rooted in rights-based thinking. Challenges to corporate cigarette marketing to minors (“Joe Camel”) were significant milestones. But as McDonald’s was challenged for promoting obesity, many began to wonder whether the limits of rights-based thinking had been reached. Instead, they claimed, individuals had to take responsibility for their own choices and they did not have a rights-claim against corporations. The “buyer beware” marketing culture of the first half of the 20<sup>th</sup> century seems to have been displaced by a “seller beware” marketing culture in the second half.

It should also be mentioned that debates over giving up certain civil rights or liberties in the name of the greatest good (e.g., security against terrorism) illustrate the power of both interest-based and rights-based avenues of ethical analysis. More recently, rights claims have come up against *interest-based thinking* in connection with COVID-19 travel bans between countries as well as COVID-19 restrictions on small businesses within the US. And corporate political activism leading up to the 2020 elections in the US led to controversy about the competing interests of *stakeholders* with the rights of *shareholders*.

### ***Duty-Based Thinking***

The third avenue, *duty-based thinking*, is perhaps the least unified and well-defined of the four avenues. Its governing ethical idea is *duty* or *responsibility* not so much to other *individuals* as to *communities* of individuals. Critical thinking depends ultimately on individuals conforming to the legitimate norms of a healthy community. Ethics is not finally about interests and rights according to the duty-based thinker since those are too individualistic. Ethics is about playing one's role as a member of a larger whole, either a web of relationships (like the family) or a community (*communitarianism*). The epitome of this line of thinking was expressed in President John F. Kennedy's inaugural: "Ask not what your country can do for you, ask what you can do for your country."<sup>2</sup>

Problems and questions regarding this avenue include:

- a concern that individualism might get swallowed up in a kind of collectivism (under the communitarian banner), and
- puzzles surrounding the “weighing” of potentially conflicting duties, e.g., duties stemming from different relationships (e.g., family) and communities (workplace) to which decision makers may belong.

In business, *duty-based thinking* appears in appeals to principles like the fiduciary duties and obligations of Boards of Directors to shareholders and in calls for corporate community involvement.

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<sup>2</sup> In the 19<sup>th</sup> century, duty-based thinking was defended eloquently by British philosopher F.X. Bradley in his famous essay “My Station and Its Duties.”

**ILLUSTRATIONS.** Debates over the “patriotism” of corporations that move their headquarters offshore to avoid taxes indicate that *duty-based thinking* is alive and well in our society. (*CALPERS* came close to eliminating such companies from its portfolio; and the US Congress came close to changing the law on this subject.) Controversies surrounding “socially responsible investing” (SRI), both in the US and in the European Union invoke obligations and responsibilities (*duty-based*) of investors (institutional and individual) to contribute to the common good and avoid supporting socially destructive enterprises (e.g., cigarette companies, opioid-boosting pharma companies). Another case revolved around the question of whether banks that market credit cards to vulnerable populations (immigrants, senior citizens, students who are new to credit) have a special *duty* to such customers that they might not have to their other customers. In general, ethical challenges over “conflicting loyalties” involve *duty-based thinking*, e.g., work vs. family; employer vs. client; company vs. community; department vs. college vs. university.

### *Virtue-Based Avenues*

In *virtue-based thinking*, decisions are subjected to scrutiny *not* based on their consequences for individuals’ interests or rights, *nor* based on their fidelity to relationships. The focus here is on developing and reinforcing certain *character traits*, and, in the case of organizations, *cultural norms*.<sup>3</sup> There is an emphasis in virtue-based thinking on habits that *give rise* to actions, on the belief that too often “the right thing to do” cannot be identified other than by saying “the *right* thing to do is what this virtuous individual or organization *would* do.”

The traditional list of basic (or “cardinal”) virtues includes prudence, temperance, courage, and justice. “Love, and do what you will,” said Augustine, indicating that the virtue of love was ethically more basic and more directly practical than attempts at determining “the right thing to do” (using interests, rights, and duties). *Newsweek* magazine devoted an issue to the theme of virtue-based ethics in American culture. One of the articles observed that:

[T]he cultivation of virtue makes individuals happy, wise, courageous, competent. The result is a good person, a responsible citizen and parent, a trusted leader, possibly even a saint. Without virtuous people, according to this tradition, society cannot function well. And without a virtuous society, individuals cannot realize either their own or the common good.<sup>4</sup>

Problems or questions associated with the *virtue-based thinking* include: What are the central virtues and their relative priorities in a postmodern world in which moral consensus seems difficult to reach? Are there timeless character traits that are not

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<sup>3</sup> The converse also applies: *avoiding* certain individual habits and vices, as well as cultural norms that could corrupt decision making.

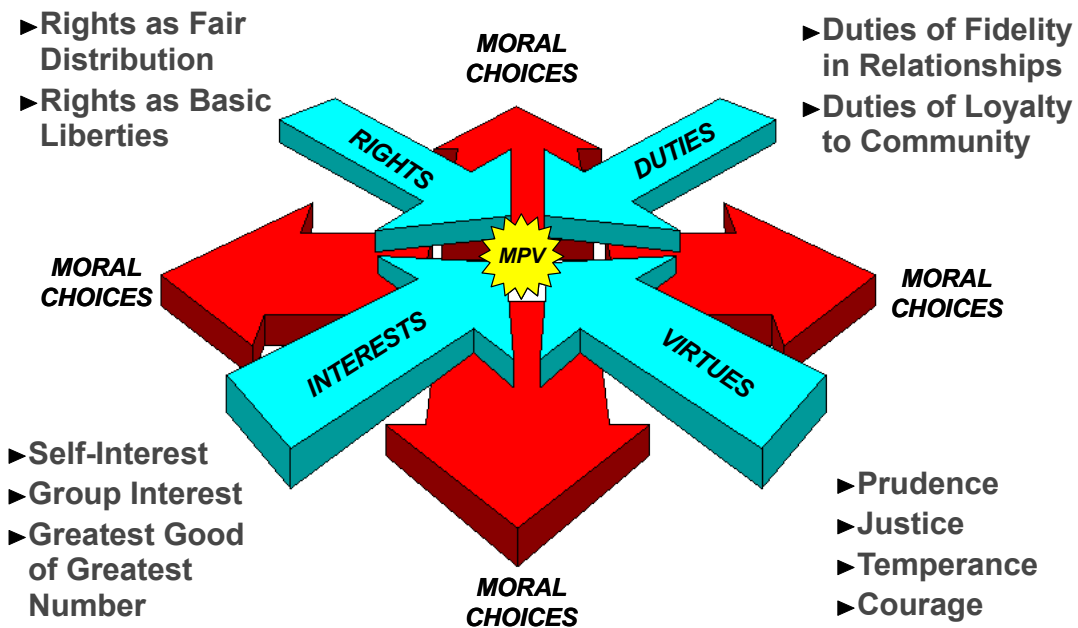
<sup>4</sup> Kenneth L. Woodward, “What is Virtue?” *Newsweek* (June 13, 1994), pp. 39-39.

culture-bound, so that we can recommend them to anyone, particularly those in leadership roles?

In business, the language of virtue is often heard in executive hiring situations as well as in management development training. It bears mentioning in this context that *culture* is often seen as an attribute of corporations analogous to *character* (virtue/vice) as an attribute of individual persons.<sup>5</sup>

Some of the more popular management books over the years have suggested virtue-based thinking in their titles: *In Search of Excellence* (Peters and Waterman, 1982), *The Seven Habits of Highly Effective People* (Covey, 1989), *Good to Great* (Collins, 2001), *Conscience and Corporate Culture* (Goodpaster, 2007); *The Righteous Mind* (Haidt, 2012).

### Summary Graphic



### *The Moral Point of View (MPV) and Four Avenues of Ethical Thinking*

<sup>5</sup> After the Enron scandal in 2002, the *characters* of the senior executives were called into question in addition to the *culture* that they created. A year or so later, the *Columbia Accident Investigation Board* report (August 28, 2003) observed that "NASA's *organizational culture* and structure had as much to do with this accident as the external tank foam."

Each of these four main types of ethical analysis could be pursued at great length, both conceptually and historically.<sup>6</sup> For our present purposes, it is enough to see them as *concentrations* of critical thinking in ethical matters. Each represents an outlook from which specific ethical challenges and cases might be addressed, if not resolved. All have in common the aspiration to give practical voice to “the moral point of view” in human life.

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<sup>6</sup> Referring again to the work of Jonathan Haidt, the care/harm foundation and Interest-based thinking cover similar territory, and the fairness/cheating foundation (with the sixth liberty/oppression foundation) align with the Rights-based avenue. Haidt’s loyalty/betrayal and authority/subversion foundations appear to align with Duty-based thinking, while the sanctity/degradation foundation seems to resemble the Virtue-based avenue. The principal take-away from this comparison is simply that the pathways to ethical decision making can be discerned with the help of social science and philosophy. The task is always to bring to bear *the moral point of view* on the decisions that we make both personally and (eventually) institutionally.