1. What is business?

* It is that activity rather than entities conducting it. Like medicine and law, business is a practice.
* People do business that they transact or trade.
* Acquiring other property rights by means of exchange

1. Ethics:

* Ethics are moral guidelines, which govern good behavior.

🡪 So behaving ethically is doing what is morally right.

An important distinction 🡪 behaving ethically is not quite the same as behaving lawfully.

* Ethics are about what is right and what is wrong.
* Law is about what is lawful and what is unlawful.

1. Business ethis:

* Ethics concern an individual's moral judgments about right and wrong.
* Decisions taken within an organization may be made by individuals or groups, but whoever makes them will be influenced by the culture of the company.
* The decision to behave ethically is a moral one; employees must decide what they think is the right course of action. This may involve rejecting the route that would lead to the biggest short-term profit.

BUSINESS ETHICS & MORE ON MORALITY (pp. 1-17):

A.     **Business Ethics:  An Oxymoron?**  Webster defines “oxymoron” as “A figure of speech in which antithetical incongruous terms are combined, as in ‘a deafening silence’ or ‘a mournful optimist.’”  Business ethics is certainly *not* an oxymoron.

B.     **Ethical Questions in Business**:

C.     **Morality v. Ethical Theory**:

1.      **Morality**:  Principles or rules of moral conduct.  According to **Beauchamp and Bowie** morality is concerned with social practices defining right and wrong.

2.      **Ethical Theory (= Moral Philosophy)**: = Reflection on the nature and justification of right actions; attempts to introduce clarity, substance, and precision of argument into the domain of morality.  To successfully argue for your position, you need to be able to defend your principles when they are challenged.  Lastly, “ethics” is a general term referring to both moral beliefs and ethical theories.

3.     **Nonmoral v. Immoral v. Amoral**:

Nonmoral = an action or context in which moral categories cannot be applied; e.g., choosing a necktie is a nonmoral act.

Immoral = Not moral; acting contrary to morality and/or conscience; not conforming to the accepted rules of right conduct; e.g., killing a person in violation of moral and social standards is immoral.

Amoral = (1) Being indifferent to and not caring to abide by the standard moral codes of society OR (2) The equivalent to nonmoral; e.g. of the first sense, killing a person without any concern or commitment to moral or social concepts of good or bad is amoral (1). (Peter A. Angeles, *Dictionary of Philosophy*, p. 8 and 128)

D.     **Moral Rules v. Prudence**:

**Moral rules involve the interests of other people**:  Parents, teachers, and peers teach us that certain things ought not to be done because they are “wrong” and other things ought to be done because they are “right.”

**Rules of prudence involve our self-interest, or what is (thought to be) in our best interest**.  E.g., “Don’t touch the hot stove” or “Eat your vegetables.”  As with moral rules, rules of prudence may possibly be false.

**The (ETHICALLY SPEAKING) Bottom Line:  Doing what’s right may involve losing money, making money, or neither losing money nor making money, but to an ethicist, money is irrelevant**.  **In this course, do not assume that a company’s prudential decision is the same as or more correct than the moral one!**

E.      **Morality and Law**:  It cannot be assumed that what is moral is legal; there may be a connection between law and morality such that the law is the “public’s agency for translating morality into explicit social guidelines and practices and for stipulating punishments for offenses.  Some examples of how the law and morality are not identical:

1.      **What is legal is not necessarily moral**:  Two examples.  **Bottom line:  In this course, we may question legal actions from a moral perspective.**

2.      **What is illegal is not necessarily immoral**.  **Bottom line:  In this course, we may question *illegal* actions from a moral perspective**.

F.      **The Rule of Conscience**:  You might agree with Jiminy Cricket from *Pinocchio*:  “Always let your conscience be your guide.”  The problem? (At

Ethics: Kantian Deontology