Ethics

Ethic is not an easy subject; its definition is bounded by many cultural, social and personal subjects. Thus, there is a wide line that separates ethics and non-ethical behavior. There is no clear definition in terms of what is right or wrong. The definition is based on moral values that evaluate what is right or wrong. This perception changes under the circumstances, pressure, expectations, etc. In addition, the evaluation process that claims the ethic definition for knowing what could be right or wrong could be oriented towards a certain outcome. The ethical problem always involves a dilemma, which means that the choice in between the mutually exclusive options will produce some favorable and unfavourable results. Then, in the philosophical field exists four basic theories that help trying to solve any dilemma related to ethical concerns. Some of these theories better work with some discipline than others, for this reason some authors recommend to evaluate the dilemma on the four theories and then decide in accordance with the results and the theory that more prevails; in brief, the four theories are:

1. Mill’s Utilitarianism. It states that the best choice in an ethical dilemma is that which produces the maximum benefit for the greatest number of people (considering the number of people affected, the intensity and duration of the pain to be avoided). This theory gives a leader a good input for the evaluation of the acts since it permits the maximum good for the maximum number of people. This theory is very easy of being applied in most circumstances as well as a very valuable in making ethical decisions.

2. Kant’s formalism. It states that every individual has a fundamental duty to act in a correct ethical manner. This theory believes that each person’s conscience imposes an absolute categorical imperative on that person to follow those courses of action which would be acceptable as universal principles for everyone to follow. Kant believed that the most basic good was a good will. This has an important difference with Mill who believes that universal happiness was the ultimate good. For a leader perspective this theory offers a more laxity in evaluating actions because it focuses on intention not in results or consequences. In fact, at some point both theories Kant and Mill could present some conflict, but this is the essence of ethics: there is not an absolute answer.

3. Locke’s rights ethics. This theory states that every individual has rights simply by virtue of his or her existence. The right to life and the right to the maximum possible individual liberty and human dignity are fundamental, and every individual rights must be recognized by others, who have a duty not to infringe on those rights. This theory has had a profound impact in the Canadian society and it looks to be related with our Chart of Rights and Freedoms. This theory gives a valuable input to a leader acting in our society. I could be found some similarity with Kant’s theory but for other perspective, while presents a different vision than Kant’s formalism theory.

4. Aristotle’s virtue ethics. This theory states that the goodness of the act, object, or person depended on the function or goal concerned. According to this theory, the company must have an appropriate goal to justify the act and classify it as ethical. The application of this theory conduct at a very depth discussion. As conclusion, this theory does not provide a
specific answer and it is very difficult to get similar conclusions if only a minimum change in the boundary conditions has happened. For a leader perspective, the support of some action based on this theory presents risks because the potential change of the results in changing the circumstances of the act evaluation.

For a leader, every theory is useful trying to resolve the ethics dilemma, but certainly Aristotle’s theory presents more challenges and volatility; in other way, Mill’s theory presents a broader vision of the ethics concept applied to the society more than individuals. So, it is important for a leader to know to whom s/he must preserve obligations and duties; certainly this could affect the ethical behaviour through a biased or too comprehensive spectrum of incidence that it could achieve wrong decisions.

Adding more complexity, ethics could be mixed with legal issues, what it wrong; there are two separated concepts in dealing with ethical or legal issues. All illegal issues are unethical, but the reciprocal does not work; it means that unethical behaviour also could remain under legal boundaries. Considering that the legal system in Alberta and Canada evolve continuously, this legal/ethical relationship could be modified over the time. There is an interesting case illustrating that called the “Daviault Case” where a women alleged sexual assault by Mr. Daviault. The court decision ruled that Daviault could not be convicted of sexual assault because he was in a state of extreme intoxication, akin to automatism or insanity. This situation clearly implied an unethical conduct but not illegal. Based on the society pressure, the Canadian Parliament amended the Criminal Code adding s 33.1 the called “self-induced intoxication” concept. So, now, this kind of conduct is illegal, then unethical.

For a leader, the ethical concept presents two folds, a permanent risk and a strong support driving his/her acts. The leader should explore unknown way, goes further and take risks; this involves to swim in unknown waters where never has swum. To be there implies that some people could consider that his/her conduct is going further that the accepted for the society with the logical ethical concerns. But at the same time, ethical concern could present a huge opportunity to the leader for introduce changes and try to move in other direction. Ethical perception could be used as a tool for a leader to introduce changes.

In business leadership, unethical conducts are very profitable and expensive at the same time. They are profitable till the conduct is known and release to the public. But most of the times those conduct are first of all illegal. Such is the case of Merck & Co., which management continued to aggressively market Vioxx (its arthritis drug that was facing intense competition from Pfizer’s Celebrex) despite having information suggesting there were heart attack and stroke risks associated with Vioxx. Ultimately, over 27,000 patients may have died as a result of Vioxx-related complications. Merck & Co.’s financials suffered, as well; in November of 2007, the company agreed to a nearly $5 billion Vioxx settlement. And while many significant ethical lapses have occurred in the United States, such failures are not exclusively an American phenomenon; one need only consider Parmalat, Royal Ahold, and the Chinese milk scandal, among others, to recognize this fact (Gilley, M., Robertson, C. and Mazur, T.; 2010).
For the businesses point of view and strict ethical concerns we don’t need to go so far, treatment of workers in foreign facilities and environmental contamination by global businesses are two additional reminders that ethical lapses span the globe. For example, Companies such as the Canadian Barrick Gold Corporation follows strict regulatory rules in Canada doing business, but they take the advantage of the corruption, and relaxed and full of gaps regulations in developing countries to do business in a complete different way than in Canada, knowing that they way to do business there present many ethical infringements against people, environment, etc. The Canadian Parliament is discussing Bill C-300 addressing this Canadian concern in how Canadian companies (mainly mining companies) develop business outside Canada in an ethical way.

In the other side, in 2006 the Nobel Peace Prize went to two real leaders Muhammad Yunus and Grammen Bank for their efforts to create economic and social development based on micro-credits. This business approach has given to thousands of poor people without access to money or credit, to develop their own business giving them a strong possibility of progress and improvement. Without any doubt something more than a good ethical conduct, and with clear ethics outcomes for Mill's theory involving human rights.

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References