Schefflerian Ethics and Corporate Social Responsibility  

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ABSTRACT. This paper examines some of the essential features of Samuel Scheffler's hybrid theory of ethics. Scheffler posits and defends a moral theory which is intended to be neither act-consequentialist nor fully agent-centered. Instead, it provides an agent-centered analysis of moral thinking: one that, unlike consequentialist theories, respects the personal integrity of the moral agent. In this paper I shall do the following: (1) Sketch some of the general points of Scheffler's proposal; (2) Apply Scheffler's ethical theory to the matter of corporate social responsibility; and (3) Raise some objections to this Schefflerian corporate social responsibility theory, along with some modifications of this hybrid theory of corporate social responsibility which are intended to evade such criticisms.

The significance of this paper is that it shows that Scheffler's quite innovative ethical theory is problematic as a foundation for a theory of corporate social responsibility.

Introduction

The field of business ethics is replete with papers on the issue of corporate social responsibility. Some, like Milton Friedman, have argued that in general corporations have only the responsibility to use their resources and engage in activities designed to increase their profits so long as they engage in open and free competition, without deception or fraud.1 For Friedman, corporations have no social responsibility. Others, like Norman E. Bowie, have argued for corporate social responsibility from social contract theory, suggesting that it is part and parcel of the nature of a corporate charter that corporations have social responsibility.2 Still others, like Peter A. French, argue that corporations are moral persons and intentional agents and that these characteristics are what make them morally (socially) responsible.3 Indeed, a number of others have argued either for or against corporate social responsibility, some more successfully than others.

There are those who might argue for a theory of corporate social responsibility based on an act-consequentialist ethic. But, it could be countered, consequentialist ethical theories rob corporations of personal integrity by requiring them to act to produce the best available or expected overall outcome. Samuel Scheffler sets forth a hybrid theory which he thinks is one which respects the personal integrity of the moral agent.

In this paper I shall provide a sketch of some of the essentials of Scheffler's hybrid theory. In so doing, I shall focus on the agent-centered prerogative and the personal point of view. Then I shall apply Scheffler's hybrid theory to the issue of corporate responsibility and suggest that a rationale can be provided for a hybrid theory of corporate social responsibility. Following this I shall discuss objections to this hybrid theory: (1) That it assumes a collectivist notion of responsibility; (2) That it permits a corporation (in its pursuit of its own projects) to harm society; (3) That the agent-centered prerogative permits a corporation (in its pursuit of its own projects) to alienate itself from society; and (4) That the hybrid theory is not justified, but provides only a motivation to accept the personal standpoint as somehow relevant to moral theory. Following this I shall consider two modifications of the hybrid theory of corporate social responsibility which are

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intended to evade some of these objections. The Singly Modified Hybrid Theory is problematic because it allows corporations to benefit over (more than) society, and the Doubly Modified Hybrid Theory is problematic in that it collapses into a form of act-consequentialism.

I conclude that in the light of the substantive objections against it the hybrid theory is inadequate as a foundation for a theory of corporate social responsibility unless and until a modified form of the hybrid theory is able to accommodate such objections.

Scheffler's hybrid theory

In The Rejection of Consequentialism, Scheffler argues in favor of a hybrid theory of ethics. By this he means that his theory stands in an intermediate position between consequentialism and fully agent-centered theories. As an intermediate position, the hybrid theory shares common characteristics with both consequentialism and fully agent-centered theories. Like consequentialism, the hybrid theory permits moral agents to act to produce the best available or expected overall outcome. A difference between these two theories, of course, is that consequentialism also requires moral agents to maximize the total available or expected aggregate outcome, whereas the hybrid theory does not make this demand on moral agents. Like fully agent-centered theories, the hybrid theory permits moral agents to pursue their own respective projects instead of maximizing the total available or expected aggregate outcome. These latter two theories differ in that the hybrid theory, unlike fully agent-centered theories, places limits on a moral agent's permission to pursue his or her own projects out of proportion to their value from the impersonal standpoint. Such a prerogative would be a genuinely agent-centered prerogative, for it would have the function of denying that what an agent is permitted to do in every situation is limited strictly to what would have the best overall outcome, impersonally judged.

Whereas act-consequentialism requires that a moral agent act to produce the best available or expected overall outcome, Scheffler's hybrid theory permits a moral agent to act in such a way. The agent-centered prerogative allows an agent to at times and within limits pursue his or her own projects at the expense (or instead) of producing the best available or expected overall outcome. The hybrid theory, then, denies that moral agents must always act from the impersonal standpoint, that is, from the standpoint of what is the best available or expected overall outcome. Instead, the impersonal standpoint is to be conjoined (in the hybrid theory) with the personal standpoint, where a moral agent is permitted to pursue his or her own projects out of proportion to their value from the impersonal standpoint.

Scheffler believes that the hybrid theory evades the charge that is often made against consequentialist theories: that such theories undermine the personal integrity of the moral agent by subsuming the agent's pursuit of his or her projects under the requirement of that agent to act to produce the best available or expected overall state of affairs. That is, such theories require moral agents to act in strict proportion to producing the best available or expected overall outcome from an impersonal stand-