Philosophies of the Resolution  
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“Economics,” intones the beginning of Thomas Sowell’s voluminous *magnum opus*, “is the study of scarce resources which have alternative uses.”[[1]](#footnote-1) If resources were infinite, the economics as a discipline would be superfluous. After all, in such a situation, everyone could personally possess every conceivable thing in the universe. Yet, as Sowell astutely observes, resources are not just finite, but *scarce.* Some people have more, others less. As a result, society is clearly demarcated into the haves and the have-nots.

Since Adam Smith pioneered the discipline in the eighteenth century, economists have calculated and catalogued the laws governing the perpetual distribution of such resources. Algorithm upon algorithm, formula after formula, economists have produced a series of mechanical descriptions so sterile that the nineteenth-century British historian Thomas Carlyle dubbed the discipline “the dismal science.”[[2]](#footnote-2) In light of this, many economists have concluded that “their science [is] value-free,” according to the *Routledge Encyclopedia of the Philosophy of Science.[[3]](#footnote-3)* In this valueless vacuum, economists purportedly measure, quantify, and delineate descriptive—not prescriptive or normative—principles.

Is this enough? When we survey the globe and see millions languishing in abject poverty because their governments hoard scarce resources or trafficked by those who seek to transform human beings into mere resources, ought we to describe mechanically how the inexorable dictates of supply and demand result in such situations?

Of course not. Economics needs philosophy. To grapple with the crucial issues of the NCFCA LD resolution this year, you need to transcend the typical conception of economics and infuse it with philosophical understanding. This article equips you to do just that.

# A Primer on Moral Theory

Justice. Human Dignity. Human Rights. Quality of Life. Societal Wellbeing. If you have competed in LD for more than two tournaments, you’ve likely been exposed to the panoply of external standards debaters employ to adjudicate between the two concepts in a comparative resolution. The “value” bears its moniker because it adds a dimension of value to the debate round: In isolation, we cannot determine whether fair trade or free trade is more important. When we insert the value of Quality of Life and see that free trade bolsters global living standards, we subsequently apprehend the superiority of free trade over fair trade.

What, however, renders *values* valuable? Why do we exalt notions like Human Rights and Justice as standards?

To answer those questions, we must probe the underlying moral theories which define the value of our values. In the process, we’ll discover that the two primary ethical frameworks—deontology and consequentialism—inform our understanding of fair trade and free trade as well.

# Deontology and Fair Trade

## Immanuel Kant and Deontology

Derived from the Greek roots *deon* (meaning “duty”) and *logos* (meaning “word,” “law,” or “science”), deontology refers to a category of ethical theories which posit that moral worth resides in actions, not results.[[4]](#footnote-4) In other words, what makes your action moral or immoral is simply your action itself. Lying is wrong because one’s moral duty is to tell the truth. Murder is wrong because it contravenes one’s moral obligation to humanity. Seems self-explanatory? A guide to ethics published by the University of Texas concurs. “Deontology is simple to apply. It just requires that people follow the rules and do their duty. This approach tends to fit well with our natural intuition about what is or isn’t ethical.”[[5]](#footnote-5)

The *Stanford Encyclopedia of Philosophy* illustrates deontology with this thought experiment: “A surgeon has five patients dying of organ failure and one healthy patient whose organs can save the five.”[[6]](#footnote-6) Deontology would dictate that one must allow the five patients to die, because killing the healthy patient is an immoral action, whereas the surgeon is not responsible for the results of the five patients dying. The revolutionary eighteenth-century philosopher Immanuel Kant was the progenitor of this philosophy (in his *Groundwork for the Metaphysics of Morals*):

“Kant held that nothing is good without qualification except a good will, and a good will is one that wills to act in accord with the moral law and out of respect for that law rather than out of natural inclinations. He saw the moral law as a categorical imperative—i.e., an unconditional command—and believed that its content could be established by human reason alone. Thus, the supreme categorical imperative is: ‘Act only on that maxim through which you can at the same time will that it should become a universal law.’ Kant considered that formulation of the categorical imperative to be equivalent to: ‘So act that you treat humanity in your own person and in the person of everyone else always at the same time as an end and never merely as means.’”[[7]](#footnote-7)

## Applying Deontology to Fair Trade

Fair trade’s connotations of equity link to deontological ethical theories. Drs. Alex Nicholls and Charlotte Opal similarly connect the notions of Kantian deontology and fair trade: “In a Kantian analysis, Fair Trade stands as a manifestation of a normative categorical imperative that establishes the need to treat others fairly (as one would wish to be treated) and to avoid exploitation.”[[8]](#footnote-8)

Sarah DeGoff of the London School of Economics summarizes some of the philosophical applications.

“The topic of global trade has become central to debates on global justice and on duties to the global poor, two important concerns of contemporary political theory. The leading approaches evaluate trade in terms of its impact upon the global poor, or they view the trade regime as an important site of global justice. For a consumer choosing between a conventional coffee brand and a fair trade brand that costs a bit more, the moral significance of her choice is often understood in terms of its impact on global poverty or the realization of global justice. Peter Singer would advise the consumer to choose fair trade coffee as a way to transfer resources to the global poor. Andrew Walton argues that choosing fair trade coffee has expressive effects that can motivate others to act on their duties of global justice.”[[9]](#footnote-9)

It is interesting that Dr. DeGoff should mention Peter Singer in a deontological discussion, as Singer was an avowed consequentialist. However, the duty-oriented principle remains—individuals possess a moral obligation to assist other humans, and fair trade provides one avenue to actualizing this obligation.

“Such deontological concepts as rights, duties, equality and norms have been widely analyzed in political economics, institutional economics, socio-economics and ecological economics. It is mostly accepted that rights and regulations influence economical behavior by restricting individual choice. Such restriction is required to ensure the freedom of other participants of economical relationship. Often it is analyzed in the context of the free trade - anti-dumping law and monopoly restrictive trade practices [instantiations of free trade]– these are examples of deontology ethics, universal morality norms that are promoted by the law.”[[10]](#footnote-10)

# Consequentialism and Free Trade

## John Stuart Mill and Consequentialism

Often imagined as the opposite of deontology, consequentialism encompasses moral systems which assert that normative value inheres in an action’s consequence, rather than the action itself. Put simply, the status of “good” or “bad” depends exclusively on the ramifications of an action. Genocide is wrong because it accrues negative results, like a net decrease in collective happiness. Lying, on the other hand, may or may not be wrong depending upon how many people it affects.

Let’s revisit the *Stanford Encyclopedia of Philosophy*’s thought experiment (“A surgeon has five patients dying of organ failure and one healthy patient whose organs can save the five”[[11]](#footnote-11)). The consequentialist harvests the organs from the healthy patient to save the imperiled lives of the five. For the consequentialist, the advantage of five lives saved outweighs the disadvantage of one death.

Although consequentialism ironically engenders some unpalatable consequences, various interpretations provide positive perspectives. For example, John Stuart Mill proposed “a revised version of utilitarianism [another name for consequentialism] called rule-utilitarianism. According to rule-utilitarianism, a behavioral code or rule is morally right if the consequences of adopting that rule are more favorable than unfavorable to everyone. Unlike act utilitarianism, which weighs the consequences of each particular action, rule-utilitarianism offers a litmus test only for the morality of moral rules, such as ‘stealing is wrong.’”[[12]](#footnote-12)

The *Stanford Encyclopedia of Philosophy* enumerates myriad modes of consequentialism, each differing in how they account for and evaluate consequences.

“Consequentialism = whether an act is morally right depends only on consequences (as opposed to the circumstances or the intrinsic nature of the act or anything that happens before the act).

Actual Consequentialism = whether an act is morally right depends only on the actual consequences (as opposed to foreseen, foreseeable, intended, or likely consequences).

Direct Consequentialism = whether an act is morally right depends only on the consequences of that act itself (as opposed to the consequences of the agent's motive, of a rule or practice that covers other acts of the same kind, and so on).

Evaluative Consequentialism = moral rightness depends only on the value of the consequences (as opposed to non-evaluative features of the consequences).

Hedonism = the value of the consequences depends only on the pleasures and pains in the consequences (as opposed to other supposed goods, such as freedom, knowledge, life, and so on).

Maximizing Consequentialism = moral rightness depends only on which consequences are best (as opposed to merely satisfactory or an improvement over the status quo).

Aggregative Consequentialism = which consequences are best is some function of the values of parts of those consequences (as opposed to rankings of whole worlds or sets of consequences).

Total Consequentialism = moral rightness depends only on the total net good in the consequences (as opposed to the average net good per person).

Universal Consequentialism = moral rightness depends on the consequences for all people or sentient beings (as opposed to only the individual agent, members of the individual's society, present people, or any other limited group).

Equal Consideration = in determining moral rightness, benefits to one person matter just as much as similar benefits to any other person (= all who count count equally).”[[13]](#footnote-13)

## Applying Consequentialism to Free Trade

Free trade advocates often employ a consequentialist rubric to demonstrate that the benefits of free trade outweigh the benefits of fair trade, or that fair trade is disadvantageous, warranting its rejection, as Daniel Wood, for example, argues in his thesis.[[14]](#footnote-14)

Andrew Walton rejects fair trade in favor of free trade on these grounds:

“In this article I consider two consequentialist positions on whether individuals in affluent countries ought to purchase Fair Trade goods. One is a narrow argument, which asserts that individuals should purchase Fair Trade goods because this will have positive direct effects on poverty reduction, by, for example, channeling money into development. I argue that this justification is insufficient to show that individuals should purchase Fair Trade goods because individuals could achieve similar results by donating money to charity and, therefore, without purchasing Fair Trade goods. The second position has a wider focus. It notes both the direct effects of purchasing Fair Trade goods and possible indirect effects, such as the impact this might have on other individuals. I argue that certain actions, of which Fair Trade is one example, will be more likely to encourage individuals who would not otherwise contribute to poverty reduction to contribute and that this may produce additional positive value.”[[15]](#footnote-15)

# Conclusion

When governments engage the economic realm, they must import philosophy to superintend their policy. This article enables you to grasp the moral undercurrents of fair trade and free trade, enriching your debate rounds through penetrating to the undergirding ethical frameworks.

Do note that although fair trade is more frequently associated with deontology and free trade with consequentialism, scholars have mounted robust defenses of both concepts with both moral theories. For example, see Robert McGee’s “Moral Case for Free Trade”[[16]](#footnote-16) and a Harvard-published paper on “The Economics of Fair Trade.”[[17]](#footnote-17)

1. Thomas Sowell, *Basic Economics: A Common-Sense Guide to the Economy*, *5th Edition* (New York: Basic Books, 2015), 2. Sowell’s definition is a quote from British economist Lionel Robbins. [↑](#footnote-ref-1)
2. Derek Thompson, “Why Economics Is Really Called ‘the Dismal Science,” *The Atlantic*, 17 December 2013, <https://www.theatlantic.com/business/archive/2013/12/why-economics-is-really-called-the-dismal-science/282454/> [↑](#footnote-ref-2)
3. “Philosophy of Economics,” *Routledge Encyclopedia of the Philosophy of Science*, <http://www-personal.umd.umich.edu/~delittle/Encyclopedia%20entries/Philosophy%20of%20Economics.htm> [↑](#footnote-ref-3)
4. “Deontological Ethics,” *Encyclopedia Britannica*, 27 December 2017, <https://www.britannica.com/topic/deontological-ethics> [↑](#footnote-ref-4)
5. “Deontology,” *Ethics Unwrapped*, University of Texas. <http://ethicsunwrapped.utexas.edu/glossary/deontology> [↑](#footnote-ref-5)
6. Larry Alexander and Michael Moore, "Deontological Ethics", The Stanford Encyclopedia of Philosophy (Winter 2016 Edition, <https://plato.stanford.edu/archives/win2016/entries/ethics-deontological/> [↑](#footnote-ref-6)
7. Deontological Ethics,” *Encyclopedia Britannica*, 27 December 2017, <https://www.britannica.com/topic/deontological-ethics> [↑](#footnote-ref-7)
8. Alex Nicholls and Charlotte Opal, *Fair Trade: Market-Driven Ethical Consumption* (SAGE, 2015), 63. [↑](#footnote-ref-8)
9. Sarah C. Goff, "Fair trade: global problems and individual responsibilities,” *Critical Review of International Social and Political Philosophy*, 6 November 2016, <https://www.tandfonline.com/doi/pdf/10.1080/13698230.2016.1252993?needAccess=true> [↑](#footnote-ref-9)
10. Ilona Baumane-Vitolinaa, Igo Calsa, Erika Sumiloa, "Is Ethics Rational? Teleological, Deontological and Virtue Ethics Theories Reconciled in the Context of Traditional Economic Decision Making," *Procedia Economics and Finance* 39 (2016), 111. <https://ac.els-cdn.com/S2212567116302490/1-s2.0-S2212567116302490-main.pdf?_tid=ce19efca-c749-485d-823b-1ff2d08cb010&acdnat=1530662313_d8b3c3c3fc37a68fa299ad9ac28320b8> [↑](#footnote-ref-10)
11. Larry Alexander and Michael Moore, "Deontological Ethics", The Stanford Encyclopedia of Philosophy (Winter 2016 Edition, <https://plato.stanford.edu/archives/win2016/entries/ethics-deontological/> [↑](#footnote-ref-11)
12. James Fieser, “Ethics,” *Internet Encyclopedia of Philosophy*, <https://www.iep.utm.edu/ethics/#SH2c> [↑](#footnote-ref-12)
13. Walter Sinnott-Armstrong, "Consequentialism", *Stanford Encyclopedia of Philosophy* (Winter 2015 Edition), <https://plato.stanford.edu/archives/win2015/entries/consequentialism/> [↑](#footnote-ref-13)
14. Daniel Wood, "The Ethics of Globalization, Free Trade, and Fair Trade," Thesis at the University of St. Andrews, 2011. <https://research-repository.st-andrews.ac.uk/bitstream/handle/10023/2115/DanielWoodMPhilThesis.pdf?sequence=3&isAllowed=y> [↑](#footnote-ref-14)
15. Andrew Walton, “Consequentialism, Indirect Effects and Fair Trade,” *Utilitas* Vol. 24, No. 1, March 2012, 121, <http://doc.rero.ch/record/300430/files/S0953820811000410.pdf> [↑](#footnote-ref-15)
16. Robert W. McGee, "The Moral Case for Free Trade," Fayetteville State University, 25 October 2016, <https://poseidon01.ssrn.com/delivery.php?ID=458117106069071089112105085102086118051053051021058043068127070104100112011077088102036054032126054012052113019031085101064011038007053017081066020116012007020006045111110092107101005007104081023070119094112101086081028121126100117103120077067&EXT=pdf> [↑](#footnote-ref-16)
17. Raluca Dragusanu, Daniele Giovannucci, Nathan Nunn, “The Economics of Fair Trade,” *Journal of Economic Perspectives*, <https://scholar.harvard.edu/files/rdragusanu/files/jep_firstdraft_sept10_2013.pdf> [↑](#footnote-ref-17)