



Lecture 2-4

Social Contract Theory

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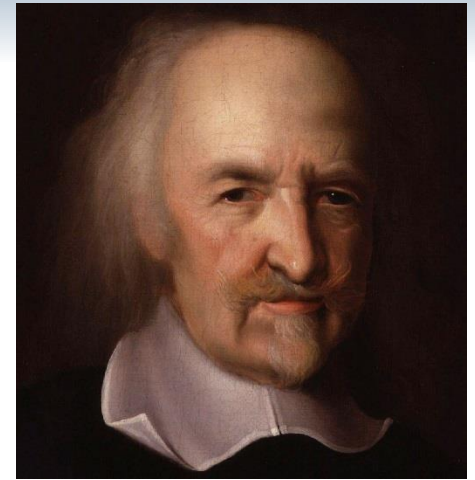
Utilitarianism Recap

- What is act utilitarianism?
- What is rule utilitarianism?
- How is utilitarianism different from ethical egoism?
- How do we come up with/argue for utility functions?
- How can utilitarianism be useful even if we don't agree on the utility function?
- Other questions from you?
- Why does Kevin hate the trolley problem?

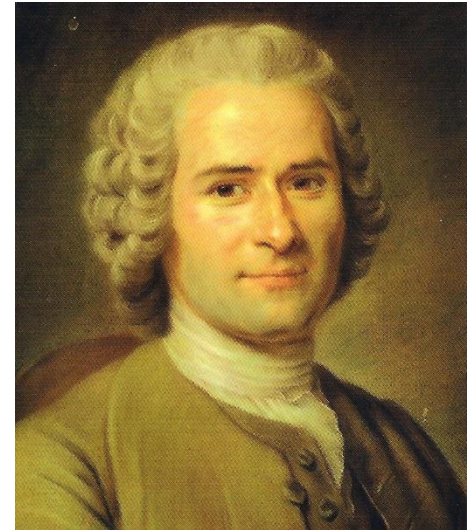
Social Contract Theory

- Thomas Hobbes
 - “State of nature”
 - We implicitly accept a social contract
 - Establishment of moral rules to govern relations among citizens
 - Government capable of enforcing these rules

- Jean-Jacques Rousseau
 - In ideal society, no one above rules
 - That prevents society from enacting bad rules



1588-1679



1712-1778

Social Contract Theory Definition of Morality

James Rachels:

“Morality consists in the set of rules, governing how people are to treat one another, that rational people will agree to accept, for their mutual benefit, on the condition that others follow those rules as well.”

If you're an econ geek:

“every Nash equilibrium in sets of social rules is morally right.”

Kinds of Rights

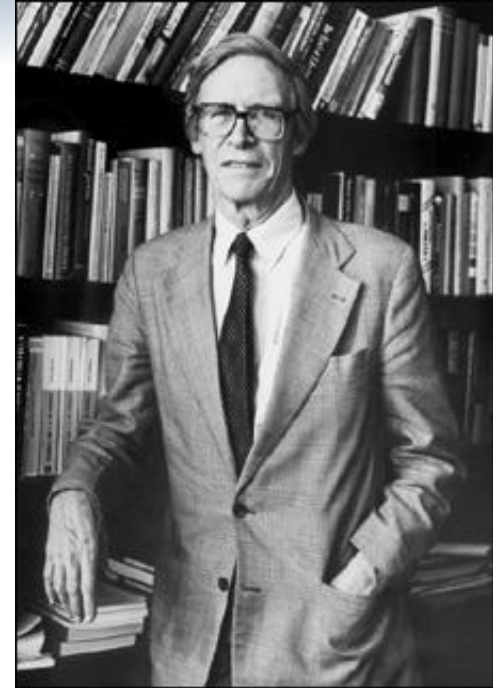
- Negative right:
 - A right that another can guarantee by leaving you alone
- Positive right:
 - A right obliging others to do something on your behalf
- Absolute right:
 - A right guaranteed without exception
- Limited right:
 - A right that may be restricted based on the circumstances

Positive rights tend to be more limited

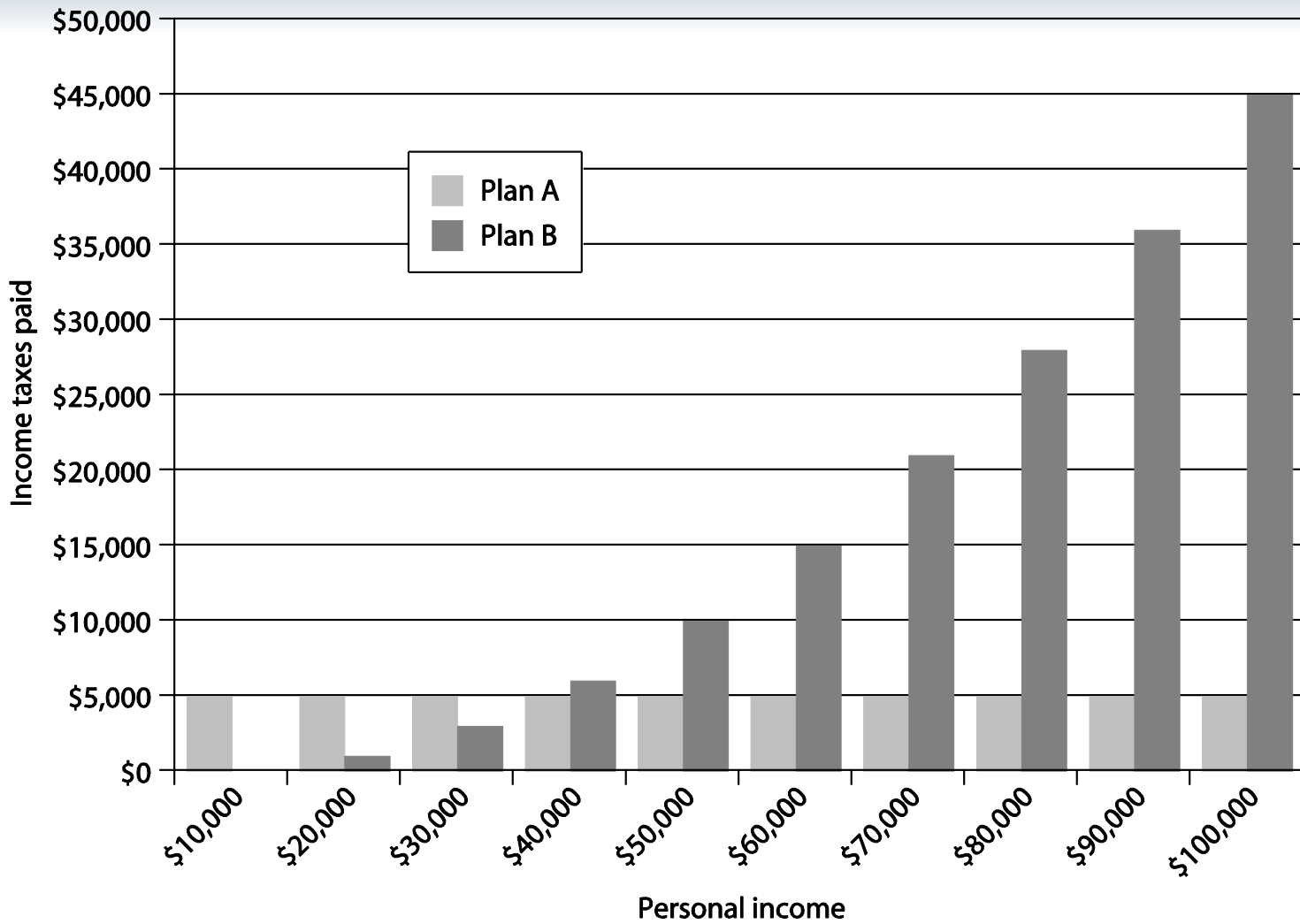
Negative rights tends to be more absolute

John Rawls's Principles of Justice

- Each person may claim a “fully adequate” number of basic rights and liberties, so long as these claims are consistent with everyone else having a claim to the same rights and liberties
- Any social and economic inequalities must
 - Be associated with positions that everyone has a fair and equal opportunity to achieve
 - Be to the greatest benefit of the least-advantaged members of society (the difference principle)
- *Rawls is saying more than just that every Nash equilibrium is moral.*



Rawls's Difference Principle



Movie Download Scenario

- InterMovies is a site that streams TV series and movies for a flat monthly fee
- Collects information about media choices from customers
- Constructs profiles of customers
- Sells profiles to direct marketing firms
- Some customers happy to receive more emails; others unhappy at increase in “junk mail”

Evaluation (Social Contract Theory)

- Consider rights of InterMovies, customers, and other companies
- Does customer have right to expect contact info to be kept confidential?
- If customer watches a show using InterMovies, who owns information about transaction?

What do you think about InterMovies?

Let's explore both scenarios. Working in groups of 3 consider whether each point of view can be justified using social contract theory.

OPTION A: Customer doesn't have the right to privacy

OPTION B: Customer does have the right to privacy

- Try to construct a system of rules that rational people would accept as beneficial, given that others would accept these ideas as well.
- Does this system of rules meet Rawls' conditions?

Let's vote:

- We can justify the no-privacy scenario
- We can justify the privacy scenario
- Which social contract would you prefer

Case for Social Contract Theory

- Framed in language of rights
 - Intuitive and natural
- Explains why people act in self-interest without common agreement
 - Logically, it's the best thing to do (prisoner's dilemma)
- Provides clear analysis of certain citizen/government problems
 - Why is it right to punish someone for a crime?
 - Why is civil disobedience justifiable?

Case Against Social Contract Theory

- No one signed contract
- Some actions have multiple characterizations. In such cases, we don't learn how to make trade-offs between these conflicting rights.
 - Same problem we saw with Kantianism, though phrased in terms of duties instead of rights.
- May unjustly treat people who cannot uphold contract
 - In principle, we should distinguish between people who *can't* follow the contract, and those who *choose not to*.
 - In practice, this can be hard to do.