Lecture 8
Social Contract Theory
Participation Quiz

- The word “sustainable” is unsustainable (A=T, B=F, C=WTF?)
Course update

- This week’s project
- Midterm: February 28
- Baharak’s Office Hours: Monday
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
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.”

In other words, every Nash equilibrium is morally right.
Kinds of Rights

- Negative right: A right that another can guarantee by leaving you alone
- Positive right: A right obligating 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 tend 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 First Principle of Justice

Each person’s rights and liberties must be consistent with everyone else having the same rights and liberties.
DVD Rental Scenario

- Bill owns chain of DVD rental stores
- Collects information about rentals from customers
- Constructs profiles of customers
- Sells profiles to direct marketing firms
- Some customers happy to receive more mail order catalogs; others unhappy at increase in “junk mail”
Evaluation (Social Contract Theory)

- Consider rights of Bill, customers, and mail order companies.
- Does customer have right to expect name, address to be kept confidential?
- If customer rents DVD from bill, who owns information about transaction?
- If Bill and customer have equal rights to information, Bill did nothing wrong to sell information.
- If customers have right to expect name and address or transaction to be confidential without giving permission, then Bill was wrong to sell information without asking for permission.
What do you think about the DVD example?

• Now, let’s explore both scenarios. Work in groups of four to consider whether each of the following scenarios can be justified using social contract theory.
  – Customer doesn’t have the right to privacy
    • Can you 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?
  – Customer does have the right to privacy
    • Can you 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 (A=true)
  – We can justify the privacy scenario (A=true)
  – Which social contract would you prefer (A=no privacy; B=privacy)
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.
Summary: Objectivism vs. Relativism

• Objectivism: Morality has some kind of existence outside a given human mind
• Relativism: Morality is subjective
  – This is clearly not going to get us anywhere persuading anyone else with a moral argument.
• Kantianism, utilitarianism, and social contract theory examples of objectivism
  – So are divine command theory and ethical egoism, but we rejected these as poor bases for ethical argumentation.
Comparing Workable Ethical Theories

What makes an action morally right?

- It results in an increase in the total good of the affected parties. (ACT UTILITARIANISM)
- It is in accord with a correct moral rule.

What makes a moral rule correct?

- We can imagine everyone following this rule all the time without producing a logical contradiction that undermines the rule. (KANTIANISM)
- The effect of everyone following this rule all the time would be the greatest increase in the total good. (RULE UTILITARIANISM)
- Rational people would collectively accept it as binding because of the resulting benefits to the community. (SOCIAL CONTRACT THEORY)