

Ford pinto case study essay

[Business](#), [Company](#)



1. Moral Agent

The Ford Pinto case is based on the constant explosion of Ford Pinto due to poor and defective fuel systems. The design led to several debates regarding the strategies applied by Ford for cost cutting measures. There was a clear lack of ethics, as the company was unwilling to upgrade the fuel system for the benefit of its customers.

2. Issue

The main issue is that Ford was willing to risk safety over reducing production costs, even when the cost for upgrading the fuel system would be \$11 per car.

3. List of Possible Consequences

A. If action is taken:

- The company will be able to sell the Pinto
- It will penetrate the small car market
- It will maintain its positive image
- The company will avoid lawsuits
- Damages will have to be paid
- The company will be able to expand its production
- The company will not incur heavy losses from producing the Pinto (recalling the cars sold)
- The company will maintain its customer base, and potentially increase it.

B. If the action is not taken:

- it would damage or tarnish the company's reputation and image,
- customers will discredit the company
- customers would stop buying the company products not just the Pinto
- the company will incur heavy losses
- the lawsuits will result in the company paying heavy amounts in damages
- selling defective cars will endanger the public, which is illegal
- the company may in the long-run shut-down due to continuous losses

4. Ethical Theories:

A. Theory

- Egoism
- Absolutism
- Relativism
- Utilitarianism

B. Measurement

- Egoism: it involves indicating how the company is unwilling to spend more money for the customers so as to save on production costs
- Absolutism: It is determined by the manner in which the Ford Management is unwilling to change its fuel design and system
- Relativism: determining whether the company will pay more if they do not change their fuel system, rather than save money
- Utilitarianism: determining whether the company holds that the current fuel system is the best course of action that is satisfactory

C. Judgment

- Egoism: the company demonstrates egoism
- Absolutism: the case reveals there is absolutism
- Relativism: The case reveals that the company will pay more if they do not change the fuel system.
- Utilitarianism: the company believes that the current fuel system is satisfactory

D. Defense of Judgment

- Egoism: the company is not willing to spend more money to improve the Pinto
- Absolutism: the company does not want to change their stance for the benefit of their customers
- Relativism: the company will more money in lawsuits and reputation if they do not change their fuel system design
- Utilitarianism: Ford believe that the current design is ideal (satisfactory), hence they do not intend on changing it