

# Immanuel kant, deontological ethics assignment

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How does Immanuel Kant's categorical imperative apply to these two unethical actions in a business scenario? The Scandal Adelphia was a cable television company formed in 1952 by John Rigas and two other partners. Rigas ultimately bought out the partners of the company and grew the business with his brother and sons, making it a family business. In 1986 the company became publically listed and later became the fifth largest cable company in the United States before it ultimately filed for bankruptcy in 2002 due to internal corruption issues.

One example of the internal corruption at Adelphia was the accounting techniques that were used by the Rigas family. Billions of dollars in debt and liabilities were hidden from the public and from the financial reports to make the company appear in better financial standing than it actually was. The company also altered its profit statements in order to increase its positive image amongst investors. Also, there were numerous examples of the Rigas family "borrowing" company funds with the intent of paying back later that were never noted on the financial statements. (Barlup, Hanne, & Stuart, 2009) Two Key Problems

Out of the multiple ethical problems that can be drawn from the Adelphia scandal, two key ethical problems stand out above the rest. The first of these two main problems is the dishonesty of the founding and controlling members of the company, the Rigas family. As previously mentioned billions of dollars in debt and liabilities were hidden from the public and off of the financial reports to make the company appear in better financial condition than was actually the case. The former cable television company also would alter the amount of earnings made in favor of the company.

In addition to those examples, Adelphia also falsified operations statistics. During the trial James R. Brown, former vice president of finance, testified that; “ I lied in person to investors when I met them. I lied in the company’s filings. I lied in the company’s press releases (Barlup, Hanne, & Stuart, 2009). ” After the fall Of the company it appeared that a vast majority of the financial information about the company was untruthful. The second of the two main problems is the fact that ‘ the Rigas family used the company as a personal ‘ piggy bank’. Barlup, Hanne, & Stuart, 2009) There are numerous accounts of the Rigas family using the shareholders money loosely without their knowledge. One example of the Rigas family using the company as a personal piggy bank was the purchase of an almost thirteen million dollar golf course built on the Rigas family property. Another example of the Rigas family using the company as a personal piggy bank was the use of company jets for personal use. On one occasion a company plane was used to deliver a Christmas trees to John Rigas’ daughter in New York. After that tree was not good enough for her,

John Rigas used the company plane again to deliver another one. (Barlup, Hanne, & Stuart, 2009) A company jet was once used for an African safari. (Markon & Frank, 2002) Ellen Rigas, John Rigas’ daughter, not connected to the company in any way, received millions of dollars to fund her personal ventures. A couple more examples of the use of company money for personal use were the purchase of timber rights for the family and funding of a local hockey team. Examples such as these were not mentioned in any of the financial Statements; however some Of the amounts were later added as a mall footnote in the company filings. Barlup, Hanne, & Stuart, 2009)

Deontological Ethics Deontological ethic is essentially moral values that depend upon one's duty. Everyone has the duty to make the right decision or action. The question with deontological ethics, however, is to whom or what is that duty. Utilitarian ethics have an easier way of determining the choice or decision at hand. What maximizes the most amount of good for the most amount of people? Deontological ethics, however, makes decision independent of consequences for the majority or for one's self.

A deontologist makes a decision because it is right. Also, deontological decisions are found to be moral only if the motivation is moral. If the motivation is not ethical, then the action itself is not ethical regardless of how much good was done in the process of doing that action. (Deontological ethics, 2013) Categorical Imperative Categorical Imperative is a philosophical concept of deontological ethics created in 1785 by German philosopher Immanuel Kant. Categorical Imperative requires that any action or inaction be unconditional and absolute for all parties involved.

Categorical Imperative, 2013) That being stated, categorical imperative requires that one only act if he or she would have that action become a universal law. An example of this type of imperative is 'Thou shalt not lie'. This is different than the other type of imperative introduced by Kant, the Hypothetical Imperative. An example Of a hypothetical imperative would be "Do not lie if you want people to trust you". The difference is the ulterior motive at the end of the statement, which is the motivation for doing the right thing. The categorical imperative requires that you do something because it is ethical, not as a means to an end. Categorical Imperative, 2013)

Deontology & Adelpia Communications The first problem that the

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deontological framework of business ethics can be applied to regarding Adelphia Communications is the use of company funds and assets without the public's knowledge. Deontology judges the morality of an action based on the action's adherence to a rule or duty. (Deontological ethics, 2013) The operators of a company have the duty to make money for the stockholder, not to spend the money of the stockholders. Also, it was not the Rigas' money or assets to use, it was the stockholders.

For multiple reasons, deontologically speaking this action of the Rigas family is unethical. The second problem that the deontological framework of business ethics can be applied to regarding Adelphia Communications is the blatant lies told by the Rigas family to the public for almost twenty years. Deontology judges the morality of an action based on the action's adherence to a rule or duty. (Deontological ethics, 2013) The operators of a company have the duty to report the numbers of the company with honesty for the stockholders, not to lie to the stockholders.

Also, it is against the rules to lie about those sorts of numbers per the Securities Exchange Act of 1934. (Securities Exchange Act Of 1934, 2013)

For more than one reason, deontologically speaking, this specific action taken by the Rigas family is unethical. Categorical Imperative & Adelphia Communications The first problem that Kant's Categorical Imperative can be applied to regarding Adelphia Communications is the use of company funds and assets without the public's knowledge. Kant's Categorical Imperative requires that any action or inaction be unconditional and absolute for all parties involved. (Categorical Imperative, 2013) Using this imperative one would have to assume that it is ethical to use assets that do not belong to  
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you. Obviously, this maxim is unethical. For this reason, this specific action taken by the Rigas family is unethical in regards to the categorical imperative. The second problem that Kant's Categorical Imperative regarding Adelphia Communications is the blatant lies told by the Rigas family to the public for almost twenty years. Kant's Categorical Imperative requires that any action or naction be unconditional and absolute for all parties involved. Categorical Imperative, 201 3) Using this imperative one would have to assume that it is ethical for everyone to lie. This is also, obviously, unethical. Thus, once again, the actions of the Rigas family were unethical. Conclusion In summary, Adelphia Communications, one of the largest cable companies in the nation at its height, is now out of business as of 2006 due to several unethical decisions by the Rigas family. Any organization, if operated under unethical decision making to this extent, would be destined for failure and Adelphia Communications is no exception.

The two main unethical actions that are highlighted are lying and stealing. Were these actions justified, deontologically speaking? No, they were not. The operators of a company have the duty to make money for the stockholder and to do so honestly, not spend the money of the stockholders and lie while doing it. How does Immanuel Kant's categorical imperative apply to lying and cheating in a business scenario? Immanuel Kant's categorical imperative states that both of the unethical decisions that were highlighted are unethical due to the fact that neither of the actions can be universal.

At best these actions are hypothetical imperatives. If you want to ruin your company, then you should lie and steal.

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