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## A CONTRACTUALIST DEFENSE OF SWEATSHOP REGULATION

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AN INVITED RESPONSE TO Michael Kates (2021), "Sweatshop Regulations and Ex Ante Contractualism," *Bus Ethics J Rev* 9(6): 33–39, https://doi.org/10.12747/j1i06

## ABSTRACT

Kates argues that *ex ante* contractualism fails to defend interference with sweatshops on moral grounds. In this commentary, I argue that Kates does not apply this approach correctly. *Ex ante* contractualism, indeed, successfully defends interference and thus should still be considered an appealing alternative to other moral approaches for evaluating when and how to interfere in sweatshop conditions to help workers.

**BUSINESS ETHICISTS DISCUSS** whether interference with sweatshops might sometimes be morally impermissible due to the expected harmful consequences to some of the workers. For example, when a host government enforces minimum wage laws in these industries, the sweatshop decision-makers often end up laying off several workers to offset their profit loss due to the mandated wage increase.

Two sweatshop critics, Coakley and Kates (2013), successfully argue on welfarist grounds that such inference does not necessarily harm sweatshop workers. Nevertheless, there is a drawback to their welfarist defense of sweatshop interference. The welfarist account appeals to the expected *aggregate* welfare increase of sweatshop workers and non-workers in the host country because of interference. However, this account ignores the complaint of the workers who expect to lose their jobs due to the same interference.

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