

Why Justice Matters for Business Ethics

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A COMMENTARY ON Abraham Singer (2016), “Justice Failure: Efficiency and Equality in Business Ethics,” *J Bus Ethics* OnlineFirst, <http://doi.org/10.1007/s10551-016-3086-x>

ABSTRACT

In a recent critique of the so-called “market failures approach” (MFA) to business ethics Abraham Singer maintains that business firms have ethical responsibilities to voluntarily restrain their profit-seeking activities in accordance with the demands of justice. While I ultimately share Singer’s intuition that the MFA has overlooked the importance of justice in business ethics, I argue that he has not presented a fully adequate case to explain why justice-related responsibilities should be assigned to business firms. I conclude by offering a brief – and supportive – alternative to his position.

THE SO-CALLED “market failures approach” (MFA) to business ethics characteristically grounds norms of business conduct in the normative conditions standing behind Pareto efficient markets. Ethical business firms, thus, have a responsibility to uphold the “implicit morality of the market” and, among other things, support voluntary contracting, refrain from “exploiting” standard market failures, such as information asymmetries, low levels of competition and negative externalities,

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