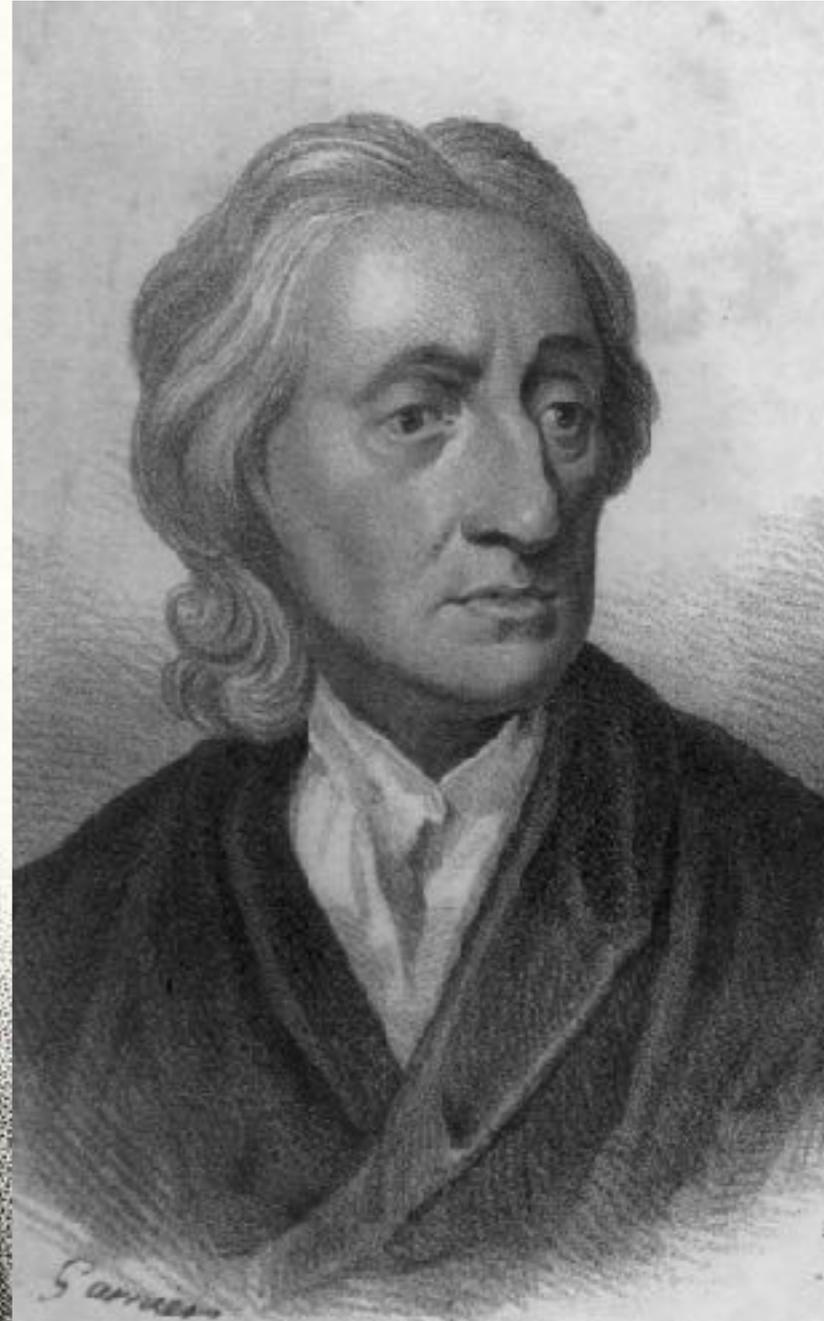
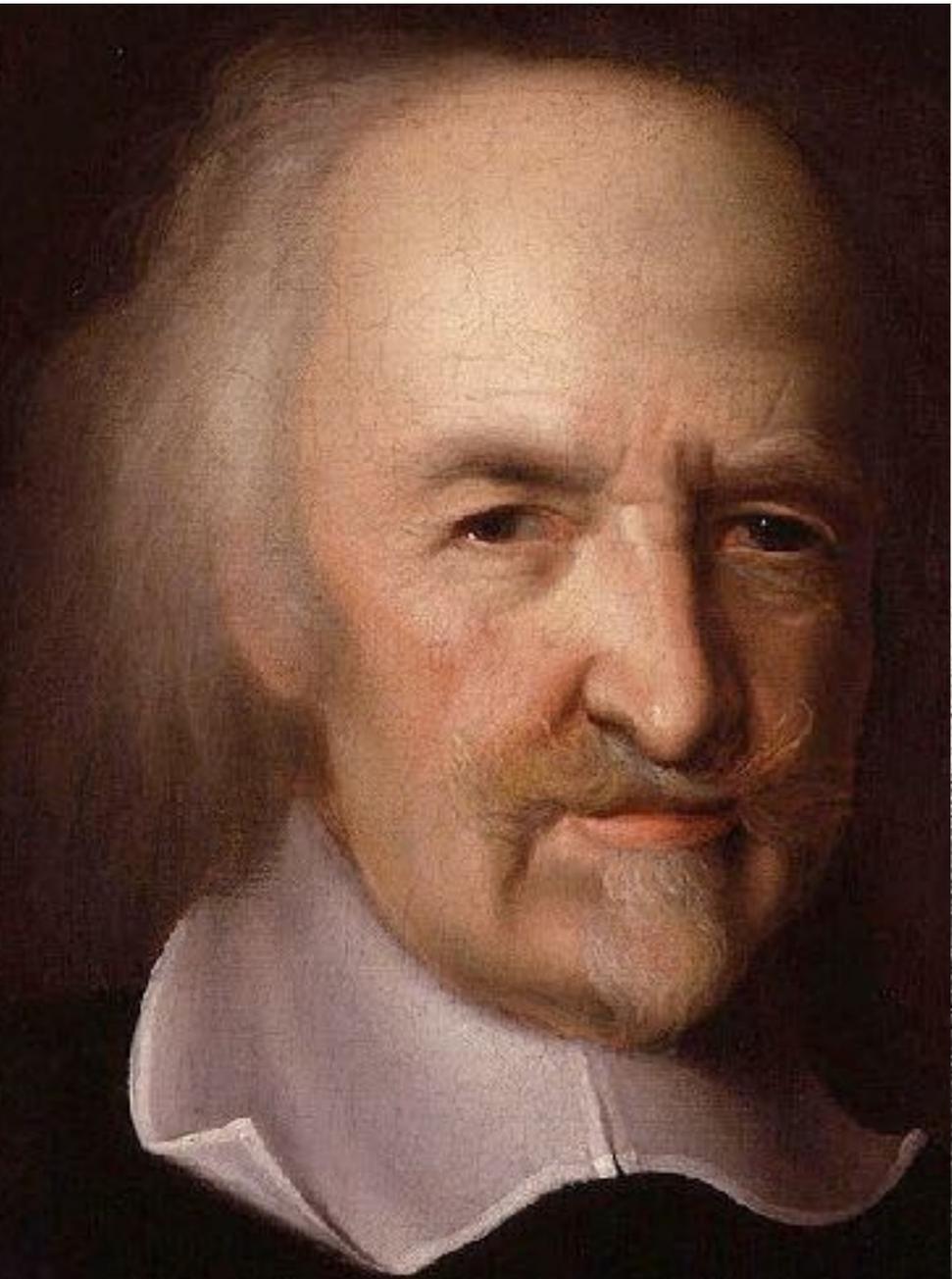


# Ethical Egoism

Ethics Unit 5

# The primacy of Self Interest in the Western tradition



# A. The individual exists prior to society - society does not construct the individual

- Hobbes

“Hereby it is manifest that during the time men live without a common power to keep them all in awe, they are in that condition which is called war; and such a war as is of every man against every man.”

- Locke

“MEN being, as has been said, by nature, all free, equal, and independent”

- Smith

“But man has almost constant occasion for the help of his brethren, and it is in vain for him to expect it from their benevolence only. He will be more likely to prevail if he can interest their self-love in his favour, and show them that it is for their own advantage to do for him what he requires of them.”

**B. Rights inhere to the individual - they are not granted by social or political institutions**

- **Locke**

**“MEN being, as has been said, by nature, all free, equal, and independent”**

# The interests of the individual are the basis for economic and political organization and thus any system ethics must be based on self interest

- Hobbes

“Hereby it is manifest that during the time men live without a common power to keep them all in awe, they are in that condition which is called war; and such a war as is of every man against every man”

- Locke

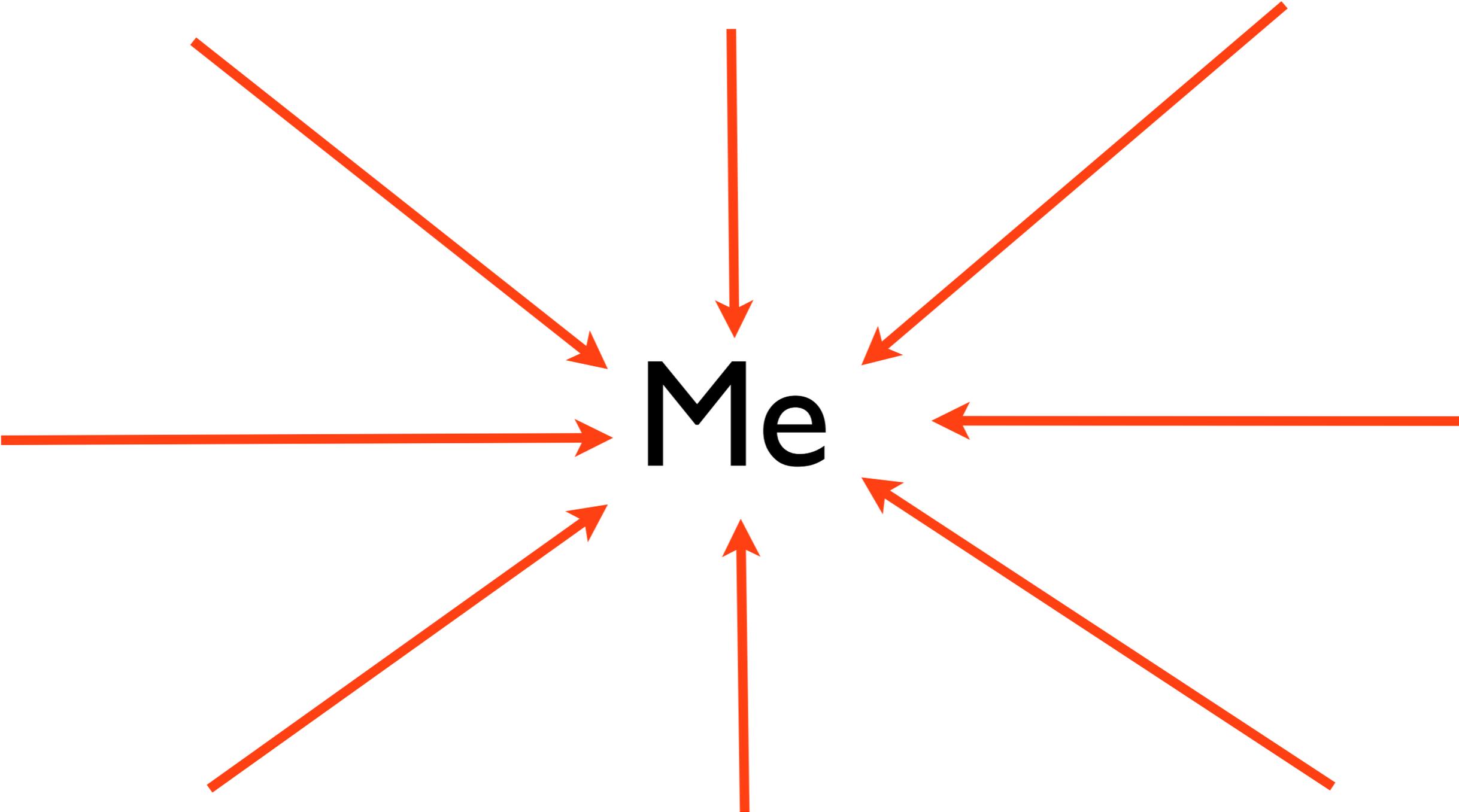
“The only way whereby any one divests himself of his natural liberty, and puts on the bonds of civil society, is by agreeing with other men to join and unite into a community for their comfortable, safe, and peaceable living one amongst another, in a secure enjoyment of their properties, and a greater security against any, that are not of it.

- Smith

Whoever offers to another a bargain of any kind, proposes to do this. Give me that which I want, and you shall have this which you want, is the meaning of every such offer; and it is in this manner that we obtain from one another the far greater part of those good offices which we stand in need of. It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.

- The self is thus defined by the self - in fact the act of self definition is taken as a basic right.
- In order to protect this right (and others) all individuals are considered to be equal to every other individual.
- Society should offer the greatest degree of freedom for individuals to pursue self interest and self definition as is consistent with the principle of equality as it relates to the social contract.
- At its root, the core ethical assumption made here is the self interest - what defines the right is based on what is in the interest of the self.

# Ethical egoism



# Definitions - Psychological v. Ethical egoism

- Psychological egoism is a descriptive theory
- Ethical egoism is a normative theory



**B. Ayn Rand**

**1. Biography**

**2. Arguments for  
ethical egoism**

1. One either practices an ethics of egoism or an ethics of altruism
2. A person has only one life, that life is valuable
3. The ethics of altruism requires us to sacrifice this thing of value for the sake of others

Therefore: the ethics of altruism does not take seriously the value of the human individual and thus must be rejected. Ethical egoism acknowledges the value of the individual and thus should be accepted

## C. Other arguments supporting ethical egoism

- 1. Altruism is self defeating

# “The Deadweight Loss of Christmas” Joel Waldfogel, 1994

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THE AMERICAN ECONOMIC REVIEW

DECEMBER 1993



deadweight loss. Smolensky et al. (1977) calibrate utility functions with demand data on food, housing, and medical insurance, which they use to calculate the value of various in-kind transfers to benefit recipients. They find that food stamps and rent supplements, which most resemble cash, generate no deadweight loss, while the deadweight losses for public housing, Medicare, and Medicaid are between 9 percent and 39 percent, assuming an elasticity of substitution ( $\sigma$ ) of 0.5, and between 5 percent and 24 percent assuming  $\sigma = 1.0$ . The simulated proportionate deadweight losses of government in-kind transfers are thus no larger, and in many cases are smaller, than the deadweight losses of holiday gift-giving.<sup>11</sup>

## IV. Conclusion

Estimates in this paper indicate that between a tenth and a third of the value of holiday gifts is destroyed by gift-giving. Because average losses of at least 10 percent hold for all gift price ranges in the sample, the lower-bound proportionate loss estimates may be reasonably applied to other populations. While the generality of these results is not settled, the deadweight losses arising from holiday gift-giving may well be large: holiday gift expenditures in 1992 totaled \$38 billion according to one estimate.<sup>12</sup>

If between a tenth and a third of this spending was wasted, then the deadweight loss of 1992 holiday gift-giving was between \$4 billion and \$13 billion.

To develop a feel for the significance of the deadweight loss of Christmas, one may compare it with an estimate of the deadweight loss of taxation. Edgar K. Browning (1976) estimates the total static welfare cost of income tax to be about \$50 billion dollars (inflated to 1992 dollars using the CPI). Thus, the annual deadweight loss of holiday gift-giving is between a tenth and a third of the annual static welfare losses associated with income taxes.

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## C. Other arguments supporting ethical egoism

1. Altruism is self defeating
2. Egoism as the fundamental principle of ethics

# D. Weaknesses of Ethical Egoism

- False Dichotomy

- No means for conflict resolution

- Arbitrariness

1. Any ethical doctrine that prioritizes the interests of one group over another (absent a difference which justifies differentiation) is arbitrary

2. Arbitrary distinctions cannot form the basis of workable ethical systems

3. Ethical egoism prioritizes the interests of the self over the interests of others in the absence of significant differences between self and others

Therefore: Ethical egoism (like racism or sexism) is arbitrary and cannot form the basis of a workable ethical system