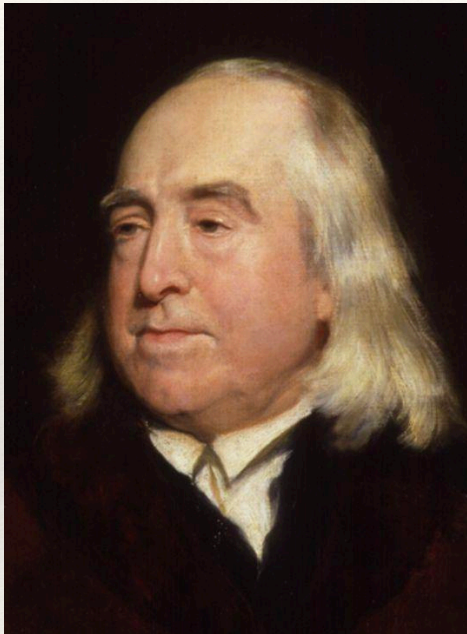
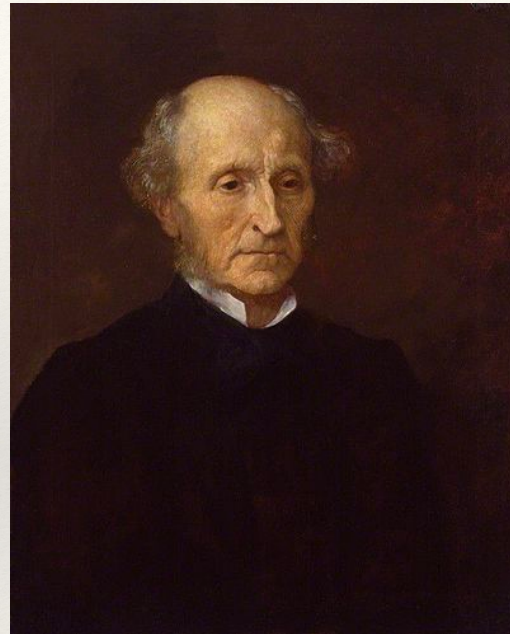

Utilitarianism

Utilitarianism



Jeremy Bentham (1748-1832)



John Stuart Mill (1806-1873)

Utilitarianism

Intrinsic values

Valuable for its own sake

Instrumental values

What are its effects

Utilitarianism

Intrinsic values

Valuable for its own sake

Pain

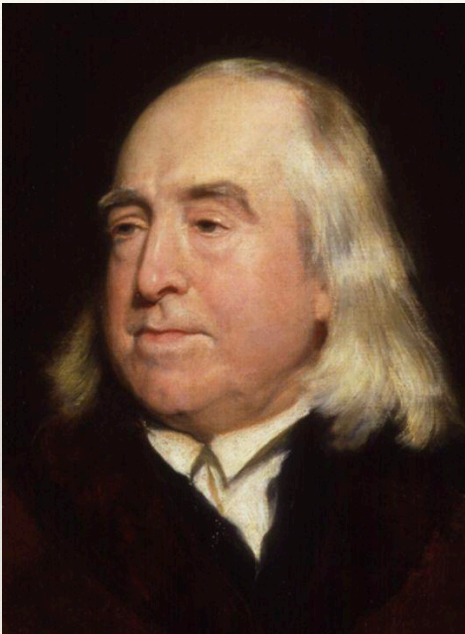
Pleasure

Instrumental values

What are its effects

Money

Bentham's utilitarianism



Pleasure is the only intrinsic good

Pain is the only intrinsic bad

Actions, therefore must be judged instrumentally

Bentham's utilitarianism

5. Sum up all the values of all the *pleasures* on the one side, and those of all the pains on the other. The balance, if it be on the side of pleasure, will give the *good* tendency of the act upon the whole, with respect to the interests of that *individual* person; if on the side of pain, the *bad* tendency of it upon the whole.

Bentham's utilitarianism

6. Take an account of the *number* of persons whose interests appear to be concerned; and repeat the above process with respect to each. *Sum*

Bentham's utilitarianism

Definition:

The doctrine that an action is right insofar as it promotes happiness, and that the greatest happiness of the greatest numbers should be the guiding principle of conduct

Cost-Benefit Analysis

- **Costs:** Anything that might cost money if you choose this option. For example, if you want to buy a car, the cost would include gas, insurance, maintenance and repairs.
- **Benefits:** Anything that might benefit you if you choose this option. For buying a car, the benefits could include convenient transportation to work or school and saving time.

GIVING A VALUE TO PAIN

How much would you have to be paid to ... (Thorndike, 1930s)

Have a front teeth pulled out	
Have the little toe of one foot cut off	
Eat a life earthworm six inches long	
Choke a cat to death with your bare hands	
Live the rest of your life on a farm in Kansas	

GIVING A VALUE TO PAIN

How much would you have to be paid to ... (Thorndike, 1930s)

Have a front teeth pulled out	\$4,500
Have the little toe of one foot cut off	\$57,000
Eat a live earthworm six inches long	\$100,000
Choke a cat to death with your bare hands	\$10,000
Live the rest of your life on a farm in Kansas	\$300,000

IMPACT OF SMOKING ON PUBLIC FINANCES

Philip Morris / Czech Republic (1991)

COSTS		BENEFITS	
Fire related costs	49 Million CSZ	Customs duty	354 Million CSZ
Lost income tax due to higher mortality	1367 Million CSZ	Corporate taxes	747 Million CSZ
Days out of work	1667 Million CSZ	Personal taxes (VAT,...)	19169 Million CSZ
ETS costs	1142 Million CSZ	Health care costs savings due to higher mortality	968 Million CSZ
Health care costs (first hand smoking)	11422 Million CSZ	Pension and social expenses costs savings	196 Million CSZ
		Savings on housing for elderly	28 Million CSZ
TOTAL	15647 Million CSZ	TOTAL	21463 Million CSZ

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NET BENEFIT: 5815 Million CSZ

FIXING A DEFECT OR NOT?

Ford Pinto (1970s)

COSTS		BENEFITS	
11 million cars, \$11 / car	121 Million USD	180 deaths \$200,000 / death	36 Million USD
1.5 million light trucks, \$11 / truck	16.5 Million USD	180 serious burn injuries \$67,000 / injury	12.06 Million USD
		2100 burned vehicles \$700 / vehicle	1.47 Million USD
TOTAL	137.5 Million USD	TOTAL	49.53 Million USD

Jeremy Bentham



Utilitarianism

Objections:

- Fails to respect individual rights
- How do we measure happiness? The value of pain and pleasure