

Consequentialism and Its Demands: The Role of Institutions

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Outline

- Consequentialism
- Institutional consequentialism
- Reasons to adopt institutional consequentialism
- The best form of institutional consequentialism
- The (over)demandingness objection to consequentialist morality
- Problems
- Global applications (and their problems)
- Conclusion

Consequentialism

Normative properties depend on consequences only:

- The moral rightness of an act depends exclusively on the valuable consequences of that act (or something related to that act as judged from an impartial perspective.
- We focus on maximizing consequentialism:
 - Requires agents to maximize the good as born by the consequences of acts, motives, rules and so on.
- We focus on welfare for the time being:
 - The relevant consequences are those that bear on welfare
 - Can be relaxed later.

Institutional consequentialism

- Institutional division of labor (taken from Rawls):
 - The demanding consequentialist principle regulates the design of the institutional structure.
 - Individuals ‘only’ have the duty to set up and maintain these institutions.
- The institutional division of labor reduces moral demands on individuals.
- There are independent – of demandingness considerations - reasons to endorse institutional consequentialism.
- The best form of institutional consequentialism is two-level consequentialism.

What are institutions?

- A *public system of rules* which defines positions together with their rights and duties.
- They can include organisations as well as systems of organizations, but they do not need to have such parts (e.g. barter economy).
- They involve roles together with rights and duties attached to them.
- They are constituted by the conduct of individuals upholding them (i.e. they are not abstract entities).
- They include formal sanctions to enforce their rules.

Basic institutional structure

- A public system of law
- It preserves background justice through taxation and redistribution
- It governs the transactions and agreements between individuals and associations
 - Rules determine how property can be acquired, used and transferred through a set of rights and obligations
- Elements of the basic structure:
 - Tax laws
 - Contract and commercial law
 - Laws in criminal law against force and fraud
 - Public health law
 - Labor regulations etc.

Reasons to adopt institutional consequentialism

- Institutions enable the more effective promotion of consequentialist goals by counteracting informational, cognitive and motivational limitations in individual agents.
- They are also necessary for a division of labour allowing individual agents to specialize and exploit their comparative advantages.
- Institutional rules allocate responsibilities within a larger group:
 - Political and economic institutions coordinate the behaviour of large numbers of agents in strategic settings.
 - They solve collective action problems and implement policies that would otherwise not be implemented.

The best form of institutional consequentialism

- Aim is to keep the act-consequentialist *criterion of rightness* (as opposed to bifurcating the criterion - have one for individuals and another for individuals – or switching to indirect consequentialism).
- There are good independent reasons to introduce *rules* for private citizens as well as for public officials.
- We have seen that there are good reasons to require individuals not to follow in their every-day decisions the act-consequentialist criterion but to follow one rule: to set up and maintain the right institutions.
- Hence we get *two-level consequentialism*: one set of rules for private citizens and another for public officials.

The overdemandingness objection

1. Consequentialist morality is excessively demanding
2. An adequate morality shouldn't be excessively demanding

Consequentialism requires the agent to promote the good until the point where further efforts would burden the agent as much as they would benefit others.

The overdemandingness objection

Consider alleviating global poverty:

Assuming that acting to alleviate global poverty is likely to have, in sum, better consequences than pursuing individual goals, projects and commitments one must devote most of one's resources to humanitarian projects.

→ Too demanding

The overdemandingness objection

- 1) Consequentialism makes demand D;
- 2) Demand D is excessive and therefore objectionable;

Therefore,

- 3) Consequentialism is objectionably demanding;
- 4) If a moral theory is objectionably demanding, then it should be rejected;

Therefore,

- 5) Consequentialism should be rejected.

Objectionably demanding

- Consequentialism is *wrongfully* demanding:
 - It requires agents to make sacrifices that they are not in fact morally required to make.
- Consequentialism is *unreasonably* demanding:
 - It requires agents to make sacrifices that they do not have decisive reason to make.
- Consequentialism is *motivationally* overexerting:
 - It pictures agents as moral saints who can bring themselves to do whatever morality asks of them.
- Consequentialism is *epistemically* challenging:
 - It requires agents to be (nearly) all-knowing when it comes to the consequences of their actions.

Response to the objection

- Premise 1), 2) or 4) has to be rejected
- We cannot reject premise 4)
- Premise 2) relies on an intuition
 - We can deny the existence of the intuition
 - We can argue that the intuition should not be relied on
- We'll reject premise 1)
 - Change the subject of consequentialism from individuals to institutions

Institutions reducing moral demands on individuals

- Restrict individual contributions to the moral cause to the setting up and maintaining of institutions.
- Economize on time and attention spent on the pursuit of consequentialist goals.
- Remove some of the motivational burdens in making and executing decisions.
- Coordinate the collective pursuit of consequentialist goals when individual duties cannot be specified without prior institutional assignment:
 - Allow individuals to lead personal lives
 - Prevent waste caused by futile or counterproductive attempts at promoting the good

Problems

- Institutional consequentialism merely transfers the demandingness problematic to the institutional level: it is now institutions that will be demanded to do too much.
- However, there are no psychological, motivational, epistemic or other demands-related problems with institutions, not at least similar to those individuals face.
- The only way, it seems, high institutional contributions could have seriously negative effects if their members' lives would be effected in a devastating way via the destruction of certain *shared social practices* that constitutively contribute to their identity.
- But the claim of constitution can be questioned as well as the destructive effects can be doubted.

Problems

- It could be pointed out that we have not paid adequate attention to the difference between maintaining (running) and setting up (or even just reforming) an institution.
- There are three scenarios to consider: one global and two domestic. The global we can for now set aside.
- If domestic institutions are well designed, run, and supported, we think there is no real problem.
- If domestic institutions are not like this, then we think there may be no consequentialist requirement to contribute given the futility of the enterprise.

Institutional consequentialism and global justice

- The overdemandingness objection is most persuasive at the global level:
 - Consider what distributive justice, environmental concerns and peace would require on the global scale.
 - Assuming that acting to alleviate global poverty is likely to have, in sum, better consequences than pursuing individual goals, projects and commitments one must devote most of one's resources to humanitarian projects.
- The relevant institutions are missing but the demands are there:
 - Global duties may turn out to be very demanding.
 - No use for an institutional division of labor.

Institutional consequentialism and global justice

One response: relationism about justice (morality in general).

- Claims of justice (morality) are grounded in institutional relations among people.
- Since the relevant relations do not exist on the global level, no obligations of (egalitarian distributive) justice occur.

Not consequentialist: no need for relations to create duties of assistance etc.

- Classic version of this picture of (global) morality: Singer's pond example and the argument it is used to support.

Institutional consequentialism and global justice

Another response: find or establish relevant institutions.

- Start from existing institutions and reform them
 - The state system: a set of distributed general obligations (Goodin)
 - Duties to provide international assistance are going to be less demanding since what needs to be done cannot be done by outsiders (Risse).
 - Supranational institutions: e.g., WTO, IMF, World Bank
 - Nation-states alone cannot solve global collective action problems such as limiting greenhouse gas emissions or the prevention of a global race-to-the-bottoms in labor regulations and tax laws.
- Build a global state (Tännsjö).
- Build a global institutional structure that does not constitute a global state but still can carry out the functions.

Problems

- Why require individuals to support institutions promoting the good without requiring them to promote the good directly?
 - Rather than lobbying for institutional change, they could surely do a lot more good by devoting their resources to charities that help the global poor directly.
- We disagree. It may be counterproductive for individuals to directly pursue consequentialist aims rather than to support institutions.
 - Foreign aid may generate rent-seeking by the elites and crowd out productive investments that are more desirable in the long run
 - Individual philanthropy may undermine public trust in political institutions and dampen people's interest in political participation.

Problems

- Wouldn't a requirement to promote the establishment of effective global institutions be extremely demanding, given extreme poverty and global inequality?
 - Although in a state of nature devoid of any institutions the duty to promote institutions may indeed be very demanding, there are plenty of institutions right now which can mitigate burdens on individuals.
 - Furthermore, in the absence of workable institutions the duty to promote the establishment of institutions may not be as demanding as might be thought since global collective action problems make individual attempts at setting up institutions futile.

Conclusion

- There may be several good reasons to reject consequentialism
- Demandingness is not obviously one of them.
- Consequentialist demands on our time, attention and motivations need not undermine our ability to lead a life rich in personal projects and commitments.
- The institutional response to the demandingness objection is compatible with consequentialism since it is not based on the independent moral status of values such as fairness, rights or freedom.
- There are problems with the proposal both on the domestic and global but they can be defused or at least be mitigated.

Thank you for your attention!

And thanks to the organizers of this conference!

Our position on Effective Altruism

Effective altruism is a philosophy and social movement that applies evidence and reason to determining the most effective ways to improve the world.

- In normal cases, we stick our dualist framework for all the reasons mentioned. We could still allow for EA as a *permitted* course of action. Here of course its effectiveness matters.
- In abnormal cases, EA might be more important as a *requirement*, if we think that there is indeed such a thing (are there moral requirements in stateless, lawless chaos?). If there isn't, then EA could still be a permission that plays a more important role than in (i).

Global poverty and mortality

- 6 million children under 5 died in 2015
- Most deaths are due to poverty-related causes (starvation, diarrhea, pneumonia, measles, malaria, maternal conditions)
- 700 million people live on less than \$1.90 a day
 - Extreme poverty: cannot afford a minimum, nutritionally adequate diet plus essential non-food requirements

Sources: UN Millennium Development Goals Report 2015; World Bank 2015

Duty to assist

- Destitution is not inevitable: a large portion of these deaths and suffering is preventable
- The better-off have a duty to aid the worse-off whether or not they are citizens of the same country
 - Human lives are of equal worth from an impartial point of view
 - Compelling moral reason to contribute to eradicating easily preventable causes of death and suffering
- Do we have to do more than that?

Reasons to endorse institutional consequentialism

- Background adjustment: the institutional framework can make the necessary background adjustment that individuals cannot and should not be expected to make
 - Allowing or requiring individual reliance on partial considerations
- Institutions allocate responsibilities within groups
 - Preventing waste caused by futile or counterproductive attempts at promoting the good

Some reasons to adopt institutional consequentialism

- Informational and cognitive limitations
- Specialization
- Coordination and solution to collective action problems

Informational and cognitive limitations

- In complex economies individuals have limited access to relevant information about the alternative courses of action open to them and their consequences
 - Effects spread across a large number of individuals
 - Effects on future persons
- ➔ Information relevant to computing the social costs and benefits of alternatives is missing
 - E.g. Imperfect information about pricing and employment choices

Informational and cognitive limitations

- Due to cognitive limitations collecting and processing information is costly
 - ➔ It is not optimal for individual agents to try to maximize the information available to them
- Markets enable agents to economize on information by consulting market prices

Specialization

Given different skill-sets and opportunity costs, the social division of labor allows for the exploitation of agents' comparative advantages that would not be possible otherwise

- Examples: markets, legal procedures
- Experts with special skills or knowledge
- Special responsibilities, powers, prerogatives
 - Can be adversarial
- The division of labor allows/requires individual agents to act on partial rather than impartial reasons
- It permits agents to narrow the range of factors they consider rather than aiming at consequentialist goals

Coordination and solution to collective action problems

- Institutions allocate responsibilities in an authoritative manner in the collective pursuit of consequentialist goals
 - Coordination in strategic settings
- Institutions solve collective action problems and implement policies that would otherwise not be implemented

Coordination and solution to collective action problems

- E.g. public good provision: population immunity, clean air etc.
- Public goods require the joint contribution of a significant part of the population
 - Individual actions often make no difference to the outcome
- Individuals have an incentive not to contribute since they benefit regardless and contribution is costly

Coordination and solution to collective action problems

- Institutions promote the consequentialist goal by enforcing compliance to norms by people who cannot always be trusted to maximize the good
 - Change payoffs associated with alternatives given one's existing preferences
 - Shape preferences through socialization and policy: e.g. institutional pressure; “naming and shaming”
 - Provide assurance to others what one is going to shoulder one's share of the collective moral burden
 - Compliance enforcement and assurance by institutions counteract both self-interested motives and dissenting moral views

Murphy's objection

- 1) Worries about demandingness will not give us *dualism*:
Different principles applying to institutions and to individuals
- 2) But we need dualism to substantiate the institutionalist response to the overdemandingness objection

We do not deny 2).

The basic point behind 1): It is perverse to require people to establish and maintain consequentialist institutions but not to require them to pursue the consequentialist goal

Contrary to 1), there are good reasons to single out institutions as morally special independently of overdemandingness

→ Our response to the overdemandingness objection is the side effect of the institutional division of labor justified on different grounds

Some key points about the institutional division of labor

- Institutions follow different rules when they coordinate, allocate and enforce responsibilities among their participants than the latter do:
 - Sometimes institutions preempt the application of consequentialist reasoning by their subjects and permit/require reliance on partial considerations
 - Sometimes institutions allocate and enforce responsibilities where they do not exist at the individual level prior to institutional assignment
- Institutions are morally special: individuals sometimes shouldn't and couldn't pursue the aim of consequentialist morality individually

An objection

- Why require individuals to support institutions promoting the good without requiring them to promote the good directly?
 - Rather than lobbying for institutional change, they could surely do a lot more good by devoting their resources to charities that help the global poor directly.
- We disagree. It may be counterproductive for individuals to directly pursue consequentialist aims rather than to support institutions
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