

Ethics
Professor Dr. Sreekumar Nellickappily
Department of Humanities and Social Sciences
Indian Institute of Technology Madras
Module No 2
Lecture 10

Welcome to this lecture series on ethics. This is lecture number 10 and today we are going to see again a continuation of contractarianism, social contract theory what we have seen in the previous lecture. So we will briefly touch upon the political and moral aspects because we have seen in the previous lecture that social contract theory is primarily supposed as a political theory by Hobbes. But then again, no political theory probably can stand in isolation from a moral theory.

It has got very strong moral implications. A contractarian theory is not an exception to this. So in that way, they are very closely, the political and the moral aspects are very closely linked. But then, when you try to develop a moral theory on the basis of a contract, a contract is basically a kind of an agreement between 2 parties or 2 and more parties. So when you try to understand morality in terms of an agreement, there are certain difficulties or there are certain very interesting facts about it. So we will try to throw a little light upon these aspects as well.

And in this context will also very briefly discuss the prisoner's dilemma in order to bring out the threat of rational self-interest because when you try to develop a moral theory based on contract, there are certain issues like what is the purpose of developing such a theory. And we have seen that the purpose of developing such a theory as far as Hobbes is concerned, Hobbes starts with the idea that there is a natural state, there is a state of nature.

And the state of nature is where every human being is where every human being is assumed to be pursuing self-interest. So if that is the state of affairs, then according to Hobbes, then we have to actually come up with an agreement with each other, with a kind of a contract with each other that we will not harm others, we will cooperate with others so that we can create a civil society, a society where every individual can legitimately pursue his self-interest without harming other people.

So, it is a kind of a compromise and which makes all morality conventional and all morality a matter of contract and agreement. And also to some extent a kind of a bargain, a kind of negotiation. So these are some of the aspects we have to keep in mind when we try to understand the basic aspects of contractarianism. And in conclusion we will very briefly touch upon David Gauthier's morals by agreement, a position which he develops by the background of contractarianism.


We will continue about discussion on contractarianism, not exclusively on this touching upon the aspect of contract or agreement but rather the other moral theories or other moral theoretical frameworks which have originated or which were influenced by the very idea of contractarianism in moral theory. So this is what we are going to do in today's lecture. So let us see some of the political and moral implications or aspects of contractarianism.

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Contractarianism: Political and Moral

- Legitimizes political authority.
- Describes the origin or legitimate content of moral norms.
- Citizens will obey the laws of the state in exchange for the security, comfort, and prosperity that the state affords them
- Normative force of moral norms are justified in the light of mutually binding contracts.

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As far as the political aspect is concerned, we have seen that according to Hobbes and many others, the very idea of contract is something which legitimises political authority. Otherwise, there you cannot justify the very reason why there is an authority prescribed to a political head with whatever it is, whether it is a person, a king or a parliament or a group of people, whatever it is. There is no government possible, there is no state possible, there is no political entity possible without some power being ascribed to, attributed to some authority.

Some authority should be recognised. So this has to be legitimised and this can be legitimised only on the basis of certain contract. So that is why the conventional aspects dominate. But on the other hand, when we talk about the moral aspects, what dominates is it describes the origin or legitimate content of moral norms. So when we focus on contractarianism as a moral theory, this is what we have to focus, the content of moral norms.

Again, for the political aspect, citizen will obey the laws of the State in exchange for the security, comfort, and prosperity that the state affords them. So this is something which the collective authority can ensure the individual. Otherwise, the individual in its natural state, in its state of nature, is highly insecure and it is a state of perpetual mistrust where anything can happen, which is very difficult for any individual to live in such a situation.

But now in exchange of the kind of authority which is ascribed to the political power, what the individual expects is security, comfort and prosperity which only a state can provide. And on the other hand, normative force of moral norms are justified in the light of mutually binding contracts. See, again, the contractarianism as a moral theory would explain morality in terms of contract, nothing but only in terms of contract.

Now, let us try to see very broadly how this can be divided, how social contract theory can be divided. This is only one way of understanding the distinction. There are several other ways. See, there are a group of people who can be termed as contractarians or contractarianism and there is another group where they would describe themselves as contractualism or contractualist.

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But of course, this is again a very conditional kind of description because for some ethicists, there is hardly any difference between these 2. Anyway we are not going into the details of that. But what I mean by contractorianism is humans are primarily self-interested, that is one of the fundamental assumptions of contractorianism and this aspect of human nature the self-interest aspect of human nature creates such difficulties which actually demands the necessity of arriving at contracts and cooperation for mutual benefit.

So, to maximise self-interest, we need to obey moral norms. We need to, it is not that human beings are simply self-interest. We also genuinely want to satisfy most of our self-interest, genuinely want to satisfy our desires. But how can we do that? We cannot do that without the help of other people, without the cooperation of other people. So for this, we need to have cooperation, we need to ensure cooperation and this cooperation can be ensured only by devising moral norms.

So moral norms play a key role in ensuring cooperation from other individuals and also a larger role in constituting a society, a civil society, a civil society that this is ensured, there is comfort, there is prosperity, there is peace, reasonably, all these things are insured. And again, hence collective interests of the society is more important than the individual interests, the individual self interests of people, of the citizen.

And again, social contract facilitate, the society's interest will be ensured by the social contract. So social contracts which works at various levels in a society. Now, when we come to contractualism, what dominates is the principle of respect for persons. Respecting person is that is the central point. And of course, when we talk about respecting persons, who comes in our mind is the great German philosopher, Emanuel Kant, 18th-century German philosopher, Emanuel Kant.

It was Kant who asserted the value of respecting persons. We will be discussing Kant in detail in one of the subsequent lectures. So what is important in Kantian philosophy is that Kant asserts that every individual needs to be treated as an end in himself or herself and not as a means for some other end. So every individual is valuable. Every individual is the person, an agent, a rational agent who can take decisions, who can make choices of his own and so on.

And these as Kantian roots. And then again rational justification of actions: why do we choose to act in a certain way? That is very important for Kant or for any contractualist. They need to rationally explain, why a certain course of action is preferred over certain other courses which are also available. Out of several alternatives, a particular course of action is being chosen. What is the criteria used? So you need to basically justify to other people.

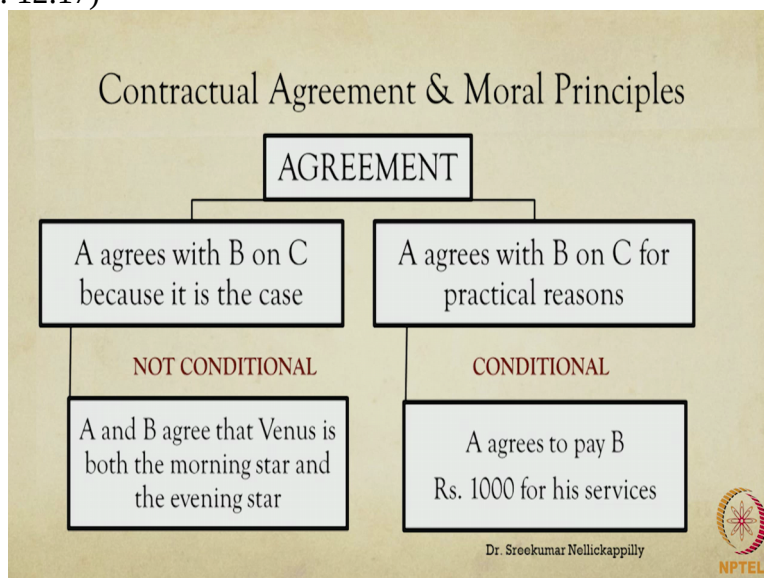
So here comes the importance of responsibility. You take responsibility of your action. You say that or you could be, you would be able to justify in front of other people, why did you make such a choice? I did it because so and so, because these these things or several factors. Again, commitment to justify by means of universal principles. This is another very interesting aspect of contractualism and also of Kantian philosophy that there are a certain set of universal principles which would help you to justify everything.

These universal principles or these universal laws upon which you can base your or rather in the light of which you can justify your actions, so you should be able to tell what principle led you to act in a certain way. What is the principle upon which you have based your actions, based your decision. So you would be able to tell others, okay this is the principle. So whatever principle apply, you should be able to universalise it.

So the principle of universalisability which we will again discuss later more details. Now let us come back to contractual agreement and the relationship between moral principles. So when you try to understand the very concept of agreement, broadly speaking, there can be 2 types of agreements. Say for instance, I can agree with another person that the distance from Chennai to Mumbai is certain kilometers or the temperature of Chennai today evening is say 27 degree centigrade.

This is something which I could probably agree with you, another person and here the fact that temperature of Chennai today evening is 27 degree centigrade is a fact. It is true that both of us agree upon it but at the same time, regardless of our agreement, it is a fact. So A agree with B on C because it is a case, it is the fact.

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And, it is unconditional. There is no condition why I should do so.

I mean, I would not be telling you that if you do certain things, I would be agreeing with you on the temperature. No. I mean regardless of all other factors, the temperature is 27 degrees centigrade but of course, we both agree upon that. A and B agree that Venus is both the morning Star and the evening star, the classical example described by philosophers. Venus is the morning Star and Venus is the evening star.

It is both. So we both agree, A and B agree. But regardless of their agreement, it is the case. So that is one kind of an agreement. The other kind of an agreement is A agrees with B or C for certain practical reasons. So there are certain conditions. Say for example, A agrees to pay B Rs. 1000 for his services. You do this for me, I will pay you some amount.

You repair my computer, I will pay you Rs. 2000. You go there, I will give you this. You do this, I will pay you that. All these are conditional kinds of an agreement. It is hypothetical to some extent. I will not be giving you, unconditionally agreeing with you. I mean the agreement is not unconditional. I am not saying that I am going to pay you Rs. 1000 just like that but I will do that if you satisfy certain other things, certain conditions. So these are the 2 types of agreements and moral agreements according to contractarianism belong more or less to the 2nd category that it is a kind of a contract.

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Moral Agreement

- Resembles the conditional agreement.
- Hence morality is based on agreements.
- People enter them to satisfy their interests.
- Moral agreements may be advantageous to everyone if complied universally.

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Moral agreement resembles the conditional agreement. Hence morality is based on agreements, morality is based on contract. Morality is based on mutually devised agreements. So what happens is that it is possible for people to negotiate, negotiate the agreements because you know, not every agreement is very clearly spelt out. So you may have to negotiate based on situations. So as situations vary, there would be different arguments and counter arguments.

People enter them to satisfy their interests. So this is the point which we have to keep in mind. This is very important because why should we enter into agreements with other people? We do that in order to satisfy our interests. We have certain interests, we have certain desires. So we cannot do that, we cannot satisfy our desires and our self interests without the cooperation and help of other people and others help and cooperation cannot be guaranteed unless we do certain services to them, unless we satisfy their interests.

So it is an agreement where I say I will satisfy your interest, you satisfy my interest and we facilitate this. The agreement or contract is facilitated on the basis of a mutually agreed-upon principle which is mutually beneficial. So this is how it functions. Moral agreements may be advantageous to everyone if complied universally. So let us now scale it out. There are certain moral agreements.

We live in a society based on the assumption that people would comply with certain agreements. Say for example, somebody else will not open my computer in my absence and try to see my private data or take out my money without my permission, stealing or any of that sort of a thing which would result in a kind of breach of privacy or whatever. So I hope and I expect others would not do that.

This is a very rational, legitimate expectation from my part provided that I have agreed upon, I have entered into a kind of an agreement with others that I would also not do the same thing to others. So I will not peep into your room if you do not the same thing to me. So this is a kind of an agreement. So more or less in every aspect of life, it functions smoothly with the help of such agreements we arrive at, either explicitly or implicitly, written or unwritten.

And in the case of moral agreements, most of them are implicit and unwritten. So they may be advantageous to everyone if complied universally fits means that everyone has to comply to them. Not that you know, one party does it and the other party does not do. If one party violates the agreement, then it ceases to be an agreement, then there is breach of trust, then morality cannot function smoothly, then society itself will have certain I mean encounter certain problems.

No civil society can function in an environment of distrust or mistrust. Now, we have to say a little more about compliance to agreement because this is not a very easy thing. Why should people comply? That is a question. Why should I be moral can be rephrased as why should I comply to an agreement.

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Compliance to Agreement

- Morality is constituted of a set of social rules guiding human interactions.
- How can we justify such rules?
- Compliance is often disadvantageous to the individual.
- It is at the most only the second best option.
- I benefit when others comply and others benefit when I comply with.

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Morality is constituted of a set of social rules guiding human interactions. So social contractarianism or contract theory would understand morality as something which is constituted of a set of social rules guiding human interactions, various human interactions, at various levels, for various purposes, Now how can we justify such rules? That is a question. On what basis? And here, compliance is always or often I mean if not always, it is often disadvantageous to the individual.

So it reminds me the famous Sophist assertion that justice is a compromise, justice is a necessary evil. The Sophists had argued that justice is the interest of the stronger according to them. But then, the analysis is very interesting. The Sophist would argue that to do injustice, to inflict upon injustice on others is always beneficial to the agent. Say for example, I take money from someone else's without his permission.

This is to do injustice to that person but it is always beneficial for me. From my standpoint, from my perspective, it benefits me individually. But to suffer injustice is always painful, always evil

because if I lose my money that that somebody has taken it off without my permission, then it is always painful for me. So to summarise, to do injustice is always beneficial, while to suffer injustice is painful.

Humanity has recognised that according to the Sophists that they cannot always do injustice to others and get away with that without suffering the pain of injustice. They have decided that they would have neither. Neither do injustice to others, nor suffer by injustice. And the concept of justice evolves in such a context. So this is what they say.

Similarly, here they say that compliance to agreements, to the rules laid down is often the advantages to the individual concerned because his or her self-interest has to suffer. And again, it is at the most only the 2nd best option, not the best option but only the 2nd best option for the individual concerned. I benefit than others comply and others benefit when I comply with. So this is quite interesting.

When I become moral, when I agree to the rules and comply with them, I do not get any benefit, it is others who benefit out of it where I benefit when others comply to the rules. So when I am an agent, as a moral agent, when I function as a moral agent, I do not get any benefit but others. And when others function as a moral agent, I benefit. So this is what morality would be facilitating which looks a little bit ironical because what is my benefit for being moral?


Now here, let us discuss the interesting prisoner's dilemma which is being widely discussed by again theorists while discussing the rational behaviour of human beings.

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Prisoner's Dilemma

- A situation in which two people have two options whose outcome depends on the choice made by the other.
- Exposes the conflict between individual and group rationality.

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It is a situation in which 2 people have 2 options whose outcome depends on the choice made by the other. So in very simple terms, I am trying to describe prisoner's dilemma in extremely simple terms so that we will understand its relevance in understanding our the very idea of contractorianism and it is some of the difficulties it raises as a moral theory. It exposes the conflict between individual and group rationality.

There is something called rationality which ascribes, which says that the group, there is something called the common good and for the sake of the common good, the individual may have to sometimes sacrifice his individual interests. So how can you justify this?

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Prisoner's Dilemma

1. If A and B **both confess** to the crime, they each serve **two years** in jail.
 - **SECOND BEST** in general and **THIRD BEST** for the individuals.
2. If A **denies** the crime but B confesses, B will be free while A has to serve four years in prison. (And Vice Versa)
 - **THE BEST** for one and the **WORST** for the other.
3. If A and B **both deny** the crime, they each serve **one year** in jail.
 - **SECOND BEST** for each and **THE BEST** in general.

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So let us see the prisoner's dilemma a little closely. The 2 prisoners, 2 of them were caught by the police which is the police is interrogating a crime and they want to know whether these 2 prisoners have committed the crime. They were caught A and B and both were kept in separate cells and there is no means they can interact with each other. So the police go to them and tells them independently these things.

They were given 3 options. Option number 1, if A and B both confessed to the crime, they each serve 2 years in jail. So this is the 1st option. Let us deal with the best or 3rd best, all these things a little later. Let us concentrate on the option, option number 1, if A and B both confess to the crime, they each serve 2 years in jail. And option to, if A denies the crime but B confesses, B will be free.

So B is confessing so he will be set free while A has to serve for years in prison and vice versa, if B denies and A confesses, A will be set free and B has to serve 4 years in prison. And now that 3rd one is, if A and B both deny the crime, they each serve one year in jail. So this is the, these are the 3 options. So out of these 3, we could see that best in general is the 3rd option because they both have to deny and both will get only one year in jail.

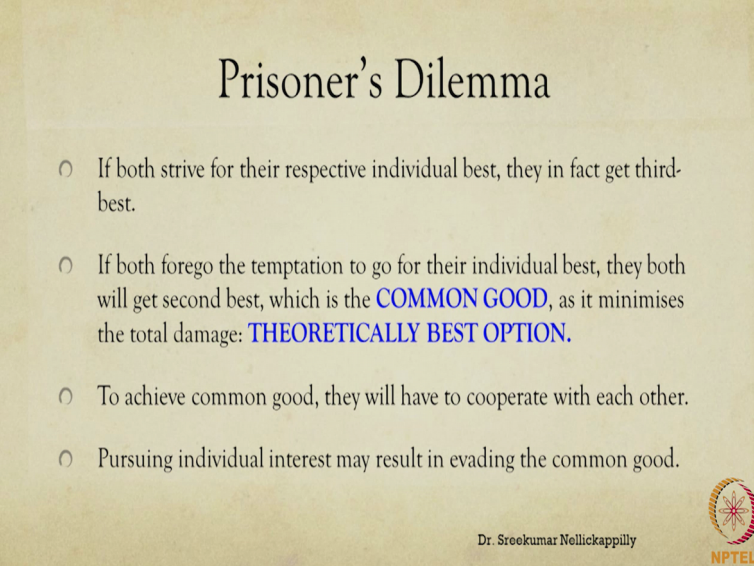
But now what happens is that each of them would suspect the other person. They never know, there is no way to contact the other person and have some communication. So they have no

choice but they will start doubting the other person, the possibility that the other person might cheat them, each of them. So they would go for probably the 1st one which is the 2nd best in general and 3rd best for the individuals.

So ultimately what happens is that the best option is never realised in such a situation. But only the worst probably in general is realised, that both of them would get 2 years. They would have both got only one year but both ultimately get 2 years because each one of them suspect the other person, that the other person might cheat them because this is the possibility. If one denies and the other confesses, then there is a possibility that the one who confesses would be set free and the one who denies would if A denies the crime but B confesses, B would be free while A has to serve 4 years in prison.


So this possibility, in order to avoid this possibility, both of them would confess. So they both confess and they both get 2 years in jail but instead if both of them deny, the chance that if I deny then he confesses, he will set free and I will get 4 years, that is there, that suspicion is there. So this process or this phenomenon is called rational self-interest.

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Prisoner's Dilemma

- If both strive for their respective individual best, they in fact get third-best.
- If both forego the temptation to go for their individual best, they both will get second best, which is the **COMMON GOOD**, as it minimises the total damage: **THEORETICALLY BEST OPTION**.
- To achieve common good, they will have to cooperate with each other.
- Pursuing individual interest may result in evading the common good.

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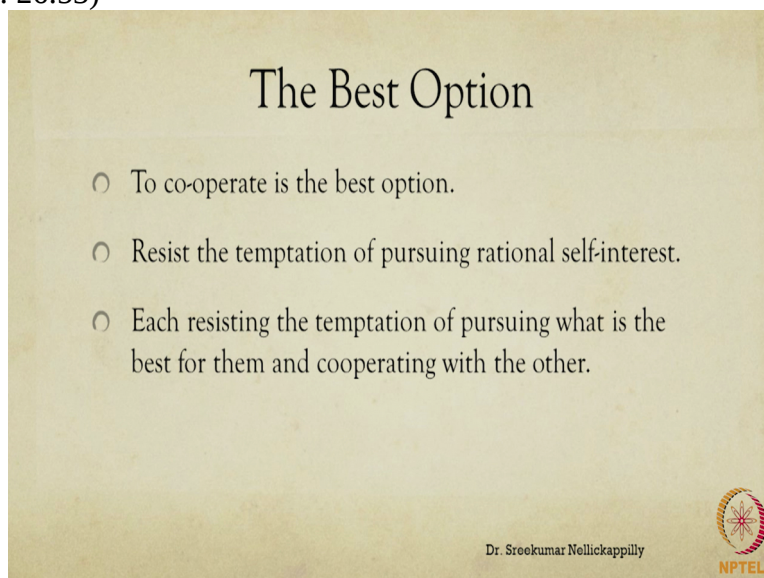
So if both strive to their respective individual best, they in fact get third-best. So this is what happens. They both if they strive for their individual best, that means they can go free, then they ultimately get the third-best which is they both will get 2 years in prison. If both forgo the

temptation to go for their individual best, they both will get 2nd best which is the common good as it minimise the total damage: theoretically the best option, rationally the best option.

But the chances of arriving at this, the chances of striking at this option will be very little because of rational self-interests. To achieve common good, they will have to cooperate with each other and to cooperate with each other, they will have to forego some of the temptation to go for their individual best and not to suspect the other person. So these things are very important for the sake of arriving at the common good.

But this will never happen or rather the possibility of, the chances of this happening is very low. So that means you know, pursuing individual interests may result in evading or not getting the common good.


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The Best Option

- To co-operate is the best option.
- Resist the temptation of pursuing rational self-interest.
- Each resisting the temptation of pursuing what is the best for them and cooperating with the other.

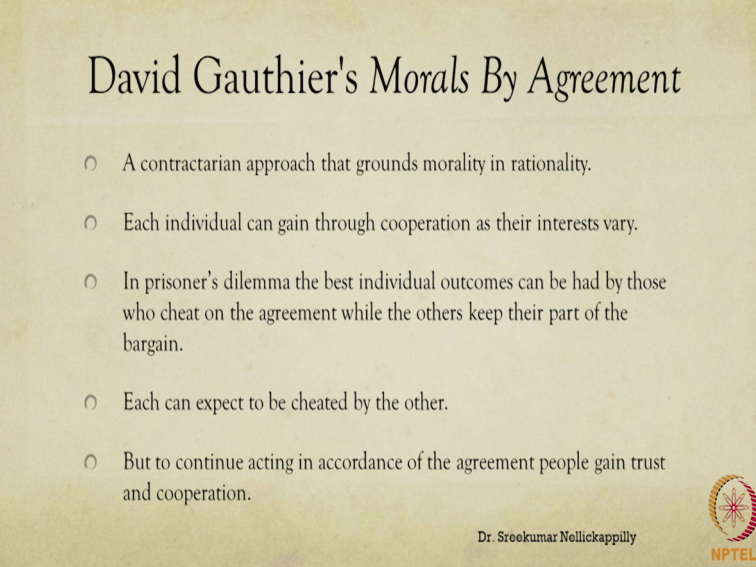
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And what is the best option? To cooperate is the best option. To cooperate with the other people is rationally the best option. So what we can learn from this is that rational choice, if at all there is one called rational choice, it is to cooperate with each other. Resist the temptation of pursuing

rational self-interest. And each resisting the temptation of pursuing what is the best for each of them and cooperating with the other is probably the best rational choice in this situation.


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David Gauthier's *Morals By Agreement*

- A contractarian approach that grounds morality in rationality.
- Each individual can gain through cooperation as their interests vary.
- In prisoner's dilemma the best individual outcomes can be had by those who cheat on the agreement while the others keep their part of the bargain.
- Each can expect to be cheated by the other.
- But to continue acting in accordance of the agreement people gain trust and cooperation.

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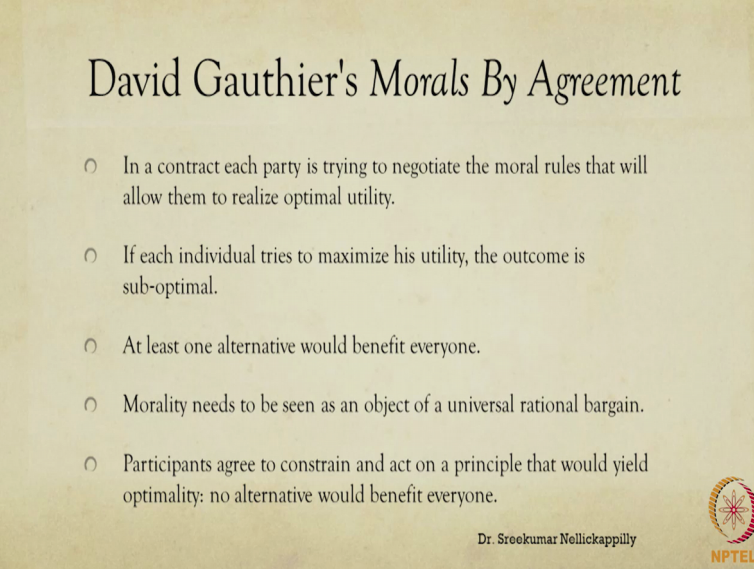
But rational self-interest will prevent each individual from doing this. Each prisoner's best bet is to betray the other hand if they do that, regardless of the other's decision, betraying him offers the best chance of receiving the least amount of punishment. So naturally, people might go for that but if both betray each other, they end up with the worst option I mean from a general perspective that instead of getting one year, they get 2 years.

Rationally, they are expected to agree for the best, provided both do so, which is uncertain. So this uncertainty, this uncertainty is because self-interest dominates. Under such circumstances, rational self-interest may dominate and defeat the very possibility of arriving at a rational choice. And it is in this context, we will conclude our discussion with a very brief look upon David Gauthier's morals by agreement.

He offers a very unique perspective in the contractarian framework. There are certain other philosophers also. We will mention about them later. What he says is that he is trying to devise a contractarian approach that grounds morality in rationality. And here, what he basically argues is that from a rational perspective, each individual can gain through cooperation with each other and by you know negotiating their interests.

In prisoner's dilemma, the best individual outcome can be had by those who cheat on the agreement while the others keep their part of the bargain and each can expect to be cheated by the other but to continue acting in accordance of the agreement people gain trust and cooperation. So that is very important. People have to gain cooperation and people have to gain the trust of other people.


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David Gauthier's *Morals By Agreement*

- In a contract each party is trying to negotiate the moral rules that will allow them to realize optimal utility.
- If each individual tries to maximize his utility, the outcome is sub-optimal.
- At least one alternative would benefit everyone.
- Morality needs to be seen as an object of a universal rational bargain.
- Participants agree to constrain and act on a principle that would yield optimality: no alternative would benefit everyone.

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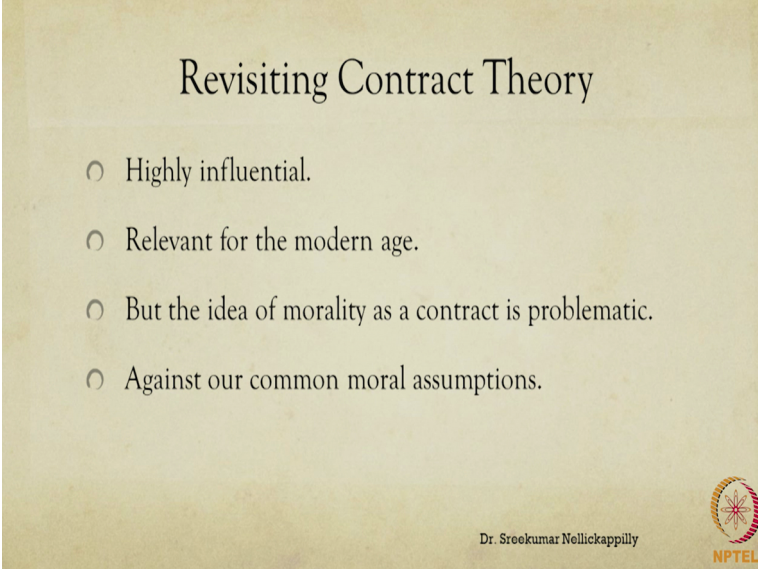
And in a contract, each party is trying to negotiate the model rules that will allow them to realise optimal utility. So that is what happens. If you try to understand morality purely in terms of a contract, what logically and rationally, what guides the very fact, the very possibility of having a contract is that we, both the parties or all the parties who enter into a contract would try to attain the optimal best, the best, the optimal best.

But if each individual tries to maximise his utility, his self-interest, then the outcome is suboptimal. Not the optimal but suboptimal. At least one alternative would benefit everyone. So this is the principle. And morality needs to be seen as an object of universal rational bargain. So this is what basically he argues. And participants agree to constrain and to act on a principle that would yield optimally: no alternative would benefit everyone.

So something which would benefit everyone is that which we have to look for. From a contractarian perspective, this is what morality aims at doing. And now we will conclude our

discussion on contract theory and this context for the time being, we will take it up later also whenever there is a need to mention about it.

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The slide is titled "Revisiting Contract Theory" and contains the following text:

- Highly influential.
- Relevant for the modern age.
- But the idea of morality as a contract is problematic.
- Against our common moral assumptions.

At the bottom right of the slide, there is a logo for NPTEL (National Programme on Technology Enhanced Learning) and the name "Dr. Srookumar Nellickappilly".

When we discuss other critical frameworks will definitely have to go back to contract theory because it is such an influential theory, highly influential in modern age particularly because it is relevant in modern age which is decided in terms of economic relationships and other things. Most of our agreements which we are talking about in today's world are defined in terms of economic relationships.

So naturally the idea of contract theory and morality getting engraved into contract theory is very important and relevant. But the idea of morality as a contract is sometimes problematic because traditionally when we try to understand morality, we do not usually associate morality with a contract. That is a little problematic sometimes.

But again you know it is also necessary that we should keep in mind that sometimes we may have to give up our traditional assumptions and notions because this is against our common moral assumptions that morality should not be based on contract. Of course, we have seen Eudaimonism which has nothing to do with the idea of contract, their people. And we also have mentioned about the swabhava theory which the ancient Indian tradition developed.

There contract hardly plays any role at all. See, for instance if you take the example of the Pandavas, what role does contract have? The relationship between the 5 brothers have nothing to do with contract. Whatever Yudhishtira says, all the 4 brothers used to obey unconditionally, though they are not very happy with his decisions. Quite often, they are not very happy with his decisions but they obeyed him unconditionally and they hardly questioned him.

Why? Because they thought that that is the dharma. So dharma the dharmic approaches do not believe in contract and many other approaches, even in the West. So we will continue our discussions on these interesting ethical frameworks with more lectures to come and for the time being, we will wind up, thank you.