

Abstracts – Student Presentations

Business corporations and the social connection model of responsibility for justice

Barbara Bziuk

In May 2021, Royal Dutch Shell was ordered by a court in the Hague to lower their CO2 emissions by 45% by 2030 relative to 2019. It has been an unprecedented ruling against a business corporation. In my paper, I show that this ruling is an example of the application of the social connection model of responsibility for justice developed by Iris Marion Young. I argue that the social connection model is a useful tool for conceptualizing corporate responsibility for justice and advance the conditions that the corporation must meet in order to be connected to a given issue in a relevant way.

This paper contributes to the literature on the corporate responsibility for justice. There has been a growing consensus that business corporations should have some kind of social responsibility. In its weakest form, it means at least that business corporations should not compromise their societal impact for their economic benefit alone. However, this consensus refers still to a rather vague and broad statement about corporate responsibility, and there is a lot of disagreement when it comes to the exact kind of the responsibility, its extent and how to balance it with the responsibilities of the state. In my paper, I address these issues.

I first describe the social connection model, as opposed to the liability model of responsibility, and show how this year's court case against Shell illustrates it. The social connection model, in contrast to the liability model of responsibility, focuses not on one's direct causal link to a particular harm, but on one's connection and contribution to an issue. Because of its emphasis on shared responsibility, the model can capture the role that corporations play in today's global economy and society, and help us conceptualize their responsibility accordingly, as I argue next.

I claim that there are two conditions that corporations must meet in order to establish their connection to an injustice. First, they must be contributing to an injustice either directly or through reinforcing unjust conditions, for instance through their hiring or remuneration practices. Second, they must be contributing to an injustice through their business activity or corporate policy, in other words, the contribution must be a part of their regular practice. These two conditions respond to some concerns about the division of moral labor between the state and the corporation, and ensure that corporations do not obtain too much political power. Rather, under the model advanced in this paper, corporations take accountability for their actions against a broader societal order without having assigned more power than they already have. The social connection model as defined and defended in this paper is thus a helpful and politically relevant tool for ascribing responsibility for justice to business corporations.

Can Ethics Help Politics Make More Responsible Decisions?

Markus Fuchsberger

Can ethics help politics make more responsible decisions? In order to tackle such a broad question, I will investigate specifically whether ethics institutions have helped political decision-makers take into account more (descriptive) facts and (normative) positions. In order to do so, I will investigate a kind of "precedent case" for ethics advising political decision-makers in problems characterised by high

epistemic and moral uncertainty: namely the establishment of national ethics commissions and their impact upon the discourse surrounding new emerging biomedical technologies in the late 1990s and early 2000s in Germany and Austria.

In this time, disputes about ethical problems with such technologies were omnipresent. They put so much pressure on decision-makers who had no clear idea of how to address these problems - both epistemically, because the facts around these technologies were still unknown, and morally, because they represented a new problem that ordinary moral intuitions could not cover adequately. Thus, they established ethics institutions in order to get comprehensive but also balanced advice on how to proceed.

Two areas of interest demand attention. Firstly, the way ethics commissions operate internally: Members often do not argue over and review their positions but, instead, bargain over what the commission's opinion is and build coalitions with others of a similar opinion to further their own agenda - Alexander Bogner calls this strange hybrid behaviour "barguing" (cf. Bogner, *Die Ethisierung von Technikkonflikten*, 129-133). This has profound implications for actual ethics expertise in commissions, as philosophers are only able to contribute their argumentative and logical competence to the discourse.

Secondly, the way advice is received in politics: decision-makers use it to claim their political sovereignty, but sometimes also make sketchy use of it. For example, in the Austrian parliamentary debate on prenatal diagnosis in 2005, the Research Minister Elisabeth Gehrler justified her position drawing on a consensual statement by the Bioethikkommission. There were only two issues: (1) there was no consensus among commission members, but instead two positions on this issue, and (2) Gehrler's position did not match either of them. A position was fabricated from both and presented as consensual statement from experts, as if to hide the politics behind the decision (cf. Bogner, *Die Ethisierung von Technikkonflikten*, 238-242).

This leads to two conclusions: Firstly, ethics commissions are not set up to clearly and consensually articulate what is to be done instead, they stabilise already existing dissent among members and communicate it to decision-makers in a structured and well-formulated manner. Secondly, expert advice does not determine political decisions. This reveals a certain decisionism from politicians. From a democratic viewpoint, this must be welcomed but the example of Gehrler sparks unease about whether ethics institutions too easily fall prey to political instrumentalisation: if their advice is irrelevant because decisions have already been made, they only serve the purpose of legitimising these decisions - a classic case of "ethical whitewashing".

Anything but "Old News": Uncertainty & the Precautionary Principle

Teresa Linzner

Many, if not most, decisions concerning climate change involve uncertainty in varying degrees. In light of this, situations of high-stakes decision making, which are already difficult to navigate under conditions of certainty, become even harder to deal with. In my presentation and a related paper, I investigate what, if anything, may be a sound decision theoretic framework to guide policy decisions in response to climate change under circumstances of uncertainty. More precisely, I will discuss, if and to what extent (political) decision makers may need a Precautionary Principle (PP) to help navigate climate change-related and other politically relevant issues under such circumstances. From being called too strong or inconsistent to being nothing but "old news" and therefore obsolete the PP is far from uncontroversial. In line with the latter accusation is the claim that all guidance for decisions

which might possibly be offered by the PP can also be provided by the widely accepted theoretical decision framework of cost/benefit analysis. Whether this is true or not shall be the main subject of my presentation. I will argue that there are in fact problematic issues in response to which standard cost/benefit analysis remains silent whereas the PP might offer useful answers. In a first step I shall therefore attempt to give a rather basic account of both the PP and cost/benefit analysis. Then I will make a first suggestion of a decision context in which only the PP, contrary to cost/benefit analysis, seems to provide useful guidance. I will then present an objection to this suggestion and also give an extended account of cost/benefit analysis, supplemented by an additional decision rule that the PP might be reduced to. In a third step I shall show, though, that even a more exhaustive account of cost/benefit analysis cannot fully overtake both the epistemic as well as the moral role that the PP can play in decision theory. I will thus conclude that the PP is in fact a needed and useful tool to help agents make consequential decisions under uncertainty.

A Network Approach to Conspicuous Consumption

Daniel Mayerhoffer & Jan Schulz

Economic inequality and the climate crisis pose two of the major present policy challenges. In our paper, we demonstrate the close link between both and show how inequality might trigger conspicuous carbon-intensive consumption. This seems especially important in light of current debates about the role of individual eco-sensitive consumption choices.

We build on the large extant literature on upward-looking consumption externalities to show how income gains at the top might be transmitted through a perception network and thus cause an increase in economically and ecologically unsustainable consumption by the poor. While several micro-economic studies testify to the relevance of such conspicuous consumption, the macroeconomic evidence on this channel has been rather limited and ambiguous.

To reconcile these two contradictory findings, we propose a parsimonious model of upward-looking consumption at the micro level mediated by perception networks with empirically plausible topologies. Namely, we assume homophilic network formation in income which limits the individually available information. Given that network, individuals form correct beliefs about inequality and consumption levels of their link-neighbours and try to catch up to highest such level of consumption. However, by doing so, they are influenced by way higher consumption levels that they do not observe themselves. Up to our knowledge, our approach is the first to make the reference group to which conspicuous consumption relates explicit.

Our model replicates the major stylised facts regarding micro consumption behaviour, namely, that i) APCs (average propensities to consume) monotonically decrease in income, ii) aggregate APCs stay constant for varying total income, iii) the variation of expenditures is lower than the variation of incomes and iv) the emergent expenditure distribution is log-normal, even though (current) incomes are typically not. Most notably, we arrive at these findings with very weak assumptions, i.e., without imposing any heterogeneity in consumption ex ante and with consumers only reacting to observables instead of forming model-consistent expectations about (unobservable) future income streams. As predicted by the (upward-looking) relative income hypothesis, conspicuous consumption unambiguously increases with inequality. However, this effect is mitigated by endogenously evolving perception networks featuring homophily, where increasing inequality also increases segregation within the network. For high degrees of homophily, the effect vanishes, explaining the mismatch between

micro-behaviour and macro- aggregates. Our model thus implies a trade-off between environmental sustainability and social integration.

Collective (un)freedom

Anastasiia Nahorna

G. A. Cohen famously presented an interesting challenge to the concept of the collective freedom. Imagine there are ten prisoners who are individually free to leave the prison but only one key, which essentially means that the person who leaves the prison would incarcerate the other nine people. Under the standard liberal idea of societal freedom and individualism, prisoners are collectively free, but it does not seem to be the case. G. A. Cohen also extends this type of argument to why the whole social class of proletariat is unfree in the capitalist society. A. Smidt provides an interesting answer to this philosophical challenge by arguing about collective unfreedom from the perspective of the republican freedom of P. Pettit (when one prisoner dominates the others). I would like to investigate the collective/group/corporate freedom as in counterposition to the individual freedom.

Here are the questions I am considering to explore:

- Should we reject individualism about societal freedom?
- Do collective agents have an autonomy?
- Is collective freedom essentially an aggregation of individual freedom and nothing more?
- How to measure collective freedom?
- Collective freedom and collective action problem
- The question of collective effective freedom
- Whether collective unfreedom under a republican conception differs from collective unfreedom under other conceptions.

In Defence of Rationality of Hyperbolic Patterns of Time-discounting

Bartłomiej Sadowski

The standard normative model for intertemporal decisions posits that a rational agent values distant outcomes by discounting their instantaneous utility with a constant periodic discounting rate. In consequence, such an approach forbids any preference reversals over time. According to the standard normative model, rational choices have to be dynamically consistent. However, empirical research on intertemporal decisions has shown prevalence of dynamic inconsistencies in people's intertemporal choices. Such a violation of the standard normative model is usually deemed irrational.

Nevertheless, the standard model assumes lack of uncertainty. I argue, in turn, that notions of time and uncertainty are inextricably linked, and a time delay always entails uncertainty and uncertainty always needs time to resolve. If, however, uncertainty considerations are introduced to the analysis, preference reversals over time might turn out rational (or at least not obviously irrational). I describe two effects which might cause dynamic inconsistencies in choice and which might be normatively acceptable.

The first effect involves increasing ambiguity over time. The more distant an event is, the more ambiguous its expected value is. Moreover, the effect of ambiguity may be strengthened by ambiguity aversion which seems to be higher if ambiguity revolves around high probabilities. There is little reason to think that ambiguity adjusted by aversion towards it evolves over time in such a special way

which prevents dynamic preference reversals. Therefore, if one accepts ambiguity aversion as a normatively permissible concept, then a dynamic inconsistency caused by ambiguity change over time cannot be considered as irrational.

The second effect requires to waive another controversial axiom of the standard model, and invariance of preferences. It seems unreasonable to assume that preference cannot change with aging. However, if preferences might change and their change is at least partly determined by external factors, there is also uncertainty involving utility derived by an agent at the date of the delivery of the outcome. Preferences of the agent will not reverse if the preferences at the date of the delivery match the expectations about those preferences. Nevertheless, nature might reveal circumstances which were less probable a priori and thus cause change in preference inconsistent with the expectations. Such preference reversals seem rational as well.

The first effect seems more impactful in the short term, while the second might influence more long term time horizons. Both effects combined, therefore, might account for rational preference reversals regardless of the time horizon of the decision. However, the normative acceptance of only one of those effects suffices to deem some hyperbolic patterns of time-discounting (i.e. patterns with preference reversals) to be rational.

Climate clubs and the UNFCCC: competitors or supporters?

Clara-Marie Scheuber

This paper contributes to the research on international climate cooperation and specifically on the topic of institutional effectiveness. It provides answers to the questions what the international community has achieved so far and by which means, whether there are potentially more effective institutions than the ones currently employed, and how they could contribute to governing climate change effectively.

It does so by, at first, analysing the problem structure of international climate mitigation, which reveals that limiting climate change is ultimately a global task that is impeded by strong free rider incentives, large uncertainties about relevant parameters in the cost-benefit analysis of climate mitigation, the time lag between costs and benefits, and further strong asymmetries in countries' characteristics. International institutions that aim at effectively dealing with climate change, thus, have to address and overcome these issues. The UNFCCC (in combination with its accompanying treaties) is the dominant institution that has been set up to do so, but in light of still rising global emissions, its problem-solving effectiveness is in question. In contrast, climate clubs have been discussed in both, International Relations and Economics, as potentially more effective than the UNFCCC. Scholars deal with very different club concepts, though, which initially requires a delimitation of the varying understandings, their rationales, structures and characteristics. The most important demarcation can be drawn between clubs as they currently exist in the regime complex governing climate change, which aim at reducing mitigation costs for a particular sub-aspect of climate governance, and clubs that are proposed by economists as a new form of agreement, which transforms the incentive structure of participating countries in a way that free-riding can be overcome and more ambitious climate policies are adopted.

Since multiple institutions can be more effective than one comprehensive institution, if they are based on the same norms and principles and are sufficiently integrated by one core institution, this paper closely evaluates the (potential) relationship between the UNFCCC and the different club concepts in order to assess whether those institutions compete with each other or could enhance each

other in dealing more effectively with the problems climate change poses. I will argue in this paper, that both is the case, depending on the respective club concept. While existing clubs can be supporters of the UNFCCC by fulfilling assisting functions and incrementally contributing to the overall effectiveness, the club proposals from economists are structured in complete opposite to the UNFCCC and challenge it by suggesting an entirely different form of agreement that, in theory, is promising to be more effective. Whether such transformative clubs can be politically realized remains an open question, though, that requires further research as does the question whether the combined strength of the UNFCCC and clubs in their currently existing form is sufficient to reach the set goal of limiting global warming to 2 degrees Celsius.