

Green Earth Teaching Notes

What Are the Relevant Facts?

1. Carol is in the position to make a decision, but her career ultimately depends on the level of membership she is able to sustain.
2. New members are not getting a full-year membership for their first year. This is not evident from the direct mail advertisement, so the advertisement could be considered deceptive. Because new members are paying a full year's membership fee but not getting a full year's membership, they are being overcharged for their first year.
3. Green Earth is a successful organization whose goal is to help the environment.
4. Green Earth's membership would be lower if the mailing went out in November, although this would ensure a full first year's membership.

What Are the Ethical Issues?

1. Do the means (overcharging customers for their first year of membership) justify the ends (having more money to help the environment)?
2. Should potential members be explicitly informed that their first year's membership only lasts until the end of the calendar year?
3. Is deception in marketing ever justified?

Who Are the Primary Stakeholders?

- Carol Meyers
- Green Earth
- New members of Green Earth
- The earth's ecological environment

What Are the Possible Alternatives?

1. Continue Green Earth's practice of giving a short first year's membership.
2. Change the membership drive to November, even if it means losing some members.
3. Inform potential members that their membership is based on a calendar year, so their membership will expire the end of December. (Note: Another potential alternative is to change renewals to September, so that new memberships will have a full first year. However, this would create the problem of renewal of old memberships. Since this would mean one short year for old members, it

simply transfers the problem, and will not be considered further.)

4. Establish a prorated system of memberships.

What Are the Ethics of the Alternatives?

Alternative 1: Analyze Green Earth's current practice for gaining new members and renewing memberships.

• Utilitarian Perspective:

1. Green Earth and the earth's ecological environment benefit from the current system, because Green Earth has more resources to work with. New members are harmed by this system because they are overcharged for their first year of membership. However, they also gain to the extent that Green Earth can make the world a healthier place for everyone to live. Carol Meyers benefits because memberships are high, but she is harmed because she feels uncomfortable with a system where members are being overcharged, if only for one year. Since the earth's ecological environment [sic] is vital to all living things on earth, the benefits to the environment outweigh the harms to new members.
2. According to the utilitarian perspective, the greatest good for the greatest number is obtained.

• Deontological Perspective:

1. *Categorical Imperative.* There are a variety of ways to describe this behavior. One could ask What would happen if all memberships were done only on, a calendar basis, so the first year was not a full year unless the consumer happened to pin at the end of the previous calendar year?
2. This is not an easy question to answer. One could argue that people would wait until the end of the year to join, but if they did not receive information on how to join at that time, they would not join at all. Other scenarios might be suggested.
3. An easier question deals with the deception in the advertising—a "year's" membership is not described as a calendar year. What would happen if all advertising was deceptive, through omission of important information? People would not believe any advertising, and

the ads would be ineffective. The system would break down. According to the categorical imperative, the behavior is unethical.

4. *Rights Theory.* The right of new members to be informed (a consumer right) is violated. Because they are not informed, new members have also lost their right to choose not to become a member for less than half a year at a full year's fee. Therefore, new members' right to choose is violated.
 5. *Justice Theory.* All new members are treated the same. Therefore, justice theory is not violated.
- *Alternative 2:* Change membership drive to December.
 1. *Utilitarian Perspective.* New members will benefit because they will get a full first year's membership. Green Earth and the ecological environment would be slightly harmed, due to lower levels of funding from a smaller base of members. Carol Meyers will benefit because she will feel more comfortable with this plan, but she will be harmed because she is evaluated based on the level of membership and this will decline. Is this the greatest good for the greatest number? It appears to be a close call, depending on how many memberships are actually lost.
 2. *Deontological Perspective.* Because there is no overcharging of new members, the categorical imperative, rights, and justice are not violated.

- *Alternative 3:* Inform new members of their calendar-year membership.
 1. *Utilitarian Perspective.* New members will still not get a full first year's membership, but at least they will know what they are getting. But new memberships may decline when potential members realize they do not receive a full first year's membership. Therefore, the rest of the benefits and harms are similar to those of Alternative 2.
 2. *Deontological Perspective.* The categorical imperative is not violated, since the advertising is no longer deceptive. Consumers are informed and can therefore make a choice. Consumers are all treated equally, so the principle of justice is not violated.

What Are the Practical Constraints?

1. Since Carol is Director of Membership, she has the authority to implement any of the alternatives. The only practical constraint is that changing the practice will probably lead to lower membership levels, which reflects poorly on Carol. Carol does know that her immediate supervisor, Stella, supports the current practice.

What Actions Should Be Taken?

There is no clear-cut answer. It could be argued that the means do not justify the ends. The addition of a few membership dollars will not make the difference between the salvation vs. the ruin of the earth's environment. It is more important to be honest with potential members. Alternative 2 is the most fair to new members; Alternative 3 would be a second choice. You and your students may reach different conclusions.