Tangible & Abstract
Questions for classroom discussions

1) Studies show that people tend to be more upset about the death of a pet than the deaths of thousands of people in a faraway place like Africa. Is that consistent with your experience?

2) Charities find that they can stimulate more giving by describing the case of a single, named victim of a tragedy (earthquake, flood, war, etc.) than by presenting statistics about thousands of victims. Does that make sense to you? Should things work that way?

3) Assume that an admissions officer at a university meets with an applicant who is nice, attractive, polite, earnest, and marginally qualified for admission. Will it be easier to give that applicant the last slot in the class if the officer knows the identity of the applicant who will now be denied that last slot or if the officer does not know who that second person is?

4) Can you think of an instance where you made a decision to act (or not to act) that you might have made differently had the consequences of your decision been made more vivid to you?

5) Can you develop a hypothetical scenario in a business setting where the “tangible & abstract” phenomenon might help cause someone to act unethically?

6) How can a CFO or an investment banker or a manager of a chemical company protect themselves from the potentially odious impact of “the tangible and the abstract” on their ethical choices?
Additional Teaching Note

The objective of this video is to explore the concept of “The Tangible and the Abstract” with students so that they can be aware of how it can affect their ethical judgment and be vigilant to avoid its adverse impact. This requires keeping one’s ethical antennae up and using a certain amount of moral imagination to envision how the consequences of one’s decisions might ripple out across society as a rock dropped in a pond creates ripples across the water. If people look only at the short-term impact of their decisions in the immediate area, they may well act unethically in a way that has serious adverse effects upon many people. To refuse to recall a defective product might save money for the company in the short run, but leaving a dangerous product on the market might harm hundreds or thousands in the long run.

As noted in the video, decision-making is naturally impacted more by vivid, tangible, contemporaneous factors than by factors that are removed in time and space. People are more moved by relatively minor injuries to their family, friends, neighbors and even pets than to the starvation of millions abroad. This perspective on decision-making can cause problems that have ethical dimensions.

The video gives several examples. It has been suggested that auditors who certify financial statements and stock analysts who put forward investment advice are particularly susceptible to this phenomenon because the victims of their inaccurate financial statements or errant investment advice are most likely nameless, faceless members of a large investing public who, it is easy to rationalize, should have diversified portfolios any way.

And it has been further suggested that the engineers at Ford who put the Pinto on the market despite its having flunked numerous crash tests, might well have been affected by this phenomenon. If they did not put the car on the market, it was easy to see the immediate impact all around them. The company they worked for, their co-workers, even they themselves might suffer humiliation and job losses. But if they decided (as they did) to put the car on the market despite its safety flaws, the victims of any accidents were nameless and faceless. Their injuries were only hypothetical—mere impersonal future statistics. And maybe there wouldn’t be very many accidents...
Related to the tangible and abstract concept is the notion of *moral distance*. It is said that it weighs less on one’s conscience to kill by pressing a button in an airplane 30,000 feet in the sky and dropping bombs, than to pull a trigger on a rifle and kill a clearly visible human being not far away. The farther a person is located from the impact of the consequences of his or her actions, the easier it is to act immorally. Because capital markets supposedly are so efficient that individual players can have little direct impact, they often feel very distant from the potential victims of their misdeeds. As business is increasingly done at a global level, the impact of decisions regarding a company’s supply chain and its impact on workers half a world away may increasingly seem like something a business person can ignore. But when, as happened recently in Bangladesh, a factory building collapses, 1100 workers are killed, and headlines are all over U.S. papers, it becomes clear that a different decision should have been made.

A detailed article with extensive resources for teaching behavioral ethics is Prentice, Robert. 2014. “Teaching Behavioral Ethics.” *Journal of Legal Studies Education* 31 (2): 325-365; and may be downloaded here:

Additional Resources


There are many new books in the general area of behavioral ethics, including:


Transcript of Narration
Written by Professor Robert Prentice

Psychological studies show that human decision making is naturally impacted more by vivid, tangible, contemporaneous factors than by factors that are removed in time and space. For example, people are more moved by relatively minor injuries to their family, friends, neighbors and even pets than they are by the starvation of millions of people abroad. This tendency we have – to give greater value to the tangible over the abstract – can cause problems that have very real ethical dimensions.

Consider a corporate CFO who realizes that if he does not sign false financial statements, the company’s stock price will immediately plummet. Not only will his firm’s reputation be seriously damaged today, but also employees whom he knows and likes may well lose their jobs tomorrow. Those losses are vivid and immediate. On the other hand, to fudge the numbers will visit a loss, if at all, mostly upon a mass of nameless, faceless investors sometime off in the future. Perhaps unconsciously, the CFO will feel substantial pressure to go ahead and fudge the numbers to protect against immediate and tangible losses.

Sociologist Robert Jackall studied in detail the inner workings of a corporation in his book Moral Mazes. Jackall interviewed a manager of a chemical company who said that of course he didn’t want to damage the environment or hurt people’s health. When the manager was faced with a choice between putting a chemical in water that would kill twenty people out of a million versus spending $25 million of the company’s money to spare those lives, he said: “Is it worth it to spend that much money? I don’t know how to answer that question as long as I’m not one of those twenty people. As long as those people can’t be identified, as long as they are not specific people, it’s OK to put the chemical in the water. Isn’t that strange?”
Psychologists Max Bazerman and Anne Tenbrunsel tell the story of a Goldman Sachs employee who blew the whistle on a “late trading” scandal that allowed certain favored clients to trade to the detriment of most of Goldman’s average clients. The Goldman Sachs employee had originally viewed victims of the practice as part of ‘a nameless, faceless business’. She said, “...In this business this is how you look at it. You don’t look at it with a face.” But when her own sister asked for investing advice for her 401(k), suddenly she saw things differently, “I saw one face—my sister’s face—and then I saw the faces of everyone whose only asset was a 401(k). At that point I felt the need to try and make the regulators look into [these] abuses.”

These are just a couple of examples of the tangible and the abstract at work, and often it’s not a pretty picture. Working inside big corporate bureaucracies often causes people to feel largely separated from the consequences of their decisions. Likewise, working in global or multinational corporations with offices around the world can also cause people to feel that they are not responsible for the impact of their decisions. Just because we can’t vividly perceive the impact of our decisions on those around us, it doesn’t mean there isn’t one. To be ethical, we must look to the horizon and beyond when making business decisions.