

# BUSINESS, SOCIETY & ETHICS

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## Demanding Dismissal with Justification

As you read the material for our next class, keep the questions below in mind. To answer these questions you will have to reflect critically on what you have read and possibly re-read important passages. Keep in mind that there are two basic kinds of information that you need to look for in the reading:

1. What are the main points or conclusions that an author accepts with respect to a particular issue?
2. What are the reasons, important considerations, and evidence that lead the author to accept that conclusion?

For our purposes, *it is information of the second sort that will be our primary concern* since our most basic task is to *evaluate the reasons and evidence* that are offered to support accepting one possible conclusion about an issue, rather than another.

Although I strongly suggest that you write out brief answers to these questions, you do not have to turn in written responses. You do, however, need to be prepared to speak intelligently about these issues at our next class meeting.

### Reading

- John J. McCall, "A Defense of Just Cause Dismissal Rules".

### Questions

1. What is the just cause approach to dismissal? How is this different from employment at will (EAW)?
2. Recall that Richard Epstein claims that EAW is intrinsically fair because of rights associated with the freedom of contract. Why does McCall believe that this freedom of contract argument is not compelling enough for preferring EAW over just cause dismissal rules?
3. Epstein also provides a series of instrumental arguments about the mutual benefits of EAW for both employers and employees associated with monitoring behavior, reputation loss, risk diversification, imperfect information, and administrative costs. Why does McCall believe that these various "consequentialist" arguments are not compelling enough for preferring EAW over just cause dismissal rules?