

The Problem with Price Gouging

Instructions

When doing the reading for this class, there are the two basic kinds of information you need to understand:

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 position on an issue, rather than another.

Reading

Snyder, J. (2009, April). What's the matter with price gouging? *Business Ethics Quarterly*, 19(2), 275-293.

Optional: Nicas, J. (2020, March 14). He has 17,700 bottles of hand sanitizer and nowhere to sell them. *The New York Times*. <https://nyti.ms/2TYIhuI>

Questions

As you read, keep these questions in mind:

1. Why does Jeremy Snyder believe that the wrongness of price gouging is *not* about an unfair price increase? How is his example of the New Year's Eve party at the ski resort supposed to illustrate this point?
2. Recall our discussion of Uber's surge pricing during winter storms in New York City. Compare that to situations where goods like disinfecting wipes, hand sanitizer, and face masks are sold for great profit during a public health crisis. (For more on how this happened during the coronavirus pandemic, see the article by Jack Nicas.)

Do you think Snyder would consider these to be equally immoral instances of price gouging?

3. Snyder claims that price gouging "violate[s] the norm of equal respect for persons" (p. 280).

What is his argument for this? How does his justification rest on the idea that, in times of emergency, an unregulated market is unable to equally respect traders?

4. Recall that Matt Zwolinski thought price gouging was morally permissible because (A) neglecting disaster victims is morally permissible and (B) price gouging is not worse than neglect.

How does Snyder respond to this argument?

To answer these questions you will have to reflect critically on what you have read and possibly re-read important passages.

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.