1. Life and Death Case Study - 50 points

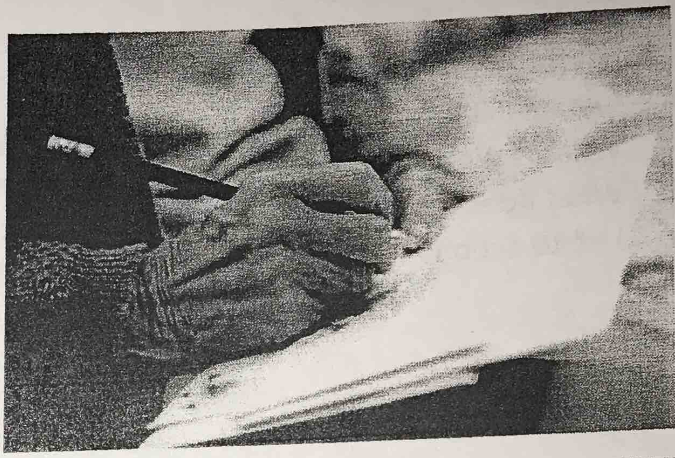
2. Salary Caps – 50 points

3. Define sustainability. Research WKU's sustainability efforts - 50 points
   a. What is WKU's mission statement for sustainability?
   b. What does L.E.E.D mean? What buildings on campus are L.E.E.D. certified?
   c. List 10 actions WKU has taken in its sustainability efforts.

Thinking Critically 1.3

>> LIFE AND DEATH • Elder Suicide or Dignified Exit? A Letter from Ohio

I'm 80. I've had a good life—mostly pretty happy, though certainly with its ups and downs. My wife died seven years ago. My children are healthy and happy, busy with their kids, careers, friends. But I know they worry about me; they feel increasingly burdened with thoughts about how to care for me when I can no longer care for myself, which—let's not kid ourselves—is coming all too soon. I live four states away from them so either they will have to uproot me and move me close to them or I'll have to go live in a nursing home. I don't relish either option. This town has been my home for nearly my whole adult life, and I don't fancy leaving. On the other hand, I do not want to live among strangers and be cared for by those who are paid minimum wage to wash urine-soaked sheets and force-feed pudding to old people.



I'm in decent health—for the moment. But things are slipping. I have prostrate cancer, like just about every other man my age. It probably won't kill me . . . but having to get up and pee four or five times a night, standing over the bowl for long minutes just hoping something will come out, this might do me in. My joints are stiff, so it doesn't really feel good to walk. I've got bits and pieces of skin cancer here and there that need to be removed. These things are all treatable, or so they say (there are pills to take and procedures to have done). But it seems to me a waste of money. Why not pass my small savings on to my grandkids, to give them a jump on college tuition?

What I don't understand is why people think that it is wrong for someone like me to just call it a day, throw in the towel. How can it be possible that I don't have a right to end my own life, when I'm ready? (But apparently I don't.)

I'm tired and I'm ready to be done with life. I'd so much rather just quietly die in my garage with the car running than eke out these last few compromised years. (Even better would be a quick shot or a small dose of powerful pills—but, alas, these are not at my disposal.)

But if I do myself in, I will be called a suicide. My death will be added to the statistics: another "elder suicide." How sad! (Doesn't the fact that so many elderly people commit suicide—and with much greater rates of success, I must say, than any other demographic group—tell you something?) Why can't this society just come up with a humane, acceptable plan for those of us ready to be finished? Why can't we old folks go to city hall and pick up our End-of-Life Packet, with the financial and legal forms to bring things into order for our children, with assistance on how to recycle all our unneeded furniture and clothes, and with a neat little pack of white pills: When ready, take all 10 pills at once, with plenty of water. Lie down quietly in a comfortable place, close your eyes, and wait.

How can choosing my own end at my own time be considered anything other than a most dignified final exit?

— Anonymous. June, 2003

QUESTIONS

1. Should people have the moral right to end their lives if they so please?
2. Does being near the end of one's life make the decision to end it justified?
3. What might the phrase "right to die" mean?
4. Do people have the right to seek assistance in dying?
5. Do people have the right to give assistance in dying?
6. What kind of restrictions, if any, should there be on assisted suicide?

Source: Jessica Pierce, *Morality Play: Case Studies in Ethics* (New York: McGraw-Hill, 2005).

DISCUSSION CASE: AIG Bonuses and Executive Salary Caps

In April 2012, Forbes' magazine began its annual report on executive compensation with the following: "Our report on executive compensation will only fuel the outrage over corporate greed. In 2011 the chief executives of the 500 biggest companies in the U.S. . . . got a collective pay raise of 16% last year, to $5.2 billion. This compares with a 3% pay raise for the average American worker. The total averages out to $10.5 million apiece. . . . So much for the moral suasion granted to shareholders last year with the first-ever say-on-pay votes for U.S. public companies." (*Forbes*, April 4, 2012)

Public criticism of executive compensation, especially among top executives of U.S. based public-traded corporations, increased significantly following the economic collapse that began in 2008. For many observers, the magnitude of executive pay, both in absolute terms and relative to average workers, particularly needed to be addressed at a time when failed management was at fault for so much public and economic harm.

Perhaps no part of the financial market collapse in late 2008, and the government bailout that followed, caused as much public outcry as did the financial bonuses and compensation paid to senior executives of failed companies. American International Group (AIG) became the target of much of this criticism. Persuaded that AIG was "too big to fail," the U.S. federal government had committed $180 billion dollars as of March 2009 to rescue AIG from bankruptcy. In early March 2009, AIG announced that it was paying $165 million in bonuses to 400 top executives in its financial division, the very unit that was at the heart of the company's collapse.

AIG cited two major factors in the defense of these bonuses: they were owed as a result of contracts that had been negotiated and signed before the collapse, and they were needed to provide an incentive to retain the most talented employees at a time when these people were most needed.

Critics claimed that the bonuses were an example of corporate greed run amok. They argued that contractual obligations should have been overridden and renegotiated at the point of bankruptcy. They also dismissed the effectiveness of the incentive argument since this supposed "talent" was responsible for the failed business strategy that led to AIG's troubles in the first place.

As part of the government bailout of AIG, Edward M. Liddy, an associate of Secretary of the Treasury Henry Paulson, was named CEO of AIG in September 2008. Former CEO Martin Sullivan resigned earlier that summer when AIG's financial troubles intensified, but he did not retire without first securing a $47 million severance package. In comparison, Liddy himself accepted a salary of $1, although his contract held out the possibility of future bonuses.

In testimony before the U.S. Congress soon after being named CEO, Liddy was asked to explain the expense of a recent AIG-sponsored retreat for AIG salespeople. The retreat cost AIG over $400,000 and was, in Liddy's words, a "standard practice within the industry." Six months later, when news broke about the $165 million bonus payments, Liddy suggested that the executives consider doing "the right thing" and return the bonuses, describing them as "distasteful."

Within months of taking office, the Obama administration took steps to limit executive compensation at firms that accepted significant government bailout money, including the retirement packages of the former CEOs of Citigroup, General Motors, and Bank of America. Announcing this action, Treasury Secretary Timothy Geithner observed that "this financial crisis had many significant causes, but executive compensation practices were a contributing factor."

Excessive compensation for corporate executives has been a regular news story for more than a decade. *Fortune* magazine's cover story on June 15, 2001, was titled "Inside the Great CEO Pay Heist." This well-respected business magazine detailed how many top corporate executives now receive "gargantuan pay packages unlike any seen before." In the words of *Fortune*'s headline, "Executive compensation has become highway robbery—we all know that."[1] This story documented a phenomenon that had been growing significantly in the 1990s.

In 1960 the after-tax average pay for corporate chief executive officers (CEOs) was 12 times the average pay earned by factory workers. By 1974 that factor had risen to 35 times the average. In 1995, the factor had risen to 100 as estimated by *BusinessWeek*, 35 times the average pay received by factory workers. A 1998 *Fortune* magazine article estimated the factor had risen to 182. In 2012, the Economic Policy Institute, a nonpartisan economic think tank, reported that this ratio had hit 231 to 1. This ratio would mean that a CEO earns in one day what an average American worker earns all year.

At the time that the AIG bonuses were made public, the Obama administration announced a new policy that would cap pay at $500,000 for CEOs of companies receiving federal bailout money. In announcing the policy, President Obama said, "We all need to take responsibility. And this includes executives at major financial firms who turned to the American people, hat in hand, when they were in trouble, even as they paid themselves their customary lavish bonuses . . . that's the height of irresponsibility. That's shameful. And that's exactly the kind of disregard for the costs and consequences of their actions that brought about this crisis: a culture of narrow self-interest and short-term gain at the expense of everything else."

By the end of 2009, more than 10 of the largest financial institutions that had received federal bailout money, including such firms as Goldman Sachs, Citigroup, and Bank of America, had repaid their federal loans and thus avoided the federally mandated salary caps.

DISCUSSION QUESTIONS

1. The United States has established a minimum wage law. Should there be a maximum wage law?
2. What standards should be used to establish a fair wage? Are the standards for executives different from those for hourly workers? What factors determine what someone deserves for pay?

3. Should salary be tied to results, such that an executive whose company loses money should earn less than an executive whose company makes a profit?
4. Are large salaries more justified as *incentives* to produce beneficial consequences, or as *rewards* for past accomplishments? Are there available alternatives to money that might serve as incentives and rewards?
5. Can anyone ever make too much money for their own good?