

Leona's company manufactures Products. Recently, Leona's competitors have drastically reduced the price at which they sell their Products. To compete, Leona relocates her factories to Hypothetica (Leona lives in Imaginaria). The people who live in Hypothetica are desperate for work because of a recent ecological disaster, which has ruined most of their crops. Because of this, Leona can make them work long hours for low wages in unsafe and unhealthy conditions, which lowers her costs so that she can reduce the price of her Product.

1. Is there anything wrong with what Leona has done?
2. If you said "no" to 1, does your answer change if the ecological disaster in Hypothetica was caused by Imaginarian industry?
3. Imagine that Leona could improve the working conditions in her factories in Hypothetica; this would reduce her profits significantly, but she would still make some profit. Is it wrong for her not to do this?
4. Imagine that Leona's competitors have not lowered the price of their Products. Leona relocates to Hypothetica just so that she can be the first to lower prices, and thus undercut her competition. Is there anything wrong with doing this?
5. To save costs, Leona does not air-condition or properly ventilate the manufacturing areas of her factories, even though Hypothetica is extremely hot. The executive areas of the factories, where the Imaginarian executives work when they visit the factories, are always kept extremely cool and well ventilated. Workers in her factories have started stealing fans, and illegally re-directing air-conditioning vents, from the executive areas. Is there anything wrong with this?

Mark's company provides Services. Employment at Mark's company requires a specialized college education, and (up until now) provided an income which would give one at least a comfortable, upper-middle class lifestyle. Mark's competitors have recently begun to only hire people who will first work as unpaid interns (although getting such an unpaid internship does not guarantee a job). This allows these companies to reduce their paid staff, replacing some of them with the free labor of interns. Mark decides to do the same.

6. Is there anything wrong with what Mark has done?
  
  
  
  
  
  
  
  
  
  
7. Does it make a difference if the specialized education required for employment in Service-providing companies is expensive, and does not qualify one for other types of jobs?
  
  
  
  
  
  
  
  
  
  
8. Imagine that using only paid labor would reduce Mark's profits significantly, but he would still make some profit. Does this make it wrong for him to use unpaid labor?
  
  
  
  
  
  
  
  
  
  
9. Some unpaid interns at Mark's company have started embezzling small amounts of money from the company to help feed themselves and pay their rent. Is there anything wrong with this?