

Case Study Number 1: The Ford Pinto

Pre-class preparation:

I. Read the following World Wide Web pages. You will want to print a copy of each page for the in-class discussion.

1. http://www.mojones.com/mother_jones/SO77/dowie.html “Pinto Madness” Before you begin reading the page, call up and print all the links with this article (the links contain important charts and tables).
2. View the quick-time movie in the above web page.
3. http://www.motherjones.com/mother_jones/SO77/larsen.html “Safety Last”
4. http://www.motherjones.com/mother_jones/JF94/tulsky.html
5. Read the excerpt from Lee Iacocca’s autobiography.

II. Some legal background:

Most of the lawsuits against Ford were civil suits for actual and punitive damages, but one case involved criminal charges. In Indiana a rear-end collision between a van and a Pinto caused a fire which killed three teenage girls in the Pinto. Ford was subsequently tried in Indiana for the criminal charge of negligent homicide (this is the trial mentioned in the second web page). There were no accompanying civil suits for this particular incident because, at the time, Indiana law severely limited the amount of damages which a parent could recover for the death of a minor child (no punitive damages were allowed and actual damages were limited to the lost wages which the minor might have earned in the time between his/her death and age 18). Many argue that Ford was acquitted of the negligent homicide charge because the standard of proof in a criminal charge is much higher than the standard of proof in a civil charge (reasonable doubt vs. a preponderance, or balancing, of the evidence). The most damaging civil case against Ford was Grimshaw vs. Ford, a California case in which a jury awarded \$150 million in punitive damages (later reduced to \$6 million on appeal).

Discussion Questions:

- 1) Is it ethical for a company, such as Ford, to perform cost-benefit analyses when lives are involved?
- 2) As a society we often perform cost-benefit analyses involving lives. For example, we do not require overpasses to be built at all railroad crossings, even though we know that an occasional fatal collision will occur if we do not. How is this different from what Ford did?
- 3) Do you think that the public was adequately informed concerning the dangers of the Pinto?
- 4) Could it be possible that upper management at Ford did not understand the engineering issues involved? What was Lee Iacocca’s technical background?
- 5) What do you think about Lee Iacocca’s summary of the Pinto’s problems in his autobiography?
- 6) Suppose you are an engineer at Ford and you have just discovered the Pinto’s gas tank problems. You discuss the situation with your manager and he tells you he doesn’t see a problem. What, if anything, do you do next?
- 7) Ford designed the Pinto to satisfy all legal requirements for safety. Do they have a higher obligation? Does it matter that, during the design, Ford was successfully lobbying the US government to not impose more stringent safety requirements?
- 8) Should a profession impose ethical obligations which are more stringent than legal obligations? If so, why? If so, how should they be enforced?