

Utilitarianism, Ethics, and Wealth: Evaluating Whether Successful Businesspeople Benefit Others Through Earning, Spending, or Both

Zhenyu Sheng

Harrow School, 5 High Street, Harrow on the Hill, Middlesex HA1 3HP, UK

Abstract

This essay examines the ethical dimensions of successful businesspeople's impact on society through the lens of utilitarianism, arguing that successful businesspeople have the potential to benefit others both in the process of making money and in how they spend it. When businesspeople generate wealth through innovation, job creation, and responsible corporate practices, they contribute directly to social advancement. Likewise, philanthropic activities, such as the Bill & Melinda Gates Foundation's \$7 billion contributions to global health and poverty alleviation, exemplify how the ethical use of financial power can improve societal well-being. However, ethical concerns remain regarding the means of wealth accumulation, potential exploitation, and unequal access to resources. Thus, the central question becomes not only whether successful businesspeople benefit others, but also how and to what extent these benefits occur across the entire financial journey—from wealth creation to philanthropic distribution. The essay concludes that both earning and spending can be ethically justified when guided by utilitarian principles that prioritize collective welfare and long-term human flourishing.

Keywords

successful businesspeople, Utilitarianism, Ethics, Wealth, benefit, earning, spending.

1. Introduction

1.1 Background and Research Questions

Forbes has found a significantly higher concentration of top-end wealth accumulation, with the top six individuals from diverse backgrounds collectively earning more than all 470 billionaires from the 2000 list combined[1]. This raises important questions about the impact successful businesspeople have on others.

Compelling evidence suggests that the generation and distribution of wealth benefit others in numerous ways. However, others highlight that these benefits can also induce risks, as wealth inequality affects resource distribution, poverty, and economic growth[2]. For instance, while successful businesspeople can contribute to the development of Gross Domestic Product (GDP), wealth inequality may be exacerbated, as inequality hurts economic growth. Yet, when we account for the fact that some billionaires acquire wealth through political connections, the relationship between politically connected wealth inequality and economic growth is negative.

Further questions thus follow: do successful businesspeople benefit others? Who are the beneficiaries? How do they achieve this—through making money, spending it, or both? Do these benefits persist throughout their financial journeys? Do Successful Businesspeople Create the Greatest Good When Making Money, Spending It, Both, or Neither? Was wealth made and used in a way that respects human dignity and duty?

Building on the analysis of impact utilitarianism and ethics, this essay posits that the benefits

provided by these individuals far outweigh their negative socioeconomic and environmental consequences, demonstrating an overall positive net effect. Successful businesspeople, rather than being solely fixated on wealth accumulation, have the potential to leverage their financial power for the greater good, both to respond to increasing stakeholder pressure and for goodwill. Their influence can extend to communities, economies, and societal well-being, inspiring and motivating others to follow suit, thereby creating a 'multiplier effect' on society, inspiring and motivating the audience. [3]

1.2 Definition: Utilitarianism, Ethics, and Wealth

Utilitarianism is a moral theory developed by philosophers Jeremy Bentham and John Stuart Mill[4] It argues that the right action is the one that produces the greatest overall happiness and the least amount of suffering. For example, when applied to wealth and business, utilitarianism asks whether making or spending money increases overall well-being. If wealth creation generates jobs, innovation, and social progress, it is morally good. If wealth is spent on philanthropy or investments that improve healthcare, education, or sustainability, it also aligns with utilitarian principles. However, if earning or spending money causes harm—such as exploitation, inequality, or environmental damage—then it fails the utilitarian test, even if it benefits a few individuals[5]

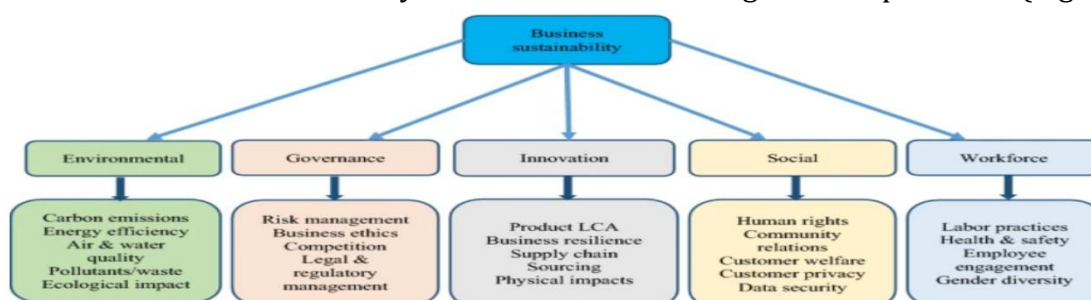
Kantian ethics, by contrast, does not assess wealth by its consequences but by whether it is acquired and used in accordance with duty and respect for human dignity. Businesspeople must treat others as ends in themselves, not merely as means to profit. This implies fair wages, honest practices, and responsible philanthropy.[6] Even if great happiness results, wealth gained through deception or exploitation is immoral because it violates moral duty. Wealth, in Kantian terms, carries a responsibility to respect autonomy and moral worth, regardless of outcomes.[7]

2. Why do businesses benefit others?

Traditionally, 'benefiting others' seems counterintuitive for profit-maximizing enterprises and entrepreneurs. However, since the 1970s, there has been increasing pressure on corporations and entrepreneurs to shoulder environmental and social responsibilities beyond profitability (for instance, the Triple Bottom Line theory)[8] This means they should be accountable to various stakeholders, including employees, customers, supply chains, and communities.

Phillips and Wicks's Stakeholder Theory argues that a business's success should be measured by its profitability and its benefits to its stakeholders. It stresses that companies should ensure long-term

benefits for the broader community and environment through ethical practices (Fig. 1).



Business sustainability flowchart proposed by SASB

Figure 1: Business Sustainability Chart[9]

By addressing the needs and concerns of stakeholders, businesses establish a resilient

foundation for long-term sustainability, profitability, and a strengthened reputation. Engaging in social and environmental responsibility fosters brand loyalty, employee satisfaction, and productivity. Supporting innovation within the supply chain drives industry advancement, while contributing to community development creates positive societal impacts. Sustainable practices reduce environmental footprints and meet consumer demands for responsible products. Ultimately, addressing the needs of all stakeholders builds a stronger foundation for business success and societal well-being.

Beyond fulfilling stakeholders' requirements, the benefits could spark ripple effects that enhance societal efficiency and sustainability. Camerer highlights how, after accumulating wealth, successful businesspeople engage in a 'spending practices game,' where their choices on allocating resources can create significant social benefits. This game involves strategic spending that benefits both the individual and the broader society, such as investing in education or healthcare initiatives [10]. The following analyses elaborate on the prominent pathways that yield such benefits.

3. What are the benefits?

3.1 Socioeconomic benefits

When successful businesspeople generate wealth, they create significant benefits for various stakeholders through income and expenditure channels. Stakeholders typically include consumers, employees, upstream suppliers, and governments. This impact is captured and measured by the following equation, which guides the analyses of positive impact (Fig. 2):

$$\text{Gross Domestic Product} = \text{Consumption} + \text{Investment} + \text{Government Spending} + (\text{Export} - \text{Import})$$

Figure 2: GDP formula[11].

3.2 Benefits to employee-consumers: creating products and income to enable consumption

Successful businesspeople create societal benefits through production and operations. When making money, they create employment opportunities in production, enabling employees to earn higher incomes and increase their consumption. This cycle provides financial stability for individuals and boosts the overall economy through increased consumer spending. Additionally, producing goods and services fulfills consumer needs by meeting necessities, such as food and shelter, and additional desires, such as clothing and luxury items. By satisfying these needs and wants, often in the form of entertainment, successful businesspeople enhance societal well-being in ways that go beyond what traditional GDP measures capture.[8] In turn, employees benefit from the job creation driven by increased demand for goods and services. This phenomenon is particularly evident in large corporations like Microsoft, which reported an annual revenue of \$236.584 billion, marking a 13.97% increase from the previous year.[9] Such revenue growth translates into more jobs and better employee pay, enhancing their purchasing power and financial security. The rise in consumption boosts GDP, as illustrated in the formula.

This closed-loop, self-reinforcing system fosters financial stability within communities, supporting a robust local economy. As production scales up, it fuels economic growth, spurs innovation, and enhances living standards. Ultimately, the wealth generated by successful businesspeople through production is not merely a measure of personal gain but a dynamic process that nurtures the economy, communities, and individual aspirations, showcasing our

interconnected progress and prosperity.

3.3 Benefits along the supply chain

The supply chain benefits significantly from the success of businesses. As production demands increase, there is a corresponding rise in orders for raw materials and intermediate goods. This surge in demand drives innovation and capacity-building within supplier firms, fostering a competitive and dynamic industry. The interconnected growth within the supply chain strengthens overall industry performance and leads to widespread advancements. Motivated by the heightened demand, suppliers invest in new technologies and processes, further enhancing the quality and efficiency of their offerings. This symbiotic relationship between businesses and suppliers underscores the integral role of successful enterprises in driving industry-wide progress and innovation.

3.4 Socially-beneficial investment

Investment by successful businesspeople can be categorized into for-profit and philanthropic ventures, each significantly benefiting society. For-profit investment involves allocating capital to ventures that generate financial returns while creating positive externalities for underprivileged individuals, communities, startups, and the culture. Angel investments in projects and startups by individual investors or corporations like Microsoft, Apple, Tesla, Starbucks, and Amazon exemplify this. [12] These investments often set up funds, open resource platforms, and educational initiatives that drive innovation, enhance workforce skills, and foster economic competitiveness within and beyond industries; for instance, investment in health and new energy technologies yields financial gains and benefits humanity and the environment.[13]

Alternatively, businesspeople can address societal issues such as poverty, education, and health by donating to charities and non-profits. This spending can lead to improved social welfare and reduced inequality. Investing in local communities through infrastructure projects, educational institutions, and healthcare facilities creates long-term societal benefits. These actions enhance quality of life and foster community development. In game theory, Nash equilibrium represents a state where no player can benefit by unilaterally changing their strategy. Applying this to our context, the equilibrium is reached when successful businesspeople adopt strategies that balance wealth creation with social responsibility. At this equilibrium, the business and its stakeholders achieve optimal outcomes: Businesses enjoy sustained growth, a positive reputation, and customer loyalty.

As highlighted by Freeman, businesses can directly benefit society by addressing social issues, improving infrastructure, and enhancing public welfare. Indeed, the global top 10 wealthiest individuals, as highlighted by Forbes, exhibit a consistent pattern of philanthropy and societal contributions, reinforcing the argument that their benefits to society are substantial [14]. Philanthropic efforts by the Gates, Rockefeller, Ellen MacArthur, and Ford Foundations demonstrate the profound socioeconomic and environmental impact.

These organizations address issues ranging from education and health to environmental sustainability, providing resources and support where needed, and effectively contributing to long-term societal benefits, thereby reducing socio-economic disparities. A vital example of this is Bill Gates and Melinda Gates, who, through their foundation, have raised \$7 billion to assist the impoverished and those in need in African countries[15]. This illustrates how successful businesspeople utilize their resources and profits to contribute to social advancements and benefits. Specifically, investments in sustainable and socially responsible ventures have a substantial impact on both local and global markets.

3.5 Benefits to government: tax-financed public spending

The benefits of successful businesses extend to governments through increased taxation and economic stimulation. As companies expand and thrive, their tax contributions grow proportionally, providing governments with the financial resources to fund public services and infrastructure projects. Fuelled by tax revenues, government spending drives societal progress by funding public goods and services, such as parks, schools, and transportation. This spending supports innovations and technological advancements, reduces wealth inequality through redistribution, and builds essential infrastructure such as highways and bridges. Additionally, it fosters social responsibility, thereby reducing crime rates and contributing to a safer, more harmonious society. Tax-driven government spending enhances public services, bridges economic gaps, and strengthens community infrastructure, laying the foundations for growth.

Despite risks of tax evasion, most compliant large companies have helped enhance public services such as education, healthcare, and infrastructure (primarily sanitation, transportation, and others), which directly improve the quality of life for citizens and stimulate local economies. The reinvestment of tax revenues into community development initiatives reinforces economic stability and promotes equitable growth. Similarly, investments in healthcare improve public health outcomes, increase productivity, and reduce healthcare costs.

3.6 Benefits to exports

A country's exports will increase when successful businesspeople make money during production. This outweighs the imports, which would damage the GDP increase. This is because there would be a higher demand for their desired product in other countries. This would also generate considerable income and profit for the company itself. For example, Apple, an American company, also targets the Chinese market and has had revenue totaling \$45.96 billion[16].which accounts for 19% of Apple 's total sales during the 2023 fiscal year[17].This is a significant number, and as more Apple products are sold to foreign markets, exports increase substantially. Once again, this increase in exports would increase the national GDP of the US in this case, as shown by the previous equation on GDP in Figure 2. Therefore, this increase in GDP creates numerous benefits for US citizens, including improved employment opportunities, higher salaries, and economic growth. However, those who are vulnerable and poor are often ignored and overlooked. This is a massive problem in our modern society, as it has become increasingly prevalent[18].

3.7 Environmental benefits

Socially conscious billionaires have also made significant efforts to benefit the environment and ecosystem, aiming to save the planet and reduce global warming. For example, Tesla has pioneered innovations since its inception. In 2003, Tesla proposed and successfully mass-produced a 100% electric vehicle (EV) that did not compromise mileage or comfort[19].This innovative idea was a great success, resulting in Tesla's average revenue increasing while maintaining eco-friendliness.

Beyond sheer GDP growth, the contributions of successful businesspeople are evident in various environmental and socioeconomic benefits, as illustrated in the Corporate Social Responsibility pyramid and the Triple Bottom Line model[20] Production activities generate income for upstream suppliers, fostering economic development. For instance, 21% of farmer households reached a living income, averaging \$ 4,735[21]. Fairtrade also collaborates with multinational companies, including the Co-op and Amazon.[18] which are owned by successful businesspeople to benefit many impoverished suppliers living in third-world

countries. This income can also drive innovation among suppliers and build their capacity, ultimately driving the industry's growth and technological advancements[22].

4. Evaluating Whether Business Success Benefits Others Through Earning, Spending, or Both from the utilitarianism and ethics framework.

Ethical perspectives, such as Freeman's Stakeholder Theory, emphasize that businesses have responsibilities not only to shareholders but also to employees, consumers, suppliers, and the broader community. From an ethical standpoint, companies must ensure fair treatment, reduce harm, and act in ways that uphold social trust and justice[23]. Engaging in sustainable and responsible practices fosters brand loyalty, employee satisfaction, and long-term resilience, demonstrating that ethical conduct is not separate from profitability but is, in fact, an essential condition for it.

From a utilitarian perspective, wealth is neither inherently good nor bad, but rather judged by its consequences for overall happiness. Successful businesspeople benefit others by generating income, creating jobs, stimulating supply chains, contributing to tax revenue, and producing goods and services that meet both essential and aspirational needs. For example, Microsoft's revenue growth translates into more jobs and greater financial stability for employees, enhancing collective well-being. Similarly, increased exports and supplier development contribute to national prosperity and technological advancement, improving living standards across society.

At the same time, spending wealth also produces substantial utility. Philanthropic contributions, such as the Gates Foundation's \$7 billion in aid, directly improve healthcare, education, and poverty alleviation. For-profit investments in renewable energy and healthcare, on the other hand, generate positive externalities for both people and the environment. Camerer's "spending practices game" illustrates how choices in resource allocation create ripple effects that maximize collective welfare.

Therefore, when guided by ethics and utilitarian principles, successful businesspeople can benefit others at both stages of their financial journey. By aligning wealth creation and distribution with sustainability, fairness, and long-term flourishing, they transform profit-making into a vehicle for social progress and greater happiness.

5. Conclusion

In summary, the impact of successful businesspeople extends far beyond mere profitability, encompassing significant positive effects on society, the economy, and the environment. Their pivotal role is evident in fostering societal development for different stakeholders through income and expenditure[24]. Adopting a stakeholder-based approach, this essay emphasizes that true success encompasses positive contributions to employees, customers, suppliers, the government, and the broader society and ecosystem.

The principles of stakeholder theory, emphasizing that true success encompasses more than profitability, propel enterprises to adopt ethical practices that align economic, social, and environmental well-being. Thus, while the GDP formula illustrates how increases in consumption, investment, government spending, and exports drive economic growth, practical evidence shows that business leaders can drive development beyond mere monetary value through innovation, job creation, and responsible production.

Utilitarianism emphasizes that philanthropy and socially responsible investments maximize happiness by reducing poverty, improving healthcare, and protecting the environment. Ethically, spending wealth demonstrates a duty to redistribute resources for social good,

reinforcing trust, justice, and sustainability. Thus, wealth allocation amplifies societal benefits beyond profit, fostering long-term flourishing. From an economic wealth perspective, successful businesspeople benefit others through wealth creation by generating jobs, increasing incomes, stimulating supply chains, and providing tax revenue that supports public goods. Ethically, this aligns with stakeholder responsibility, as businesses must ensure fair treatment of employees, consumers, and communities, making profit-making a driver of social well-being.

Reference

- [1] Insights, I.B., 2023. The rich are getting richer – but is the wealth gap worse in Europe or the US? Forbes. Available at: <https://www.forbes.com/sites/imperialinsights/2023/03/24/the-rich-are-getting-richer--but-is-the-wealth-gap-worse-in-europe-or-the-us/>
- [2] Bagchi, S., Svejnar, J. and Bischoff, K., 2016. Does Wealth Distribution and the Source of Wealth Matter for Economic Growth? Inherited v. Uninherited Billionaire Wealth and Billionaires' Political Connections. In *Inequality and Growth: Patterns and Policy: Volume II: Regions and Regularities* (pp. 163-194). London: Palgrave Macmillan UK.
- [3] Phillips, R., Freeman, R.E. and Wicks, A.C., 2003. What stakeholder theory is not. *Business Ethics Quarterly*, 13(4), pp.479-502.
- [4] Posner, R.A., 1979. Utilitarianism, economics, and legal theory. *The Journal of Legal Studies*, 8(1), pp.103-140.
- [5] Hare, R.M., 2014. Ethical theory and utilitarianism. In *Contemporary British Philosophy* (pp. 113-131). Routledge.
- [6] L'etang, J., 1992. A Kantian approach to codes of ethics. *Journal of Business Ethics*, 11(10), pp.737-744.
- [7] Timmermann, J., 2014. Kantian ethics and utilitarianism. In *The Cambridge companion to utilitarianism* (pp. 239-257). Cambridge University Press.
- [8] Elkington, J., 2017. Enter the Triple Bottom Line. John Elkington. <https://www.johnelkington.com/archive/TBL-elkington-chapter.pdf>
- [9] Ahmad, H., Yaqub, M. & Lee, S.H. Environmental-, social-, and governance-related factors for business investment and sustainability: a scientometric review of global trends. *Environ Dev Sustain* 26, 2965–2987 (2024). <https://doi.org/10.1007/s10668-023-02921-x>
- [10] Camerer, C.F., 2011. *Behavioral game theory: Experiments in strategic interaction*. Princeton university press.
- [11] Wolla, S, 2019. The GDP Expenditures Equation:What Is GDP and How Do We Measure It? Econlowdown. https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/education/lessons/pdf/gdp_expenditures_equation.pdf
- [12] Q.ai - Powering a Personal Wealth Movement (2024) Tesla: A history of innovation (and headaches), Forbes. Available at: <https://www.forbes.com/sites/qai/2022/09/29/tesla-a-history-of-innovation-and-headaches>
- [13] Sinha, S, 2024.Apple's iPhone sales plummets in China-but there's more to the story, Observer.Available at:<https://observer.com/2024/05/apple-quarterly-earnings-iphone-china/#:~:text=iPhone%20revenue%20totalled%20to%20%2445.96,investors%20had%20predicted%20%2415.87%20billion.>
- [14]Jazib, M, 2024. Top 10 Billionaires In the World 2023. Jagran Josh. <https://www.jagranjosh.com/general-knowledge/list-of-billionaires-in-the-world-1695809760-1>
- [15] Bill & Melinda Gates Foundation, 2022. Bill & Melinda Gates Foundation reaffirms commitment to African countries to help accelerate progress in health, agriculture, gender equality, and other critical areas. Bill & Melinda Gates Foundation. <https://www.gatesfoundation.org/ideas/media-center/press-releases/2022/11/gates-foundation-commits-7-billion-to-african-countries>

- [16] Sinha, S, 2024. Apple's iPhone sales plummets in China-but there's more to the story, Observer. Available at: <https://observer.com/2024/05/apple-quarterly-earnings-iphone-china/#:~:text=iPhone%20revenue%20totalled%20to%20%2445.96,investors%20had%20predicted%20%2415.87%20billion.>
- [17] Jones, R, 2024. Why was Apple's business in China so different from what analysts predicted?, Fortune. Available at: <https://fortune.com/2024/05/03/apple-china-iphone-sales-analyst-predictions-wrong-earnings-q2-2024> Jones, R, 2024. Why was Apple's business in China so different from what analysts predicted?, Fortune. Available at: <https://fortune.com/2024/05/03/apple-china-iphone-sales-analyst-predictions-wrong-earnings-q2-2024>
- [18] Ahmad, H., Yaqub, M. & Lee, S.H. Environmental-, social-, and governance-related factors for business investment and sustainability: a scientometric review of global trends. *Environ Dev Sustain* 26, 2965–2987 (2024). <https://doi.org/10.1007/s10668-023-02921-x>
- [19] Q.ai - Powering a Personal Wealth Movement, 2024. Tesla: A history of innovation (and headaches), Forbes. Available at: <https://www.forbes.com/sites/qai/2022/09/29/tesla-a-history-of-innovation-and-headaches/>
- [20] Carroll, A.B. Carroll's pyramid of CSR: taking another look. *Int J Corporate Soc Responsibility* 1, 3 (2016). <https://doi.org/10.1186/s40991-016-0004-6>
- [21] Fairtrade report shows Farmers Earn More with living income reference price (2024) Fairtrade. <https://www.fairtrade.org.uk/media-centre/news/fairtrade-report-shows-farmers-earn-more-with-living-income-reference-price/#:~:text=The%20findings%20in%20the%20report,by%20government%20were%20partially%20responsible.>
- [22] Retail and Fairtrade, 2023. Fairtrade. Available at: <https://www.fairtrade.org.uk/for-business/fairtrade-sourcing/retail-and-fairtrade.>
- [23] Stieb, J.A., 2009. Assessing Freeman's stakeholder theory. *Journal of business ethics*, 87(3), pp.401-414.
- [24] Brams, S.J., 2011. Game theory and politics. Courier Corporation.