Individuals' Responsibility in Corporations

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Pro gradu -tutkielma
Huhtikuu 2009

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1 INTRODUCTION

As social and economic structures have grown more complex, different collectives and their actions play a bigger role in our lives than ever before. This makes moral questions about collective responsibility more urgent. Corporations are collectives whose influence in the world has grown especially fast in the recent history, and many of us participate in these collectives as employees. Multinationals operate in several countries and the people working for them might be very far removed from the consequences of the decisions they make daily. As in any work situation, tensions can arise between the requirements of a role and our moral intuitions.

In work situations people perform roles. With professional roles there comes a certain framework to act within, one that is defined by either one's superiors or the rules of the organisation, and therefore individuals are not free to the same extent as outside the roles. I believe that it is important to discuss collective and role responsibility in the workplace because in bureaucratic systems it is easy to hide away from the consequences of your actions. Increasingly work is done within large collective settings, whether institutions or corporations, and claims like “I was only doing my job/following the orders” and “I cannot influence that” are common. Furthermore, collective responsibility matters because collectives are stronger than individuals and have the capacity to both do more good and harm.

I will discuss role ethics together with collective responsibility, and how bureaucratic settings influence our decision-making and even our moral thinking. I will draw my examples from the mining industry of the Democratic Republic of Congo (DRC) and discuss the supply chain of minerals, such as tin and cobalt, that leads to multinational companies manufacturing consumer electronics like mobile phones, laptops and MP3-players. DRC is one of the leading producers of minerals in the world and also a country that has been embroiled in a bloody conflict for years in which over five million[1] people have died. Many of the mines are controlled by militant groups in the eastern DRC and profits from tin ore, for example, are used to buy arms. Another DRC mineral, coltan, has been directly linked to exacerbating conflicts when its prices have soared in the world market.[2] Working conditions in the mines are poor and many children participate in the mining. The question will be how, if at all, the employees in the multinational companies are responsible for contributing to the situation in the DRC.

1 Bavier 2008
2 Pöyhönen & Simola 2007, 19

1.1 Case Study – Multinationals and the minerals of Congo

Democratic Republic of Congo (DRC) is the third largest country in Africa with a population of over 60 million. It is rich in natural resources such as metals, but one of the poorest in the world when measured by GDP per capita.[3] The average life expectancy in the country is just 44 years and 40 percent of the population is illiterate[4]. In the latest UNDP Human Development Index, the DRC came 177 out of 179 countries[5]. It is a country that has fallen to the "resource curse",

> the paradox that many countries rich in natural resources tend to have less economic growth and are more prone to conflict than countries without this natural wealth. This phenomenon can have several causes. Countries largely dependent on income from their mining sectors are in a vulnerable position due to fluctuating world prices. Many of them have failed to diversify their economies and large flows of revenue tend to fuel political corruption and internal conflict.[6]

Joseph E. Stiglitz puts the resource curse in simpler terms: when there is a pile of diamonds in the middle of a room, everyone will try to grab them. The biggest and the strongest have the best chances of succeeding, and arms will give you an advantage. Once the cycle of violence starts, it is hard to stop. Wealth is destroyed in the fighting. Riches also breed bad governance as the governments that come into power have done so usually through grabbing the resources by being the biggest and the strongest. Weapons and strength are the preferred methods for staying in power for dictators all around the world. International companies pay facilitators to smooth business deals with corrupt governments, conveniently leaving the details of the facilitation blurry, leading to commentators to label privatization in some countries as "briberization".[7] It should come as no surprise that income from minerals and metals fuels the conflict in the eastern parts of the DRC still today. The mining industry has also been linked with human and labour rights violations and environmental degradation.[8]

Minerals have almost always played a central role in the conflict in the DRC. Other factors behind the continuing conflict is Congo's treatment under colonialism (the country became independent in 1960), Mobutu Sese Seko's corrupt rule (1965-1997), polarisation among ethnic and linguistic lines, and different power balances in the region that contribute to the ongoing conflict.[9] Adam Hochschild writes about Congo's

3 DanWatch 2008, 9
4 Nordbrand & Bolme 2007, 26
5 UNDP 2008
6 Pöyhönen & Simola 2007, 10
7 Stiglitz 2006, 135-136; 139-142
8 Pöyhönen & Simola 2007, 10
9 Nordbrand & Bolme 2007, 26

colonial history in *King Leopold's Ghost: A Story of Greed, Terror, and Heroism in Colonial Africa*. Belgium's King Leopold II held Congo as his personal colony from 1885 to 1908 under a public pretence of humanitarian goals, setting up a system of cruel exploitation of both the local people[10] and the vast natural resources of the country, which largely continued once the colony was taken over by Belgium. This set both a precedent for a distant corporate exploitation of the country from afar (Hochschild compares Leopold's position to that of a manager of a modern venture capital syndicate, as he exploited the country together with various private companies[11]) and a pattern for greediness for years to come. Under Leopold's rule, it was mostly rubber and ivory that were being shipped to Europe, but this changed to minerals like tin, copper and gold, already at the beginning of the last century[12].

According to UN's Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the DRC, there exists an intricate relationship between mineral resources, the conflict, and domestic and international economic interests. Both large-scale looting and systematic exploitation of resources have taken place in the DRC. Elite networks consisting of politicians, military personnel, business people, rebel leaders and administrators have exploited the country's resources and monopolised mineral production to build a self-financing war economy. Private companies owned by the elite networks were given ownership of the country's mineral assets. The UN Panel's reports in 2002 and 2003 listed 85 companies involved in either funding the conflict through exploitation of resources, or having violated the OECD Guidelines for Multinational Enterprises.[13]

The DRC has many artisanal miners who do small-scale, often illegal, mining in harsh conditions. In fact, 80% of mineral production in the DRC is still undertaken by artisanal miners and conservative estimates put the number of artisanal miners in the country at two million. Typical artisanal miner is poor and has limited rights. The work is hazardous and physically exhausting, and it involves open pits and deep shafts that are only poorly supported. Miners can remain underground in the shafts for days, with some shafts as deep as 200 metres. Shafts sometimes collapse on miners and health and safety in general is non-existent in the mines. Despite all the risks they must take to earn a living, most miners live in poverty, earning 1-3 US dollars per day. According

10 Under Leopold's regime, the Congolese people were forced to work for free, as slaves, and the methods of persuasion were many: being chained to each other from the neck, threat of guns, whipping from the *chicotte*, taking women and children as hostages, chopping off hands and other body parts, burning down villages and so on. Forced labour continued under the Belgian rule.
11 Hochschild 1998, 117
12 Hochschild 1998, 278-279
13 Pöyhönen & Simola 2007, 24

to the UN, 75 percent of artisanal miners in the DRC are unable to cover even the basic costs of living for their family with the income they make.[14] Childlabour is also widespread, with some miners as young as seven[15].

DRC is rich in many metals, including cobalt and tin. Zambia and the DRC together account for over half of the world's total cobalt production. Cobalt is used in rechargeable batteries for portable electronic equipment, such as laptops, mobile phones, digital cameras and MP3 players. In 2006, a quarter of world's cobalt consumption ended up in these batteries, and the boom in consumer electronic sector is increasing the demand for cobalt. In addition to batteries, cobalt is also used in the production of speakers, headphones, magnets, and media coating for hard disc drives.[16] Tin is used for solder in printed circuit boards and other components in electronic products. After a new European environmental regulation came into force in 2006, requiring tin to be used instead of lead in electronic products, the demand and price for the metal has gone up. At the moment global solder market accounts for nearly half of the global tin consumption, and solder for electronics 35%. Tin is also used in LCD (liquid crystal display) screens on laptops and televisions. While the DRC is nowhere near as large a producer of tin as countries like China, Indonesia or Peru are, tin ore (cassiterite) still constitutes a significant part of the country's economy, especially in the eastern parts. Higher tin prices have also caused the increase of small scale mining. In fact, unlike other metals, the bulk of the world's tin is obtained from small scale mining operations.[17] Cassiterite is often found in the same places as coltan and occur in places easily extracted by artisanal miners, such as in soft rock, streambeds and alluvial deposits[18].

Once the metals are extracted, they are either exported directly by the mining or processing companies, or traded through commodity exchanges and trade houses like the London Metal Exchange. If the metals are exported directly, they are bought by chemical companies that supply the component manufacturers. OMG is a multinational company that produces cobalt for rechargeable batteries, and it holds a 20 percent market share of the total refined cobalt market and has a large smelting facility in Katanga in the DRC. The company's headquarters are in the US, but the refining of cobalt takes place in Kokkola, Finland. OMG has been found to violate the OECD Guidelines for Multinational Enterprises by the UN Panel of Experts, but it denies acting

14 Pöyhönen & Simola 2007, 26-31
15 Nordbrand & Bolme 2007, 30
16 Nordbrand & Bolme 2007, 12-17
17 Pöyhönen & Simola 2007, 12-16
18 Pöyhönen & Simola 2007, 26

unethically. Unsurprisingly, Belgian companies feature still strong when it comes to the mineral business of the DRC, with Group George Forrest as just one example.[19]

Big multinational electronics companies have outsourced a lot of their manufacturing to third-party factories in countries with low labour costs, found usually in Asia, Latin America and Eastern Europe. As a result, supply chains get increasingly complicated and are not only challenging to monitor, but are also often at least partially excluded from the companies' Corporate Social Responsibility (CSR) guidelines. Many companies only care what happens in their first, sometimes second, tier supplier level, and anything below that is not deemed to concern them. At the very bottom of the supply chain lie the raw materials needed in consumer electronics. Market leaders such as Nokia, Sony, Apple, Motorola and Nintendo do not even know where the metals used in their products come from, making the extractive industry level as the "forgotten level" of the supply chain.[20] What happens in the mines of the DRC is not widely thought about in the headquarters of multinational companies, let alone included in their CSR policies.

1.2 The structure of the argument

To begin to unravel the complex knot of of questions related to responsibility in multinational corporations, the demands that are placed on us as employees must be discussed. Chapter two is about the roles we take on when we work, especially as professionals, and the responsibility that goes with roles. The basis for roles is explained, as are their benefits and drawbacks. There is always a potential for a conflict between our different roles and also the wider demands on us as humans. What is expected of us professionally or by our friends can vary a lot. Role demands are usually much more specific than the wider question of how we should act as human beings. The terminology of roles can also be misleading as it can create illusions about our work selves being somehow radically separated from our everyday, "true" selves. We can slip into thinking that we have a double-personality of a sort, where we are a clerk at workplace and ourselves only at home. I believe that virtue ethics is a useful way to approach the issues associated with harmonizing role demands with the rest of our lives, and it will be discussed throughout the thesis.

Chapter three concentrates on individual responsibility. What do we mean when we say

19 Nordbrand & Bolme 2007, 11-28
20 Nordbrand & Bolme 2007, 11

that someone is responsible for something? When I pour hot water over a teabag in my mug, I am responsible for making a cup of tea, but there is really no moral aspect[21] at play here. If I push someone off a bridge and they break their leg the situation is different. One could argue from many starting points why people shouldn't push others off bridges. Chapter three discusses different views on individual responsibility and the importance of reactive attitudes. The requirements for moral agency are explained and the problem of moral luck is also mentioned.

How does the notion of moral responsibility work in collective situations[22]? Let's say that it was not one person but three who pushed the boy off the bridge. The inclination is to say that all three were jointly responsible. What if one of the three ordered the other two to do the pushing and did not participate in the physical action herself? What if it was just one person who did the pushing but there was a group of people standing nearby who could have intervened but did nothing? Would it matter if the group of by-standers knew each other or were complete strangers? Chapter four looks at the idea of collective responsibility and what kind of groups qualify for this responsibility. The question if corporations are moral agents is also discussed in detail.

Chapter five is about corporations' collective responsibility and what it entails for individuals working for corporations. A look into what corporations are begins the chapter. Who is calling the shots in modern corporations, shareholders or managers? The importance of socialization is discussed in relation to what can be reasonably expected of professionals. The nature of collective decision-making and its implications for responsibility is another important topic. The chapter wraps up by looking at some suggested ways of punishing corporations, and if this should be collective in nature, or concentrate on selected individuals within the corporation.

Corporate managers have to make difficult choices daily. Executives need to weigh up competing goals when making their choices, and difficult moral decisions must be made without clear rules or guidance from the corporation.[23] Through a discussion on Robert Jackall's book on corporate managers and Hannah Arendt's account of the trial of a Nazi war criminal, I will explore the impacts of bureaucratic ethic and its influence on the individual. Language games and rules, anonymity, internal power struggles, and the fragmentation of information are just some of the reasons responsibility and

21 Although it is an interesting question where to draw the line between moral and non-moral acts.
22 For a discussion on what constitutes collective action, see Kutz 2000, 66-112. Kutz argues that collective action is what happens when individual people orient around a joint project, acting on their overlapping participatory intentions.
23 French et al. 1992, 28-29

morality can get blurry in big institutional settings. Institutional socialization plays an important role with the mental models it creates for us to see the world through.

Chapter seven looks at how corporations and our thinking about responsibility should be altered to allow individual responsibility to emerge clearer from behind bureaucratic roles. There are many aspects that need to be taken into consideration when thinking about individual responsibility in corporations. The individual person is always in the centre when it comes to responsibility, and not so easily off the hook as we sometimes think. What we do, and especially who we choose to associate ourselves with, does matter and we should be more careful when we choose who we work for.

Throughout the chapters, I will defend the following theses:

- People act differently depending on their roles. This is necessary for our society to function, but the more specific role demands should always be kept in check by the wider requirements of being a good human being.
- Virtue ethics is the most relevant type of ethics when it comes to professional ethics and business.
- Acts in corporations (and other large collectives) are not reducible to individual actions, and cannot be explained fully by the behaviour of individual employees.
- Individuals are responsible for the actions that they undertake in the collective as role occupiers and are very rarely off the hook. Hiding behind role demands is usually only an excuse and shows a lack of virtue.
- Individuals in roles can be responsible even when the collective is not. This depends on if the act they performed was corporate in nature or not.
- Bureaucratic structure affects individual thinking and is not always a healthy environment to work in.
- Individual members can share responsibility with the collective and our share of the collective responsibility is strongly linked to our relations.
- Corporations and other collectives can be responsible for harm even when no individual is at fault. The structure and the policies of the collective are crucial.
- Socialization plays an important role in our morality at both work and outside it. We are all responsible for the kind of moral context we create.
- When accepting a role or a position in a collective, we are attaching ourselves with the values of that collective. We must be more careful when we choose the corporation or other collective we want to work for and be associated with.
- Ethical theories should put more emphasis on good judgement and decision-making instead of vague generalisations.

1.3 Cultural relativism and global business ethics

Before we start, I would like to pause for a moment to go through some of the issues that are involved when we talk about multinational corporations and ethics in business. These include cultural and ethical relativism, and the particular challenges that doing business in the global context brings up for multinational corporations. Why should the employees of multinational electronics manufacturers care about what goes on in Congo? The situation is most likely very far removed from their everyday experience and the impacts of the mining industry can seem very distant viewed from their desks. While practical value from the point of view of a rational self-interest might be thin on the ground[24], the plight of the Congolese workers can be said to be morally wrongful as the people of Congo have intrinsic value, and their human rights are being violated by the abysmal conditions at the mines. However, in an increasingly globalized world, do such ideals as global human rights hold? Jan Aart Scholte writes about the sceptics:

> some analysts have affirmed that intense blending of cultures through globalization unsettles any and all truth claims. Even the Enlightenment vision of human progress becomes a casualty. Science is dead, relativism reigns, intellectual security dissolves.[25]

James Rachels writes that the conception of what is right and wrong differs from culture to culture, based on the customs of that society. To many, this observation has lead them to claim that any universal truth in ethics is a myth and that all standards of right and wrong are bound to culture and society. Furthermore, in the absence of independent moral truths, there is no way of distinguishing between different cultural norms and no way of saying that the standards of one society are better or inferior to those of another. I will discuss the Nazi bureaucracy in chapter six. If we took cultural relativism seriously, we could not say that a society that is anti-Semitic and takes part in a genocide is any worse than a tolerant society that would not approve the killing of Jews. We could not even criticise the standards and practices of our own society because right is just whatever our society's norms tell us. Cultural relativism incorporates several claims in its theory about the nature of morality. At the heart of the theory is an argument that is not logically sound. Rachels calls the argument the "Cultural Differences Argument", which states that different cultures have different moral codes, and therefore there is no objective truth in morality: right and wrong are just matters of opinion that vary from one culture to another. The problem is that the conclusion does not follow from the premise. The premise is about beliefs, the

24 One could argue for the benefits of a more stable global society and so forth.
25 Scholte 2005, 32

conclusion is about what really is the case. The fundamental mistake in the argument is that it tries to derive a conclusion about morality from the mere fact that people disagree about moral matters. It does not follow that the conclusion is false, merely that the argument does not hold and proves nothing.[26]

Rachels also points out that sometimes what seems a big difference in cultural values at first, like Hindus not killing cows and Europeans eating them, or the Eskimos killing infants who are perfectly healthy, especially girls, might not be such a dramatic difference on closer inspection. In the case of the Hindus, they do not eat cows as they believe in reincarnation, and eating a cow could mean eating a dead relative. Europeans do not usually believe in reincarnation, so eating a cow does not equal possibly eating a dead relative. The beliefs vary, but both cultures share the same value of not eating relatives. Religious and factual beliefs are as important as values when producing the customs of a society. The physical realities and circumstances are important too. With the Eskimos, they live in a very harsh environment with food often in short supply. Babies are nursed until they are about four, and carried along in the mother's parka as part of the nomadic lifestyle in search of food. One mother cannot have many small babies at the same time. Eskimo men die more often prematurely than the women do, as they are involved in hunting. If the Eskimos would not allow more male babies than female to be born, the women in the Eskimo society would far outnumber the number of men. Infanticide is considered the last option and childless Eskimo couples often adopt babies from the more fertile couples. Killing of babies is therefore not a sign of a fundamentally different attitude towards respecting human life and children. It is rather a recognition of the sometimes very drastic measures needed to ensure a family's survival in the conditions that the Eskimos face.[27]

It is a mistake to overestimate differences between cultures. All societies have some moral rules in common as those rules are necessary for societies to exist. If lying was fine, communication would become pointless as nothing could be trusted. If murder was accepted, people would avoid each other in fear of getting killed and the society could not function properly as everyone would try to be as self-sufficient as possible. If babies were not protected and cared for, they would not survive and after a while the society would die out. There is a general agreement about these necessary features of society among cultures, and only what are considered as the legitimate exceptions to the rules vary from culture to culture. The conclusion of the Cultural Differences

26 Rachels 1998, 411-414
27 Rachels 1998, 415-416

Argument is thus wrong as well. There does exist some agreement about what is right and wrong in societies and morality is not just a matter of cultural opinion. The insight offered by cultural relativism is how many of the attitudes and practices that we take for granted are actually products of our culture. All of our preferences are not based on some absolute rational standard. It is good to keep this in mind and be open to the possibility of adjusting some of our cultural attitudes and prejudices in the light of what we can learn from other cultures. We can take this lesson from cultural relativism without falling into the trap of ethical relativism in thinking that all morality is a matter of opinion only.[28]

In a line of argument that supports the above discussion, Patricia H. Werhane acknowledges that human rights are not recognised in all countries, but argues that this does not take away the fact that everyone has these rights. Rather, what is missing in these cases are not the rights but the recognition of the entitlement to them.

> Human rights are moral or normative rights as distinct from legal rights, for although they are rights that all individuals possess equally because of their humanity, they are not in fact always respected as they should be. They are rights everyone everywhere possesses, despite peculiar local customs or laws, but they are rights that are not universally recognized, honored, or allowed exercise. Thus human rights are best called moral rights.[29]

In other words, the term “human rights” is misleading as it can be taken to imply that every person's entitlement to these rights is recognised when this is not the case. These rights are however universal and business practices should not rely on exploitation of these rights. The human/moral rights of workers everywhere should be respected[30], regardless of their location, social circumstances or power. Why multinational corporations and their employees should care about what happens in the Democratic Republic of Congo is because some of the practices currently in place violate the basic moral rights of other humans. As fellow humans, it is our duty to try to ensure that what we are involved in is not in opposition to our shared values. The lesson learned from cultural relativism should also warn us against judging the families that send their children to work in the Katanga mines too harshly. In a country with very limited economic opportunities and widespread poverty, child labour is not about not valuing childhood or your children, but about trying to survive.

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28 Rachels 1998, 416-419
29 Werhane 1985, 8
30 For a good and concise discussion on the grounds for human rights and the justification for them, see Feinberg 1973, 84-94.

Thomas Donaldson argues that all companies should be guided by the following three principles when they do business anywhere in the world:

- Respect for core human values, which determine the absolute moral threshold for all business activities.
- Respect for local traditions.
- The belief that context matters when deciding what is right and what is wrong.[31]

The last point is important when we look at the business decisions that poor countries make. It is not necessarily immoral for a poor country to lure foreign business inside their borders with the promise of cheap labour. Encouraging investment can help to increase the living standards of the country.[32] When this is done for the benefit of the elite few only, the context changes of course.

One final remark: it could be argued that since human rights are not always respected by the Congolese authorities and corruption is widespread, multinationals operating in the DRC are just avoiding being culturally judgemental if they turn a blind eye to human rights violations or engage in bribing the officials. Apart from human rights (or moral rights) already been acknowledged to be universal rights that should be respected, there is another reason why Western businesses operating in the DRC should not be judged by the same standards as local business operations. The reason is that multinational corporations are in a very different situation to the Congolese businesses. Richard T. De George points out that multinationals that go into unstable countries to do business are doing so out of their own choice, not out of necessity, and should be well aware of the risks involved. Unlike their local counterparts, multinational corporations operate from a position of power. They have hard currency that is much more valuable than the local currency. They have the option of leaving if the cost of staying in the country is too high and they have the power to refuse to pay bribes. Multinational corporations can play a positive role in a still developing capitalistic economic system by setting an example of ethical business practices, helping to establish the background institutions that are necessary for a mutually beneficial and long-term economic system to emerge. The different set of expectations are justified by the different circumstances for the local and the foreign businesses. Multinationals both can and should adhere to higher ethical standards that the local conditions demand.[33]

31 Donaldson 1996, 474
32 Donaldson 1996, 473
33 De George 1994, 467-469

2 ROLES AND ROLE RESPONSIBILITIES

The topic of this chapter is roles. Not the kind of roles you win Oscars for, but roles that we all play in our everyday lives, be it that of a mother, daughter, friend, citizen, student or a traffic warden. Work situations and professional roles come with a certain framework to act within. As a result, we usually act differently at workplace than we do at home. We act out the requirements of the role, playing the part that is expected of us. Elizabeth Wolgast writes about the role of a lawyer:

> a lawyer's position requires him to act, but to act not as himself or for his own purposes and sometimes not on his own judgment. The cause he pleads — even eloquently and passionately — and may appear to endorse is not his, and his expressions of indignation and sympathy, his praise of his client and expressions of scorn for the opposing client are also not personally his.[34]

What we do for living is intimately linked to our self-image and to our self-esteem too. To some people the status they get from their high-powered, high-paying, and public role as an employee of a multinational big corporation, is the basis for thinking they have succeeded as a person, the basis for their self-image. To others, job is just a job, role is something you must perform to get paid and have money to live your life. Many others fall somewhere in between with their views about work. Working and work roles have a high priority in Western industrialised societies, however, and often one of the first things you learn about a person is what they do for a living.

The scope and meaning of a role is defined to a varying extent by either one's superiors or the rules of the organisation, and thus individuals are not free to act how they like to the same extent as outside their roles. Work roles ensure that our behaviour is more predictable and we can therefore better contribute to the overall goals of the organisation we work for. Many professional roles come with their own codes of conduct, like those for engineers, lawyers and doctors. Other work roles, like teachers, managers and library assistants, have less stringent and more informal codes. Some groups, like cleaners and webdesigners, might not have any written codes for their line of work. They might still have codes of conduct that are written by the organisation they work for. Sometimes there will be no written guidance at all, but society still expects people occupying many work roles to behave in a certain manner, for example, for a shop assistant to engage in some level of customer service. The focus of this chapter is on the attributes of roles, the need for them, how roles are defined and how they affect moral judgements.

34 Wolgast 1992, 19

2.1 What are roles and what do we need them for?

Role is the “capacity in which someone acts in relation to others.”[35] Roles have an impersonal quality, as descriptions and definitions of a role can apply to a number of people holding the role. When we speak about the expectations for any given role, these perceptions do not apply to just one particular hairdresser, father or a lawyer, but to all persons in these roles. In addition, all roles are defined by rules, standards and norms, both explicit and implicit. Explicit ones include job descriptions and organisational rules, while the implicit ones are often more vague and include things like what the society expects of the role, like that of a father. The rules of a role are both descriptions of a role and directives for the kind of correct behaviour within the role that is expected by others. Role rules include not only the duties but also the rights of the role holder, usually legal but often also moral. Every person has many interplaying roles, be it legal, cultural, professional or social. No person is merely identical to their roles as we can adapt and change our roles. As all people occupy several roles, conflicts of interest between roles can and do arise.[36]

Roles are essential for organisations to operate. Without them, there would be chaos. When I walk into a food store, I expect that there is someone who will stock the shelves so that my favourite brand of crisps is available and someone who manages the shop and pays the bills, so that the electricity won't be cut off mid-way through shopping. Similarly, when I come to university, I expect there to be professors and other teachers who can tell me more about the subjects that I am studying, someone to look after books in the library, and people to keep the corridors and lecture halls clean. Roles are required as tools to enable larger groups of people to work together for a common goal. They do not need to be rigid and hierarchical, but roles are essential for employees to know what is expected of them, who they can turn to with problems, who makes the decisions and so forth.

If there were no roles, modern society could not function. Roles are also absolutely essential for big corporations and bureaucracies of any sort to exist. We would have no police, judges, politicians, army, schools, public roads, transport, waste collection, mail, telephones, and all the other things we take for granted in a modern society. Ever since the start of mankind, whenever a larger group of human beings got together[37], roles

35 Dorothy Emmet quoted in Werhane 1985, 95
36 Werhane 1985, 95-96
37 I believe that small groups can function on a more egalitarian footing, with perhaps just some loosely coordinated efforts.

were defined within a group, at least in some loose sense. Someone became the leader, someone else a hunter, another one a gatherer and so forth. The roles can be fluid and people can take turns in occupying them[38], but the fact remains that roles are required for successful human cooperation. Roles are never set in stone, however, and the requirements of a role vary from place to place and change over time. For example, what in Finland is considered to be a successful woman has changed in the past 100 years from a homemaker towards a more career- and education-oriented homemaker.

Ethical systems that empathize shame as a means of controlling behaviour have roles as their standards. Peter French argues that to feel shame, one must think that one's actions have fallen short of what is expected of one, below the examples set by role models. We try to live up to roles, and therefore they tend to require more of us than rules that we try to live by. Roles can prescribe us an ideal to model we must aim for. Broken rules translate into debts (moral or legal), but falling short of one's role requires something more: reformation of the self to rid oneself from the shame, to be seen as worthy role occupier again.[39]

Raimo Tuomela makes a more detailed distinction between rules and roles. Rule-related behaviour is concerned with performing tasks defined by rules, be they informal or formal, and exercising the rights that go with them. Role-related behaviour, on the other hand, is about fulfilling role-expectations related to the social norms of the collective. Roles can be rule-based, like those of “office-holders”, where the rules of the profession define the tasks and the type of behaviour that is expected of the position-holder. Roles can also be social, where the norms and the expectations of society define the role, for example, what a good mother is. The role of the mother is not dependent on rules, and is an example of a “freestanding social role”. Social norms and social role expectations are not normally spelled out clearly. Many stereotypes can also come into play when the characteristics of roles are discussed. Rule-related behaviour may or may not generate a social role. This depends on if they become attached with other people's expectations that are jointly adopted and mutually known. In cases when the social role is generated from rule-related behaviour, other members of the group obtain role-expectations towards the role-occupier by means of analogical reasoning of some kind from the person's rule-tasks, based on a group need, or at least a perceived need. For example, a doctor's role is both rule-dependent and a social role. Unlike the freestanding and rule-independent social role of a mother,

38 We could imagine a society where people would take turns in doing different jobs, for example.
39 French et al. 1992, 29-30

a doctor's role is a social role that is dependent on rule-tasks and rule-rights. A doctor is therefore a professional role that comes with its own rules attached, but it is also subject to the mutual normative expectations of the community.[40] There are more shared expectations about the role of a doctor than there are about the role of a graphic designer, for example.

2.2 Limits of roles

With roles come responsibilities and duties, but the flipside of this is that roles have limits to responsibility too. A cleaner is responsible for a clean school, and for not leaving freshly polished floors without warning signs, but he is not responsible for the quality of the teaching in the school. That is the responsibility of the headmistress and the teachers. The headmistress is responsible for making sure that there are enough teachers in the school among other things, but not necessarily for the school curriculum, which could be decided by the relevant ministry, or board of trustees in a private school. Of course it is not always easy to draw clear lines like these, with responsibilities partly overlapping, sometimes causing confusion at the workplace. There can also be power-struggles between role occupiers, unclear role definitions, and other such matters that complicate identifying the limits to role responsibility.

When discussing role duties we should also talk about freedom. It is important to know the extent to which an individual is free to make choices within a role for us to be able to know the limits of her responsibility. Joel Feinberg writes that for many, there can be no freedom without self-governance. He goes on to say that a "powerful case can be made to show that other acknowledged values have self-government as their precondition, in particular that dignity, self-esteem, and responsibility are impossible without it."[41] So without being able to practice self-governance in a role, one cannot be responsible for their actions in a role either, like a slave forced to build a bridge that later collapses isn't responsible for killing people. Most work-related roles in the Western industrialised nations aren't like this, though, and if you are a builder hired to do shady workmanship on the cheap on a bridge that you know is likely to collapse, you are free to say no or to even expose the masterminds behind the scam. When you are a poor artisan miner working in the mines of the DRC controlled by armed militia groups, you have much less power to influence the situation and aren't really responsible if the mine collapses on your fellow workers.

40 Tuomela 1995, 27; 51; 333-355
41 Feinberg 1973, 16-17

2.3 Role responsibilities, accountability and rights

Role descriptions, organisational hierarchy and structure all contribute to role rules in the workplace, forming the basis for expectations of how one should act in a role. These legitimate expectations give rise to role responsibility and accountability. By accepting a role, the employee commits herself to perform work in exchange for remuneration. Labour is traded for payment, forming a legal contract between the employee and the employer. Role accountability is a narrower description than role responsibility, including fewer obligations: namely the ones one is held liable for. Patricia H. Werhane gives the example of a tennis teacher. The teacher is responsible for giving lessons to her pupils and improving their tennis skills. On the other hand, the teacher is accountable for giving the lessons for the prescribed time and also liable for other contractual issues, but only rarely would she be accountable for the quality of the improvement in her pupils.[42] After all, becoming a good tennis player is to a large extent up to the pupils themselves.

According to Werhane, role responsibilities and employee accountability go hand in hand with employee rights. Notion of reciprocity is implied by role responsibility and crucial to understanding role accountability. Reciprocity is a social relation between agents that treat each other with respect and possess equal (though not identical) rights and benefits. The agents in question can be persons or institutions. There exists two types of accountability, legal and moral. Legal accountability can be enforced while moral cannot. This does not of course mean that worker's rights are not moral rights: they are and should be honoured regardless of law.[43] However, only rights made into law can be enforced.

Both types of accountability involve reciprocal first- and second-party relationships, entailing moral responsibilities on both sides. In other words, the employee has duties towards her employer, but the employer also has duties towards the employee. If such reciprocal obligations would not exist, or they are not respected, the employee's accountability towards her employer (whether it be an institution, group or a person) becomes questionable. In these situations, whistle-blowing could become the right thing to do. Breaking the reciprocity, even in non-enforceable cases of moral rights, undermines the case for accountability. After all, even legal accountability weakens if the other party does not hold to their end of the deal. Organisations and employers

42 Werhane 1985, 94-98
43 Werhane 1985, 3

must therefore protect and defend their employees' rights (such as the right to pay, privacy, safe working conditions etc.) if they expect the same respect in return, and groups should uphold their role responsibilities to their members.[44] In Werhane's words:

> The argument justifying the existence of reciprocity in role accountability might be stated this way. The role expressed in collegial obligation defines not only the place of the accountable person in a group, but also it spells out the place of the group in the life of that person. In being held answerable I must justify my actions within a certain context. This context includes certain at least implicit benefits derived from the role, benefits that translate into second-party obligations of the group to whom I am answerable. Therefore reciprocity is an assumed part of role accountability.[45]

What to do in cases when upholding this reciprocal relationship between employees and employers entails a conflict between the different roles we have? Werhane argues that there are limits to role accountability and "the status of one's role comes into question when there are conflicts between role obligations, between one's role and one's rights, or between one's role and broader moral claims."[46] In these situations, role accountability is weakened or might even disappear. Where to draw the line on accountability then? Are companies such as Nokia, Sony Ericsson and Motorola and their employees accountable for the money they've paid for tin and other minerals being used to finance a bloody conflict, one that has claimed the highest number of casualties since World War II?

Werhane writes that an agent is accountable only for actions that are within its capacity and abilities. Therefore role responsibility cannot be used as an absolute criterion for ethical judgements. Within the workplace, role responsibility defines reciprocal responsibilities between agents but agents are also accountable for more than just their role responsibilities. Role responsibilities don't take away the requirement to answer to more fundamental moral principles.[47] This is why mobile companies are not responsible for the atrocities committed in the course of the civil war in the DRC, but they are responsible for ensuring that they have adequate codes of social responsibility in place when it comes to sourcing raw materials and for ensuring that they and their supply chain adheres to these standards. At the moment, the companies consider their influence over their supply chain and ability to make improvements to be minimal or non-existent[48]. However, the level of influence is up to the will of the companies and

44 Werhane 1985, 98-104
45 Werhane 1985, 101
46 Werhane 1985, 105
47 Werhane 1985, 106
48 Pöyhönen & Simola 2007, 52

their employees and the importance they place on the issue. These are matters that will be discussed further in later chapters.

2.4 The appeal of roles – bringing simplicity to complex situations

Professional roles come with their own codes of conduct that are supposed to keep each worker in check, and also to protect the professionals. Roles such as doctors, lawyers and engineers all have their published codes of conduct, and many companies also make their employees sign agreements on how they should behave in the workplace. These might be linked to the company's wider ethical policy. Do we then need to think about the issue of role responsibility and responsibilities outside the role, and the possible conflicts that might arise? Maybe it would be easier just to concentrate on making the codes of conduct for each profession as morally conclusive as possible?

Aside from the practical difficulties of writing codes of conduct that could encompass all areas of moral decision-making within a role, there are also other objections to placing too much emphasis on codes of conduct. Elizabeth Wolgast argues that codes of conduct do not target the underlying problem: should institutional practice have a priority over moral claims? Focusing on codes of conduct only acts as a disguise, giving innocent descriptions to morally troublesome practices.[49] Codes of conduct can only apply in a narrow field of choices. According to Wolgast:

> the corporate atmosphere, with its emphasis on roles, affects those making decisions and encourages them to focus on single purpose. A framework is thus created where moral considerations are blocked from view, where people allow themselves to do what they would otherwise shrink from.[50]

Appealing to roles is thus seductive as they simplify our moral lives. The demands of a role gives us answers to what to do in certain circumstances, doing away with difficult decisions.[51] Furthermore, if one makes decisions based solely on codes of conduct, however reflective and wide in scope they may be, in my opinion one's behaviour is mechanical and does not constitute real morality. To be moral, you must have moral agency, i.e. deliberate between options and choose the one that you find the best. If you simply follow guidelines blindly, you are acting like a robot and not like a moral agent, and your behaviour is mechanical, not moral. The professional codes of conduct should only ever be guidelines, not strict rules to be followed.

49 Wolgast 1992, 3
50 Wolgast 1992, 87-88
51 Wolgast 1992, 22

OMG is a multinational company with headquarters in the USA and refining facilities in Kokkola, Finland, who produces cobalt required in rechargeable batteries used in portable IT equipment. Their activities in the DRC were found to be in violation of the OECD Guidelines for Multinational Enterprises by the UN´s Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the DRC.[52] If you are the head of a company like OMG, sourcing raw materials at as low a price as possible improves the company's profit margins and increases competitiveness. Therefore the practice of participating in networks that control the mines in Katanga, networks that benefit from the instability of the DRC and its weak social and environmental laws, is good for business, in the short-term at least. Purely from the point of view of role requirements of a company leader, maximising profits and minimising costs count as role virtues. Hence, it is easy to see what the head of companies such as OMG should do: violate international guidelines and exploit the locals for as long as possible, as long as there is no real damage to company's reputation or profits. Luckily the OECD guidelines are voluntary recommendations and not enforceable by law so there is no risk of a costly lawsuit.

However, if one abandons the simplicity of the role demands alone, one must take into account all kinds of ethical dilemmas. What are the competitors doing, would following the OECD Guidelines for Multinational Enterprises cost that much extra for the business that OMG would run at a loss and could possibly have to fire its employees? Would withdrawing from the mines of Katanga hurt the locals dependent on minerals for their livelihoods more than continuing with the practice? Who should one engage with on the local level, are the politicians corrupted, who are militia or former war criminals, whom does the money go to? These are considerations that managers in multinational corporations should take into account when making business decisions, but it is no easy task.

2.5 Role morality

Is it right to think that we should act differently in work roles than we would in our everyday lives? When does a role become one that is separated from you as a person? If you are a self-employed carpenter called Jack who does poor quality work that won't last, ripping of your clients, aren't you just Jack who is not a very honest person? If you are an honest carpenter called Elsa doing an excellent job, aren't you just Elsa who's qualities include honesty? If you are Elsa or Jack working for a big

52 Nordbrand & Bolme 2007, 26-27; 80

company as carpenters, does the work role become somehow automatically differentiated from the person? If the company's boss tells you not to care about the quality and to overcharge, are Elsa and Jack relieved of responsibility because they are just performing their roles as the company's employees and doing what is demanded of them? I believe the answer is no. Jack might be happy working for such a company while Elsa would be troubled and would probably quit. While I believe that individual's virtues affect the way they perform their roles, both inside and outside of big institutional settings like corporations, in institutional settings there are other factors that do still come into play. The importance of socialization and bureaucratic structures are looked at in later chapters, but even with their influence, personal virtues and moral qualities still play a large part in an individual's behaviour in a role.

The terminology of roles, and the framework that it entails, is misleading. According to Wolgast, calling positions (like manager, teacher, carpenter, wife or king) roles

> obscures the way a person brings his character to his position and the way one's position reflects and is reflected onto other aspects of one's life. [--] Commitments and the individual contributions of a person to his position are inseparable from the person himself. [--] The relations and obligations that bind a person to others, together with the ways he handles these, belong to his identity.[53]

The terminology of roles therefore directs our thinking and reasoning toward the theatrical model. Wolgast identifies four problems with this. The first one is that the terminology of roles is misleading and 'too spare' as it makes it seem like the actions of people in roles are not really theirs, like they are just any replaceable actor who can play the same part. Secondly, the roles are too packaged and defined to apply to real life where people have competing, interconnected and personal obligations outside those of the role. Thirdly, theatrical roles do not need moral justification, whereas real roles do. Finally, the fourth problem is that a good actress reveals very little or nothing about their real persona, whereas a lot is revealed in the way we perform a work role. Comparing a professional to an actor in a role therefore encourages the exclusion of certain actions from moral criticism. The line of reasoning goes that some things are required by the role and that is it. Role-thinking can be seen encouraging an attitude supporting insulation from moral scrutiny.[54]

Often when we speak about the moral dilemmas encountered in the workplace, like

53 Wolgast 1992, 51
54 Wolgast 1992, 56-57

those of lawyers and soldiers, we give an institutional justification that casts the issue in terms of roles, whose requirements defy straightforward moral evaluation. Institutions shield the actions of individuals from a critical light. Wolgast believes that this justification is morally suspect. Morality is acting in a three-dimensional world, not abstract arguments based on general principles. It involves living with what one does, not hiding behind role rules when it comes to decisions.[55] Wolgast writes:

> To act deliberately is a central idea for morality and this means more than just deliberating and deciding about an action that is then mechanical. It includes personal engagement with the circumstances, personally using instruments, and then observing the effects. It includes viewing oneself as the agent, an autonomous agent, aware of one's past experience and judgments.[56]

We need to think about the limits of roles and where our common morals take precedent. Wolgast continues:

> We are drawn toward the conclusion that one's identity or real self cannot be a distinct Me somewhere under all the roles. It is more closely tied up with roles and relations than such separation allows, and some of them are connected with human generation itself.[57]

Roles can act as a handy moral disguise and are generally accepted as excuses for acting in a certain way, for making decisions based on narrow view of the world. It is a different question if this should really be so or if the whole thing is just an illusion that we should get rid of for true morality to emerge. Gandhi was very critical of modern professional roles, although he was himself a trained lawyer (or perhaps because of it). He writes that he has “abhorrence for the profession[58]” of a lawyer and that lawyers “take up that profession, not in order to help others out of their miseries, but to enrich themselves. It is one of their avenues of becoming wealthy, and their interest exists in multiplying disputes.[59]” Gandhi came to believe that “a true lawyer” values truth and serving others above financial gains or other perks of the profession[60].

> I realised that the true function of a lawyer was to unite parties riven asunder. The lesson was so indelibly burnt into me that a large part of my time during the twenty years of my practice as a lawyer was occupied in bringing about private compromises of hundreds of cases. I lost nothing thereby – not even money, certainly not my soul.[61]

55 Wolgast 1992, 71-72
56 Wolgast 1992, 73
57 Wolgast 1992, 49
58 Gandhi 1997, 61
59 Gandhi 1997, 59
60 Gandhi 1997, 60: footnote 110
61 Gandhi 1997, 59: footnote 108

Notice how Gandhi expresses a worry about a lawyer concentrating on the wrong kind of values possibly even losing his soul. I do not know how literally Gandhi meant this to be taken, but the worry is about ourselves being lost in a role of a professional, coming to serve values that are not the most important ones.

I have discussed the nature of roles and the scope of role responsibility and accountability. I have presented objections to individuals being able to hide behind their professional roles from blame when harm is caused. There are no hard and fast rules to apply when discussing role responsibility in work settings but rather each case must be examined on its own merits. Individual contextual judgement plays a very important part with roles too. Furthermore, individual and collective responsibility are inter-linked. When discussing the moral responsibilities of an employee in a corporate setting, one must take into account arguments for role ethics as well as individual and collective responsibility. We will look at these in turn, starting with individual responsibility.

3 MORAL RESPONSIBILITY AND AGENCY

Before we delve deeper into the responsibility of corporations and individuals working for them, we must first take a look at the basics of responsibility. We will begin by looking at the importance of reactive attitudes for responsibility, and discuss virtue ethics. The second half of the chapter focuses on what we mean by responsibility, and the conditions for moral agency and responsibility. A brief discussion on the problem of moral luck concludes the chapter.

3.1 Reactive attitudes and complicity

Peter Strawson argues in his influential essay *Freedom and Resentment* that reactive attitudes, such as resentment, gratitude, guilt, love and forgiveness are not just emotional manifestations of an independently held moral duty or obligation, but are the manifestations of moral responsibility itself.

> What *is* wrong to forget is that these practices, and their reception, the reactions to them, really *are* expressions of our moral attitudes and not merely devices we calculatingly employ for regulative purposes. Our practices do not merely exploit our natures, they express them.[62]

Strawson's argument is in contrast to how ethical theories have traditionally viewed reactive attitudes. In very rough terms, deontology[63] is about rules and principles to guide our morality, focusing on duties, rights and obligations. It is not the consequences of the act but the intention[64] behind it that makes it good. When an act is done out of moral duty it is a good act. For deontologists, reactive attitudes are about us reacting to the adherence to moral principles and duties, or to the negligence of these. Consequentialists, on the other hand, judge actions based on their consequences, and the value of an action is dependent on the desirability of the results it brings about.[65] Praising can be thought to encourage others to perform more of similar type of desirable actions, while blaming discourages from acting in that way, so assigning blame and praise should be done based on the expected result of the act of praising and blaming. Susan Wolf argues against this in Strawsonian vein:

62 Strawson 1962, 66
63 The term is derived from the Greek word for *duty.*
64 The most famous deontological theory formulation is Immanuel Kant's categorical imperative. It's first formulation, about acting only in such a way that the principle of one's act could become universal law of human action, is familiar to many.
65 Donaldson and Werhane 2002, 2-9 and Bowie 1999, 61-64. Utilitarianism is the most famous form of consequentialism. According to utilitarianism, happiness is the ultimate goal and moral actions should be aimed towards increasing happiness, bringing about greatest happiness for as many people as possible, both those already alive, and future generations too.

> We do not ordinarily *decide* whether a word of praise or a public scolding would be a useful directive to future behaviour. Rather, we find ourselves *reacting* to the actions and characters of others, approving of some, disapproving of others. Unless there is reason to restrain ourselves, we simply express what we feel.[66]

Consequentialists are therefore wrong to view our reactive attitudes, including assigning blame and praise, as just tools for guiding human action for the benefit of the society, as social regulation. Deontologists are wrong to view them as mere emotional expressions of a higher duty. Instead, they are direct expressions of our morality.

What matters to us, according to Strawson, are the attitudes and intentions that other people have towards us, more than the actions themselves. An action can be viewed differently depending on if it was meant maliciously or if it was an accident. Perhaps the act was done out of good intentions but turned out wrong. For example, imagine that I shot my friend's dog after some malicious third friend convinced me (wrongly) that the dog had rabies, and it was a danger to my friend, too kind-hearted to put it down. I was motivated by misinformation and did not know all the facts. My attitudes and intentions towards my friend were what she has the right to demand them to be from a good friend, that is, the motivation and thus the underlying attitude was love for my friend, not anger or jealousy. I shot the dog to protect my friend from rabies and a possible death. Responsibility for Strawson is to be understood by our reactive attitudes, what we demand and expect of others in terms of their intentions and attitudes towards us. The fact that I was misguided by the malicious third friend makes me not fully responsible for the injury that I caused, as I was ignorant to the injury I was causing. The third friend's attitude, on the other hand, is something that can be viewed in morally unfavourable terms. Strawson underlines that our reactive attitudes are natural human reactions towards the good or ill will (or indifference) of others towards us as displayed in their actions and attitudes. They do not need an independent moral theory to back them, but are rather part and parcel of what it is to be a human being.[67]

Larry May argues that ethics is more “up to us” than traditional theories would allow. He believes that we do not need a moral authority that is external to us, and that ethics cannot be encapsulated in a simple algorithm or universal guideline. Instead, ethics of responsibility[68] leaves the agent with quite a bit of discretion. Professional responsibility is “best conceptualized as discretionary rather than rule-bound, because there are far

66 Wolf 1981, 104
67 Strawson 1962, 48-55. See also Strawson's distinction between participant and objective attitude.
68 See May 1996, 88 for more information on what ethics of responsibility include.

too many avenues, many crossing each other, that a person could traverse that could lead to a morally legitimate life.[69]" An ethic of responsibility is discretionary, meaning that there are no a priori fixed points that dictate results when a certain algorithm is applied. However, it is not completely up to the agent to decide what to do. The choices are to be made within an existing framework[70], one that is largely created by the society we live in and the process of socialization. I will discuss May's views about the importance of socialization more in chapter five.[71]

Christopher Kutz observes that we live in a morally flawed and complicated world, where we are associated with regrettable things, and connected to harms and wrongs not brought about us intentionally or individually. He gives as examples things like owning stock in a company that does business in a country where political opposition is not tolerated, buying a table whose timber comes from a defoliated rainforest, or being a citizen of a nation who is happy to launch reckless bombing attacks against terrorists in another country. My own example of how the consumer electronics we use sometimes contribute towards fuelling Congo's war could be added to this list as well. Our reactions to these things range from discomfort to guilt. In Kant's deontologist view, virtuous will insulates us from responsibility, ignoring the grey zone of collaborating with evil almost unintentionally. Kutz, on the other hand, wants to draw attention to the grey zone and towards the complicity arising from our legal and cultural practices that allow agents to be related to harms caused by other agents. The complicity also seems to conflict with our usual understanding of moral accountability. Kutz writes that recognizing complicity poses problems for our understanding of individual accountability, and the principles of *Individual Difference:* one is accountable for a harm only if something one did made a difference to it occurring and that the same harm would not have occurred regardless of what one did; *Control:* one is only accountable for events one has control over and could have prevented; and *Autonomy:* one is not accountable for harms caused by other agents, unless one has induced or forced the other agent to do what they did. We use these principles regularly to allocate responsibility, and to make excuses for, and emotionally distance ourselves from, things we argue we have no control over, or what would have happened anyway.[72]

> Together, these principles of accountability define an individualistic conception of moral agency. This conception of accountability is individualistic in three respects: its *subject* is an individual moral agent; the *object* of accountability, or

69 May 1996, 92
70 This does not mean ethical relativism though, please see section 1.3.
71 May 1996, 88-98
72 Kutz 2000, 1-3

> the harm or wrong for which the subject is reproached, is ascribable to that subject alone; and the *basis* of accountability, or the grounds for holding the subject accountable, consists primarily in facts about that subject, such as the subject's causal contributions or the content of the subject's intentions. Paradigmatically, individual moral agents are reproached, or reproach themselves, for harms ascribable to them and them alone, on the basis of their intentional actions and causal contributions.[73]

Kutz argues that this individualistic understanding of accountability is deeply rooted in the modern consciousness, together with a commitment to a kind of solipsism, where questions of accountability are resolved without a reference to one's relations to others. The solipsism extends to causation too, with anything complex resting on more than simple individual acts falling outside the realm of evaluation. This individualistic concept of accountability drives a wedge between public and private, between local effects and wider collective harms. It also makes the individual's role disappear in collective agency. Kutz argues that deontology and consequentialism help little when we try to include an assessment of what one does with others into our system of accountability. We must dig deeper and change the underlying conception of agency that underpins our accountability system. We need to expand the system of individual accountability to include considerations of and protection from the serious harms we too easily bring about collectively, while staying sensitive to the needs of individuals. Judgements of accountability should be seen as elements of dynamic social life itself, not as external verdicts.[74] The last point brings us to Strawson again. I will explain what Kutz says about moral responsibility in section 3.4 and his schema is also discussed in detail in the last chapter when the discussion turns to collective settings.

3.2 Virtue ethics and roles

A third ethical theory, which some philosophers claim is not covered by deontology or consequentialism, is virtue ethics. I believe that virtue ethics is helpful when we look at the questions in my thesis. Virtue ethics stresses the importance of evaluating the character of the moral agent when making moral judgements about them or their actions. Virtue ethics has its roots in ancient Greek philosophy and Aristotle as its most famous proponent. The underlying moral character of a person should matter, not only the rules they live by or the consequences of their actions. If a business leader makes excellent decisions and cares for the community, we want them to not to do all of this purely for calculating, selfish reasons. Instead we would like to think that his actions reflect his character. Aristotle believed that people are social by nature and must be

73 Kutz 2000, 4
74 Kutz 2000, 4-10

understood as part of their larger communities. One should aim to restrain one's harmful desires and develop moral virtue by cultivating beneficial desires.[75]

According to Aristotle, a person is an amalgam of roles whose complexity and number enhances us and makes our existence more characteristically human. A man is all his important roles, the father or husband of so-and-so, owner of a property, citizen of a city, participant in a military action, holder of office, and so forth. Jobs and relations are thus essential for identifying people.[76] Christine Swanton argues for a non-Aristotelian virtue role ethics, where role virtues make one a good role occupier but don't necessarily contribute to one being a good human being also. There is no complete hierarchy of ends but instead a pluralism of ends. Yet this is not a serious problem as it does not lead to there being a characteristic conflict between role virtues and ordinary “prototype” virtues. Rather, what is constituted as being a good human being is itself constrained by role demands, and in turn these role demands are being kept in check by the requirements of being a good human being. Thus, in professional situations, the requirements of being a good human being constrain the unchecked pursuit of institutional goals.[77]

Prototype virtues, such as loyalty, generosity and honesty, are vague. They do not provide universal principles or even rules that could provide guidance for actions. There are situations where honesty is required but similarly many situations where it could lead to bad consequences. Simply taking honesty as your guiding principle in life is not going to help you to live a virtuous life. What is required for the prototype virtues to become less vague and useful in applied ethics, according to Swanton, is that they are contoured by role virtues. That is to say, we need to take into account also the more specific requirements determined by role-differentiation. While the field of concern with a prototype virtue is relatively broad, with role virtues the field is narrowed by the purpose of the role, its aim. This aim is derived from the purpose of the institution of which the role is a part of. Although vague by themselves, the prototype virtues are not empty and can act as constraints on role virtues. They do this by anchoring moral thinking within the context of roles and by alerting us to excesses and other vices.[78] If role virtue forces the agent to act in a way that goes against our instincts as good human beings, we can find it hard, if not impossible, to perform these acts. We thus need both prototype virtues and role virtues to meaningfully understand

75 Donaldson and Werhane in Donaldson et al. 2002, 9-11
76 Wolgast 1992, 50
77 Swanton 2007, 208-211
78 Swanton 2007, 214-217

things like business ethics. Swanton does not claim that role virtues and prototype virtues are never in conflict, for example the requirements of being a good business person and good human being can be in conflict. However, what she is arguing is that this is not necessarily so, and therefore conflict is not characteristic of combining role virtues with other virtues.[79]

Robert C. Solomon argues that virtue ethics is the only ethics relevant when talking about business. Kantian deontology is too impractical, and removed from the way we actually make ethical decisions, for it to appeal to business leaders. It also makes us focus on the wrong things, namely an “abstract role-transcendent morality”, and away from thinking about ourselves as “a full-blooded person” who occupies a significant role in the organization in question. Consequentialism, and utilitarianism in particular, also focuses on rationalization and principles over the cultivation of character and individual responsibility. There also often exists considerations more basic and personally more significant than public utility. Solomon argues that corporate role ethics are always contextual and situational, and that the general ethical guidelines that try to cover all the roles in a corporation, from the CEO to the janitor, are of no use in solving concrete ethical dilemmas. If a theory of ethics tries to transcend all context, it just ends up vague. Furthermore, ethics should acknowledge that people “wear several hats”, occupy many roles, both in business and in their personal lives, which do clash and cause ethical dilemmas. The integration or harmonization of our different roles is what ethics is or should be.[80] I will return to Solomon's argument in the last chapter.

3.3 Responsibility and moral agency

There are many ways in which we can think that someone is responsible for something. We have already discussed role-responsibility, i.e. the responsibility one assumes when they take on a role. There is also social responsibility, which includes things that make our day-to-day lives run smoother, standards of etiquette and customs of the society we live in. One very common way we think of responsibility is causal responsibility. Some philosophers problematize the notion of causation, but there is a general way in which we use causality in our everyday language when assigning responsibility. To use Fischer and Ravizza's example, when your kitten accidentally breaks the vase, she is causally responsible for the event just as much as your human guest who broke the vase on purpose. Both played a causal role in shattering the vase.

79 Swanton 2007, 223
80 Solomon 1992, 73-78

Yet while animals and humans both can be held causally responsible, only human behaviour can be morally blameworthy or praiseworthy.[81] Same distinction would hold for robots and humans. The kitten and the robot can be causal agents, but they cannot be moral agents. Why this is so will be explained soon.

As for normative responsibility, there are two types. There is the legal sense of responsibility, like when you've signed a contract and the responsibility is based on the law. Juridically, responsibility relationships can be created through contracts, promises, appointments, assignments, and so forth. This means that for me to be able to legitimately hold someone responsible for something, there has to exist (or have existed) a responsibility relationship between us, where that other person was answerable to me in relation to the thing that I want to hold her responsible for[82]. This kind of responsibility agreement arises when I sign a contract to buy or sell a house, for example. If either party later breaks the agreement, they can be juridically responsible for their deed. However, you do not always have to have personally entered into any contracts to be held responsible under the law. A court can find you responsible for breaking the law when you have murdered or kidnapped someone. Legal responsibility is separate from moral responsibility, the second type of normative responsibility. If you had killed someone, but the court found you not guilty[83] due to lack of evidence, you would not be legally responsible for the murder (and would not have to pay with jail time), but you would still be morally responsible for the action. Moral responsibility refers to our moral duties, whatever system we decide to employ to base them on, not on any legal system, although morality often influences the law (and more rarely also vice versa). The separation of legal and moral responsibility is also apparent when we think about actions that are morally blameworthy but not illegal, like being a bad friend. Responsibility can be prospective or retrospective. Prospective responsibility refers to the future, to future actions, while retrospective responsibility is used when talking about things that have already taken place, and praise or blame can be assigned.

May writes that moral responsibility can be understood in two ways, that it has two roots. One is being accountable for what one has done, and this goes with discussing ethics in terms of duties and obligations. The second is “being responsive for” someone in need, taking into account the particular situation. As the latter meaning is

81 Fischer and Ravizza 1993, 5
82 French 1979, 140
83 Note that “guilty” in the legal sense means responsible for something. Guilt, on the other hand, is an emotion that is a response to holding oneself morally responsible for a real or perceived wrongdoing. Wallace points out that feelings of guilt can be irrational too, see Wallace 1996, 40-50.

discretionary, it cannot be made into a simple impartial formula or an abstract rule.[84]

To be held morally responsible one must be a moral agent. Not all agents are moral agents, as they lack the capacity for deliberating between different courses of actions and their consequences, and then acting based on these deliberations. Children and mentally ill adults are agents but are not usually considered to be moral agents for the above reasons. They do not lack moral standing, though, but we don't evaluate them the same way we do moral agents, and we do not expect as much of them.[85] Of course there are different degrees involved, a twelve-year-old can be expected to act with much more deliberation than a one-year-old, some mental illnesses are less severe than others, and so forth.

R. Jay Wallace discusses moral agency in the light of our practice of holding people responsible, and the conditions under which it is morally fair to do so. He argues that these conditions do not include freedom of the will: it is not intrinsically valuable, and we do not desire it for its own sake, despite what some philosophers claim. Desire for free will independent of context would be a type of a fetish. What we want instead is freedom that makes us autonomous persons who can deliberate. Responsibility conditions include possessing rational powers such as applying and understanding moral reasons, and being able to control behaviour.[86] To be a morally responsible agent, one must have powers of reflective self-control. This includes two things. First, the ability to grasp and apply moral reasons, including being able to apply principles to a variety of situations, utilising concentration and judgement, grasping the reasons behind justifications. Second, to be able to regulate one's behaviour in the light of these reasons, which includes being able to step back from one's immediate desires, to have some control over these, and to translate choices into behaviour. Correspondingly, the exempting conditions of moral agency are when the powers of reflective self-control are missing or partly missing: to lack the power to grasp and apply moral reason, or to lack the power to control and self-regulate behaviour in the light of these reasons.[87]

3.4 Moral responsibility

Fischer and Ravizza call the spectrum of feelings, attitudes and practices that we attach to moral responsibility as “responsibility-reactions”. These include praise, blame,

84 May 1996, 91
85 Erskine 2003, 6
86 Wallace 1996, 2-8
87 Wallace 1996, 154-180

gratitude, resentment, respect, and so forth, which apply to morally responsive agents only. Fischer and Ravizza go on to give the following classic account of moral responsibility through employing Aristotle's notions. Aristotle argued that ignorance and force undermine the voluntarism required for moral responsibility. If one does not know what one is doing, and cannot be reasonably expected to know either, then one cannot be praiseworthy or blameworthy. To be a morally responsible, one must not be ignorant or deceived about the circumstances of one's actions, or the manner of doing them. To lack knowledge in these areas means to lack moral responsibility. Responsibility can also be undermined by the use of force, like being held by gunpoint, or by being manipulated through brainwashing or hypnosis, for example. When these excluding factors are turned into positive requirements for morally responsible agency, we get two conditions. The first states that for an agent to be responsible, she has to know (or can be reasonably expected to know) the facts surrounding her action, and act with the proper intentions and beliefs. The second condition is about being able to act freely, so the responsibility of the agent is linked to the action being unforced, and there being alternative courses of action that one could have pursued instead.[88]

To be held morally responsible, one must be a moral agent. Moral agency does not of course entail moral responsibility. One can be a moral agent whom is not morally responsible. Take the example I gave earlier about shooting a friend's pet. If I killed my friend's dog on my own free will with a pistol when I knew it was wrong (and could have physically chosen not to pull the trigger), I am morally responsible for the killing. The annoying bark or smell of the pooch are no mitigating circumstances. But if I shot the dog after some malicious third friend convinced me it had rabies and was a danger to my friend who was too kind-hearted to put it down, I would not know all the facts surrounding the situation and would be motivated by misinformation. I am causally responsible for the dead dog, but not morally blameworthy, unlike the third friend. I am not exempted from moral responsibility, but I am excused. I am still responsible in the sense of the dead dog being attributable to me, and I might be responsible for being so gullible, but the malicious third friend bears the burden of the moral blame. After all, I thought I was protecting my friend's life. If the malicious friend hypnotized me to shoot the dog, I would not fulfil the condition about acting freely and would therefore not qualify for moral responsibility in this case. Or to use Wallace's terminology, I would have been deprived of my powers of reflective self-control. Moral agency is about my capacity for moral behaviour and judgements, moral responsibility is about how I act

88 Fischer and Ravizza 1993, 6-8. There exists also a wide range of literature about the problems of determinism and responsibility, but I will not discuss these in my thesis.

and behave, and how these are in line with the reality (not being deceived etc.) and how free I am, what the conditions for applying my agency are. Moral agency cannot be taken away from me by my malicious third friend, but moral responsibility can.

Jeanette Kennett writes about the structure that we base our attributions of moral responsibility on. We look at both the agent's judgements and level of self-control. Some errors of judgement are innocent or excusable, as in when the agent is a child, mentally handicapped, misinformed, under great physical stress (like sleep deprivation) and so forth. Other errors are not so innocent, however, and we may judge the agent to be reckless. The agents in these cases are capable of competent deliberations, and had both the information and opportunity to form better judgements, but failed to do so. They have no good excuse to have formed their judgement against the evidence, therefore making the judgement reckless. Kennett distinguishes between three types of recklessness: carelessness or indifference towards the needs of others; self-deception or rationalisation of one's reasons; and arrogance and inflexibility leading to dismissal or ignorance of reasons. The reckless agent's values are bad, and her characteristics flawed, be they arrogance, lack of concern for others, intellectual dishonesty, or callousness. We judge recklessness harsher than lack of self-control. We all sometimes fail to do what we set out to do, we all are at risk at times to fail to act in accordance with our values. It is easier to judge well than to act well, it is easier to know what one ought to do than to actually do it. When we fail to act on our better judgements, we are weak-willed, but still responsible. If we would be compelled to act against our better judgements, we would not be responsible, as a real compulsion is excusable. Moral responsibility is affected by factors that constrain our self-control, and it comes in degrees. The factors affecting the level of responsibility can include emotional pressures, cultural constraints, social expectations, tiredness, depression, and a whole range of other such practical and epistemic factors. There are also times when an agent is held morally responsible for the outcome, even when they lacked self-control at the time. Kennett gives as an example an alcoholic relapsing at the company of an old drinking buddy. The pull of the alcohol was too strong for the agent to be in control, and we may pity her for it, but we will also hold her responsible for putting herself in the position in the first place, for agreeing to go out with an old drinking buddy when she knew what might happen. For self-control to truly exist, an agent must be able to choose to act against her better judgement. She is responsible for her past failings that lead her to her current situation, and can be blamed for her relapse. Kennett argues that it takes quite exceptional circumstances for our ordinary

allocations of moral responsibility to be suspended altogether.[89]

> Wherever there is some room to manoeuvre, there is an accrual of moral responsibility; and [--] for the most part there is plenty of room to manoeuvre. The wholesale suspension of our ordinary allocations of moral responsibility is therefore quite exceptional. We will be rightly suspicious of those who attempt to avoid moral responsibility by claiming to be out of control.[90]

As discussed earlier, Kutz wishes to present a conception of individual accountability that is not as limiting as the traditional individualistic conception, and is able to take into account the agent's relations to others. Kutz uses the word accountability in a narrower way than responsibility, which includes both an internal and external dimension. The internal sense of responsibility refers to the psychological competencies an individual must possess in order to be answerable for harm, while the second sense of responsibility refers to external normative relations, the duties of the agent towards other agents. Kutz calls this second type of relational responsibility accountability. Only responsible agents can be candidates for accountability. An agent who is forced to do something at gunpoint is thus responsible but not accountable in Kutz's vocabulary. Kutz argues that our real practices of accountability are positional and relational, taking into account the relations between the parties involved, as well as the perspective of the respondent. Accountability gives a warrant for certain types of responses: attitudes, claims and sanctions. To hold someone else (or oneself) accountable is to subject that person (or oneself) to the warranted responses. The traditional, solipsist model of individual accountability cannot take into account responses from more than one singular source stating what the agent deserves. In reality, though, one agent deserves different kinds of responses from multiple sources. Kutz divides these into three principal categories: agents, victims and onlookers. In the case of the dead dog, my friend's response will be justifiably different, and probably more strong, than that of my work-colleague who hears from me about what happened during a coffee break. If my friend is kind-hearted enough, she will forgive me, but it would not be an appropriate response from my work-colleague who has nothing to forgive me for. Perhaps she will sympathize with my story, or feel horror at my rash decision. Responses will again differ for the malicious third friend, or for my sister, who has repeatedly warned me of being too gullible. This is linked to understanding the different relationships which the responses flow from. I already have a friendship with the person whose dog I killed, but now she is also the victim of my actions, and we are both victims of the malicious third friend. Both the pre-existing relationships need to be taken into account, as well as the

89 Kennett 2001, 5; 180-184
90 Kennett 2001, 185

new ones caused by the harm. The responses warranted depend on the structure of the relationships involved, with subjective and objective perspectives complimenting each other, transforming preferences into warrants, and attitudes into claims.[91]

Moral, legal, and social forms of accountability overlap and share the same set of psychological responses, like shame, guilt and resentment. All three types of accountability also share the relational and positional dependence discussed above. Three principal bases of moral accountability are reasons of conduct (how agents act), reasons of consequence (what they cause), and reasons of character (who they are). These too can only be properly understood in terms of relations between agent and respondent. Kutz's first category, reasons of conduct, draw from Strawson's reactive attitudes, with our moral reactions depending on the attitudes I feel your actions are expressing. We revise our reactions if we discover something new about the actions. My friend could have been furious with me upon finding the dead dog and a smoking gun in my hand, but changed her reaction to that of sadness and anger towards the third friend upon hearing my story, perhaps tinged with some relief that I am a loyal friend after all. Our attitudes towards children and mentally handicapped people are also influenced by our relationship with them, us tending to take an objective rather than participatory view towards their behaviour, seeing them as objects of understanding and education. We are also allowed to behave differently in the company of friends than in the company of business associates. What would be cold in one context is professional in other. Kutz mixes Strawsonian approach with cognitivist theories such as Kant's to explain the wider moral standards of behaviour that influence our responses. Not only are these standards guides for our conduct, but they also act as a kind of an outline for a default relationship between two members in a moral community, structured typically by the principles of equal respect and equal concern. Moral standards both structure moral relationships and are defined by their role in structuring the relationships. These background relationships lay down minimal standards for relations between two strangers. They also explain why onlookers react to events usually with more than cool neutral observation: the wrongful conduct violate the standards that we value. The response from the onlooker will still be different to that of the victim. Both may agree why the action is wrong, but their responses will not be identical, nor should they be. The most complicated perspective will be that of the agent, with an intricate structure of relationships from which the response flows from. As the killer of my friend's dog I might feel regret and sadness that the dog is dead, shame that I was so gullible, anger towards the deceiving third friend, guilt towards my

91 Kutz 2000, 17-25

friend for killing her pet, relief that she forgave me, and so on.[92]

Kutz's second basis for moral accountability are reasons of consequence. These responses are warranted by the fact of the harm, by causal linkages. Consequence-based responses are causally warranted regardless of if faulty conduct was involved or not. The causal connection does not need to be entirely direct to elicit feelings of guilt. Agents' causal relations affect the way they see themselves, and what they have caused becomes part of their identity and history. This is why agents can be much harder on themselves than victims or onlookers in cases of faultless conduct that causes harm. Regret from the agent in these cases is directed towards their unlucky causal connection to the harm. Agent's accountability can be directed both towards compensating their victim, and towards trying to eliminate the unfortunate things one has done, to erase these from one's identity as much as possible. This can cause the agent to feel much stronger about the need for compensation than the victim does. Let's say that I had not shot the dog, but instead let my malicious third friend in while I was dog-sitting, who then proceeded to kill the dog. I am causally related to the harm, although my conduct (letting the third friend in) was not faulty. I might blame myself and feel the need to get my friend a new dog, even though she does not expect any compensation from me.

The third basis for moral accountability, as identified by Kutz, is reasons of character. It includes things like the agent's affiliations, commitments, and motivations. This last category provides an explanation of guilt for counterfactual wrongdoings, as it forces us to study our associations. We must decide if they reflect the character we want, what we value, and how willing we are to be associated with moral compromises, like if we accept some benefit from a morally tainted source.[93]

> It is only within the context of relationships between persons that the responses of accountability have meaning and value. Reciprocally, it is only through the responses of accountability that our relationships with others have meaning and value as well. Our practices of accountability may, then, be regarded as a form of interpretation of those relationships. Through reflecting on the terms and character of our relationships with others, we give significance to what we, and they, plan, feel, and do. But accountability does not only give structure and meaning to relationships among individuals. Accountability also structures the character of the individuals within those relationships. Understanding who I am is a matter of understanding what I have done: and “what I have done” I only meaningful in virtue of the responses of accountability.[94]

92 Kutz 2000, 21; 26-36
93 Kutz 2000, 38-46
94 Kutz 2000, 64

3.5 Moral luck

Kant believed luck to be irrelevant to morality, as we should only hold someone responsible for what is under their control. As long as their intentions were worthy and pure, we would not blame people when circumstances outside their control mean that their efforts turn out to be for nothing, or even harmful. If two people walk with a mug of hot coffee on their hands and one of them sneezes, causing him to splash hot liquid over the other person's leg, resulting in a burn, we are inclined not to blame him. He was doing exactly what the other person was doing, walking with a cup of hot coffee, but due to bad luck, he sneezed and caused a burn on the leg of his co-worker. I am here assuming that he doesn't suffer from hay fever or flu that causes him to sneeze regularly, this is just a totally unexpected one-off sneeze, which could not have been prevented by using hay fever medication, for example. We can expect him to be apologetic, but it is not clear that he would in any way deserve a worse moral assessment than the person who did not spill her coffee.

Thomas Nagel would label this type of moral luck as “resultant luck”, luck in the way things turn out from the same intentions or situation. So far, so good for Kant. However, there are other instances where we do make moral assessments that do depend on factors that are outside the agents' control. Moral luck therefore occurs when it is correct to morally judge an agent despite a significant aspect of the assessment depending on factors beyond the agent's control. People living in the Nazi-era Germany drew a short straw in the “circumstantial luck” category, which describes the circumstances one finds oneself in. Had some of the Germans of that time been born in another country, say Jamaica, their chances of becoming a Nazi collaborator would have been pretty minimal, and their moral responsibility of the atrocities committed by the Nazi regime non-existent. Finally, Nagel's “constitutive luck” is about your genes, your environmental influences, parents or other care-givers etc. who all shape who you are and become, but whom you cannot choose.[95] Some people have terrible and violent childhoods, while others are surrounded by a loving, supportive family all of their lives. Gary Watson writes that we cannot take credit for having been lucky with the circumstances we've grow in and for the potential for evil in us not being actualized. The acts and the person can still be viewed as being evil, but with the background story giving some explanation to the roots of evilness, the picture becomes more complicated. If you haven't had the experiences of the person who has committed evil acts, it is harder to assign blame. This does not of course mean that we do not have

95 Nelkin 2008

a choice in moral matters and what kind of people we become. It simply reminds us that one's moral self is not just a purely personal achievement, but also influenced by moral luck.[96]

So when we think about the atrocities committed in the DRC by the militia, and the ways the miners in many areas are treated by the gunmen, we cannot simply congratulate ourselves for not being such cruel people ourselves. We have been lucky if we have not been born into the often very violent surroundings found in Congo, and that our great-grandparents have not experienced the physical and psychological torture under King Leopold's rule, and colonialism more generally. This would fit into the circumstantial moral luck category discussed earlier, perhaps also in the constitutive one, depending on individual circumstances. In any case, only someone who has had these experiences and has survived can know what choices one has in the circumstances.

96 Watson 1987, 139

4 COLLECTIVE RESPONSIBILITY

In this chapter I will discuss the notion of collective responsibility, mainly from moral perspective. Topics include what types of collectives can be said to be responsible for something, what is the criteria for this, and why does it make sense to talk about collective responsibility in the first place. The beginning of this chapter will act as a general introduction to the idea of collective responsibility, before the discussion turns to the more specific issue of group moral agency. It should be noted that in the eyes of the law, corporations are usually seen as “persons”, agents fully responsible for what they do, whether it is to enter into contracts or to break the law. Whether this legal view of corporate agency holds for moral responsibility too is another question.

I will begin by looking at four different types of collective responsibility identified by Joel Feinberg. I find this a useful place to start the discussion, as Feinberg goes through the different ways in which we ordinarily speak of groups being collectively responsible for something, be it a football team or a big corporation polluting rivers with their toxic waste. It also allows me to briefly mention areas of collective responsibility that are not relevant to corporations, like group liability without fault, and therefore not discussed elsewhere in the thesis. Feinberg's categories also reveal a common misconception in the traditional understanding of collective responsibility, one that makes many reject the whole concept too hastily.

Later in the chapter I will look at theories of collective agency, most notably those put forward by Peter French and Larry May. French argues that some collectives are moral agents on their own right, and that some of the actions by corporations can only be properly described as actions of the corporate agent itself. May denies independent corporate moral agency, but agrees with French that the structure of the collective does shape the decisions made, and that the collective setting influences individual actions. But it is still individuals who remain the agents that act. May further emphasizes the importance of looking at relationships within the collective.

4.1 Types of collective responsibility

Joel Feinberg defines collective liability as “the vicarious liability of an organized group (either a loosely organized, impermanent collection or a corporate institution) for the actions of its constituent members[97].” Vicarious liability arises when the party that is

97 Feinberg 1970, 61

held responsible (morally or legally), is not the same as the one who performed the action. The whole group is thereby held responsible for the actions of just one or some of its members. The clearest examples, according to Feinberg, are when someone authorizes someone else to act for them (like a lawyer), or the relationship of subordinates and their superiors in military hierarchy. Subordinates are expected to follow the orders of their superiors, to act as their “tools” and not question orders, and the superiors therefore are held responsible for the actions of their subordinates. However, even though liability can transfer, agency, causation, fault and guilt cannot.[98] Parents are also usually held responsible for the actions of their children, at least when they are still under-age.

Before we proceed, I will briefly explain some of the terms Feinberg uses. First up, responsibility for a harm is typically liability for certain actions, judgements or responsive attitudes. There however exists also responsibility where you are not liable, as we will find out soon. Liability is a legal term for being under an obligation or answerable for something, and in Feinberg's text it is used mainly to refer to responsibility for some harm. Fault is when there is something wrong with your behaviour, intentions or actions, they are faulty in a sense that you could be blamed and assigned guilt for them, usually linking to some harm. Feinberg argues that for individual liability, the person must satisfy three preconditions, which together make up “contributory fault”. First, the person must have done the harmful thing through acts or omissions, or at least substantially contributed to it. Second, the conduct that causally contributed to the harm must have been faulty in some way. Third, the causal connection must be direct between the faulty conduct and the harmful outcome, as the fault cannot be irrelevant to the causing. Strict liability, on the other hand, is liability in which the condition of contributory fault is absent or weakened, as already discussed in the previous paragraph. In law, contractual liability falls usually under this category, and Feinberg argues that vicarious liability and collective liability do too. Vicarious liability is when the contributory fault condition, or parts of it, are properly ascribed to someone, but the liability is ascribed to someone else, such as in cases of hierarchy and authorization, but also in collective responsibility, which Feinberg labels as vicarious liability. He therefore views collective responsibility for harm differently than individual responsibility, meaning that there can be liability without contributory fault in cases of collective responsibility, unlike in cases of individual liability.[99]

98 For a more detailed discussion on vicarious liability, see Feinberg 1970, 56-61.
99 Feinberg 1970, 53-61

Feinberg distinguishes between four types of collective responsibility. He discusses these mainly within legal framework, but they apply to moral cases too. The four different types of collective responsibility are:

- liability without fault
- liability with noncontributory fault
- contributory group fault: collective and distributive
- contributory group fault: collective but not distributive.

I will now look at each in turn.

4.2 Group liability

Liability without fault arises when the entire group is held responsible for the actions of one or more of its members. An example is a football team winning or losing a game. Whatever the result of the game, none of the team members can alone take the responsibility for the victory or the defeat. Rather, the whole team is jointly liable. This type of collective responsibility is best suited for small groups that have solidarity among members and enter into it voluntarily. Collective responsibility based on solidarity could be said to be an old-fashioned way of looking at the world. Feinberg does note that this type of solidarity-based group responsibility is very rare these days, as it is usually found only among clans and kinships.[100] Group liability without fault also does not necessarily have a moral aspect, like in the case of a football team. For the purposes of my thesis, this is not an important type of collective responsibility, as my focus is on large corporations that are very much removed from the framework of small groups with voluntary solidarity. It is therefore not discussed in more detail.

Liability with noncontributory fault arises when a group shares the moral responsibility for its morally faulty behaviour, even if only one of their members' faulty behaviour leads to harm to others. Feinberg gives the example of driving under the influence. If someone hits a person with her car while drunk driving, she has caused the harm to the victim, but is not necessarily more at fault in acting than anyone else who drives after they've drank too much. The unlucky driver is perhaps guilty of more and more harm is her fault, but Feinberg maintains that she is still not necessarily more guilty or at fault than other drunk drivers who did not hit pedestrians. The people who have driven their cars under the influence, and have not hurt anyone, have simply been luckier than the person who hit the pedestrian. Fault can therefore exists even without any causal link to the harm, if the absence of the causal link is only a lucky accident.

100 Feinberg 1970, 61-63

Legally “the luckier ones who share the fault but escape the causal link to harm” cannot of course be prosecuted, but they are not morally off the hook, as moral arguments cannot be based on luck alone. Feinberg's view is probably not accepted by everyone, as it is quite strong a statement to say that the liability with noncontributory fault, if properly ascribed to a group, means that you can be morally liable for some harm you have no causal connection to. Feinberg himself agrees that it is perhaps just best to blame the lucky ones, make them grieve, than to try to stubbornly insist about the noncontributory fault. However, Feinberg does not say that just because it it difficult, and often impractical, that proper noncontributory fault is not real moral responsibility.[101]

4.3 Contributory group fault

Contributory group fault is both collective and distributive when each individual is responsible for the harm. Collective responsibility is thus the sum total of individual responsibility. Individuals can be faulty to different degrees but nonetheless they are all at fault. Random collectives, such as crowds on public places, are perhaps the best examples of these type of groups. Feinberg's example is a beach without a lifeguard where a man drowns, while other people on the beach do nothing when he shouts for help, even though all of them are accomplished swimmers. None of the people tried to do his or her best within the limits of the situation so everyone is subject to blame at least. Another example that Feinberg gives is that of a bank robbery. There might be perpetrators, inciters and others who are protecting the robbers. Their contribution to the actual bank robbery is different, as is their share of the guilt, but they are still all responsible for the robbery. Determining the extent of each individual's contribution might be difficult, but this does not take away the fact that they all have a moral responsibility for the outcome. This kind of responsibility is not vicarious as the fault is distributed amongst the people.[102] Feinberg's third type of collective responsibility is just an aggregation of all the individuals at fault and not really collective in nature in my opinion, more like the sum total responsibility. I also think that his two examples are very different, as in the second case most of the people involved were working as an organized group, they had come together to rob a bank, and were not just a random collection of people at a beach. Why Feinberg does not seem to mind this difference becomes clearer when we discuss his fourth type of collective responsibility next and Larry May's objections to it.

101 Feinberg 1970, 67-69. See also previous chapter for a discussion about the problem of moral luck.
102 Feinberg 1970, 69-71

Feinberg's fourth and final category is contributory group fault: collective but not distributive. In these cases a harm is ascribable to a group even when it is not the fault of everyone (or indeed, any) of its individual members. The group's moral responsibility is thus not the sum total of its members' individual responsibility but something more. According to Feinberg, the conditions for justifiable collective liability are group solidarity, prior notice and opportunity for control. That is why the victims of a train robbery are not to blame if they don't stop it from happening. An example of nondistributive group fault could involve harms caused by an institutional group that persists through changes in group membership. Even faultless members are in these cases responsible for the consequences of the institution's decisions (and even those of its former members) in a collective and nondistributive sense.[103]

Recently University of Helsinki investigated if it wrongly dismissed the doctoral thesis of Israel-Jakob Schur in 1937, based on racial prejudices against the Jews[104]. The working group assigned to investigate the claims found the thesis dismissed not on racial grounds (although there was some anti-Semitism involved too)[105], but the case still illustrates our everyday thinking about collective responsibility of institutions. If Schur's thesis would have been rejected due to anti-Semitism, the fault could not be attributed to any living member of University of Helsinki, yet the institution itself would have been held responsible.

Larry May disagrees with Feinberg about collective responsibility being a type of strict liability. Strict liability does not differentiate between group members, and it does not take into account their varying contributions to the outcome. As mentioned earlier, in strict liability contributory fault is weakened or absent. Feinberg argues that collective responsibility is a form of strict liability as it involves nondistributive responsibility. Feinberg and May both agree that being a member of a collective does make a difference to understanding responsibility, as the group's responsibility cannot be understood by just understanding its members' individual responsibility. However, May claims that Feinberg fails to see that this lack of reducibility does not make individual contributions evaporate, or render them unimportant. May admits that Feinberg is right in saying that collective responsibility does weaken the contributory fault condition in the sense that collective responsibility can be assigned to a group even when not every member is at fault. However, collective responsibility does not automatically translate to individual responsibility for every member of the collective, so therefore the fault

103 Feinberg 1970, 72-73
104 Helsingin Sanomat 22.1.2008
105 Alho et al. 2008 (the report from the working group assigned to investigate the claims)

condition is not significantly weakened.[106]

Furthermore, collective responsibility is not nondistributional responsibility. Collective action and collective responsibility rise out of joint action where members contribute to the actions of others, and specific contributions can be taken into account. H.D Lewis wrote in 1948 that the whole notion of collective responsibility is barbaric, as it allows one person to be held responsible for the actions of someone else. May argues that this is a category mistake, as real collective responsibility does not make anyone individually responsible, only the group itself (which does not mean that collective responsibility and individual responsibility are mutually exclusive). We will look at May's schema of collective responsibility later in this chapter in more detail. But what is important to note here is how the notion of collective responsibility gets often automatically lumped together with notions like nondistributability and strict liability, resulting in some rejecting it outright.[107]

4.4 Case for viewing collectives as moral agents

Feinberg's fourth type of collective responsibility dealt with cases where harm is ascribable to a group, and responsibility is not just the sum total of the group members' individual responsibility, but something more. When this type is applied to organisations and corporations, it could be said to follow that they can be moral agents. Some philosophers reject this view while others embrace it.

Peter French argues that we should view corporations as moral agents that can act intentionally, and therefore can be morally responsible for the results of their actions (or omissions). As corporations play such a big part in our lives these days, we must widen our understanding of moral agency to include them. If we don't, we are treating corporations and nations as “mere fictions, figments of the imagination, the moral world's equivalents to the physical world's ghosts and hallucinations.”[108] The world has changed, and moral philosophy should change with the times to accommodate these new agents that take moral decisions daily. French does not of course argue that simply because corporations play such a prominent role in our lives we have to consider them as moral agents. Rather, his view is based on the notion that it is not always just to blame individuals for actions of the corporations, because not every corporate action can be reduced to individual actions. Most importantly, French argues

106 May 1987, 82-83; 106
107 May 1987, 82-83
108 French 1984, viii

that corporations can be held responsible for their actions as they can satisfy the agency conditions required for moral responsibility.

Just any kind of collective does not of course qualify as a moral agent and the bearer of moral responsibility. We should note that French would not hold groups described in Feinberg's third type of collective responsibility to be moral agents. Aggregate collectives are not “intentional agents in and of themselves”[109], and therefore cannot be members of the moral community. Individuals within them could have acted differently, but not the collective itself. As aggregate collectives are not bound by solidarity or internal rules of some kind, nor do they have a CID Structure, they simply do not constitute a moral agent. Take the example of mobs. They cannot be thought as responsible moral agents as they are not intentional actors, and their actions are reducible to individual action within them. The mob has no established structure, let alone a decision-making structure, and it will not remain the same entity after the event but will disperse, unlike a corporation.[110] The mob is just a collection of people, not a collective agent[111]. The responsibility of a rioting mob can be distributed among its members: Anna threw a stone, Bella joined in on a whim to shout slogans, Cecilia got into a fight, and so on. Corporations are very different collectives from mobs, as we will see when we discuss them in more detail.

French calls large organisations “conglomerate collectives” and ascribes them with the following three characteristics: internal decision-making procedures, enforced standards of conduct, and defined roles/stations. Examples of conglomerate collectives are institutions such as University of Helsinki and companies like Nokia. These collectives don't change their identity when individuals join or leave them, and their identities cannot be described simply by an account of all the individuals involved, just as statements ascribing responsibility to them “are not reducible to a conjunction of statements ascribing responsibility to the individuals associated with the conglomerate.”[112] It does not follow that no individual cannot be blamed and held morally responsible for the action too, this is simply a separate matter that should be justified on its own merits. Correspondingly, members of a conglomerate can be innocent of a wrongdoing even when the conglomerate itself is to blame.

109 French 1984, 10

110 French et al. 1992, 15

111 For an interestingly different take on the responsibility of random groups of people, see Virginia Held's *Can a Random Collection of Individuals Be Morally Responsible?* in May and Hoffman (1991).

112 French 1984, 13. French et al. further argue that “The identity of a corporation is not dependent on particular persons being in particular positions in the corporation.” (French et al. 1992, 15) I would like to disagree somewhat, as sometimes the departure of a very charismatic leader can change the identity of the corporation to a degree at least, as when Anita Roddick sold The Body Shop to L'Oréal.

The most important thing for French in distinguishing corporations as moral agents is that they have a CID Structure (corporation's internal decision structure), or in other words, that they have established a way to make decisions and convert these into actions. CID Structure must include two things: the rules regarding company procedures and policies, usually in the form of a corporate policy statement, and an organizational flow chart, which shows the roles and managerial lines in the corporation.[113] French writes that when the CID Structure is “operative and properly activated, [it] subordinates and synthesizes the intentions and acts of various human beings and mechanisms into a corporate decision.[114]” It also exposes the corporate character of actions performed by human beings in their roles, and allows us to describe the reasons those actions were taken for[115]. The CID Structure further helps to illuminate what the corporation is responsible for, and what individuals are responsible for[116]. If the action causing the harm was a corporate action by the CID Structure standards, then the accompanying blame belongs to the corporation too. If, however, the director or other corporate collective member neglects the duties assigned to them by the CID Structure, or acts outside the boundaries of their corporate role, then it is the individual who is to blame. An example of this would be an embezzlement of money by a bank's chief accountant, who directed the monies to his own offshore bank account. Unless the bank had really loose internal controls, or encouraged their employees to commit a fraud, then the blame is the individual's own, not the bank's.

The CID Structure forms the “character” of a corporation, tending to foster certain kinds of actions and decisions in line with company policies[117]. The policies themselves are not just what is written down, but also how the people in power react to violations of the stated policy. This shows which policies are central to the corporation, and which are mere window-dressing, thus revealing more about the company's character. Corporations have their own culture, customs, goals, and history, and employees must grasp these to ensure that their actions are actually corporate. Written documents go only so far in helping to find out what the corporation is really about, and what its established procedures are. French further adds that for corporations to be moral agents, they must be able to make non-mechanical and unprogrammed decisions, be

113 French 1979, 143
114 French et al. 1992, 17
115 French 1979, 143. While I agree with French that only actions that are within the CID Structure can be described as corporate acts, I believe the example he gives is too simplistic. In the example, CEO Quinn signs papers to close Liberty Oil's Galveston plant, and it seems to be taken for granted that Quinn's decision-making in the example is rational, and based on the masses of reports and papers laid out in front of him, with or without a bribe being involved. See French et al. 1992, 19. I would argue that in real life decisions are hardly ever this rational and even random factors can have a part to play.
116 French et al. 1992, 70
117 French et al. 1992, 44

able to alter their behaviour in face of criticism or unexpected outcomes. Non-programmed elements are therefore another important aspect of CID Structures.[118]

Putting forward a similar line of reasoning to that of French, Philip Pettit argues that it is the collectivization of reason that takes place in corporations, which makes them moral agents. To qualify as a moral agent, a system or a group "must display a robust pattern of attitudinal and behavioral rationality"[119], meaning that it holds beliefs about its environment and has desires for how it should be. The system or a group then acts to try to satisfy its desires through actions that fit its beliefs, with its members acting on these shared beliefs and desires, counting on the other members to work for the shared intentions too in order to realize them. Groups or systems as moral agents also form judgements over proposals put forward to them, and evaluate available options by vote or some other internal decision-making procedure. If a collective would not be able to make decisions, it could not function.[120] It is clear that corporations can and do form decisions regularly. They decide whether to expand their markets to China or not, if to hire or fire more staff, just to give a few examples. Corporations weigh up their options and choose what suits their intentions best.

According to Pettit, autonomy of a group agent arises from the fact that sometimes group judgements will be different from the individual judgements of the group members. That group decisions can and do differ from the the group members' aggregate opinion is necessary to ensure consistency in the decisions[121]. Since groups can be held to be autonomous agents, it follows that they will face choices sooner or later[122]. Even though I am not convinced by all of Pettit's argument[123], I agree with him that group decisions are very different in nature to those of individual agents. He is also right in claiming that even when no-one can be held responsible individually, the corporation as a collective still can[124]. In that sense a corporation can be thought to be an agent of a sort, responsible for the outcome. But I do not think we have to try to make them human-like in having moral agency.

When a human being is blameworthy, the response we would like to see from them is that of remorse, guilt, shame, apology, maybe compensation etc. When a corporation is

118 French et al. 1992, 20-23
119 Pettit 2007, 178
120 Pettit 2007, 186-187
121 Pettit discusses this point in detail with his "discursive dilemma" example, see pages 181-183.
122 Pettit 2007, 177-184
123 Especially the lower-level cause /higher level framework part, where he fails to show the top-down causality from the higher-level to the lower-level. See Pettit 2007, 187-192.
124 More on this point in the next chapter.

blameworthy we might expect an acceptance of guilt and an apology, maybe also compensation. But we do not expect guilt and remorse from a corporation in the same way we expect them from a blameworthy person. It would make no sense: individuals can feel emotions, not corporations. What we would expect instead is that the corporations make changes to their structure, procedures and/or strategy to try to avoid repeating its mistakes and causing more harm.

4.5 Case against viewing collectives as moral agents

In contrast to French and Pettit, R.S. Downie argues that the moral responsibility of a collective always boils down to the moral responsibility of its members. Hence, collectives are not moral agents by themselves. The way in which the moral responsibility of a collective stems from the moral decisions of its individual members might be complex, but it can be traced in the following three ways. The rules of the collective have been created and accepted by individuals; individuals have decided to act as a member of a collective and therefore carry the responsibilities of the role they've accepted; and, lastly, individuals always bring in their own moral qualities to the collective they are part of.[125] Collectives don't by themselves make moral choices, but individuals within them do. Therefore, collectives are not moral agents but the individuals within them are.

Larry May's position falls somewhere in between the aforementioned. Like French and Pettit, he believes that an adequate explanation of the actions of collectives cannot be given just by listing all the individual actions involved. But he disagrees with French that it is the corporations' decision-making processes that make them real agents which can act and be held responsible. After all, no corporation could act without individuals acting, and no group exists on their own right without individual members. Rather, corporate collectives are allowed to act through linking all the individual actions together into an “incorporating act”. May believes that even though it is actually individuals that act, corporations can still be held responsible for these incorporating acts and their outcomes.[126] This is linked to how individuals think and act differently within collectives than outside them, how collectives can do things that individuals alone could not, and how the structure and traditions of the collective are important in understanding the ways individuals act within them.

125 Downie 1969, 50-51
126 May 1987, 9; 24-28

May believes that the structure of a group is crucial when it comes to morally appraising the group's actions and behaviour. It is precisely because the structure plays such an important role in the actions of the group, and also the intentions of its members, that social groups should be given a moral status different from that of their individual members.[127] May argues that “social groups should be analyzed as individuals in *relationships*” because individuals in a group usually cannot be understood as acting in isolation from each other[128]. Corporations consist of people, the relationships between them and the structures among them. Individual people in corporations are interchangeable with other similarly suited people, individuals are not integral for the corporation. The different relationships in groups affect what individuals within them can do. Relationships also enable individuals to act in ways they could not act in alone, thereby changing the capacities of individuals. It is precisely these relationships that prevent us from reducing the group's intentions and actions to just individual aggregate intentions and actions.[129] May thinks that French goes too far, though, when he claims that conglomerate collectives have a reality independent of their members. Rather, the relations among the group members have a reality that is different from the individuals, the relationships have a distinct ontological status from the individuals in these relationships.[130]

> Social relationships have reality in that they structure or unify a group of individual human persons so that these persons can act and have interests in different ways than they could on their own. In this sense social relationships have a reality which is distinct from individual human persons since the relationships are not themselves reducible to psychological, or other, features of individual human persons.[131]

Individuals and the relationships between them have their separate realities, but social groups do not[132]. French therefore overstates the case for group morality and confuses the independent reality of relationships with independent group reality.

May's argument is that it is individuals who remain the only true moral agents, agents capable of acting. The collective is not an agent that acts, but rather a process through which actions take place. Actions of individual employees that are within the CID Structure can be said to be corporate actions. Agency of a corporation is thus best viewed as event agency, not object agency. Individual actions and decisions are

127 May 1987, 2-3
128 May 1987, 9
129 May 1987, 12; 14; 17; 180
130 May 1987, 23
131 May 1987, 23
132 May 1987, 24

affected and shaped by the CID Structure in various ways, but the individuals still retain the agency and the ability to change the CID Structure, to change the course and the behaviour of the corporation. If enough members agree on a radical change of direction, or a completely new CID Structure, the corporation itself cannot do anything to stop them. Corporations cannot ever act without human beings acting, and thus can never be as independent an agent as a human is (who can choose to act alone). Corporate actions are simply put very complex arrangements of joint and vicarious actions of individuals. Corporation is thus not a fully-fledged person, its actions are vicarious in nature and its agency greatly restricted. This does not mean that its actions are so restricted that they cannot be assessed in moral terms. A corporation can still be blameworthy of its actions as it is capable of intentional behaviour.[133] It just means that the corporation is not a moral agent on its own right.

Taking the group agency question further, Pekka Mäkelä argues that even if it is true that some collectives can be said to be agents, these would not be the type of agents that you can assign moral responsibility to. In other words, collective agents cannot be moral agents. Mäkelä does not deny that certain collectives can be capable of intentional action and can therefore qualify as agents. What he denies is that it would be fair to hold such collective agents "morally responsible in their own right".[134] While it is true that "collectives opting for collectivized reason may end up with collective judgments that are discontinuous with the individual judgments of their members"[135], these collective agents are always under the control of their individual members, a fact that undermines their autonomy. It is individuals who have created the collective agents as means to their shared ends. Thus the collective agents do not have the kind of intentional control over their actions that being a morally responsible agent requires.

> The important point is that individual members are in control over their part actions as intentional agents distinct from the collective agent. It is here, it seems to me, where the analogy between human agents and collective agents breaks down, as the control of a collective agent over its actions necessarily functions via other intentional agents whereas that is not the case for individual human beings.[136]

This again reminds us about the importance of relationships and the structure of the group when talking about collective responsibility.

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133 May 1987, 43-45; 65; 87; 91
134 Mäkelä 2007, 457
135 Mäkelä 2007, 459
136 Mäkelä 2007, 465

One final note about May's view of collective action, one not directly related to corporations and collective responsibility, but interesting and noteworthy nonetheless when thinking about collective agency. May is not as strict as French when it comes to warranting that a group can act as a group. Remember that French does not consider aggregate collectives such as mobs to be intentional agents as they do not have an established decision-making structure. For May, the actions of some mobs are not reducible to just individual actions. The mob can act even without its members having an established decision-making structure.[137] He argues that any collection of people should be regarded as a group if it "displays either the capacity for joint action or common interest[138]." May is influenced by Jean-Paul Sartre's thoughts on unorganized groups being able to act collectively as long as all the members share an interest or outlook with the other members. Sartre's view is tied to relationships between the people in a group, rather than to a CID Structure, and more specifically to solidarity between the individuals. In this view, the group positions itself and its shared interests in opposition to some other group. The solidarity and identity of the group is often due to there being an opposing and oppressing "Other", which acts as a catalyst for the group to form, partially through fear and anger. It is as if the group begins to see itself through the eyes of other groups in society, understands that it is treated as a unified (and oppressed) collective already, causing the mob to gain self-consciousness and realize that it can act as a group.[139] "Solidarity is thus a way of being interested in what is happening to one's fellow group member, and from it springs the capacity to act as a group.[140]" Sartre's example is the storming of the Bastille in 1789, triggering the French revolution, while May gives examples of spontaneous mobs in the 1960's USA that were influenced by the civil rights movement. For both mobs and corporations, it is the structure of the group that makes it possible to ascribe conduct of the group as intentional. For mobs, the structure is based on solidarity, for corporations on the CID Structure. What is common to both is that the actions of the group cannot be explained simply by listing the actions of individuals within them, as the structure of the group shapes the goals and intentions of its members. The solidarity or the CID Structure create a new group-based context, comprised of the social relationships between group members, and one in which individual members act differently than they would on their own. However, the group-based intent is limited intentionality, not fully-fledged moral agent intentionality, as groups do not intend their actions in the same way as individuals do.[141]

137 May 1987, 32
138 May 1987, 29-30
139 May 1987, 33-35; 39
140 May 1987, 40
141 May 1987, 66-67

4.6 Collective responsibility and agency

I have presented four different types of collective responsibility, and discussed arguments for both for and against describing moral agency to collective entities such as corporations. I agree with May that it is individuals who are the true agents, but that the corporate framework shapes the way they act. While corporations are not moral agents in themselves, the corporate action is more than just the sum total of individual actions. We will return to this point in the following chapters.

One could also question the concept of agency in ethical considerations. Agency is normally taken for granted in moral discussions and it is entailed when discussing moral responsibility, but maybe this does not apply to collectives. Maybe collective moral responsibility forms its own category where the old rules don't apply. Instead of looking at how collectives can have moral agency, the question then becomes: what are the rules and structures that we should apply to collective moral responsibility? I do not attempt to explore this matter in more detail here, but it is worth bearing in mind that the way in which we formulate the conditions for moral responsibility could be questioned as well.

My intuition is that collective moral responsibility is strongly linked to the way the collective setting affects individual judgements and moulds the decisions, and how the individuals use the collective setting to further their own ends. Individuals remain the moral agents but responsibility is collective if the actions in question are collective in character. Individuals' responsibility in collective settings combine both individual responsibility and collective responsibility (which is different from aggregate individual responsibility). In the majority of cases, both will apply in various degrees. Some members might have individual responsibility in addition to the collective and some just the collective responsibility. There are also times when no-one bears individual moral responsibility but the members are still responsible for the collective part.

As already mentioned earlier in the chapter, Mäkelä points out that because the control for the part actions stays with individual agents, it would not be “fair to hold collective agents responsible for their actions in their own right.[142]” Mäkelä writes:

> Collective agent's intentions can play a role in bringing about the actions that satisfy the content of the collective agent's intentions. They, however, do it by way of playing a role in bringing about individual intentions of the individual

142 Mäkelä 2007, 465

> members to do what the satisfaction of the collective intention requires. The individual members control the formation of the individual intentions and the acting in accordance with the intention.[143]

To me, this seems to suggest that it is permissible to hold collectives responsible *through* individual agents, but not independently of them. The concept of responsibility employed in collective contexts would therefore not be the same concept of responsibility that we employ with individual agents, but subordinated to them. We shall return to these questions in the final chapter, where Kutz's theory comes very close to my own intuitions about how collective responsibility works.

When discussing the moral responsibility of an employee in a corporate setting, one must take into account arguments for individual and collective responsibility, as well as role ethics. Individual responsibility is not a separate or competing notion from that of collective responsibility. Rather, the two are interlinked. I will explore these issues further in the next chapter.

143 Mäkelä 2007, 465

5 CORPORATE AND PROFESSIONAL RESPONSIBILITY

I will now concentrate on moral responsibility in corporations, and discuss the ways in which people and corporations can be said to be responsible for something, be it individually or collectively. I will expand upon the arguments presented in the previous chapters and discuss the limits of professional responsibility, the ways in which responsibility is shared and decisions are made in corporations, and how corporations could be punished for their wrongdoings. I will take it for granted that corporations have some kind of a written constitution and an established decision-making structure, so that they fit the requirements of French's CID Structure[144]. I will begin by taking a closer look at the kind of collectives that are under scrutiny, large corporations.

5.1 The characteristics of corporations

Corporations are collectives of individual people who have come together, set up a CID Structure, and are now all part of a shared organization, recognized by law as a separate entity on its own right with its bundle of corporate rights and responsibilities. The corporation might have been set up long time ago and all the original founders buried, but the corporation still remains a joint venture by several people, recognized in law as a single entity. There exists not-for-profit corporations, like social enterprises and charities' fund-raising arms, and for-profit corporations, whose purpose is to increase the capital of their shareholders. The Nobel Prize-winning economist Joseph E. Stiglitz writes that “Businesses pursue profits, and that means that making money is their first priority.[145]” For-profit corporations' main mission is to return a profit for their shareholders. They are collective agents that allow individual people to do actions that they could not do alone. In Wolgast's words, corporations “perform in the name of a collection of people actions that could not otherwise be performed”[146], just like other collective agents such as the state or the military. May writes that:

> The corporation is an organized group of persons who are interrelated formally and hierarchically and who carry out joint ventures. Certain of the actions of these persons integrate in various ways to constitute the ongoing behaviour of the corporation. Individual human actions are the (vicarious) actions of the corporation.[147]

May points out that the corporation is like a place-holder for its shareholders, who act

144 See Chapter 4 for a definition of the CID Structure.
145 Stiglitz 2006, 188
146 Wolgast 1992, 80
147 May 1987, 147

collectively through designated agents, such as managers and employees. Corporate actions only occur when there is a causal connection between the shareholders and the company employees. The shareholders act through the board that represents them, and the board acts through the corporation, which in turn acts through its employees. It is the shareholders who create the CID Structure through the board and only individual actions that are in line with the CID Structure can be said to be corporate actions. The biggest challenge to any theory of corporate responsibility is how to determine when an individual has acted on her own and when the act has been a corporate act.[148] Corporations create the environment in which many individual moral agents act and make choices in. The corporate environment is not neutral and it conditions many of the choices open to employees, with the possibility of significantly affecting individual moral decision-making.[149]

In most modern companies, stocks are distributed widely and ownership is scattered, to the point where most shareholders do not attend shareholder meetings or vote in shareholder elections. Shareholders have become external and indirect controllers of the company (via the stock market), taking on the relatively narrow position of an investor, with only one demand: that the company turns a profit.[150] This prompts French et al. to note that in modern corporations, "those in control are no longer the owners, and the owners are no longer in control.[151]" The shareholders are no longer the owners with the control, rather, they are the beneficiaries of the corporation[152]. In contrary to the standard legal model of corporations where shareholders control the corporation, it is the managers who are increasingly in charge[153].

> Ownership involves a bundle of rights that includes such rights as the right to possess, the right to use, the right to benefit from, and the right to manage. In the corporate setting, this bundle of rights has been broken up, and rights that were formerly in the hands of a single person have been divided and distributed to more than one person or legal entity.[154]

Legally, it is the board of directors that are at the top of the corporate hierarchy, but this does not automatically translate into real power. These days, the CEO is often the most powerful individual in a corporation.[155] The law is also moving into a direction that

148 May 1987, 46-47
149 French et al. 1992, 50. French of course adds to this that corporations are moral agents in their own right too. I rejected this view in the last chapter, instead choosing to concentrate on the type of context corporations provide for decision-making, and how they affect individuals within them.
150 French et al. 1992, 39
151 French et al. 1992, 27
152 French et al. 1992, 70
153 French et al. 1992, 27
154 French et al. 1992, 70
155 French et al. 1992, 64

acknowledges the increasing autonomy of managers[156]. May agrees that managers are usually in control, and adds that the majority of large corporations have a very intricate decision-making structure, making it difficult for an individual shareholder to initiate or enforce a given policy even when they would like to do so. Furthermore, individual shareholders have very little control over corporate policy on their own. Shareholders can only exercise control if they can get the majority of other shareholders to support their policy. Even then they can come up against managerial resistance, as managers are legally allowed to govern the corporation even over objections of a shareholder majority.[157] A very important part of many modern corporations is the limited liability of its shareholders. With limited liability, investors risk only the money they invest in the company and are not liable for anything above and beyond that, unlike in the traditional partnership model. This has been instrumental in the rise of modern capitalism, allowing huge sums of capital to be raised due to the low risk involved, but it also poses problems. Corporations who have caused huge environmental damage can declare bankruptcy, leaving the cleaning bill for the society to pay.[158]

Multinational corporations are particularly powerful organisations. They are usually not bound by rules of any one nation-state, and can move their assets and production facilities wherever in the world it suits them best. When the taxation or regulation policies of a country don't suit their needs, they can threaten to move their offices and factories elsewhere. For example, Microsoft threatened to leave Korea if it would have pursued its anti-trust action against the corporation[159]. Many multinational corporations are richer than most of the countries in the developing world. As an example, in 2004 General Motors generated revenues of $191.4 billion, which is more than the GDP of over 148 countries. In 2005, the same figure for Wal-Mart was $285.2 billion, more than the combined GDP of the entire sub-Saharan Africa.[160]

Powerful international companies are of course nothing new. East India Company used to rule the cotton, silk and tea trade between Imperial Britain, and India and China for centuries, from 1600 to the mid-1850s. Gandhi wrote that it “was versed alike in commerce and war. It was unhampered by questions of morality. Its object was to

156 French et al. 1992, 28
157 May 1987, 126-127
158 Stiglitz 2006, 193-194. For example, an Australian mining company extracted some six billion dollars worth of gold and copper in about 12-year period in a Papua New Guinean mine Ok Tedi. 80,000 tons of contaminated material was dumped daily into the rivers nearby. Once there was no more minerals to extract, the company admitted that it had greatly underestimated the environmental impacts of its actions, and gave its shares to the government, leaving the cost of the environmental damage for the Papua New Guinean people to pay. (Stiglitz 2006, 195)
159 Stiglitz 2006, 58
160 Stiglitz 2006, 187-188

increase its commerce and to make money.[161]" In the first chapter I mentioned how King Leopold's colonial Congo was administered as one large international company. But what is striking about the current situation is the sheer number of international and multinational companies, and the huge power they wield all around the world, without a corresponding international counter-power[162]. It should also be noted that corporations and political elites are often inter-linked in many way, with people from similar social backgrounds occupying many of the top positions in both, often occupying both business and government roles during their careers. Governments need corporations for a healthy economy, and corporations need governments to provide them with an infrastructure to operate within and to protect their interests with legislation and other such measures. Before the current era of globalization, it was often even said that what is good for the business is good for the nation, although this kind of statements have become rarer these days.[163] David Korten writes that the globalized economy, free trade idealism and the huge increase of powerful multinationals have created a kind of corporate colonialism where governments are called to act on the interests of large corporations, and the power of local people to govern their own economies is weakened (indeed, even the justification for this is questioned). The majority of world trade is now in the hands of 500 or so powerful companies, and capital, personnel, goods and technology are moved from one country to another in line with the interests of the corporations.[164]

The multinational companies that I have been concentrating on produce consumer electronics such as laptops, mobile phones, MP3 players and games consoles. The global consumer electronics market is a big business that is still growing at a fast rate. In 2006, over one billion mobile phones were shipped to the global markets, and the previous year the MP3 player market in Western Europe increased by 125%.[165] To keep the markets growing, companies invest in new technologies that will make the consumers want to upgrade to newer models. They also cut their costs by outsourcing most (or all) of their production to low-costs countries, usually found in Asia, Latin America and the Eastern Europe. As a result, the price of a Nokia mobile phone in 2007 was half of that what it was in 2002[166]. Furthermore, the raw materials required for the products are sourced in a way that benefits the companies more than the countries

161 Gandhi 1997, 40
162 The UN and its associated institutes will not provide this counter-force. UN is a discussion forum and a system for national governments to cooperate through, and it is only as powerful and effective as its member nations' cooperation.
163 French et al. 1992, 82-83
164 Korten 1995, 121-126
165 Nordbrand & Bolme 2007, 11
166 Nordbrand & Bolme 2007, 11

the minerals come from. The extractive industry of many developing countries is often controlled by foreign capital, and the benefits to the welfare of the local poor are minimal, like in the DRC. The miners struggle to make ends meet and often have to send their children to work to raise extra income. Between 1 to 1.5 million children work in the global mining industry.[167] The power imbalances that come from actions of international corporations being mostly regulated at the national level are in particularly stark contrast in poor and unstable countries like the DRC. In these countries, weak and corrupt governments cannot be dreamed to really look out for the best interests of their people, instead agreeing to business deals with multinationals that benefit the countries' ruling elite at most.

So much for the collectives that we are looking at. How about individuals within them, what is expected of them and what are they responsible for? This is the main question throughout my thesis. Let's look at collective responsibility in the professional setting to begin with, combining some of the discussion from the earlier chapters.

5.2 Collective responsibility and professional roles

As professional roles prescribe what a good employee should aim towards and limit the range of actions available to us, are people responsible for the actions they do as an employee, or does the responsibility lie with the organisation that has defined the roles? Flores and Johnson discuss if collective responsibility can be apportioned to professional individuals in cases where products and services that they have contributed to are harmful or unsafe in some way. One could argue that individuals in professional roles do not fulfil the conditions for being morally responsible as they do not act as individuals “but within the confines of roles which they do not themselves define”.[168] Collective responsibility would thereby lie with the organisation and could not be apportioned to individuals.

Flores and Johnson present three arguments against this position. (These arguments bear resemblance to those that Downie put forward in the previous chapter for collective moral responsibility being analysable in terms of the responsibility of individuals). Firstly, people are not normally born into roles and have usually chosen their profession voluntarily (slaves are the most obvious exception). Individuals also usually have the option of resigning if they feel that the requirements of the job are not

167 Pöyhönen & Simola 2007, 11
168 Flores & Johnson 1983, 541

in line with their moral convictions, and they get benefits for agreeing to take on the duties prescribed by their role, such as a salary. A worker who accepts a role and continues freely to perform it is not relieved of moral responsibility for the consequences of her behaviour just because the behaviour is role governed. The only way to be absolved of the responsibility is if it can be shown that one's acceptance or continuance is coerced in some significant way. Things like worrying about paying one's debts, or supporting one's family without the job, are real pressures that make quitting undesirable, as is the commitment to one's fellow workers, but they are not coercion, and do not absolve the person of moral responsibility.[169] Larry May disagrees with Flores and Johnson on what counts as coercion in a professional setting. He believes that they "employ far too narrow a notion of coercion[170]", misunderstanding both the nature of coercion and the extent of the pressure that corporations can put their professionals under. Coercion is not just the use of force, but also the more subtler threat of losing a job, for example. Coercion is anything that adversely changes one's choices against one's will.[171]

Another important thing to take into account in my opinion is how much of a choice of livelihoods there is in any particular area. The likelihood of a Congolese villager living near the mining area to find employment or opportunities to make money outside the hazardous mining industry is very slim, regardless of whether the villager has education or not. Thus she might have chosen to become an artisanal miner in the sense that no-one forced her to do so in the strict sense, but the options from which to choose from were very limited to begin with. In my opinion, the more there is genuine choice between roles, the more the worker is responsible for the consequences of the role they have chosen to perform. Therefore someone working at the headquarters of a large multinational corporation manufacturing consumer electronics is more responsible for what they do while at work, provided that they have a choice in where to work. In most cases, professionals working in these corporations have chosen to do so willingly, probably also facing stiff competition from others in getting the job.

The second objection by Flores and Johnson is that when acting in a professional role, individuals don't only act for the benefit of the organisation, but also for their own. They benefit personally for their part in the collective effort (for example, receive a salary, bonus, status, recognition etc.) and can secure their personal ends through the role. The benefits and responsibility of a role go together. One must act within a role but one

169 Flores & Johnson 1983, 542
170 May 1996, 116
171 May 1996, 116

must also be willing to act that role.

> Though the role contains the content and structure of one's actions to a considerable degree, it does not force or initiate action. Only individuals can choose to act. The choosing to act is decisive. And in this we find the grounds for saying that individuals acting in a role are morally responsible for the consequences of their behaviour as much as they are entitled to the benefits derived from the role.[172]

The third, and final, objection is that there is usually some flexibility in the role for the individual performing it to bring in some of their values. In other words, the role provides the outline of duties and expectations that go with the role but there are (to a varying degree) decisions that the individual needs to make as to how to perform the role and this gives them autonomy. Behaviour in work situations might be role-governed, but individuals within these roles are not morally insulated from the responsibility.[173] It does not of course follow that the individuals should take all the responsibility for the actions that they do while at work. If a role is designed where you have to, for example, execute others, the creation of the role has been done by a collective and the collective bears responsibility for the executions, usually to a larger degree than the individual. However, the point is that taking on a role does not absolve the individual from responsibility for the actions one performs while in the role.

5.3 Professional roles and the importance of socialization

The corporate world can be pretty ruthless towards its workers. Barbara Ehrenreich describes in her book *Bait and Switch: The (Futile) Pursuit of the American Dream* her unsuccessful foray into trying to find a white-collar job in corporate America, where likability counts for more than skills, and anyone over 40 is considered too old, especially if you are a woman. What she finds instead is the tedium of hopeless job hunting, where applications are routinely ignored and networking counts for everything; image make-over sessions to manage one's appearance and to be able to conform to what the corporation wants you to be, thus showing self-adaptation skills; and countless expensive CV and career coaches ready to take your money, with little or no real benefit. Unemployed people are told that they are the reason for their situation, not the economy or prevailing business practices. “It is not the world that needs changing, is the message, it's *you*. No need, then, to band together to work for a saner economy or a more human-friendly corporate environment, or to band together at all.[174]” Job

172 Flores & Johnson 1983, 542-543
173 Flores & Johnson 1983, 543
174 Ehrenreich 2005, 85

searching is to be treated as a job in itself, with no time to reflect on the sources of the problem and what is wrong with the picture of the corporate America of today, or to come together to change things for the better. Job-generation is also no longer among top corporate imperatives, and managers can increase their own salaries by laying other people off. Ehrenreich argues that

> It is the corporate, or collective, aspect of corporations that has fallen into disrepair. There are two legal ways to make money: by increasing sales or by cutting costs. In most cases, a corporation's highest operating expense is its payroll, making it a tempting target for cuts. In addition, the mergers and acquisitions that so appeal to CEO egos inevitably result in layoffs, as the economies of scale are realized. Or downsizing may be undertaken as a more or less routine way of pleasing the shareholders, who, thanks to stock-options, now include the top-level managers.[175]

It is not only the top managers that are vying for the benefits of your salary being cut. The whole “corporation has become a site for internal predation, where one person can advance by eliminating another one's job”, and risks have to be taken to not be eliminated yourself. The competition is fierce and people have become short-term investments, things to be discarded for profit.[176]

Many white-collar groups, such as academics, lawyers and doctors, came together at the beginning of the last century and professionalized themselves through strict entry requirements into the profession (education and licenses) and the creation of professional organizations. The hallmarks of a profession thus became a recognized body of knowledge, legally enforced educational requirements and licensing. In contrast, white-collar workers in corporations are professionals usually only in name. You can now study for degrees like MBA, but this is not a requirement to become a manager or corporate employee. In fact, corporate workers in marketing, human resources, management and PR can have almost any college degree to present themselves as professionals in the field. Only accounting has the traditional hallmarks of a profession. This leaves corporate professionals vulnerable and often alone. There is no transparent way to measure the performance of experienced corporate professionals, and this gives them less protection when their employer wants to fire them, compared to a college professor, for example. White-collar corporate professionals are expected to identify with their employer, their corporation, not with their profession. They are also required to sell not just their skills but themselves as

175 Ehrenreich 2005, 224
176 Ehrenreich 2005, 224-225

a product; look the right way, talk the right way, and display the “winning attitude”.[177]

Having in mind a similar picture of the actual requirements placed on modern professionals, Larry May advocates for a more “realistic” view on morality and our expectations of others and ourselves. He argues that there are genuine conflicts between our personal and professional roles that cannot be resolved “once and for all”, but that compromises will need to be reached[178]. May further believes that social pressures are morally important and should be taken into account when judging individuals. Moral concepts, such as responsibility and integrity, are formed (at least partially) by the interplay of persons within families, communities and nation-states. People are socialized in early childhood and acquire their moral intuitions as part of this process. The intuitions we get depend on the socialization patterns we have been exposed to. We later need to reject or accept certain aspects of our socialization, so individual choice in moral matters is not wiped out by this picture of morality.[179] When it comes to professionals and morality within a work role, May stresses the importance of solidarity and peer support in professional communities and associations. When an individual is under strong pressure from their employer to break their professional guidelines (maybe to make a cost-effective but faulty engine pass a safety inspection), they need moral support from their professional community. Isolated individuals without a support group cannot be expected to stand alone against powerful companies, this would simply be asking too much.[180] It is therefore very important that professional associations are willing to back up their guidelines and codes of conduct by protecting their members against retaliation from corporations when the need arises. This could take the form of issuing a strike or a boycott, for example.[181]

This is especially important in whistle-blower cases, where an individual decides to uphold the ideals expressed in the professional codes of conduct by revealing the misconduct of fellow workers, or, as in French's scenario, where a manager might reveal the faults in the CID Structure of the company they work for[182]. While the management might view whistle-blowers as traitors, the employees involved often see it as the last option available for them when the corporation has not listened to their concerns, and many feel that the organization is the one who betrayed them[183]. The whistle-blower is often left very vulnerable, can lose her job and even expect retaliation

177 Ehrenreich 2005, 232-235
178 May 1996, 107
179 May 1996, 2-4
180 May 1996, 40
181 May 1996, 118
182 French et al. 1992, 45
183 Michael Davis quoted in French et al. 1992, 60

from their employers. In these cases, moral support from the professional community will send a strong message out that they are willing to uphold their codes of conduct in practice as well as in theory.[184] It will also offer protection from corporate retaliation to professionals such as engineers who decide speak out about engine problems in the name of public safety. Without this protection, it is not reasonable to expect individual professionals to uphold the standards of professional integrity and honesty all by themselves.[185]

> In general, my view is that the ethical standards in professions should be based on reasonable expectations for individual behaviour. Such a consideration will get us a dual standard. When moral support is not provided, what is reasonable is not to demand that professionals risk their careers (or livelihoods) unless great harm is likely to occur. When moral support is provided, professional associations can enforce standards more stringently, perhaps demanding that professionals refuse to compromise their professional principles in most cases. In order to ascertain whether professional standards are set at what is reasonable to expect of people, it becomes important to know how much support the profession will offer to the individual professional.[186]

On the flipside, May believes that one can demand quite high sacrifices from an individual for their group's principles, as long as they are given “significant moral support” from their community, and the good to be achieved is very great[187].

5.4 Collective decision-making

The special nature of group decisions mean that they are different from any of the individual decisions (as illustrated by the discursive dilemma[188]). Therefore corporations can and do make decisions that could not be attributable to any one member, but to the corporation itself[189]. In other words, the decision is an amalgamation of opinions of the people making it, a compromise guided by the company policy and aims. Corporations don't therefore necessarily just reflect the goals of their current directors, as “the melding of disparate interests and purposes gives rise to a corporate long-range point of view that can be distinct from the intents, purposes, and interests of the collection of incorporations viewed individually.[190]” Corporate collectives can make decisions and monitor and evaluate the way their decisions are carried out. If a strategy only works on

184 May 1996, 178
185 May 1996, 6
186 May 1996, 120
187 May 1996, 27
188 Pettit 2007, 181-183
189 French uses this as a basis for arguing that independent corporate agency arises, whereas May offers a simpler explanation: a consensus has been reached. The intentions of individuals remain their own even in cases of a compromise, they do not become some other entity's intentions. See May 1987, 70.
190 French et al. 1992, 20

paper but fails miserably in real life, the corporation is likely to change it. If an employee decides to act outside the limits of the corporate action plan, they might get fired and replaced by someone more willing to carry out the collective decisions.

Linked to the above, according to Pettit in situations where no person is responsible, the organization in question might still be responsible. In other words, while individuals might have mitigating circumstances that reduce their responsibility, the organization they belong to can still be found to bear the burden.[191] Responsibility, then, does not mean that we have to be able to point our fingers at individual culprits and assign blame to those people. Rather, the organization can carry full responsibility independent of its members individual responsibility. This does not of course diminish personal responsibility, an individual can be responsible in addition to the organizational responsibility, but the point is that individual responsibility is not a necessary condition for corporate responsibility.

The rules and aims of a corporation guide the kind of decisions its members take. Shell's CEO is unlikely to suggest that the company's different departments should suddenly skip the oil business altogether and concentrate on making children's animations. But the CEO's actions are not *planned* by the Shell constitution. Corporations can and do change direction. Nokia sold off its rubber boot factory and concentrated on making mobile phones instead. This was not pre-planned by the 1970 Nokia. Rather, individual decisions have steered the direction of the company to that direction. Individual decisions are not simply implementing some great big plan but are actively shaping and re-shaping it. These individuals must take the group constitution into account in making their own decisions (or face the consequences and get fired) but there is no “extra level” of programming by the corporation aside from the guiding framework it provides. The corporate decisions are still formed out of individual decisions, the group choices born out of individual choices through voting or other methods. If no-one in the board of directors suggests that the company should start mining in Mars, the company will not choose to go into space. I would therefore argue that even when an unethical decision has been reached in a corporation, one that fits the criteria for being a true corporate decision in that it is an amalgamation of individual decisions, and no one person can be said to be responsible for it, the individuals will share the moral responsibility borne out of the decision with the corporation. This will depend on what their individual decisions were, and to what degree they objected to the unethical corporate decision when it was formulated. But within the group of

191 Pettit 2007, 171-172

individuals, an unethical suggestion or suggestions must have been made, otherwise the final decision would not have been what it is.

May writes that corporate responsibility has two components: an act by an employee designated to act for the corporation, and a decision by a high-ranking manager that facilitates this act, often a decision not to interfere. If the actions of an employee are in line with the CID Structure (authorised and within job description), and supervisory negligence contributed to a criminal result, then the corporation itself is guilty of a criminal offence. This is because the corporation is directly linked to the employee's act in this case. The corporation can only act through its members, so a failure of any of its employees to act becomes the failure of the corporation to act. Corporation can be vicariously negligent for something harmful done by its member if the appropriate members failed to take possible precautions to a predictable harm, and the employee was enabled in the harmful conduct by a corporate decision granting authority to the employee. May does not treat corporation as a single entity in cases of negligent fault, but as a collection of individuals, some granting authority to others, some whom might harm others, and yet some whom can act to minimize the potential for harm. Usually corporate negligence is due to omissions, what the corporation failed to do, rather than to an act or a commission.[192]

> For most ascriptions of corporate responsibility, negligence will play a central role. There will be many members of the corporation who, as in any other group, do not directly participate in the wrongful conduct of some of the other members. More importantly, it often happens that there are no important or high-ranking members of the corporation who actively participate in the wrongful conduct which some employee or other engages in. In fact, corporate officers, board members, and supervisors do not routinely participate directly in any of the actions taken by these employees. There will rarely be any smoking guns held by board presidents or even supervisors. But the roles held by these high-ranking managers create duties to prevent harm by those lower-ranking employees who directly act for the corporation. When these roles are not carried out properly, then negligence has occurred among the 'employers,' and the corporation, as well as these high.-ranking managers, is linked to the acts of the employees.[193]

French et al. argue that corporate policy statements are necessary if we are to describe acts as intentional corporate acts. Only an act that is implementing the corporate policy can be said to be a corporate act, and it can be properly described to be done for corporate purposes.[194] What is given too little attention here in my opinion is that the

192 May 1987, 85-86; 90; 96
193 May 1987, 95-96
194 French et al. 1992, 18

policy statements themselves were influenced in the first place by individual values, opinions and reasons for acting. The company policy can precede any living company members, but it is still a reflection of individuals' values, even as an amalgamation of them. It does not matter if the people writing the original policy, or the ones revising it since, are still alive or not. There are huge differences in the morality of corporate policies, reflected in their community and social responsibility statements, as well as in the fundamentals of what type of services or products the companies produce. The different policies of an arms or tobacco manufacturer, compared to those of a cooperative recycling facility, or a not-for-profit social enterprise providing services for the elderly, reflect the different values of the individual people whom set up these corporations in the first place. They further reflect the values of the current employees and shareholders of these companies, as they have agreed to work for or finance the common cause of the company. Ignorance about the particular nature of the company you work for or provide funds for is no excuse (as long as you have not been intentionally deceived by the company). We will discuss the issue of knowledge more in the next chapter. The main point is that even corporate decisions reflect the people involved, and therefore corporate morality cannot ever be fully divorced from individual morality and responsibility.

French et al. do not deny this. While they might leave the formulation of the policies with too little attention in my opinion, they do acknowledge that even though the corporate culture influences individual decisions[195], individuals still bear the responsibility for their actions. In a Kantian vein, they stress how employees in corporations are never just means to serving the corporate interests.

> Within corporate cultures, individual employees make choices that are conditioned and influenced by their environment. Over time, the roles and rules of the hierarchy that comprise the CID Structure can influence the development of an individual's character and moral values in a significant way. The influence of the organizational environment never removes the need for the individual to make decisions or his responsibility for them. If it did, the autonomy and dignity we normally accord individuals would be violated. If employees did not remain responsible for their actions in a corporate context, they would be serving merely as the means to achieving the ends of the corporation. They are not mere means; they are individual moral agents who are ends in themselves with their own goals, values, and responsibilities.[196]

The corporate setting is thus crucial for the unethical decision to form and have power,

195 They also include a description of an interesting phenomenon called “storming”, where artificially created corporate deadlines and targets make employees to cut corners, and to ignore information to focus on narrow short-term goals, resulting in accidents and disasters. See French et al. 1992, 62.

196 French et al. 1992, 56

and therefore problems of hierarchy and bureaucracy need to be discussed. I will do this in the next chapter. Before that, I will briefly take a look at some suggestions that have been put forward to punish corporations in cases of wrongdoings. Some of these are already in use, with corporate fines probably the most common punishment.

5.5 Punishing corporations

Kutz argues that when corporations are fined, or governments make reparations, what is missing are individual motivational considerations, ones that are necessary to prevent such harms from occurring again, or in the first place. Willing institutional scapegoats, individuals who consider being held accountable as a part of their institutional role and not something assigned to them personally, help to displace the individual ethical concerns of the other group members, satisfied now that the responsibility has been discharged collectively.[197] May would agree. He argues that if punishments are collective and not personal they have very little impact on the corporate behaviour. Penalizing the whole corporation with fines usually results in the costs being passed on to customers through raising prices. If the penalty is too high, the corporation can declare bankruptcy, with usually only lower-level employees being hurt. Companies make huge profits from the actions of their employees, so it seems unfair that they would not be penalized for the actions if they are criminal. For large corporations, individual shareholders usually have no personal liability to pay claims out of their own pockets. If they would, May believes they would be more careful about the corporation not causing harm as they would have a personal incentive to be cautious. May believes that distributing the punishment among the key members of the corporation who can be linked to the harm is the most effective method of punishing corporations. The fear of personal punishment will make it more likely that corporate officers are careful to prevent future harm, as it will weigh more on their shoulders than penalties that have no real impact on them as individuals.[198]

French has proposed another form of corporate punishment, one where the corporation is ordered by court to do an adverse publicity campaign, focusing on the criminal act it was found guilty of and the harm it caused, thereby tarnishing its reputation. French believes this would encourage reform by causing an identity crisis in the corporation through the social stigma attached.[199] May does not believe that this idea would work in

197 Kutz 2000, 6
198 May 1987, 98-105; 129. See also Stiglitz 2006, 204. He argues as well that financial penalties are not very effective and have very little effect on managers.
199 French et al. 1992, 103

practice because corporations' CID Structures are not set up in a way to personally reflect on their past behaviour in a moral way. Some individual board members or high-up managers might feel shame for past actions of the company that they have participated in, but this would probably not translate to the corporate level, with vote or some other corporate deliberation method being utilised for a self-reflecting assessment. The corporate decision-making structure is not designed with moral questions in mind. May furthermore points out that shame is not something that a person can make someone else feel, as shame is based on an assessment of actions against standards that one has set for oneself.[200]

French et al. propose yet two more ways of punishing corporations. The first involves the court ordering the liable corporation to design and implement a socially useful project of some kind, like community workshops. The project activities would be clearly labelled as court ordered to prevent the company from getting public relations advantage. I do not think that this would be a bad idea, but I am not as optimistic as French et al. in thinking that it will also help to make the corporation more sensitive to ethical considerations. I think it would be quite easy to just hire some community-embracing people to run the project, without it needing to affect the actual core of the corporation in any way whatsoever, maybe even resulting in some positive publicity in the end. Still, I believe this type of punishment could be more useful than just a straight-forward fine. The second strategy is court imposed changes on the CID Structure, to be used in the more serious cases and with repeat offenders. The changes could include things like social audits and public directorship becoming part of the CID Structure. Public directorship involves including members of the public who are not shareholders or executive on the corporate board of directors. The results from the social audits would be made available to all.[201] I think this latter strategy is an interesting one and worthy of serious consideration, although limited as it is appropriate only for serious offenders. This strategy also leaves the question of individual responsibility and punishment unresolved.

200 May 1987, 101-104

201 French et al. 1992, 104-105. See also pages 32-34 in the same book where an interventionist approach put forward by Christopher Stone is discussed in some detail.

6 BUREAUCRACY AND RESPONSIBILITY

I will now turn to questions about the nature of bureaucracy and what it means for responsibility. Interlinked with this is the level of knowledge people have about the wider consequences of their actions, the information they have access to, and what they might choose to ignore. Elizabeth Wolgast argues that "Lack of information and lack of responsibility go hand in hand, and both are built into the organizational structure.[202]" What she has in mind becomes clearer when we take a closer look at bureaucracies, and think about cases where things have gone really wrong, like with the Nazi organization during the Second World War. I will argue that bureaucratic structures affect the way people view themselves as agents, and that the "cog in the machine" mentality also affects their sense of responsibility. The kind of environment created by a large corporation or other bureaucracy socializes us to see our options and actions in a certain light. But before I talk about the dark side of bureaucracy, I will first discuss information, or the lack of it, and its effects on responsibility.

6.1 Information and the lack of it

In the TV series *Alias*, Sydney Bristow is a student who gets recruited to work for what she is told is the undercover operations division of the CIA. She accepts the role of a secret agent at SD6, and gives her all for the organization she believes is working for the benefit of the USA. What she does not know, and only discovers later after her fiancée is murdered, is that she is actually working for the very people she thought she was fighting against. SD6 is not an undercover CIA unit, but an integral part of international network of criminal organizations. Only a handful of people at the top of the SD6 structure know about its true function. Everyone else working for the organization is fooled by the same complicated and sophisticated cover-up story as Sydney is, and believe that they are working for the CIA. When Sydney discovers the truth a few years into her job, she is naturally horrified. She becomes an undercover agent for the true CIA, vowing to bring down SD6.

Before she found out what was going on, Sydney participated unwillingly in criminal activities. Sydney was truly ignorant of her real role and circumstances, deceived by her employer of the true nature of what she was doing. Sydney and her equally deceived fellow workers cannot be held morally responsible for the criminal activities they took part in while believing to be serving their beloved USA. Once Sydney found

202 Wolgast 1992, 88

out the truth, she did become morally responsible for her actions and went to great pains to sabotage her SD6 missions and work with the real CIA to bring down the criminals. To return to Aristotle's ideas discussed in chapter three, the deceived Sydney does not qualify as a morally responsible agent as she is deceived about the circumstances of her actions. Ignorance undermines the voluntarism required for moral responsibility. If one does not know what one is doing, and cannot be reasonably expected to know either, then one cannot be praiseworthy or blameworthy.

Sydney's case is of course both fictional and extreme. Hardly any real organization can be claimed to mislead their employees to the degree that SD6 did. However, withholding some important information, or the tendency to only communicate the positive news, is probably much more common among modern big multinationals and other big modern bureaucratic institutions. Everyone cannot know everything of course, and it would be bad news for a big business if everyone working for it, from the chief executive down to the delivery boy, would be aware of all the business secrets and internal problems that competitors could easily exploit. Not all information is even that relevant for all the employees, and the chief executive needs a very different set of information to perform her duties than the delivery boy does.

What everyone should be aware of, however, to an adequate degree at least, are the wider impact of the products or services the company they work for produces. If one works for a tobacco company, for example, and is not deceived that one is working for a tobacco company by some elaborate SD6-type scam, then one should know about the health implications of tobacco smoke and feel morally at least indifferent about it. I believe that it would be wholly hypocritical for a person holding anti-smoking views to work for Philip Morris or American Tobacco Company. I should stress that I am not discussing cases here where the person has no other source of income available for them to feed their family, as with the artisanal miner mentioned in the previous chapter. My fictional hypocritical person has other options available for her, but has perhaps chosen the tobacco company for a larger salary or a shorter journey to work. Naturally, the wider situation you are in always affects the choices available to you, and therefore your level of moral responsibility. It is not implausible to imagine an economically depressed little town somewhere in the USA with a poor pacifist, who must work for an arms manufacturer - the only business in town - to support his crippled old grandpa who refuses to move anywhere else. In addition, many people try to rationalize their choices in terms of lack of options, even when the lack of options is more a case of inconvenience or laziness.

The bigger question is how much one has to have information about their role and the wider implications of what they are involved in. Where to draw the line for someone to have found out all they can be reasonably expected to find out about things to do with carrying out your role duties? To be a good role holder, you must know what is expected of you by the organization that employs you, that is, to properly understand the CID Structure of your organization. You should probably also know something about the wider environment of where your organization works in, the competition and so forth, and also know what is expected from you by your professional body, if you belong to one. Already here you might find that what your professional role standards require you to do can go against what your organizational role would ask you to do, as in cases of whistle-blowers.

The picture gets even more complicated when you start thinking about what can be expected from you to know and take into consideration as a human being. You might have an inclination that the company you work for is involved in activities that are not illegal, but still harmful, like logging wood from a rainforest and displacing the local population, or doing business with mines that are questionable at best in their respect for human rights. Maybe you feel that you do not want to know more about the problems in the factories where your company's products are manufactured in, as it might make you feel bad. It is sometimes simply easier not to know the whole truth. After all, what could you personally do as one individual? The factories are not even in the jurisdiction of your department, you are not a senior manager by any means, and if you would start asking awkward questions, you might lose your job, or at least not get promoted. You already know enough to perform your role well and to the satisfaction of the company you work for. What's more, you are also very nice to the people you work with and you take the wider world into consideration in the line of your duties. Say you are in charge of purchasing stationery for the head office in your company, and you always make sure that you order environmentally-friendly paper products and recycle everything. What more can be reasonably expected of you? Should you really try to find out what is going on in countries far away from the head office you work in, in places you've never even visited?

David Luban argues that “Morally, role players have insufficient information to be confident that they are in a position to deliberate effectively, because bureaucratic organizations parcel out information along functional lines.[203]” Robert Jackall argues that bureaucratic compartmentalization and the secrecy that comes with it often

203 David Luban quoted in Wolgast 1992, 88

prevents information passing on from one department to another, from one level to the next. This fragmentation of consciousness provides rationales for not knowing about problems, and for not trying to find out. Rational bureaucracy can in this sense stimulate irrationality.[204] We will discuss bureaucracy in more detail soon. The bottom line is that even if you really wanted to make sure that what you are involved in does not in some way go against your values, you might have a hard time finding out what is the so-called truth in the matter. There might be a damning report or two by a grassroots organization, but your company denies all wrongdoings in its factories, and says it has no knowledge or power over what mines its raw materials come from. Are you as an individual still expected to try to investigate further? Or to even care?

What about if you were in a position to find out more as a manager, but actively choose not to, as you do not want to come face-to-face with difficult ethical dilemmas you have no answers for. You want to be good in your job and do what is expected of you, what can be the harm in that? You also already know what is expected of you as a role holder. I am not arguing that simply by closing one's eyes and ignoring responsibility one can escape from it. The question is how much information is required, how much one is expected to find out and know outside the limits of his direct duties. This is especially important when thinking about practical day-to-day decisions that people in business need to make. Where to draw the lines for what falls under one's jurisdiction, does a marketing manager need to know about the source of the raw materials for the products he is advertising? What about the environmental effects of them? The precautionary principle deals with the same type of issues. It is about anticipating harm, about being cautious, and used especially in environmental law. The principle states that when a possible risk is found in a product (e.g. by scientific investigation), then the corporation, or other such institution, has a responsibility to protect its customers and the public from the possible harm before it occurs. More generally, how much should one know about, not only the wider implications of one's work role, but also the impacts of oneself as a consumer, investor, citizen, human being?

Kutz argues that whenever we act in collectives, we should expect that there are aspects involved that we do not know about, but will have to reckon with. This is the price we pay to participate in group action. Acting collectively allows us to expand our powers beyond what we could achieve alone, but there is always the risk that what we are involved in does not align with our moral interests, and we should keep these moral

204 Jackall 1988, 194

“agency costs” in mind.[205] Before looking at Kutz's argument in more detail in the final chapter, I will turn my gaze into the problems of bureaucracies. Bureaucracy breaks work and knowledge into pieces[206], and it is therefore essential for us to understand bureaucracy to be able to understand problems of knowledge in large institutions.

6.2 Locating responsibility in bureaucracies

Jackall writes that the “enduring genius” of bureaucratic form of organization is “that it allows individuals to retain bewilderingly diverse private motives and meanings for action as long as they adhere publicly to agreed-upon rules.[207]” All major occupations and professions have become bureaucratized: standardized, certified, specialized, and hierarchical. Bureaucratization is always a power system with privileges and domination, it is never simply a purely technical matter, just a system of organization. Therefore it has impacted class and status structures, as well as the “tone and tempo of our society”.[208]

Elizabeth Wolgast uses the term “corporate persons” to describe all agents that are composed of several people, like committees, boards and corporations, but representing one entity. Corporate persons complicate the process of locating responsibility. They represent individual shareholders and act in their names, taking their capital and using it to make a profit.[209] But while shareholders reap the benefits when things go right, they are not responsible for the debts of the company, for example. At most they gain to lose their initial investment, but they have no legal obligation to compensate for anyone if things go wrong. The employees of the company are also protected by the bureaucratic decision-making structure where collective decisions cannot be divided into individual decisions. Therefore, according to Wolgast, it is misleading to think about collective persons as persons at all. Rather, they are entities that serve the purpose of creating a moral-free environment where no one is ultimately responsible.[210] This brings us to the problem of bureaucracies and the “rule by Nobody”, as Hannah Arendt describes bureaucratic structures. Arendt is very critical of bureaucracies:

> bureaucracy or the rule of an intricate system of bureaus in which no men, neither one nor the best, neither the few nor the many, can be held responsible,

205 Kutz 2000, 156
206 Jackall 1988, 80
207 Jackall 1988, 6
208 Jackall 1988, 10
209 Wolgast 1992, 79-81
210 Wolgast 1992, 89-95

> and which could be properly called rule by Nobody. (If, in accord with traditional political thought, we identify tyranny as government that is not held to give account of itself, rule by Nobody is clearly the most tyrannical of all, since there is no one left who could even be asked to answer for what is being done. [--] making it impossible to localize responsibility.[211]

Wolgast agrees with Arendt's assessment of the problem of bureaucracies and continues that: “With increasing distance between order and action, with the attendant increase in ambiguity, responsibility is harder to retrieve from the cracks.”[212]

Bureaucracies can compartmentalize work to such a degree that individual human action is reduced to mere behaviour. The division of labour can be such that people no longer know what their role is in the larger organization, not knowing what their work is linked to, what the results are. Responsibility is diffused and the people working in the bureaucracy can come to view their actions to be outside the normal human realm where they would be responsible for what they do.[213] Arendt writes*:*

> In a fully developed bureaucracy there is nobody left with whom one can argue, to whom one can present grievances, on whom the pressures of power can be exerted. Bureaucracy is the form of government in which everybody is deprived of political freedom, of the power to act; for the rule by Nobody is not no-rule, and where all are equally powerless we have a tyranny without a tyrant.[214]

The way that corporate ownership is usually separated from the day-to-day management and control of the corporation reminds me of the “rule by Nobody”. In small companies where the business is often owned and managed by the same people, responsibility is easier to locate because the managers act on their own motives as business owners. As discussed in the previous chapter, in large modern corporations the ownership is scattered, and the only thing that the anonymous owners seem to demand from the management is to make a profit, the bigger the better. The shareholders might not even be aware of where they've invested their monies, as is the case with pension funds and other large institutional shareholders. In these cases the individual's own ethical concerns don't come to play at all as a shareholder, as they aren't in charge of where they invest, maybe only thinking about the financial standing of their pension[215]. The management is occupied in keeping their shareholders happy and concentrate on their bottom line. In effect, no one is really in charge.

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211 Arendt 1970, 38-39
212 Wolgast 1992, 35
213 May 1996, 68. May uses Arendt's *The Human Condition* (1958) as a source for part of this section.
214 Arendt 1970, 81
215 French et al. 1992, 72-74

6.3 Bureaucratic ethic in corporations

Robert Jackall studied American managers and their ethics for his book *Moral Mazes: The World of Corporate Managers,* and argues that bureaucratic structure shapes our morality and consciousness in many ways. Bureaucracy is "the prevailing organizational form of our society", giving rise to its own form of bureaucratic ethic that guides managers through their daily moral dilemmas. This new morality is situational, contextual, very specific, and mostly unarticulated, with the rules varying greatly depending on many factors.[216] It can best be observed in action in managerial work and Jackall argues that managers are "the principal carriers of bureaucratic ethic in our era", continuing that

> [managers'] occupational ethics and the way they come to see the world set both the frameworks and the vocabularies for a great many public issues in our society. Moreover, managers' experiences are by no means unique; indeed, they have a deep resonance with those of a great many other white-collar occupational groups [--]. Work – bureaucratic work in particular – poses a series of intractable dilemmas that often demand compromises with traditional moral beliefs. Men and women in positions of authority, like managers, face these dilemmas and compromises in particularly pointed ways. By analyzing the kind of ethic bureaucracy produces in managers, one can begin to understand how bureaucracy shapes actual morality in our society as a whole.[217]

Bureaucracy in its purest form is characterized by attention to detail, a legalistic objectivity, procedures, orders, documentation, files, impersonality, rationality and efficiency. According to Jackall, this classical form of bureaucracy (identified by Max Weber) is not what one finds in American corporations. Corporations institute a kind of hybrid bureaucracy, mixing the pure form with that of patrimonial bureaucracy found in courts of kings, with personal loyalties, favouritism and conspiracies all playing a part.[218] Changes in the personnel bring about upheavals to the management structure, especially when the CEO changes. There is a constant feeling of uncertainty among managers, based on their knowledge of political struggles hidden behind the corporate doors, and the awareness of the complex conflicts and tensions going on.[219]

Jackall observes that "bureaucratic work causes people to bracket, while at work, the moralities that they might hold outside the workplace or that they might adhere to privately", instead following whatever morality prevails at the workplace at the given

216 Jackall 1988, 3-6
217 Jackall 1988, 12-13
218 Jackall 1988, 11-12
219 Jackall 1988, 33-34

time[220]. Managers interviewed for Jackall's book did not feel comfortable talking about morality in terms of ethics and values, instead urging the author to concentrate on the "decision-making process", and to use terms like "hard decisions between competing interests" and "trade-offs". Daily moral dilemmas in the managerial work are taken for granted but denied the moral terminology. Ethical questions in the workplace must be approached pragmatically and discussed in emotionally neutral and technical terms. Decisions are often taken intuitively, based on how "comfortable" the manager feels with a certain proposition, taking into account what is happening in the organization and the wider markets. Managers also constantly assess each other to decide what moral rules apply to the situation at hand. How the values and ethics of the managers appear to others is also one of the most important aspects of managerial morality.[221] Public opinion is also very important for the self-image of managers. Jackall observes that the way the public views the business of the corporation affects also the self-image of the managers and the way they view their work. Social identities and moral issues therefore become public relations issues also.[222]

Managers are not alone in valuing their reputations. We all seek the approval of our fellow beings in one way or another, and care about how others regard us, to a varying degree at least. Brennan and Pettit argue that being held in high esteem by others is one of the most important values that people recognise in their daily lives, and that we "are deeply attached to the esteem of others".[223] There are many reasons why we are naturally inclined to care about how others see us. If people trust you, your relations with them will be friendlier, and things will run much smoother than if they would be suspicious of you. People who trust you are also more likely to recommend you to others (as with the managers that Jackall discusses vouching for each other). When others regard you well, it also gives you a basis for thinking well of yourself too, thus helping you to develop your self-esteem. It gives you a feeling of living up to shared ideals, whatever they may be. We especially value the esteem of our peers whom we are in close contact with, as they are the ones we feel can judge us best.[224] It therefore makes practical sense for us to act morally, or at least appear to be acting morally. When a manager is perceived to be trustworthy by her peers, her daily interactions with them run smoother. A lost reputation translates to more problematic relationships.

220 Jackall 1988, 6
221 Jackall 1988, 13-15; 104-105
222 Jackall 1988, 162
223 Brennan and Pettit 2004, 23
224 Brennan and Pettit 2004, 26-27. See also pages 57-58 for benefits of being associated with someone who is being held in esteem by others.

Brennan and Pettit further argue that the “economy of esteem” advocated by them is compatible with virtue-ethics, often working to reinforce the system of virtues. If you act out of virtuous reasons, you get the added benefit of being well thought of, of being seen as virtuous. This reinforces your belief in virtues and encourages you to do more. When one is only doing virtuous things to appear virtuous, they get the same approval from others. Brennan and Pettit think that this encourages them to continue on their path, and perhaps actually become virtuous. I am not sure if the latter is true, as maybe people feel that being seen as virtuous is enough, if appearances are what matters. No need to bother with the real thing, especially since truly virtuous decisions and acts can sometimes be really hard on the individual. Pettit and Brennan think that these cases are unusual, and stand by their account that esteem of others supports virtue, with certain limits.[225]

Back to bureaucracy. Bureaucratic work brings routine to people's lives; engages them daily in “rational, socially approved, purposive action”, usually involving setting and achieving goals; and also brings them to daily contact with authoritarian structure and status hierarchy[226]. Bureaucracies rationalize not just people's actions, but their public personas too. Managers stress the importance of self-control at all times, the ability to mask intentions and emotions behind a bland and smiling public face, and dispassionate rational calculations[227]. It is only behind these masks that the moral issues and real struggles in the corporation can be found[228]. Distinctive and striking characteristics of any sort are bad, even if they are positive, and being brilliant is seen as threatening to others. Instead, what is essential is being a “team player”, meaning that one must not be a prima donna, but must instead stick to one's assigned position and perform effectively as a member of the group. A good team player always makes others feel comfortable, he fits in and performs his role without complaining, does not threaten others with his values or abilities, and deals with disagreements tactfully, hiding aggressiveness and ambitions behind a mask of blandness.[229] In the words of a high ranking executive: “Team play means the sacrifice of one's individual feelings for the sake of the unified effort[230].” A flexible and versatile approach towards one's perspective is also required to be able to rapidly adjust to changing circumstances. This interchangeability in business is important, with one manager observing that “a person can have any beliefs they want, as long as they leave them at home.”[231]

225 Brennan and Pettit 2004, 261-262. See also pages 302-304 for possible problems.
226 Jackall 1988, 5-6
227 Jackall 1988, 46-49
228 Jackall 1988, 59
229 Jackall 1988, 51-52; 56
230 Jackall 1988, 53
231 Jackall 1988, 51

Authority is both centralized and decentralized in American corporations. Power is concentrated at the top with the CEO, but at the same time “responsibility for decisions and profits is pushed as far down the organizational line as possible.”[232] This is done through the reporting system from subordinates to their managers, and the corresponding chain of commitment from the top of the pyramid down with a pressure to achieve higher goals. In this system credit flows up the chain while details get pushed down. Good ideas are ok to steal if you are in a position of authority, and the highest ranking person involved in something successful usually gets credited for the success. At the same time, middle managers are under great pressure to transmit only good news up the chain, thereby protecting the corporation and those above them. Subordinates are not likely to get detailed instructions from their superiors, as they do not want to know all the tedious details, or get involved in the day-to-day pressures experienced by the middle-managers. Managers at the top deliberately distance themselves from the details, allowing them to expect success without any “messy complications”.[233] Most importantly, “pushing down details relieves superiors of the burden of too much knowledge, particularly guilty knowledge.[234]”

Jackall argues that “bureaucracy facilitates an abstract rather than a concrete view of problems”, which is linked to the pushing down of details, and is an important part of nonaccountability. The abstract view increases the higher up one is on the bureaucratic hierarchy, and so does the distance between one's actions and their human consequences.[235] At the highest levels of a corporation, workers become just abstract categories, allowing the top managers to have a detached viewpoint, one that provides them with the psychological distance required to make “hard choices”. Encounters with people from the bottom level can prove troubling for the top managers, but luckily these are few and far in between as the social status, class and office insulate the executives from the people their decisions impact the most, helping to keep up the comforting levels of impersonality.[236]

Managers also try to avoid making decisions or any commitments publicly, as the fear of failure is so great. They rather want to wait and see what others think, looking both up and around before making any decisions. A group decision is the favoured route if a decision has to be made. When you are not clearly committed to anything,

232 Jackall 1988, 17
233 Jackall 1988, 18-21
234 Jackall 1988, 20
235 Jackall 1988, 124
236 Jackall 1988, 126-127

responsibility is harder to pin down on you if things go wrong.[237] One manager noted that “Decisions are made only when they are inevitable. To make a decision ahead of the time it *has* to be made risks political catastrophe. People can always interpret the decision as an unwise one even if it seems to be correct on other grounds.”[238] Large corporations also encourage scapegoating by their lack of tracking system to trace responsibility. According to Jackall, the reason there is no real tracking system in place in large corporations is that this would go against the interests of the top management. Most written documents in corporations include only the official version of reality.
A clear system of accountability would restrict the freedom of the executives. “Bureaucracy expands the freedom of those on top precisely by giving them the power to restrict the freedom of those beneath.”[239] Executives try to cover their backs by issuing policy documents and instructions that forbid wrongdoings in the corporation, while at the same time not installing a system of actual feedback and checks. This is because they do not want to taint themselves with the actual problems. When something goes badly wrong, the top management have to choose someone to blame, and this someone is often not very popular and is without powerful protectors.[240] Networks are what keeps you alive in the corporate jungle.

It should be clear from the above discussion that authority is embedded in the way managers view the world, and embodied in their day-to-day relations[241]. In the words of one former vice-president of a large company: “What is right in the corporation is not what is right in a man's home or in his church. *What is right in the corporation is what the guy above you wants from you.* That's what morality is in the corporation.”[242] We can see where this type of thinking taken to extreme can lead us when we look at one very dedicated bureaucrat next.

6.4 The Nazi bureaucracy

The most extreme form of bureaucratic evil was the Nazi regime. Hannah Arendt describes in her book *Eichmann in Jerusalem* how people like Adolf Eichmann were able to distance themselves psychologically from the atrocities they were involved in by thinking of themselves as only tiny cogs in the machine[243]. When you see yourself as only one little part of a big machine, easily replaceable by others, you can argue that

237 Jackall 1988, 77-79
238 Jackall 1988, 85
239 Jackall 1988, 88
240 Jackall 1988, 87-89
241 Jackall 1988, 17
242 Jackall 1988, 6
243 Arendt 1963, 289

you are thereby not even that responsible for your actions, as what you did would have been done anyway, and could have been performed by anyone. Adolf Eichmann was in charge of the logistics of sending Jews to concentration camps, including gathering the Jews of a certain prescribed area together, organizing a suitable amount of train carriages, planning the travel routes and so forth. When later questioned by the police and tried in the Israeli court, Eichmann maintained that he did not “personally” have anything against Jews and that he even had plenty of “private reasons” for not hating them[244]. He said to have harboured no bad feelings towards his victims, and claimed to have made his non-hating views clear to the other Nazis he worked with, as well as the Jewish leaders he negotiated with. Eichmann even had a secret Jewish mistress while in Vienna, and objected to what he saw as vulgar cases of anti-Semitism in the S.S.. When the order for the Final Solution and the mass extermination of the Jews came from Hitler, Eichmann said he lost all joy and interest in his work.[245] He also felt sick when confronted by what was happening in the concentration camps when he had to inspect gas chamber facilities, thinking they were ”monstrous” and the “most horrible thing he had ever seen in his life”[246].

Eichmann felt that he was just doing what was asked of him as a good worker and a law abiding citizen (Hitler's words were the law in the Germany of that time)[247], and he performed what his role required of him to the very best of his abilities. For Eichmann, this absolved him of guilt when it came to the charge of killing Jews, for he had not personally killed anyone[248]. He reasoned that it could have been anyone doing what he was doing, he could have been replaced by someone else in the Nazi bureaucracy with no consequence to what the outcome was, he was just an anonymous piece of the bureaucratic puzzle[249]. He even considered the end result of his actions – the killing of the millions of Jews he contributed to as a part of the Nazi regime – as “one of the greatest crimes in the history of Humanity”, but he did not regret anything as he believed that “repentance is for little children” only[250]. While the killings themselves, and the method they were performed in, might have felt monstrous to Eichmann, he had a need for authority, and did his utmost best to carry out the final solution as efficiently as possible, even going as far as sabotaging Himmler's orders when they became more moderate towards the end of the war, going against Hitler's

244 Arendt 1963, 26
245 Arendt 1963, 30-31
246 Arendt 1963, 87-89
247 Arendt 1963, 24-25; 135
248 Arendt 1963, 22
249 Arendt 1963, 136
250 Arendt 1963, 22-24

commands and what Eichmann perceived to be the law.[251]

What is the explanation for such seemingly contradictory views and indifference in the face of atrocities? Granted, Eichmann seemed to be unable to think from somebody else's standpoint. He felt sad about not rising higher in the S.S. ranks, and deemed it appropriate to explain regret to his Jewish interrogator about not being promoted further.[252] Despite this, he was not some kind of an emotionless monster. Arendt does not believe Eichmann to be a madman or a sadist either. Instead, the fact that a seemingly normal and average person could be “perfectly incapable of telling right from wrong” presents the greatest moral challenge of the case.[253]

Eichmann had not been academically successful and had joined the Nazi party once he got fired from his job as a salesman at the Vacuum Oil Company. Being fired was not a great loss to him as he was already bored with his job. He saw joining the party as a chance to be part of a new historical movement, and to have a career, to start afresh. As for the ideology of the part he had joined, he had no time or desire to be properly informed of it. The whole thing just happened, with Eichmann's attitude towards joining being merely “why not?” He was sent to two S.S. camps to receive military training, but did not enjoy the “humdrum” of military life and therefore jumped at the chance of applying for a job with the S.S. offices, beginning his new career as a Nazi bureaucrat.[254] Eichmann was good at negotiating and organising, and that is what he did with the logistics of the final solution. The S.S. meant for him first and foremost a career, to the point that he remembered events well only if they coincided with the turning points of his career, and displayed quite an ignorance about what else more historically important was going on around him if it was not directly linked to his job.[255] The day-to-day dealings of his job became a routine for him, with only things to do with him personally sticking in his mind. Therefore, when he was sent to Bratislava to negotiate the shipping of Slovakian Jews to concentration camps, he remembered not the mission of his journey, but that he was honoured to be invited there by the Minister of the Interior, as it was a rare treat for him to receive social invitations from government members. The two went bowling together followed by drinks, and that is all that had stuck to Eichmann's memory of the content of the visit.[256]

251 Arendt 1963, 145-146
252 Arendt 1963, 49
253 Arendt 1963, 26
254 Arendt 1963, 31-36
255 Arendt 1963, 45; 50; 53-54
256 Arendt 1963, 81-82

It was typical for Eichmann, and of the S.S. mentality in general, to pride oneself for having an “objective” attitude towards what was taking place, and to dissociate from emotions[257], be they hatred or sympathy. Concentration camps were talked in terms of “administration” and extermination in terms of “economy”. Killing by gas was seen as “a medical matter” as it was prepared by physicians.[258] Furthermore, killing in nearly all Nazi documents was referred to as the “final solution”, “evacuation”, or “special treatment”. Deportation was called either “resettlement” and “labor in the East”. Language rules like these proved enormously helpful in maintaining sanity and order in the Nazi regime, not by keeping people ignorant of what they were doing, but by preventing them from equating what they were involved in with their old “normal” notions of lying and murdering.[259] Murder itself became “to grant a mercy death”[260]. Arendt describes Himmler as being very talented in solving problems of conscience for the Nazis. He came up with slogans that emphasized the “sacrifices” that Nazis must do for the future benefit of Germany, giving them the impression of being involved in something historic and very important. The trick invented by Himmler was simple and effective: to turn the instincts, the “animal pity by which all normal men are affected in the presence of physical suffering”, around towards oneself. This allowed the S.S. men to say instead of “What horrible things I did to people!”, the self-directed lament of: “What horrible things I had to watch in the pursuance of my duties, how heavily the task weighted upon my shoulders!“[261] The Nazi movement became more and more radical as time passed on. In the end in Hitler's Germany, the law demanded people to kill.

> Evil in the Third Reich had lost the quality by which most people recognize it – the quality of temptation. Many Germans and many Nazis, probably an overwhelming majority of them, must have been tempted *not* to murder, *not* to rob, *not* to let their neighbors to go off to their doom (for that the Jews were transported to their doom they knew, of course, even though many of them may not have known the gruesome details), and not to become accomplices in all these crimes benefiting from them. But, God knows, they had learned how to resist temptation.[262]

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257 Jackall argues that emotionally neutral language is also central to corporate behaviour, with an elaborate linguistic code used to hide emotional sentiments and allow managers to grapple with problems dispassionately. Abstract and empty terms also help to diffuse responsibility. “The rule of thumb here seems to be that the more troublesome a problem, the more desiccated and vague the public language describing it should be. Of course, when a troublesome problem bursts into public controversy, euphemism becomes a crucial tool of those managers who have to face the public in some forum. The task here is to defuse public criticism and sometimes outrage with abstract unemotional characterizations of issues.” Spewing highly toxic gases into the neighbouring community's air becomes thus “release beyond the fence line”, a plane crash a “controlled flight into terrain”, and an accident at a nuclear station a “plant transient”. See Jackall 1988, 135-137.

258 Arendt 1963, 69

259 Arendt 1963, 85-86

260 Arendt 1963, 108

261 Arendt 1963, 105-106

262 Arendt 1963, 150

Arendt claims that once the war was over, people in Germany were not afraid to live with former Nazi murderers in their midst, as they were not likely to murder out of their own free will[263]. The whole of the German society had been involved in the final solution and other Nazi activities: the army, all civil servants in the state ministries, the business world[264], and the judiciary[265]. At least during the war years “there existed not a single organization or public institution in Germany [--] that did not become involved in criminal actions and transactions[266]”. The eighty million people of Germany at that time “had been shielded against reality and factuality by exactly the same means, the same self-deception, lies, and stupidity that had now become ingrained in Eichmann's mentality”, including the belief that the war was a case of destiny, and that the Germans had to annihilate their enemies or be annihilated themselves[267]. The intricate bureaucracy of the Nazi killing machine functioned with “unwavering precision” and it was important for Eichmann in soothing his conscience that he could see no resistance towards the Final Solution[268]. His conscience was actually “set at rest when he saw the zeal and eagerness with which 'good society' everywhere reacted as he did[269]”.

> The trouble with Eichmann was precisely that so many were like him, and that the many were neither perverted nor sadistic, that they were, and still are, terribly and terrifyingly normal. From the viewpoint of our legal institutions and of our moral standards of judgment, this normality was much more terrifying than all the atrocities put together, for it implied [--] that this new type of criminal [--] commits his crimes under circumstances that make it well-nigh impossible for him to know or to feel that he is doing wrong.[270]

In chapter three, Jeanette Kennett argued that it is extremely difficult to evade moral responsibility, and cautioned that we should be very careful about labelling people insane or out of control. When we are confronted with mass murderers such as Eichmann or Himmler, the natural reaction is the desire to distance ourselves from them, because the thought that they are similar to us is very disturbing. Yet, Kennett argues that we are acting too hastily if we label people like Nazis mad and distance ourselves from them. Their actions might be extreme, but we can still apply the same

263 Arendt 1963, 16

264 Many corporations were willing Nazi collaborators and relations between the S.S. and businessmen were often excellent. Many industries had found it profitable to establish factories and branches near the concentrations camps as they received slave labour from them, thus increasing the camps' “absorptive capacity” for killing. One of the I.G. Farben plants had thirty-five thousand Jews working in it, out of whom only about ten thousand did not die through labour. Krupp Werke and Siemens-Schuckert Werke also had plants near both Auschwitz and Lublin. (Arendt 1963, 79) Krupp's Berthawerk factory collected as much Jewish slave labour it could find and kept them in conditions that were “unsurpassed even among the labor gangs in the death camps.” (Arendt 1963, 200)

265 Arendt 1963, 18

266 Arendt 1963, 159

267 Arendt 1963, 52

268 Arendt 1963, 116

269 Arendt 1963, 126

270 Arendt 1963, 276

test of responsibility to them as to other lesser wrongdoers, that is, to look at their judgements and their self-control. When we assess someone's responsibility, the crucial issue is their capacity to understand what they were doing and to control it, not the quality of the actions, or the desires behind them. People like Himmler and Eichmann were able to exercise self-control, but their judgement was flawed and reckless, as they arrogantly failed to regulate their values. Their arrogance comes from the failure to revise or question evil values in the light of the sympathies both felt for Jews.[271] Both were morally responsible for their part in the holocaust. We should always be willing to question our values and not just be blindly committed to furthering them. Eichmann chose to lay the sympathy for his victims aside, instead displaying unhealthy levels of self-control in suppressing any feelings of guilt, happily playing the role of the perfect bureaucrat.

6.5 Institutional socialization and the loss of responsibility

Expanding on Arendt's thoughts, May argues that institutional socialization in bureaucracies makes people see themselves as anonymous cogs. As they often lack the face-to-face confrontation with each other, and are not directly linked to the consequences of their actions, they do not have the need to develop a sense of responsibility in relation to what they do. It is this bureaucratic anonymity that is at the root of institutional evil. Ordinary people can come to participate in great evils because bureaucracies socialize them to be thoughtless when considering right and wrong, at least within the institution. Some of these bureaucracies also socialize their members to feel that decisions should be made by the “experts” only, those members more experienced and knowledgeable.[272] May writes that

> bureaucratic institutions socialize people to see themselves not as actors but as those acted upon. The ensuing feelings of powerlessness can give rise to the acceptance of, and even participation in, harms these people [-] would never have found acceptable outside of the bureaucratic institution.[273]

It is not the big size of the institution as such that “increases the likelihood of dehumanization”, but the hierarchical nature of institutions. This hierarchical structure of large institutions like multinational corporations imposes an impersonality on its members, one that makes them think in terms of satisfying their role requirements, rather than acting as autonomous agents.[274] May writes:

271 Kennett 2001, 194-195; 208
272 May 1996, 71; 76
273 May 1996, 70
274 May 1996, 80

> good judgment is based on the kind of intuitiveness or thoughtfulness that is vivid and intensely felt because it is thoroughly immersed in the particularities of one's life. When those particularities are absent, people often lack the sense of personal responsibility, another important ingredient in good moral judgment. Institutions, especially those that render their members anonymous, are likely to dehumanize their members in the sense that these members have less to base their autonomous moral judgments upon.[275]

All our activities are framed by mental models - our perspectives on things - and embedded in conceptual schemes. Patricia Werhane argues that our interests, desires, biases, intentions, and points of view operate as selective filters that restrict what we see in the world. Our minds both organize and censor our experiences through a conceptual scheme. Through the models, we make sense of our experiences, and interpret and clarify events to ourselves. This is often done retrospectively with events given a reframed focus and importance. We do not observe the world objectively then, but rather project our own perceptions on it, explaining our experiences to fit our subjective point of view, and ignoring data that does not fit our scheme. It is as we are editing a movie, leaving some of the scenes on the cutting room floor. We rarely have just one-track minds though, and most of us have several perspectives, mental models, to choose from to adopt to a given situation. Our perspectives can also change or be altered, and we can choose to try to look at things from someone else's perspective. If we choose any one perspective often, it gets reinforced in our minds. [276]

Our mental models are influenced by socialization, culture, education, our upbringing, art, media, the place we work in. Employees of different companies usually have different mental models resulting in different expectations, which can cause them to misunderstand representatives from outside their company. Misunderstandings and different expectations can also occur within the organization and its different divisions, especially when role identification is strong. Some professions, like engineers and medical researchers, are encouraged to focus on a narrow range of data very carefully and with great insight. This kind of microscopic vision can make one an expert in their field, but can also mean that things outside this narrow focus don't necessarily get considered when actions and decisions are taken. More generally, corporate employees are trained to see things through the viewpoint of their employer, affecting the kind of things they take into consideration when making decisions. Werhane discusses Dennis Gioia as an example of how the corporate perspective can leave a gap between professional behaviour and personal moral beliefs. Gioia was in charge of product recall coordination when he worked at Ford during the now sadly-famous

275 May 1996, 79
276 Werhane 1999, 85-88; 95

Pinto car era. He was exposed to reports about Pinto models exploding after accidents involving only low speed collisions and brought up the model as a possible candidate for recall at a departmental review meeting. At the meeting, Gioia and other Ford managers decided not to recall the model, as they were convinced by their own reasoning that Pinto was not more defective than its competitors, and should be kept in production as a best-selling model. Gioia came to later see that he was looking at the evidence through a “Ford-trained” perspective, which included thinking that people accept risks in cars implicitly, and that as a company Ford could not recall all cars with potential problems if they wanted to stay in the business. Moral thinking did not enter the decision-making process, as Ford's corporate culture did not frame the question in terms of morals. Gioia later realised that his “Ford-trained” perspective made him unconsciously overlook key feature about the case, as they did not fit into his existing corporate mental model, one that did not include ethical dimensions when making business decisions. He did not step outside his professional role and think about the situation from a wider perspective, not even being aware that there was a gap between his personal moral beliefs and how he was behaving professionally.[277]

What we need to do is to develop a “moral imagination”, which involves asking difficult questions and trying to see things from others' point of view. “Taking another perspective is crucial, because unless one can disengage oneself from the context of specific decisions, from one's particular 'movie', decisions become parochially embedded and result in business decisions that threaten public safety and thus invite moral and fiscal failure.[278]” Critically distancing oneself from one's own mental model allows one to see its limitations, that it is just one of many possible ways available for us to look at a situation. We must be aware of what our biases and perspectives are, question what we presuppose when making decisions. We need to become more critically evaluative towards our activities, our behaviour, and our mental models, trying to take into account those of other people. This develops our moral imagination. Critical examination of one's decisions and the process of questioning one's mental models are crucial to moral responsibility. This also require moral leadership in corporations, leadership we rarely see according to Werhane.[279]

The director of a company is at the top of the company hierarchy legally. She or he is also in a position to develop a general picture of the corporation, different to that of the middle-managers who are involved in the daily grind. French et al. argue that the

277 Werhane 1999, 86-90
278 Werhane 1999, 94
279 Werhane 1999, 94-95

unique position that the director is in entails that they have a moral responsibility to find and fix faults in the CID Structure, “to discover and repair corporate procedures and policies that produce morally questionable behaviour”. It is the director's responsibility to maintain an ethically sound CID Structure, and to modify it when needed to prevent harm from occurring, not just after something has already gone wrong.[280] Thomas Donaldson stresses the importance of the right kinds of codes of conduct in creating an ethical corporate culture. The actions of the senior management are crucial too.

> Striking the appropriate balance between providing clear direction and leaving room for individual judgment makes crafting corporate values statements and ethics codes one of the hardest tasks that executives confront. The words are only a start. A company's leaders need to refer often to their organization's credo and code and must themselves be credible, committed, and consistent. If senior managers act as though ethics don't matter, the rest of the company's employees won't think that they do, either.[281]

As for the anonymous shareholders mentioned earlier, they are not off the hook either. Shareholders are not relieved of all ethical responsibility for corporate actions just because the actions are performed through the CID Structure. Shareholders might have only limited influence, especially ones with just few shares, but they can also exercise great influence over the direction the corporation takes. If one has no other option, one can always sell their stock in a company they find ethically objectionable. It is morally wrong to fund activities that are not in line with one's own moral beliefs.[282] I would also argue that shareholders should find out what kind of companies they invest in, directly or indirectly, and use their moral imagination to consider if the companies are ones that they can feel morally at ease with.

The top managers and shareholders of a company should take the moral lead in shaping the internal environment and the CID Structure to such that they do not have to hide behind ignorance, corporate mental models or language rules. Roles should not stand in the way of diffusing the line between right and wrong, and bureaucratic ethics should be in line with our personally held moral values. It is not just managers and shareholders who should develop their moral imagination, it is us all. We must learn not to leave our values at home when we go to work. This is much easier said than done, of course. In the final chapter I will discuss some possible steps towards shaping our corporations to become more in line with our moral intuitions and explore Kutz's strategy for showing the misconception behind the “just a cog in the machine” defence.

280 French et al. 1992, 68-69
281 Donaldson 1996, 477
282 French et al. 1992, 73. See also pages 74-77 about the increasing importance of the institutional shareholder, like a pension fund. Ethics of investors and financial institutions are important issues too.

7 ROLE RESPONSIBILITY AND HUMAN RESPONSIBILITY

In the previous chapter, we saw how bureaucratic ethic affects the thinking of individual employees who can start to view themselves as mere cogs in the machine. The result is not just alienation from the end results of one's work, but also a view where most things become instrumental. We are often socialized by institutions to view ourselves as anonymous occupiers of roles only. I think the socialization of roles and bureaucracy goes deeper than this though, and is manifested in the way economics has permeated our everyday thinking. Economics is based on models of rational agents working towards maximising expected utilities or preferences. These models are usually very restricted and highly idealised theories of the world.

In this last chapter, I will look at what is wrong with the “cog in the machine” thinking. I will also look at some of the ways corporations need to change to fall better in line with our moral intuitions. Only by taking virtue and individual accountability seriously, we can save responsibility in the corporate setting. Hannah Arendt wrote: “Where all are guilty, no one is; confessions of collective guilt are the best possible safeguard against the discovery of culprits.[283]” When we apply relationship-based model that takes virtue ethics into account on collective context, we will see that collective responsibility does not erase individual responsibility.

What I hope to have shown throughout the thesis, as well as in this final chapter, is how many things need to be taken into consideration when we discuss the responsibility of individuals in corporations. No easy and simple answers will be available. Instead, we must keep in mind the complexity of the situation at all times, judging cases on individual basis, emphasizing the importance of individual judgement and virtue, as well as the responsibility we all share as members of groups and the wider society.

7.1 Changing corporations

Elizabeth Wolgast believes that if we are to “redeem the attribution of personal responsibility, our institutions may need reshaping”[284]. If bureaucracy shapes our morality, and institutions affect the way we view our responsibilities and roles, can there be true morality in large organizations? What are the steps towards reshaping corporations, who is to take the moral lead?

283 Arendt 1970, 65
284 Wolgast 1992, 4

If we are to discuss what to do to improve corporate responsibility, perhaps a few words about the economic climate that corporations operate in are in order first. Corrupt governance and the conflict in the DRC are linked to the richer nations not just through the colonial history and the ongoing exploitation of natural resources, but also through the wider institutional system that links our globalized world. In a way, we are all part of the same economic social system, and we need to also look at the system itself if we want to discuss assigning responsibility. Christian Barry writes that "addressing even the simplest questions of individual character and conduct now seem unmanageable without first attending to the fairness of the social rules that deeply influence the life prospects of all participants within a social system.[285]"

The explosion of multinational corporate power has happened during a period when neoliberal free market economy has been the economic gospel of choice, of which Milton Friedman is perhaps the most famous proponent of. He believes that corporations have no other social responsibilities than to make profit for their shareholders, as long as the corporation has not been established for charitable purposes. Friedman's view of shareholder interests is narrow and he does not think that they have any other demands towards the corporation aside from as large as possible return for their investment while conforming to the laws and basic rules of the society. The corporative executive can do as much charity work as he wants on his free time and with his own money, but if he uses corporate money and corporate resources to try to bring about some desirable social ends, he is wasting other people's money.[286] Behind Friedman's arguments is a belief in the inherent efficiency and goodness of a free market economy, under which societies can prosper. This view has its basis in the writings of Adam Smith, the (often misunderstood) godfather of the free market model. According to Smith, the mutual self-interest that people have in exchange of commodities is supposed to bring about social cohesion between free and equal individuals. Gilbert Rist points out that this view is based on an assumption that everyone is able to receive due renumeration for their labour and have thus the means to obtain what they need in a free and equal setting. However, with the conversion of commodities into money accumulation is possible, leading inevitably to inequalities both at the national and international level.[287] Stiglitz argues that the prevailing economic theory of today rests on assumptions of perfect competition and perfect information, which has very little to do with reality, especially when it comes to

285 Barry 2003, 222
286 Friedman 1970, 33-38
287 Rist 2002, 18

developing countries. Markets and information will always be incomplete.[288] The world that free trade advocates is a mythical world of perfectly working markets with no unemployment, perfect risk insurance, and perfect competition with no dominating Microsofts[289]. In short, trade liberalization does not automatically lead to more trade and growth, and the growth does not automatically trickle down to benefit everyone[290].

Stiglitz further believes that globalization has compounded the problems that arise from the misaligned incentives in modern corporations, where limited liability assures that corporations do not pay the downside cost of their actions. Money is what the corporations are in the business of making, and it can be a powerful incentive. At its best, it can lead to things like spreading of useful technology, at worst it encourages people to do the wrong things while only valuing the bottom line. There is often a race to the bottom when companies compete to attract investment by lowering labour conditions and environmental standards, thereby cutting costs. Private incentives should be aligned with social costs and benefits. Stiglitz believes that a particular problem is the limited liability of corporations, where the cost of environmental damage caused, or even medical damage, is not born by the shareholders[291].

Stiglitz questions limited shareholder liability as an economist, Kutz questions it as a philosopher. Both agree that it is a legal invention that is difficult to justify on moral grounds. Kutz argues that the limited liability rule flies in the face of a number of common-sense principles of moral responsibility, including cleaning up one's own messes. Just as employees are institutionalized to compartmentalize their role in the bigger picture, so are shareholders. Many see themselves as purely investors playing the market. According to Kutz, because the law views corporations as single entities separate from the individuals within them, the cooperative structure and basis for them is often ignored. It is as if the corporation and its members are be metaphysically separate from each other, which is plainly wrong. Because corporations can exist only due to the cooperative, participatory nature of them, individuals investing in them share the moral responsibility of the corporate outcomes.[292] I think the first thing to change to

288 Stiglitz 2006, 28-29
289 Stiglitz 2006, 68
290 Stiglitz 2006, 99-100. The liberalization of global financial markets is another big issue. Financial speculation can crash even entire economies, as the Asian financial crisis at the end of the 1990's proved. In addition, Jackall points out that capital markets are dominated increasingly by institutional investors, such as insurance companies and investment houses who want to make quick money and concentrate solely on the profits. See Jackall 1988, 83. This has further contributed to the unstable global financial markets.
291 One of the most notorious examples is the explosion of the Union Carbide plant in Bhopal, injuring 100,000 and killing 20,000 people. The victims received only meager damages. Dow Chemical was later able to buy the plant, taking on the assets without any of the liability.
292 Kutz 2000, 237-253

improve corporate responsibility, is to amend corporate law to do away with limited liability and come up with a system that better reflects the reality. The new law should act to prevent gross harms currently committed because corporate risks are so unrisky for investors under limited liability.

Stiglitz suggest a number of further improvements to corporations, including backing the corporate social responsibility movement up with stronger government regulation that prevent a race to the bottom. Other measures include establishing global competition law and corresponding global authority to prevent global monopolies from forming; holding executives personally responsible for their actions in legal cases, making it harder for them to hide behind their corporations; reducing bank secrecy in offshore banks; make it easier to apply for compensation on corporate damages, both internationally and nationally; and more generally, to create a framework of international law and courts, giving a counter-power to global businesses. Stiglitz also advocates “piercing the corporate veil”, meaning that in environmental and other such liabilities any entity owning more than 20% of the shares of a company could be held liable for the damages even if the subsidiary company goes bust. This would prevent common practices such as mining corporations declaring their subsidiaries bankrupt once mines are exhausted.[293]

French et al. argue that since corporations make decisions with significant, and sometimes profound, effects on the lives of their workers, consumers, and the wider community, corporations are in a sense also political institutions. As such, they are usually very undemocratic. Power is concentrated at the hands of the management. One approach towards making corporations more democratic is increasing worker participation. The CID Structure needs to be reformulated in a way that would distribute power more equally within the corporation, making sure that all constituencies are represented in corporate decision-making. This could take the form of worker-owned and worker-managed cooperatives, or more traditional corporations with shareholders taking workers onto their governing bodies. Workers are already familiar with the corporation, and as members of the wider community, can also bring the concerns of these constituencies into the boardroom. Worker participation would also mean that the decision process of the corporation would be open to wider constituencies than just the mangers and shareholders. People critical of this suggestion have claimed that workers can be more short-sighted and selfish than managers when making decisions.[294] I do

293 Stiglitz 2006, 189-209
294 French et al. 1992, 89-91

not think that this is true. I believe that workers can have more insight into the corporation than managers. There is nothing in principle that would make workers naturally more short-term planners, or indeed more selfish, than managers. In fact, the opposite could be true. Workers surely have a vested interest in ensuring the future success of the business and the continuance of their employment, whereas corporation-hopping is not at all uncommon among managers.

Another issue that I think should be changed in corporations is the enormous pay gap between employees and top managers. The average CEO in the USA got paid approximately 93 times the salary of the average corporate employee in the 1990s[295]. This trend has since become even stronger, with CEOs being paid more than 500 times the salary of the average employee by the year 2000[296]. Only recently with the economic downturn there has been serious public discussion about the salaries of top executives, particularly in banks that have become largely state-owned after financial bail-outs. The fact that these banks have been paying huge salaries to their executives even when they've been raking record losses has raised a lot of criticism. There can – and should – be different levels of pay linked to people's talents, level of responsibility, experience and so forth. But nothing can really justify the exorbitant salaries that most high-ranking corporate managers currently enjoy. On top of these come bonuses, share-options, golden handshakes, retirement provisions, the lot. Top manager's work is not worth 500 times that of the average employee.[297] Gandhi was right to point out that big differences in pay are not necessarily justifiable. He questioned the pay of lawyers when he wrote: “Why do they want more fees than common labourers? Whey are their requirements greater? In what way are they more profitable to the country than the labourers?[298]” The answer is that lawyers, and us all, have been socialized to think they are more important than the labourers, due to the prestige their profession attracts and the many years of hard work they've put into their studies and to qualify as professionals. Should they be rewarded for their work with more money than a labourer? Gandhi might not have agreed, but I would think so. This is not to say that the work of a labourer is less important, it is just to acknowledge and rewards the initial

295 French et al. 1992, 88

296 Stiglitz 2006, 299, note 19. Stiglitz puts the 1990 CEO salary figure at 85 times times the average employee. In the beginning of 1980s it was 42 times higher.

297 At the risk of sounding naïve, I believe that it is immoral for someone like Bill Gates to have the wealth of a country. (Forbes reported in 2008 that Gates was worth $58 billion. This amount would surpass 117 countries' GDP in IMF's WEO database. For example, Gates is worth roughly 79 times the GDP of Liberia.) I am not trying to belittle the charity work of the Bill & Melinda Gates Foundation, all I am saying is that he and his fellow billionaires could and should do so much more. Charities are better than extensive property portfolios, but I believe it is even better not to amass the wealth in the first place, as charity work always includes value judgements and is by no means without its problems.

298 Gandhi 1997, 60

investment required to become a lawyer or other trained professional. But not hundred or ten times more, maybe not even three times more. Furthermore, managers concentrating on just raking profits is not beneficial for corporate morality. As French et al. point out, pursuing profits at the exclusion of other values is a decision, a goal agreed by the corporation, but they are not incapable of pursuing other values too[299]. Including other values into the equation can even be beneficial for the corporation.

Stephen A. Marglin argues that economics hurt communities, with economic transactions replacing reciprocity. Economics understand individuals in a narrow, self-interested way, presupposing that unlimited wants are part of the human nature. Society is not a community if people look after their self-interests only.[300] We need to get away from thinking that is based on the narrow “homo economicus” model of human beings and acknowledge that we are much more than rational money-making machines. Other values exists beside the economical ones. Solomon writes that

> the tunnel-vision of business life encouraged by the too narrow business curriculum and the daily rhetoric of the corporate community is damaging and counter-productive. Good employees are good people, and to pretend that the virtues of business stand isolated from the virtues of the rest of our lives—and this is not for a moment to deny the particularity of either our business roles or our lives—is to set up that familiar tragedy in which a pressured employee violates his or her “personal values” because, from a purely business point of view, he or she “didn't really have any choice.”[301]

Wolgast believes that “to bring institutions into line with moral theory will require enormous rethinking and institutional restructuring. The alternative is to resign ourselves to the loss in many contexts of a usable idea of responsibility.[302]” At the very least, multinationals need someone to keep them in check. International regulation is sorely lacking and patchy. It is not enough to expose wrongdoings, we need a way to regulate more efficiently to prevent problems before they arise. Countries and their legislative bodies should cooperate more closely, while international institutions require strengthening. We should also look at the size of large multinational corporations and other large bureaucratic beasts carefully. Can huge organizations ever be properly responsible and transparent? Besides problems with fragmentation of consciousness and tracking responsibility, large size can also be a hindrance to productivity and creativity, as lot of time is spent on just keeping the machine running. It can also be detrimental to job satisfaction, when individual contribution is hard to measure and see.

299 French et al. 1992, 102-103
300 Marglin 2009
301 Solomon 1992, 78
302 Wolgast 1992, 5

7.2 Virtues, role demands, businesses and bureaucracies

Eichmann maintained until the end that he never wanted to murder anyone, that he had simply been unlucky to be born as a subject of a bad government[303]. Eichmann saw obedience as his virtue, one that was abused by his leaders. In his mind, he was the victim.[304] I believe this shows what a narrow notion of virtue Eichmann held. In chapter three, Christine Swanton argued that prototype virtues are vague and do not provide guidance for actions by themselves but only in balance with role ethics. Blindly concentrating on one virtue can lead to bad consequences. The requirements of being a good human being should always constrain the unchecked pursuit of institutional goals and role virtues. Eichmann chose to ignore anything outside what his role demanded, allowing himself to be carried away by the impersonality of the bureaucracy, under the illusion that his choices where already dictated from above. He was also an ambitious man who saw the Nazi bureaucracy as a way of making something of himself after a disappointing start to his career. Eichmann was motivated by self-interest, just like the managers that Jackall discussed. I would argue that a truly virtuous person would not have committed himself so blindly to serving one goal only, especially one that he said he felt such strong initial reaction against. In the Nazi bureaucracy, obedience was most definitely a role virtue. Obediently taking part in the gassing and executions of hundred of thousands of people is of course not virtuous at all from the human perspective. May writes: “When a person acts as if only one set of values or principles were important in his or her life, such a person does not display the maturity that is one of the [-] hallmarks of the integrated self[305].”

Also in chapter three, Robert C. Solomon argued that virtue ethics is the most suitable ethics when it comes to business. I promised to return to his view in the last chapter. Solomon believes that ethics should not (and does not) consist of a list of prohibitive rules and principles, but should rather be the harmonization process of the different roles that we have. He continues that just like aesthetics is not a study of just beauty and ugliness, ethics is also not purely black-and-white study of right and wrong, but instead a multifaceted and colourful appreciation of other people in the world and our engagement with them. Solomon lists six considerations that explain why virtue ethics is relevant to business and together make up the framework for business virtue ethics. These are: *community* (corporation is a community and our individuality is socially situated), *excellence* (virtue is doing one's best, business virtues are aimed at both

303 Arendt 1963, 175. See also chapter three for a discussion on moral luck.
304 Arendt 1963, 247
305 May 1996, 26

ethics and for the bottom-line thinking), *role identity* (role morality is contextual), *holism* (we cannot isolate our professional roles from the rest of our lives), *integrity* (the integration of one's roles and responsibilities, and the virtues they define), and *judgement*. The last consideration, judgement, is the one that I would like to emphasise the most. When there are no hard and fast ethical rules that apply to all situations and across different roles, the importance of good ethical judgement becomes of paramount importance. In virtue ethics, good judgement centres on situational perception, rather than the interpretation of abstract moral principles, and all ethical deliberations must take the particular circumstances and people involved into account. One must always bear in mind the competing concerns, and come up with a conclusion that is as balanced and as fair as possible. We might get it wrong, the outcome cannot be guaranteed to be fair. We can always disagree about the judgement itself, but if we judge things in the right, balanced way, the process itself has been fair. Solomon believes that abstract ethical formulations distracts us from the need to make judgements and discourages real ethical thinking.[306] Solomon argues that:

> we are, as Aristotle famously insisted, social creatures who get our identity from our communities and measure our worth accordingly. And as much as many employees may feel the need to divorce themselves from their work and pretend that what they “do” is not indicative of their true selves, the truth is that most adults spend literally half of their waking adult life on the job, in the office, in the role or position that defines them as a citizen of the corporation. [--] while business life has its specific goals and distinctive practices and people in business have their particular concerns, loyalties, roles and responsibilities, there is no “business world” apart from the people who work in business and the integrity of those people determines the integrity of the organization as well as vice versa.[307]

In virtue ethics, individual excellence goes hand in hand with the well-being of the community, and social consciousness is important for every individual. Toughness is a virtue and it is demonstrated in willingness to make hard decisions when it is necessary (always as humanely as possible). Enlightened self-interest and virtue can peacefully coexist while cooperation defines the most important virtues.[308] Eichmann did cooperate with the Nazi machinery, but his social consciousness could be argued to be severely limited to ignore the needs of Jews and other persecuted groups. He cannot have been said to have made truly tough decisions as he chose the easy and career-boosting route of going with the Nazi flow. His decision to send Jews to their death did not show virtuous toughness, but instead indifference to human suffering. All

306 Solomon 1992, 75-79
307 Solomon 1992, 82-83
308 Solomon 1992, 81-82

in all, Eichmann cannot really be claimed to have engaged in serious ethical decision-making of his own, and he did not display behaviour that could be called virtuous.

7.3 Socialization and professional morality

Socialization affects to a degree how virtuous we become, as we are products of both nature and nurture. If certain virtuous traits are appreciated by our surroundings, it is easier to display these and to strengthen these. We all contribute in our own little way to what the society we belong in appreciates. As noted earlier, the Western industrialised society places great importance on working and the status we gain from our professional roles. The power we attribute to work explains why people can seem to be more willing to push the boundaries of their morals while at work, as the fear of losing your job and the money and status it brings can be obstacles in doing what one would otherwise think is the right thing to do. Acting as a whistle-blower can be a lot to ask of an employee and going against a company's policy can be a hard burden for an individual, both financially and socially. This does not provide an excuse for people to be relieved of their moral obligations, but is one reason why many fail to do so.

In the previous chapter, Brennan and Pettit argued for the moral relevance of our need for esteem. This is very important in understanding whistle-blowers too. When you work for an organization of any sort, the reputation of your employer affects the way others esteem you, and through this how you esteem yourself. It is therefore against the interests of an employee for their organization to look bad in the eyes of others. Professionals thus have a self-interest to deal with embarrassing cases quietly and behind closed doors. While they may want to stop the perpetrator from disgracing their professional standards, they do not want to air their dirty laundry in public to protect their reputation. A whistle-blower ruins this plan. This is the reason why it might be psychologically problematic for professional associations to support whistle-blowers to the degree that May would like them to. They might admire the courage of the individual and their commitment to upholding the standards of the profession, but they dislike the way the whistle-blower chose to deal with the problem, i.e. in public, at possibly a great cost to the reputation of the profession. The cost to the reputation of the organization the whistle-blower works for, and the cost to the profession she belongs to, are reasons enough to think hard about if the facts indeed hold, and that whistle-blowing is really the best, or the last, option available.[309]

309 Brennan and Pettit 2004, 171-176

Perhaps professionals need to be socialized to esteem their professional standards above their reputation, and to be aware that in some organizations working from the inside to improve things can turn out to be impossible. The organization in question might not be willing to listen to the individual who is planning to resort to whistle-blowing, very likely ignoring her previous pleas, unless there is public pressure involved. I would argue that professionals coming from different organizational cultures do not necessarily share the same world-view. Someone from an open and relatively encouraging organization might have difficulties respecting the problems that individuals in very rigidly hierarchical and secretive organizations face in voicing their concerns. I believe that being aware of the impact of different organizational cultures on us is paramount to feelings of solidarity to strengthen between professionals.

Corporations also should be more aware of their role in creating “membership relationships and positions from which individual humans obtain satisfaction and a sense of personal worth[310]”, and the responsibility that comes with this to maintain moral status of the corporation. Correspondingly, individuals should be trained to recognize their role in maintaining the moral status of the corporation they work for.

> A corporation is an organizational environment in which individual agents make significant decisions. Corporations must have some responsibility for the kinds of environments they develop and maintain. They have a responsibility to monitor these environments and, if necessary, to alter them. The corporation is the context in which employees perform their labor, interact with others, and make some of their most important moral choices. They also often derive a large measure of their sense of self-worth and even personal identity from their corporate positions. Therefore, care for this environment lies at the center of a corporation's responsibilities to its employees.[311]

Arendt mentions how Arthur Greiser, another Nazi war criminal, had in court explained how “only his 'official soul' had carried out the crimes for which he was hanged in 1946, his 'private soul' had always been against them”[312]. One could always argue that Greiser did not really believe this, he was only trying to save himself in court. But if he indeed did believe that he had both an official and a private soul, it speaks volumes about the pitfalls of trying to separate our work-self from our “real” self, and the inherent dangers in this kind of thinking. One former corporate worker in IT staffing and sales put the problem as follows:

> I'm bitter and cynical about corporate America because I've seen far too many

310 French et al. 1992, 55
311 French et al. 1992, 51
312 Arendt 1963, 127

> decisions just based on the bottom line. It's not just Enron and WorldCom. I honestly think I lost my last job over ethics. I had someone actually ask me: "Are your values worth more than your paycheck?" They think you can be evil all day and then go home and live the American dream.[313]

As discussed in chapter five, May argues that socialization plays a big role when we think about what can be reasonably expected from individual employees in cases where there are problems with what they are doing. May goes as far as to say that "questions about the moral roles in professions are largely indistinguishable from questions about socialization"[314]. However, May discusses professionals only, and the level of support they can expect to receive from their professional association, with responsibility linked to the solidarity one can expect to receive from one's peers. Yet most people work outside the realm of professional associations, like the artisanal miners in Congo. This is especially true in the case of modern large multinational corporations. It is not just people employed in manual labour, but many white-collar workers that are without the protection or guidance of professional associations, like Ehrenreich argued in chapter five. Some companies also prohibit their workers from organizing into associations and joining unions in the developing countries mostly. Where will these workers find the moral support argued to be so important by May? Could we say that it is not just people linked directly to your work role that can and should provide the background support for doing the right thing? It would then be about the wider socialization processes, including how we view corporations and their responsibility, and how much we put value in employment, status, and money, that is at stake when discussing what can be reasonably expected from an individual. Perhaps we need to start to learn to value our private self-esteem over our public image. After all, the society and values we create is up to us. Raimo Tuomela writes:

> Generally put, the whole social system is in flux all the time—no absolutely given and fixed factors need be assumed to explicate social life. It is basically *we*—the members of society and of the groups in it—who create, reproduce and revise social structures and practices.[315]

French et al. argue that someone trying do the right thing alone in situations where only a collective effort has a real chance in succeeding hardly deserves credit[316]. I disagree. I do not deny that it can be better to put one's efforts into trying to put a group together when a group effort is called for, rather than trying to go for it alone. But if others are not willing to help, I believe one should not just give up. It is always worth trying, even if

313 Jeff Clement quoted in Ehrenreich 2005, 223
314 May 1996, 107
315 Tuomela 1995, 409
316 French et al. 1992, 13

others are not interested. By acting alone, others might even be inspired to join along. It is impossible to judge what the real intentions of other people are, they might just be waiting for someone to be the first one to stand up for something. Arendt writes that nothing is ever “practically useless”, at least when we take a long-term perspective on things[317]. The ways in which our actions affect others and the world around us are so numerous that I believe we cannot predict and calculate when our actions would be in vain, and when they would count for something. Sometimes the odds are against us and we can be very frustrated. Sometimes it takes years for our work and our actions to be appreciated or even noticed. Sometimes they remain without any real impact. But we should not decide in advance that it is not worth trying. Someone trying to do the right thing even against overwhelming odds is worth our credit in my opinion. We all contribute to the socialization process and together are responsible for the world we live in. Even if one's individual responsibility is small, it is still a responsibility. Furthermore, if it is small to begin with, why not see it through? If impossible things are not required of us, the less there are excuses for us not doing our little bit.

7.4 Just a cog in the machine?

Christopher Kutz argues against the “cog in the machine” mentality discussed in the previous chapter. The belief that one person does not really make a difference is very ingrained in bureaucratization and in institutionalization in general. The thinking goes: if I don't do this, someone else will, my contribution is so insignificant in any case that it does not make a difference. In other words, the individual would be off the hook responsibility-wise in cases where a big machinery is behind the action, the individual part-action subsumed. I don't believe that this thinking is correct, and neither does Kutz. We have created our institutions and our society together, and we have the power to change them if we want to.

Kutz believes that the identity of a group should be explained in terms of the participatory intentions of individuals.

> These dispositions include not just inchoate, romantic feelings of group solidarity, but a willingness to assume obligations taken on by other group members, to speak, decide, and act on others' behalf, and to deliberate about how to act so as to further collective plans and intentions.[318]

Relations are paramount for all groups and collectives. They are also central to

317 Arendt 1963, 233
318 Kutz 2000, 72

understanding responsibility[319]. Traditionally it has been thought that if an individual does not make a difference to the outcome of an act, then she or he is not responsible for it. According to Kutz, discussions on collective responsibility usually confuse two separate claims. The first is that judgements of responsibility (accountability) must have an individualistic basis. If we hold agents responsible based on what others have done, we fail to respond to the agents as distinct persons. Kutz does not dispute this. The second claim is more disputable, however. According to the second claim, the object of accountability must itself be also individualistic. The *object* of accountability is analytically distinct from the *basis* of accountability. To return to the example I gave in chapter three, when I killed my friend's dog, my trigger-happy finger and the dead dog is the object of accountability. The basis of accountability is the malicious third-friend's ill-intent towards our friend and her decision to tell me lies so that I would kill the dog.[320]

Kutz discusses the Dresden bombings at the end of the Second World War as his example of the importance of concentrating on the basis of accountability. Thousand planes and at least eight thousand crewmen were directly involved in bombing the city, resulting in the loss of civilian lives on a grand scale. Together they made the city turn into one massive firestorm, but the contribution of any one plane is negligible to the point of insignificance, with the harm overdetermined when it comes to individual contributions. Rather than looking at the individual difference that the participation of one individual made to a collective wrong, the participation is made wrong by virtue of the will of the participating agent. Already in chapter three, Kutz argued that deontology and consequentialism as they stand unrevised help little when we look at collective harms. They cannot account for responsibility in harms like Dresden, where individual contribution makes no difference causally. They are also in trouble with cases where the causal contribution is minuscule like in my example with individual workers in multinational corporations contributing towards the exploitation of the miners. Consequentialism is indifferent to marginal participation, while deontology is in trouble with it as collective action introduces a gap between act and harm. Both fail to provide a link between the collective object of the harm and the individualistic basis for the harm. Kutz argues that at the root of the problem lies their failure to understand collective action, viewing it as essentially parallel in nature, when in fact it is cooperative. Rather than individual agents pursuing their own individual ends, they are engaged in cooperation to bring about joint ends. The intentional participation in

319 I will use the word responsibility here the way that Kutz uses accountability. For Kutz's distinction, please see chapter three of the thesis.

320 Kutz 2000, 113-116. If the malicious third friend had killed the dog herself, she would be both the bearer of the object and the basis of accountability.

collective undertaking is the key to linking individuals to the collective harm.[321]

Kutz writes: “When we act together, we are each accountable for what all do, because we are each authors of our collective acts. [--] Collectively acting agents render themselves the authors of their groups' actions.[322]” In individual actions, we are the *exclusive* authors of our actions. In collective actions, we are all *inclusive* authors of the actions of the collective we participate in. There is a teleological relation between our aims and our actions, and in collective actions teleological relations are what link agents to events. Inclusive ascription of responsibility lies on teleological rather than causal foundations, expressing what we tolerate, desire and believe in, the content of our will. For this reason, our collective responsibility is independent of the individual difference we make.[323] When we act cooperatively, we are instruments of one another's wills, we pursue each others' goals, we share a goal. Our participatory intentions transmit responsibility from all to each. However, if an individual's action falls outside the scope of the joint participatory intent, it becomes the act of that individual alone. But as long as we conceive our actions as means towards a collective goal, then we are inclusively responsible for those collective consequences. As long as we voluntarily work for a corporation (which is not deceiving us SD6-style) and information is available on the activities of the corporation, then we are inclusively responsible for what the corporation brings about. Naturally the strength of this responsibility will vary accordingly to our linkages to the outcome, as the complicity of employees is based on their participatory intentions. Thus a purchaser of the minerals is more directly linked to the outcome than a receptionist. The receptionist is at the periphery and his role is merely participatory, while the purchasing manager and the CEO of the company intend the collective end and are at the core of the corporate collective activity. But as Kutz points out, while knowledge can implicate an agent, ignorance can never fully excuse them. In the case of the CEO, ignorance is often treated as irrelevant by both law and ethics, as the link to the collective act is so strong. People in central and important roles should also think more deeply about what they are involved in and be more critical about their role and the collective ends. Sometimes agents also assess their contribution to the collective end wrongly, playing a much bigger and more central role than they think. This is yet another reason to avoid the cog in the machine -trap.[324]

Looked at from the different points of view of the victim, the agent and the onlooker

321 Kutz 2000, 118-138
322 Kutz 2000, 138
323 Kutz 2000, 139-141
324 Kutz 2000, 153-160

discussed in chapter three, we see the richness of the variety of responses by Kutz's complicity account. The victim does not really differentiate between the many individuals jointly undertaking something that harms the victim, as for the victim they are a unified force and the indifference to the victim's suffering defines the relationship. Causal distinctions are not that significant to a miner whose labour is exploited by militants and corporations alike. The agent herself naturally puts a lot more significance to the causal linkages, as the causal power that one has is central to how one views one's actions. Purchasing manager deciding on guidelines for sourcing of raw materials and the receptionist at the corporate headquarters will view their roles in the exploitation very differently. Here the bureaucratic state of mind can come to play an important role again, with focus placed on object of the collective efforts, on the instrumental procedures and actions taking the centre stage in our minds over the ultimate ends of the action. Psychological distancing helps to put the focus away from the victims towards bureaucratic procedures. Onlookers tend to be more lenient towards collective harmdoers than individual harmdoers, although we do take into account the structure of the situation and the motives involved.[325]

Kutz does acknowledge that many employees have strictly defined roles and corporations rarely encourage their lower-level employees to think about the activities of the corporation in a broad manner[326]. However, apart from people with actually little or no choice in their participation like the artisanal miners I've discussed earlier, Kutz stands firm on the collective inclusive responsibility of people in collective settings.

> I suggest that those who contribute to collective acts on an ongoing basis will fall into the category of intentional participants so long as they see themselves as part of a collective act, and whether or not they favor the collective goal. If so, they are subject to the inclusive ascription of collective acts. Employees who say, “I'm just doing my job,“ are still acting on the basis of a participatory conception of their agency. To do one's job is to be responsive to norms and directives internal to an organization; it is to accept the relevance of collective, institutional norms to one's actions.[--] Insofar as the employees' actions are modulated to the demands of a collective end, he or she is an intentional participant in that end, accountable for it.[327]

It thus seems that the “just a cog in the machine” reasoning is psychological insulation, encouraged by institutional socialization and bureaucratic ethic. But just as other unreal things, its magic and protection can quickly fade. May describes how mob can break up if its members are forced to reflect on themselves as individuals. The members could

325 Kutz 2000, 149-152
326 Kutz 2000, 160-161
327 Kutz 2000, 162-163

have been lost in their feelings of solidarity, the membership of the group shielding their identity. The anonymity that comes with just being a member of a group can help to suppress an individual's awareness of their own personal identity.[328] The same goes for large corporations and their employees. When people are brought face-to-face with the consequences of the collective actions, just as the managers that Jackall interviewed, they can start to feel uncomfortable. This feeling has its roots in the realization of what one is aligning oneself with. Sometimes this can lead to even radical career changes. In any case, individuals are not without responsibility even in large collective settings.

7.5 Beyond role demands and corporate goals

Our world is not suited for narrow thinking along the lines of role responsibilities and corporate goals only. Once we begin taking things into consideration outside the demands of a role, the world becomes a much more confusing place and choosing the correct action becomes often complicated. But pausing every now and then to think about the wider consequences of the work we do in professional roles is exactly what we should do. Bad things happen everywhere and evil is not confined to the realm of sociopaths and psychopaths. Even the Nazi regime relied “not on fanatics, nor on congenital murderers, nor on sadists; it [relied] entirely upon the normality of jobholders and family-men.[329]”

Although I am of course not comparing the actions of the mining companies in the DRC and the multinational manufacturers connected to them to those of the Nazis, the quote reveals a lot about the inherent danger of getting lost in the invented world of organisational bureaucracy and role demands. According to Arendt, it was the importance placed on the role of the job-holder, the concern for one's private domain over any social responsibilities, and the bureaucratic structure of Himmler's organisation clearing the conscience of those involved, which allowed the horrors to take place on a massive scale[330]. The concept “banality of evil” coined by Arendt to describe what happened in Germany during the Second World War describes what we should be most afraid of when it comes to workplace. That is, practices that hurt others becoming commonplace and the responsibility for these practices being lost within roles and bureaucracy. The more we actively or passively accept certain practices, the more commonplace they are allowed to become and the more we ourselves become

328 May 1987, 80
329 Arendt 1948, 280. In fact, people who derived pleasure from killing were systematically weeded out, see Arendt 1963, 105.
330 Arendt 1948, 279-281

aligned with them. We can slip into the banality of evil without even really noticing it. Like Kutz argued, relations are important. In the words of Larry May, “Social and moral responsibility is much more a matter of responsiveness to others in need than it is a matter of rule following.[331]”

Arendt writes that one of the lessons from Eichmann's trial was that thoughtlessness and remoteness from reality can wreck more havoc than any evil instincts, with thoughtlessness having strange interdependence with evil. Eichmann had no motives towards what he did, other than diligence in looking out for his career advancement. He never fully seemed to understand what he did. Of course he knew in principle what he was involved in, but through sheer thoughtlessness and lack of (moral) imagination he never really *properly* understood it.[332] May understands banality of evil to mean that “evil is often perpetrated because of thoughtlessness rather than intentional acts.[333]” He goes on to explain how being thoughtless leads to diminished feelings of guilt and shame, thereby increasing the likelihood that people participate in evil acts. When one is guilty, one believes to have violated a law. When one is ashamed, one feels others will judge them. Through institutional socialization discussed in earlier chapters, these feelings can be blocked. If no-one around you gives even the slightest indication that you should be ashamed of what you are doing, then the internalised sense of shame begins to change over time. Categories can even be reversed where previously shameful acts become the acts to take part in. Guilt evaporates when institutional socialization brings you to think that certain actions do not in fact break the law but are just part of what is required by the organization. Bureaucracies offer authority figures who can lay down the law on what is acceptable within the institution. They also link one's own self-interests with the normative motivations, providing a strong pull to conform. Bureaucratic institutions encourage thoughtlessness that blocks independent moral thinking, pervading the individual's conception of her own life, so that she begins to see her life in the terms of the institution's dominant categories. Jürgen Habermas[334] calls this the “colonization of the lifeworld”. May argues that bureaucracies can come to colonize person's normal conceptions of guilt and shame, by imposing their own conception of what needs to be done, as dictated by the rules and roles of the institution. Through institutional socialization, feelings of shame are directed towards a new audience: the authorities of the institution. The greatest pride thus becomes satisfying this new audience, obeying the orders of the authority and performing one's

331 May 1996, 1
332 Arendt 1963, 287-288
333 May 1996, 81
334 Note that Habermas believes that anonymity and impersonal institutions are a good thing, and that they lead to judgements based on universalizable reasons. See May 1996, 78-79.

role to the best of one's abilities. Guilt is turned towards observing the institution's rules. Anonymity in bureaucratic interactions can change the way shame and guilt is felt by an individual. The anonymity is a result of the institutional socialization and makes evil more likely, though not intentional. Evil becomes anonymous and not easy to identify.[335] Jackall would probably agree, as he writes:

> the continuous, standardized regularity of bureaucratic work tends to routinize personal experiences and helps shape taken for granted frameworks even on issues that outsiders might find unsettling. [--] one person's hysteria and cause for moral outrage is another's familiar and somewhat dull routine.[336]

In the previous chapter we learned how Eichmann started to believe that what he was doing was normal because everyone around him went along with the Nazi rules too, the whole German society seemed to accept what was taking place.[337] Arendt reminds us that "in politics obedience and support are the same.[338]" Tellingly, when Nazis were confronted with a different social mentality to that of their own, they began to waver in their belief in the Final Solution. Arendt describes how Nazi officials posted to occupied Denmark and Bulgaria began to feel differently about the Jewish issue once they met with native resistance to their ideology. Both Denmark and Bulgaria were rare countries within the Nazi sphere of influence in that anti-Semitism had no grip on their culture or the minds of their people. Denmark stubbornly refused to cooperate with the occupying Nazi forces on handing over their Jews to be exterminated, while Bulgaria kept sabotaging orders to do so. After spending a few years in these countries, the Nazi officials posted to Denmark and Bulgaria refused to follow orders when the crunch time came, no longer believing in the rightness of the Final Solution.[339] This brings us back to the importance of socialization.

7.6 Final remarks

We need to be more careful about who we choose to work for. Considerations about salary, career progression, benefits, location etc. should be matched by inquiries about the values of the corporation and if these fit your own. Any prospective employee should take time to evaluate the corporation they have applied for before accepting

335 May 1996, 81-85
336 Jackall 1988, 194
337 Brennan and Pettit discuss Mao's China as an example of when people's praising and blaming becomes insincere and motivated by fear. It then becomes near impossible to know what other people really think about something. See Brennan and Pettit 2004, 305. I do not know how alike Nazi Germany was to Mao's China in this respect, though. For example, Arendt observed that it was "surprisingly easy" for S.S. members to refuse to take part in an execution. See Arendt 1963, 91.
338 Arendt 1963, 279
339 Arendt 1963, 171-175; 187

a position and realize that it is a moral decision they are making. French et al. write:

> It should be acknowledged that joining a corporation involves a moral choice, because like other organizations, [--] corporations embody a set of norms, expectations, and moral values. A person's choice of a job and a company is an ethical decision, because offering one's talents and efforts to a corporation implies, to a significant degree, a personal commitment to the corporation's goals. Since our personal values cannot be separated from the goals of the organizations we represent and work for, the importance of this decision needs to be emphasized. [--] Any prospective employee should be concerned not only with whether a firm conducts its business ethically, but also with whether the business it conducts, and particularly the products and services it produces, are consistent with her sincerely held personal moral beliefs, or at least are not fundamentally opposed to them. Making such a determination will require some serious moral reasoning even before a person accepts employment.[340]

Solomon agrees when he writes that in order to live a decent life, one must choose the right company[341]. ”To work for a company is to accept a set of particular obligations, to assume a *prima facie* loyalty to one's employer, to adopt a certain standard of excellence and conscientiousness that is largely defined by the job itself.[342]” May further points out that when you join a group it changes your duties and responsibilities. Members of a group usually gain to benefit from joining it, as groups enable people to do things they could not do alone. However, by joining a group members also take on a duty to prevent harms caused by their fellow group members.[343] Kutz argues that who we collective associate with express our values and reflect who we are. He writes:

> In overdetermined contexts, agents can have reason to refrain from participating in a harm, not because of the relation between this choice and an actual outcome, but because of what the choice symbolizes in their characters and commitments. Agents who show no concern for their participation in collective harms in overdetermined contexts make themselves vulnerable to the suspicion they will be indifferent even when they could make a difference. By contrast, agents who distinguish themselves from other participants demonstrate a commitment to the value of the lives of those they harm.[344]

So are the employees of multinational mining corporations and electronic manufacturers responsible for the situation in the DRC? Yes and no. The corporations and their employees are not responsible for the atrocities committed in the course of the civil war in the country, nor are they responsible for the decisions of corrupt governments, unless they are engaged in supporting them with direct or indirect bribes. However, they are responsible for the kind of business environment they are

340 French et al. 1992, 56-57
341 Solomon 1992, 75
342 Solomon 1992, 76
343 May 1987, 77
344 Kutz 2000, 190

contributing to, both locally and globally. They are also responsible for the kind of institution they choose to be through the values they include in their CID Structure. Corporations should have codes of social responsibility in place when it comes to sourcing raw materials and for ensuring that they and their supply chain adheres to these standards. Individuals within corporations are responsible for choosing that the corporation they associate with is one that they can ascribe to morally, if not fully, then at least for the most part. Individuals are also inclusively responsible to a varying degree for the collective activities they contribute to, even in overdetermined contexts. Finally, we all are responsible for the kind of corporations we choose to support through our actions as consumers, investors and citizens.

My worry is that we have knowingly created an atmosphere where thinking or caring about the wider consequences of your actions is not deemed essential. Through unnecessarily complicated organisational structures, supply chains and outsourcing, the direct linkages become even weaker. We should not try to attempt to insulate our everyday interests from the wider issues that affect us all.

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