

The market as an organization of economic interactions and as an idea governing our thoughts about the economy is both more complex than is usually accepted, and more limited. In this century, and in the last, economists and other theoreticians developed the market as an idea capable of explaining human interactions in general rather than just economic interactions. This has had unfortunate effects in our thinking.

One is that some started believing that *homo economicus* was a real person, not realizing that actual human beings are more complex than theoretical constructions assuming full information and perfect rationality. Another is that the easy presumption gradually gained widespread recognition whereby the State was the problem in the economy, while the free market was the solution to practically everything. Both these effects have turned out to be wildly misleading. On the one hand, human beings are more unpredictable and complex than theoretical constructions. On the other hand, in many instances, the State is the solution to social and economic problems, not the free market.

Jacob Dahl Rendtorff has written three interesting books on business ethics. The latest one, reviewed here, is on moral blindness in business. The idea, it seems to me, is to construct a narrative explaining moral evil in business. The way he goes about it is by taking his cue from Hannah Arendt and her analysis of moral blindness in her discussion of the Eichmann trials in Jerusalem in 1961. Arendt is one of the most influential political philosophers from the middle of the last century. She was a German, a Jew, who fled the Nazi State in Germany and ultimately made it to the USA. She was an early theorist about totalitarianism, but probably she is most famous for her description and analysis of Eichmann at his trial.

She originally wrote articles for the *New Yorker* about the criminal process that, later on, became a famous book. One of the things that struck her was how ordinary Eichmann was. He was not a moral monster, like Gorgias or Thrasymachus, or a racist, like a white supremacist. Yet, he believed that he was an ordinary man, doing his duty, following legitimate orders, and putting them into practice as best as he could. He was not an official who followed through his commands himself, but he left it to others to do what he had told them to do. Even though he went to the concentration camps, it is not clear if he ever saw what happened to the Jewish victims whose transportation to them he had made possible.

The moral blindness that Arendt detected in Eichmann was his inability to put himself into

another's shoes and the inability to think for himself about the moral legitimacy of the aims of the systems that he too put into operation. He organized the transport system from all over Germany, and from other countries as well, that moved the Jews to the concentration camps. He organized and was present at the Wannsee conference when this "Endlösung" for the Jews was conceived, and he knew from the beginning what all his work was about (p. 62).

What is remarkable about him is his ordinariness, how he seems to be a typical faceless bureaucrat, skilled at putting orders into practice but not worrying about the effects on those who had to suffer the consequences. It seems to me that this is the essence of moral evil as it is understood in this book. This analysis has a number of logical consequences that Arendt pursued, such as that moral disasters, even those of the magnitude of the "Endlösung" of the Nazi regime, could happen to anyone of us, or that the Nazi campaign was not a unique event that was nearly unfathomable because of its evil, but a result of human weaknesses that all of us might be subject to.

Rendtorff uses this analysis of Arendt's and applies it thoroughly to modern businesses. He argues that modern organizations are subject to the same temptations and human frailties that operated in the Nazi system. Modern corporations that solely aim at securing profit for the owners can easily succumb to the same temptations as the Nazi bureaucracy did. You do not have to be a specialist in modern business ethics to know instances of moral weakness and moral evil. Just think of businesses that are run in such a way that, once or twice a year, a member of their staff is ostentatiously fired in order to keep the others in the staff on their toes. This is an example of moral evil in practice. The interests and dedication of the staff are irrelevant, if you can put fear into their souls; so, they do not object to anything that is asked of them and stick to their work.

Rendtorff is very knowledgeable about Arendt's political philosophy and he discusses various issues that are relevant to what he wants to say, such as the modern understanding of evil. But it is puzzling to me that he does not discuss the difference between a totalitarian state and a democratic state incorporating a free market, in which the modern corporations operate. There is a major difference between the domination by the State of the whole society, as in a totalitarian system, and the limited government that can be observed in modern states. It is only when you assume that modern corporations do not understand that

the very notion of the free market is a moral notion, that you get the weakness and immorality typical of a totalitarian bureaucracy. The important difference between modern democracies and the Nazi State is that the workers, in modern democracies, always have the option of leaving and looking for work elsewhere, however hard as this step may be in practice. This is morally important. Also, there are infelicities of language on nearly every page of the book. The publisher should have made sure of a good proof-reading.

These imperfections aside, this is an interesting book and a serious contribution to a real problem in the running of modern corporations.

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