

## INSTITUTIONAL ETHICS

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### Summary

Institutions have a dominant impact on both natural and social life-support systems. Institutions can and should be held morally responsible for their impact in this respect, since institutions, like individuals, have the necessary morally relevant agent properties vested in the executive chairs of the institution. The moral accountability of institutions is not dependent on the existence of a globally accepted set of moral norms. Once the institution recognizes a general commitment to ethics, it is obliged to claim a moral profile and subject it to the public. Profiles generate a continuous moral discourse over institutional action. Traditionally a distinction is made between moral demands to refrain from involuntary coercion/harming and cheating (to heed negative duties) and to assist others in need (positive duties). Some maintain that institutions need heed only the former, but in fact the former presupposes the latter, so if there is a moral

commitment at all, it must be to both kinds of duties. Specific kinds of institutions will have duties linked to their key activities. Governments will have particular duties to organize with other governments to repair and avoid damage to the life-support systems. Responsibility assessment in this area must take into account the power of each government and the existence of any past wrongs that contribute to determining differences in power. Since responsibility is a function of knowledge, academic institutions have a strong moral commitment to the standards of research ethics and to act as whistle blowers for developments that will endanger the life-support systems. Business organizations cannot escape moral responsibility by hiding behind the motive of profit making any less than individuals can. The business community is accountable for its record for both negative and positive duties.

### **1. The Institution as a Moral Agent**

In traditional Western discourse, moral demands have normally been directed towards individuals or some of their social practices. Some of these practices come as ways and mores of a given culture, in some cases termed cultural institutions, like serfdom or polygamy or slavery. While one can question the morality of such practices and deem some of them to be immoral institutions, the concept of institutional ethics covers a different ground. Within the field of institutional ethics it makes sense to ask if the institution itself can be held responsible for its operations, be the object of praise or blame, and owe atonement. Slavery as an institution cannot be held responsible or owe atonement. In the perspective of institutional ethics the institution is seen as a moral agent per se and as such it can be the object of moral evaluation. Since certain morally relevant properties and relationships pertain to institutions, but not to individuals, there is a need for a concept of institutional ethics. There are some topics in institutional ethics that apply to any organized institution, and some that pertain to the particular task of the institution in question. Here the focus is on the more specific responsibilities of governments, academic institutions, nongovernment institutions, and businesses.

### **2. Indications That Institutions Should Be Considered Moral Agents**

It is not obvious that an institution can be a moral agent. Are not institutions (e.g. business corporations) in all respects run by individuals, so that corporate action is in fact individual action or the sum of actions of individuals? First consider some everyday moral intuitions about institutions and moral status. It is clear that institutions like the Church have been held to blame as institutions for institutional policies even if these policies and acts have been formed and performed by individuals. Institutions such as corporations are considered not merely legal persons. Moral blame has been attributed to corporations and not merely to individuals within the institutions. An indication that institutions admit to having “personalities” that reflect institutional behavior is that some, like professional groups or corporations, have developed ethical guidelines for institutional activity. Even if these guidelines are aimed at regulating the behavior of the members of the institution, they are nevertheless taken to reflect the moral view of the institution.

Granted, one problem with ascribing moral agency to institutions on the basis of usage in everyday language is that such language often aims at no more than a metaphor when

agency is ascribed. Consider the difference between “The police lied to me” and “The railway company paid little attention to the safety of passengers.” In the first case it is not suggested that it is the institution that lies, but some member(s) of it. The institutional moral responsibility would, in such a case, at the most be a responsibility for proper and efficient personnel training. In the second case moral responsibility is directed against the institution as such, even if one demands that the institution answer through those individuals who, in the division of labor within the institution, bear the internal institutional responsibility for safety issues. Regardless of whether one challenges one or more varieties of the idea that the institution as such can bear moral responsibility, one might well support the idea that moral blame could be *directed* against institutions. One should also note that institutions as such, rather than the individuals operating them, seek moral credit for praiseworthy action.

### 3. Institutional Agent Properties

#### 3.1. Intent and Decision Making within Institutions

A necessary condition for an institution’s being properly blamed or praised is that it can properly be said to act from intent, on the basis of information, and with a degree of liberty allowing choice between alternatives. This will be the case when the institution has a recognized pattern of internal decision making and implementation. Institutions to which one can ascribe moral responsibility must therefore to a certain extent be organizations. Whenever a well-organized institution acts, the direction strategy is given by a subset of the organization’s personnel. When responsibility is to be distributed within the organization, the role of each contributor becomes important, but from the point of view of whoever suffers the impact of the act, it is the organization that has acted. That this is a fair description of the institution as an agent is evident from the fact that organizations cannot escape responsibility merely by having the relevant decision makers leave the organization. In most cases new leadership will, on behalf of the organization, inherit the moral responsibility for the organizational decisions of the former leadership, although the former decision makers will still be morally responsible for their contributions to organizational *policies* after they have left the organization. In non-organizational relationships between individuals, no such transfer of moral responsibility is possible.

Within the Catholic Church the Pope is occasionally referred to as The Holy Chair. Such a metaphor indicates that actions performed by an officeholder of an institution can be considered actions of the institution. Such an officeholder can perform acts that will involve the institution in legal responsibilities—also after the person has left the office. Correspondingly an officeholder could involve the institution in a moral debt. Consider also an institution with a very good safety record. Such an institution could still be morally blamed for negligence in safety matters if the good record was due to the fact that all members of the institution happened to be personally very cautious in their work. The institution as such has a responsibility for making safety precautions part of the institutional structure. This is not to say that individual officeholders in an institution have no responsibility in connection with institutional acts. The responsibility of individuals will link to these individuals’ tasks and roles within the institution. In

many cases, when an untoward event occurs, there will most likely be both individual and institutional moral responsibility to consider.

Governments are in a special situation when it comes to transfer of moral responsibility. While the goal of a business, for example, focuses on profitability no matter who holds a company position, it is one purpose of governments to set new goals. If a new government is elected because the former regime was corrupt, the new regime will not need to take on any moral responsibility from the corrupt regime. It may merely have a general responsibility to care for those that suffer in society—including those who suffer due to earlier corruption. The situation is different when a new regime denounces deceit on the part of a former government, for example, but continues to collect benefits from the deception.

### **3.2. Institutions May Dissolve and Evade Responsibility**

Organizations can attempt to evade responsibility by simply dissolving themselves. This holds particularly for business companies, but also in principle for most organizations. The organization ceases to be an actual agent that can be praised or reproached, and no organizational response can be given, either in the form of arguments in moral defense or in the form of compensation. From a legal point of view the individuals that were in charge of the organization take on whatever incurred legal responsibility the law prescribes. Morally they will be in the position of former staff, those who have left the organization. As individuals they may lack the means to respond with compensation for immoral organizational actions, and proper retributive justice may be hard to achieve.

### **4. The Moral Importance of Institutions—Impact**

Individuals are held morally responsible primarily for acts that have or can have an impact on others. Today, though, some of the most far-reaching and profound impacts on individuals stem from the actions of institutions such as governments, businesses, and nongovernmental organizations (NGOs). Further, it seems that the pressing threats to terrestrial life-support systems can be dealt with effectively only through organizations, since organizations are normally designed to respond to other organizations. Even in cases where an individual has succeeded in bringing about change on a large and profound scale, this has more often than not been accomplished with the support of some institution, like the judicial system, the press or NGOs.

### **5. Individuals Fulfilling Moral Obligations Through Institutions**

Regarding threats to life-support systems it seems from the point of view of the individual that each person can contribute only minutely. This is evident with the moral calls to reduce pollution, world hunger, species extinction, and other problems that relate to large-scale patterns of society and nature. Thus, from the point of view of individuals acting on their own, such problems seem insurmountable. The “private” solution, that individuals reduce their personal contribution to pollution, is of no effect unless it is repeated on a large scale. And individuals can merely have a faint hope of being the moral beacon that all will follow. Further, individuals will fear ending up as everybody’s fool in view of the possibility that the environmental “savings” they donate

are “spent” by others. From the point of view of each individual it may therefore appear irrational to run personal “savings campaigns.”

In ethics, “ought” implies or presupposes “can.” Since there seems to be little that individuals rationally can do, there seems to be little that individuals ought to do. This impasse is removed, though, when one realizes that individuals can operate as part of, or as initiators of, an organized effort. Individuals can contribute to the work of an organization or institution that can be, at least in principle, well suited to deal with large-scale or structural problems. Mass membership gives organizational strength as well as moral legitimacy. For members the pressure will be to fulfill membership responsibilities. It is the position of being a free rider on the efforts of others—and not the position of being everybody’s fool—that is then the uncomfortable position. Membership, active or passive to some degree, is the rational response of individuals to the moral challenges of imperiled life-support systems. Further, if this is the rational response to the challenges of structural immorality, then it is, of course, what individuals ought to do. Individuals have a moral obligation to develop and sustain institutions that are suited to maintaining life-support systems.

It is important that the chosen institution have an organizational structure that is well suited to its task and that also accommodates individuals’ demands for influence on institutional policies. This is not to say that every organization is morally obliged to cultivate policy formation “from below.” A member may well delegate the formation of organizational policies to the organization’s leadership, and merely monitor its activities and impact. Note also that individual action can be “read” into more than one context. If the context is one’s personal record of ecologically recommended versus non-recommended action, then there is something one can do to comply with what one ought to do. Sacrifice and bonus occur in the same system and the latter is not diluted.

## **6. Moral Records and the Grounds for Blaming**

Moral accusations sometimes provoke the response that the accusers themselves have a suspect moral record, so moral claims from such sources can be neglected. This response appears frequently as a defense from institutions under moral attack. An institution that faces demands that it should save on energy out of fairness to future generations may reject this demand by referring to the fact that the accusers are frequent flyers or drive cars instead of using bicycles. Generally this type of response is an *ad hominem* argument and useless for justification. If there is a valid moral argument that one should conserve energy, then this argument retains its validity even if those who appeal to it do not heed it. However, with moral contests between institutions and critical individuals, there is a significant dimension of difference in impact. The effect of individuals abstaining from unecological practices may hardly be noticeable in the ecological system. Individuals would carry the full personal cost of disciplining themselves for no noticeable gain to the system under pressure. An institution might incur corresponding costs. However, a change in institutional practice might provide decisive improvement to an ailing ecosystem. If morality asks for proportionality between sacrifice and impact, there will, in many cases, be more pressing reasons for institutions to change their ways than for individuals.

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### **Biographical Sketch**

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