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Corporate Misbehavior and Collective Values*

Margaret Gilbert[†]

“Our merely social intolerance kills no one, roots out no opinions, but induces men to disguise them or to abstain from any active effort at their diffusion.”¹

I. INTRODUCTION

In recent years there have been many scandals in which highly paid corporate executives have apparently acted in morally unacceptable ways. Why is this? Is it a matter of a few “bad apples” or is there some other, or some additional, explanation? In order to answer such questions, one needs to know what the possibilities are: what, generally, goes on in the life of a corporation and its members? What factors might influence the behavior of a given executive or other member of the corporation?

It is plausible to suggest that collective value judgments or, for short, collective values, are important components of corporate life and must be considered in examining immoral behavior within corporations. This article carefully articulates a particular interpretation of this idea.

It is argued, first, that considerations of our everyday ascriptions of beliefs and value judgments to groups of people point away from an account of collective values that might initially be proposed. A different account is then offered. The

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¹ JOHN STUART MILL, ON LIBERTY 37 (John Gray ed., 1991).

likely influence of collective values according to this account, and phenomena akin to them, is discussed. It is argued that they are indeed likely to be influential. To echo Mill in the above quotation, collective values are apt to induce people to abstain from any active effort to counter them. Some practical consequences for corporations and those concerned with them are then sketched.

II. GROUP BELIEF STATEMENTS

Among the possible sources of malfeasance that one finds informally proposed are a climate of opinion or corporate culture in which “anything goes” as long as the corporate bottom line—the maximization of profit—is served. Most people have a rough idea of what is at issue when a climate of opinion or a culture is mentioned. It is harder to say exactly what phenomena are in question. If we are to make more of this explanation of behavior, we need to go further.

If pressed, many would most likely propose the following: the judgment that “anything goes” is part of the climate of opinion or corporate culture in a given corporation if and only if most of the people working for that corporation personally endorse that judgment. This accords with philosopher Anthony Quinton’s statement that “[i]n some cases, which may be called summative, statements about social objects are equivalent to statements otherwise the same that refer explicitly, if at some level of generality, to individual people. To say that the French middle class is thrifty is to say that most French middle class people are.”²

It can be argued, however, that everyday statements about the beliefs and attitudes of social objects, to use Quinton’s phrase, are not always summative in his sense. That is, they are not always equivalent to statements “otherwise the same” that refer to individual people generally described.³ Consider some further statements about the beliefs and attitudes of social objects: “The union believes management is being unreasonable,” “In the opinion of the court, this law is

² Anthony Quinton, *Social Objects*, 75 PROC. ARISTOTELIAN SOC’Y 9, 17 (1975).

³ See MARGARET GILBERT, ON SOCIAL FACTS 257-88 (1992) [hereinafter GILBERT, ON SOCIAL FACTS]; see also MARGARET GILBERT, LIVING TOGETHER: RATIONALITY, SOCIALITY, AND OBLIGATION 195-214 (1996) [hereinafter GILBERT, LIVING TOGETHER]. The text, below, draws on these and related discussions.

unconstitutional,” “Corporations value nothing but profit,” “Our family favored Bush,” “We”—said by an unmarried couple—“want to get married.” If it is sometimes appropriate to take these as summative statements, it is surely not always so.

After all, in many cases, a formal voting procedure determines what the social object or group believes. What counts as far as any individual group member goes, then, is his or her vote—not what he or she personally believes. Evidently, one’s voting in favor of the proposition that, say, Arthur was the best candidate for the position does not logically entail that one personally takes this proposition to be true.

Less formal processes are also taken to determine what a group believes. These can be argued to be analogous to the case of voting insofar as public expressions as opposed to private thoughts are what matter. Thus, after some discussion, a literary discussion group may reach a point of quiescence after which no one would dispute that “We thought Plath’s poem a very strong one.”

It appears, then, that there is an important sense in which for a group to believe something (or value it in a certain way or want it, and the like) it is not necessary that all or most of the members believe it. Were group belief statements always summative statements in Quinton’s sense this would not be so.

Given this sense of group belief (and so on), is it *sufficient* for a group to believe something that all or most of the members do? Apparently not. Consider a court. A certain matter may not yet have come before it. It would then seem right to say that, as yet, the court has no opinion on the matter. The individual justices may, at the same time, have definite personal opinions about it. What they think, however, does not determine what the court now thinks. This is true even if the court is in session and the matter in question is before it. All may be of the same personal opinion but before a vote is taken, the court itself has none.

The same goes for less formal groups as well. Asked what her discussion group thought of a particular poem, someone might respond, with some emphasis, “The group has no opinion: we’ve not discussed it!” At the same time, she would acknowledge it to be perfectly possible that all of the members have the same personal view of the poem.

In sum, everyday group belief (value, goal, and other) statements are not always interpretable as summative statements. In other words, when we talk of a group’s belief, we may well be talking about something other than what all or

most of the members believe. What, then, are we talking about? In what follows I refer to the phenomenon in question simply as group belief.

III. OBSERVATION: THE STANDING TO REBUKE

One clue as to what defines a group belief has to do with informal rebukes or reproof. A rebuke is a form—albeit a mild form—of punishment.⁴ I take it that although one can cause pain to someone without any special standing, one cannot punish them without such standing.⁵ Similarly, one can speak harshly to a person without any special authority, but one cannot rebuke them without such authority. This is supported by the fact that people sometimes respond to purported rebukes in such terms as, “What’s that to you?” or “What business is that of yours?”

In contexts where group members believe their group to have a particular belief, they understand that they have the standing to rebuke any member who bluntly expresses the opposite belief. Opposed to a “blunt” expression is one that makes it clear that the speaker is “speaking personally.” That the other parties have the standing to rebuke the member in question appears to be a function of the collective belief itself.⁶

This clue is, perhaps, little more than a provocation or a question. What is it about group belief that gives the group members the standing to rebuke each other for blunt expressions of a contrary opinion? An adequate account of group belief should give a plausible answer.

IV. THE PLURAL SUBJECT ACCOUNT OF A GROUP’S BELIEF

The foregoing discussion suggests three criteria of adequacy for an account of a group’s belief. Such an account should explain how the existence of such a belief gives the group members the standing to rebuke each other for bluntly expressing a view contrary to that belief. It should neither logically entail that all or most of the parties personally have the belief in question nor should it suppose that if all or most of

⁴ Cf. H. L. A. HART, *THE CONCEPT OF LAW* 11 (1961).

⁵ Perhaps it should be said that “one cannot punish someone *in the strict sense* of ‘punish’ without a special standing,” since at this point the term “punish” would appear to have both a broader and a narrower (the so-called “strict”) meaning.

⁶ For extended discussion on this point see GILBERT, *LIVING TOGETHER*, *supra* note 3, at 200-03.

the members have a given belief then the group believes it. For the former is not necessary for group belief and the latter is not sufficient for group belief.

The following account of group belief—whose terms will be explained—meets all of these criteria.⁷ Here the letter *p* stands for any particular proposition.

A group, *G*, believes that *p* if and only if its members are jointly committed to believe as a body that *p*.

Two aspects of this account need to be explained: what is a joint commitment, and what is it to be jointly committed to believe something as a body? These will now be discussed in turn.

What is joint commitment, as understood here? The answer to that question can usefully be broken down into two parts, one concerning the commitment side of things, the other relating to joint-ness.

The relevant general concept of *commitment* is illustrated, for example, in the following judgment: if Sandra decides to read the newspaper this evening, then she is committed to doing so. In the case of a personal decision such as Sandra's, the commitment is *personal*. That is, the one whose commitment it is creates it unilaterally and is in a position unilaterally to do away with it. I take it that, once committed, Sandra has reason to read the newspaper and will continue to do so unless and until she rescinds her decision. The concept of a joint commitment is the concept of a commitment of *two or more people*. It is not a conjunction of the personal commitment of one party with the personal commitment(s) of the other(s).⁸

Joint commitments can be created in various ways. One such way is to informally agree that one or more of the parties to the agreement is to act in a certain way. Less explicit means are also possible. Absent special background understandings, what is needed generally speaking is an expression of readiness by all parties to be jointly committed in the relevant way, in

⁷ This account was introduced in Margaret Gilbert, *Modeling Collective Belief*, 84 *SYNTHESE* 185, 185-204, reprinted in GILBERT, *LIVING TOGETHER*, *supra* note 3, at 195-214, and has been further elaborated in subsequent publications.

⁸ For more detail see generally Margaret Gilbert, *The Structure of the Social Atom: Joint Commitment as the Foundation of Human Social Behavior*, in *SOCIALIZING METAPHYSICS* 39 (Frederick Schmitt ed. 2003); Margaret Gilbert, *A Theoretical Framework for the Understanding of Teams*, in *TEAMWORK: MULTIDISCIPLINARY PERSPECTIVES* 22, 29-30 (Natalie Gold ed., 2005) (responding to some queries about joint commitment).

conditions of “common knowledge.” Common knowledge is intended here in roughly the sense introduced by the philosopher David Lewis.⁹ Rather than going into the details of that here, suffice it to say that the expressions in question must be “out in the open” as far as the parties are concerned. In parallel with the conditions of its creation, the—more or less explicit—concurrence of all is required for the dissolution of a given joint commitment.

There may be special background understandings that impact upon how joint commitments are formed. For example, people may jointly commit to believe as a body whatever a certain person says about the group. Thus the members of the board of a corporation may be jointly committed to believe as a body whatever the chairman of the board says about the corporation. As a consequence of this background commitment, if the chairman says that the corporation is doing fine, then the other members of the board are jointly committed to believe as a body that the corporation is doing fine. Given this background, the chairman need not heed to what anyone else does or thinks: the board will believe whatever he says about the corporation.

A given joint commitment can always be described in a sentence of the following form: the parties are jointly committed *to x as a body*. Acceptable substitutions for *x* are psychological verbs such as “believe,” “value,” “intend,” and so on. What is it to be jointly committed to *x* as a body? This can be spelled out further as follows: it is to be jointly committed to constitute, as far as is possible, a single body that *xs*. The guiding idea of *a single body* that *xs* includes nothing about the intrinsic nature of the single body in question. In particular, it does not imply that it is in some way made up of two or more distinct bodies who are its members. Thus there is no circularity in the proposed account of group belief. It does not say that *a group believes that p* if and only if its members are jointly committed to constitute, as far as possible, *a group that believes that p*. The point is, rather, that if and only if they are jointly committed to constitute, as far as is possible, *a single body* that believes that *p*, they will constitute a group that believes it.

⁹ DAVID K. LEWIS, CONVENTION: A PHILOSOPHICAL STUDY 52-60 (1969). See also GILBERT, SOCIAL FACTS, *supra* note 3, at 188.

V. JOINT COMMITMENT AND THE STANDING TO REBUKE

It can be argued that by virtue of their participation in a *joint* commitment, the parties gain a special standing in relation to one another's actions. To put it briefly, each can call on the other in the name of the joint commitment. If one violates it, for instance, he has not violated a commitment that is his alone, but a commitment to which others can lay claim. Each can say: "You violated *our* commitment."

Important aspects of the special standing of the parties in relation to one another are as follows. The parties to a joint commitment are *answerable* to one another with respect to their conformity. Further, one who violates a joint commitment has *offended against* all of the parties to the joint commitment, as such. The offense in question can plausibly be characterized in terms of a *violation of right*. In other words, when I am subject to a joint commitment requiring me to do certain things, all of the parties to the commitment have a right against me to the relevant actions. Correlatively, I am *under an obligation* to all of them to perform these actions. These obligations and rights are derived directly from the joint commitment.¹⁰ They are not a matter of moral principle.¹¹ Once it exists, they exist also, irrespective of the surrounding circumstances.¹²

In consequence of the existence of these rights and obligations, failing special background circumstances, those who are party to a joint commitment have the standing to demand that others conform to it, if non-conformity is threatened. They also have the standing to rebuke one another for defaults that have taken place.

¹⁰ For amplification see MARGARET GILBERT, *SOCIALITY AND RESPONSIBILITY: NEW ESSAYS IN PLURAL SUBJECT THEORY* 50-70 (2000) (discussing obligation in relation to joint commitment).

¹¹ I have in mind a general moral principle such as philosopher Thomas Scanlon's Principle of Fidelity. See Thomas M. Scanlon, *Promises and Contracts*, in *THE THEORY OF CONTRACT LAW* 86, 95 (Peter Benson ed., 2001) (discussing the Principle as "Principle F"). For a critique of Scanlon's account of promissory obligation, see Margaret Gilbert, *Scanlon on Promissory Obligation: The Problem of Promisees' Rights*, 83, 94 (Feb. 2004) (arguing that one cannot account for the rights of a promisee by reference to a moral principle such as Scanlon's).

¹² See GILBERT, *LIVING TOGETHER*, *supra* note 3, at 305 (stating that coercive circumstances do not affect the obligating quality of joint commitments). See also MARGARET GILBERT, *A THEORY OF POLITICAL OBLIGATION* (forthcoming) (stating that joint commitments with immoral content obligate in the usual way; it may well be that one ought not to fulfill such an obligation, all things considered).

The present author uses the phrase “plural subject” as a technical term to refer to those who are jointly committed to x as a body, for some x .¹³ Those who are jointly committed to x as a body constitute, by her definition, the *plural subject* of x -ing. Accordingly, one can label the above account of group belief *the plural subject account*.

There are some important aspects of that account that have not yet been discussed. A joint commitment to believe as a body that p does not require each participant personally to believe anything. The requirement at issue is precisely to constitute, as far as is possible, a single body that believes that p . It does not concern any other bodies that may bear some relation, however close, to the body in question.

More positively, the joint commitment will be fulfilled, to some extent at least, if those concerned say that p in appropriate contexts, with an appropriate degree of confidence, and do not call p or obvious corollaries into question. Their behavior generally should be *expressive of the belief that p*, in the appropriate contexts. That does not mean that they must personally have that belief. In other words, this expressive behavior need not connote or be the expression of a *personal belief that p*.

Certain contextual conditions are likely to be understood. Thus, for example, members of a seminar on rights may form a joint commitment to believe as a body that the notion of a group right is a viable one. This would involve a requirement to express that belief *when acting as a member* of the seminar. Presumably the parties are not always so acting. If a friend who is not a member of the seminar engages one of them on the topic in the middle of a picnic, it would presumably be appropriate for each to speak *in propria persona*, without preamble.

Suppose, however, that one is in a context where it is appropriate to act in accordance with a given joint commitment. It is then open to one to use such qualifiers as “Personally speaking,” to preface the expression of a belief contrary to the collective one. This makes it clear that one is indeed now speaking for oneself and not as a member of the relevant group. One makes it clear that one’s utterance is not a violation of the joint commitment in question. This is one way in which the plural subject account of group belief accords with

¹³ See generally GILBERT, ON SOCIAL FACTS, *supra* note 3.

the logic of “Our group believes that p ” and so on, as this is understood in everyday life. It allows for the possibility that a party to a supposed group belief aver without fault—though not necessarily without danger—that he *personally* does not believe that p .

What danger might there be in making such an avowal? Other members may subsequently regard one with suspicion, thinking one more liable to default on the joint commitment, either inadvertently or deliberately. If one does default, they have the standing to rebuke one for doing so. They may also begin to think of one as an “outsider.” To be regarded with suspicion, to be thought of as “not one of us,” to risk inadvertently incurring rebukes, are things that most people would prefer to avoid. It is clear then that group beliefs according to the plural subject account are likely to suppress the development of contrary ideas at both the individual and the collective level.

VI. COLLECTIVE BELIEFS, VALUES, GOALS

The plural subject account of a group’s belief that p may well articulate a central everyday conception. Among other things, it meets the criteria noted earlier: it explains the standing of the parties to rebuke each other for bluntly speaking as if p were false, and it is neither necessary nor sufficient for group belief, on this account, that most members of the group personally believe that p . It is necessary and sufficient only that they are jointly committed to believe that p as a body. Whatever its relationship to everyday conceptions, if there are group beliefs in the sense of the plural subject account, they will be an important aspect of the lives of the parties to them.

In what follows group beliefs as these are understood on the plural subject account will be referred to as collective beliefs. Members of a given population—members of the board of a certain corporation, for instance—will be said *collectively to believe* that p , by definition, if they are jointly committed to believe as a body that p .

Analogous plural subject accounts can be given collective values, collective goals and intentions, and so on. As to collective values, the relevant account would run along the following lines: “Members of population P *collectively value*

item *I* in a certain way if and only if they are jointly committed to value item *I* in that way as a body.”¹⁴

Evidently, in relation to the ideas about corporations mentioned at the outset of this discussion, one might interpret the idea of a climate of opinion or corporate culture in such terms. If members of a given corporation were jointly committed to value as a body the maximization of the corporation’s profits above everything else, one could reasonably say that such valuation of the maximization of profit was part of that corporation’s culture. Important parts or accompaniments of this culture would be collective beliefs of a factual nature, such as beliefs about the capabilities and temperament of various corporate executives, and collective goals and plans.

It is plausible to hypothesize that there are collective values and beliefs according to the definitions given. That is, it is plausible to hypothesize that in the world as it is, there are a variety of such phenomena. This hypothesis, like the plural subject account of group belief, is based on observation of the judgments people make in the context of their ascriptions of beliefs to groups and so on. On the assumption that such phenomena abound among those living and working together, in corporations and elsewhere, the concluding sections of this discussion briefly discuss their nature as rational motivators, and some practical implications for those who are concerned about morally unacceptable behavior in the corporate realm.

VII. COLLECTIVE BELIEFS, VALUES, AND GOALS AS RATIONAL MOTIVATORS

Something may be considered a rational motivator if the behavior of a perfectly rational agent would be influenced by it, all else being equal. A perfectly rational agent, for purposes of this idea, is one who always acts as reason dictates he should act.¹⁵ Thus, he does whatever he has reason to do, all else being equal.

¹⁴ For a different version, still in plural subject terms, see generally Margaret Gilbert, *Shared Values, Social Unity, and Liberty*, 19 PUB. AFFAIRS Q. 25, 33 (2005). For present purposes the precise details of the account are not important.

¹⁵ I take it that one may have reason to do something irrespective of one’s own preference ranking of the various possible outcomes of one’s action. The conception of the dictates of rationality at issue here, then, is different from that employed in the mathematical theory of games.

I take it that perfectly rational participants will be motivated by their joint commitments. That is, all else being equal, a perfectly rational agent who is party to a joint commitment will conform to that commitment. If he is jointly committed with other members of the firm to assigning as a body the highest possible value to the maximization of his firm's profits, then all else being equal, he will act in ways expressive of such valuing. Insofar as human beings are at least imperfectly rational agents, their joint commitments are liable to motivate them in a similar way. This does not mean that, all things considered, it would be rational to pursue the corporate bottom line come what may. All else being equal, one is rationally required to conform to a commitment, but all else may not be equal. Morality, many would say, is an external consideration—one not founded in the corporation, at least—that may change the picture.

Of course, if you violate a standing joint commitment for moral reasons, you will be liable to the rebukes of at least your less morally aware colleagues. Your preference to avoid such rebukes, or worse, may lead you not to violate the commitment. Depending on one's colleagues and one's circumstances, it may be little short of heroic for one to violate the commitment. It may then be that even morally speaking it is permissible for you not to take a moral stand. Evidently, much depends on the case.

VIII. PRACTICAL IMPLICATIONS

Collective values and factual beliefs make a difference. If one wishes to understand the pressures on corporate executives and other members of corporations to behave in a manner contrary to central moral principles, one must be aware of the collective values, beliefs, and goals to which they are party.

These may work to stifle the expression of moral concerns. To echo my opening quotation from J. S. Mill, collective beliefs, values and goals are apt to induce people to disguise their contrary opinions—however morally perspicacious—and to abstain from any active effort at their diffusion. Indeed, contrary to the suggestion in the quotation, they may tend to root out opposing opinions themselves. Forced regularly to couch their arguments in terms of profit maximization, or other corporate goals, executives and other members of a corporation may simply lose sight of moral

constraints and values they previously held. At first, executives may cease to understand fully the constraining maxims they previously endorsed, and gradually they may cease to entertain them.

How might a situation of this kind be rectified? If in a corporate context adherence to central moral norms is highly valued collectively, then this will encourage the critique of other collective assumptions. If the members of corporation *C* collectively accept that certain moral constraints must rein in the pursuit of corporate profit, respecting such constraints will be collectively understood as part of being a good corporate citizen. The same goes, of course, for any other type of citizenship.