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Corporate 'moral blindness' not solved by typical ethics

The fundamental ethical dilemma facing corporations is not the problem of evil but the problem of self-deception, said John Knapp at a lecture sponsored by the Center for Ethics. Founder of The Knapp Company and The Southern Institute for Business and Professional Ethics, Knapp recently completed graduate studies in moral theology at the University of Wales. His dissertation proposed that while self-deception is an inevitable part of being human, in certain contexts this "choosing not to know" becomes dangerous.

Speaking to an audience of graduate students, faculty and business leaders, Knapp argued unethical corporate behavior emerges when well-meaning individuals "blind themselves to the moral dimensions of their activity" and inadvertently wreak havoc upon the public good. "What is the nature of the self that is being deceived?"

One such context is informed consent. Prior to its highly publicized implant scandal, silicone manufacturer Dow Corning stood as a front-runner in business ethics. How could a seemingly moral company commit such flagrant ethical violations?

The answer, Knapp argued, lies in the four categories of corporate self-deception: tribalism, or the belief that the company is always right; legalism, the inability to imagine moral obligations beyond the law; moral relativism, the excusing of unethical practices by viewing business as "a game" and oneself as "a role"; and scientism, the elevation of science-including management science-to a position of unquestioned authority.

Business students, take note. Ethical reputations do not necessarily translate into ethical practices. While most Fortune 500 companies have ethics programs, Knapp said, their focus on legal compliance leaves genuine ethical dilemmas unaddressed. The most difficult business quandaries are not hard questions of right versus wrong but of one apparent right versus another. Do companies want a successful product or a safe one? What are their responsibilities to their customers?

Knapp proposed a relational approach to business ethics rather than a strictly rational one. Had Dow Corning considered its customers in relational terms, injury and scandal might have been prevented. "But

they thought their responsibility ended with the sale," he said.

One audience member contended that silicone has yet to be proven as anything other than a biologically inert substance. "Maybe Dow Corning had a 'right' to deceive themselves," he said. Knapp agreed that tests have proven inconclusive but insisted that the autoimmune debate remains largely irrelevant to most customer complaints: Dow Corning never informed women about the painful capsular contractions caused by implants, about the rupture of silicone envelopes or about leakage. Well-intentioned leaders somehow failed to view these incontrovertible facts as necessary for informed consent, Knapp said.

As communication technology improves corporations' ability to "tell the preferred story"--whether about silicone or prescription drugs--it improves the ease with which the public maintains its collective self-deception. Borrowing from French sociologist Jacques Ellul, Knapp said, "Modern man has a good conscience because he has an answer for everything"--corporate myths help us avoid the fatigue of thinking for ourselves.

--Stacia Brown

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