



SANDRA J. SUCHER
CELIA MOORE

Ethical Analysis: Moral Disengagement

Moral disengagement is a process that enables people to engage in negative behaviors, from small misdeeds to great atrocities, without believing that they are causing harm or doing wrong. When Conrad Black, the fallen Canadian mogul convicted of multiple counts of fraud and obstruction of justice, claims that he “would never dream of committing a crime in a thousand years,”¹ moral disengagement is what allows him to make that claim and believe it.

Moral disengagement can have positive uses. For example, it can serve as an adaptive function, helping people when they need to participate in what some researchers have called “necessary evils” – tasks in which an individual must “knowingly and intentionally cause emotional or physical harm to another human being in the service of achieving some perceived greater good or purpose.”² Common examples of necessary evils are when doctors have to put patients through painful medical procedures to help them get well, or when police officers need to evict people from their homes to uphold rental laws and protect the legal rights of landlords.

To regularly engage in these types of activities, some form of emotional disengagement from the task at hand and the harm one is causing is helpful. But the moral disengagement process can be marshaled in the service of ethically problematic actions as well as those that have moral worth. Moral disengagement can also operate unconsciously, altering the ways that we – and others – judge the actions we are taking. So it is helpful to understand the specific ways that moral disengagement operates.

Moral disengagement was first identified by the Stanford psychologist Albert Bandura,³ who articulated eight different mechanisms through which it operates. Moral justification, euphemistic labelling and advantageous comparison change the way we think about unethical acts so they appear less harmful or wrong. The distortion of consequences and dehumanization help us minimize the effects of our actions on others. Finally, the displacement and diffusion of responsibility as well as the attribution of blame all obscure moral agency and accountability for our own actions by attributing the responsibility for our actions to others. We discuss each of these mechanisms in turn.

Restructuring behavior to appear less harmful or wrong

Moral justification. Moral justification is the process of framing harmful or morally wrong acts to be in the service of a greater good. This greater good can be family, friends, or one's organization. Moral justification can be invoked in circumstances that are arguably legitimate (at least from the standpoint of the actor), such as when U.S. President Harry Truman used the atomic bomb in World War II, calling it "a powerful and forceful influence towards the maintenance of world peace."⁴ In corporate contexts, moral justification is commonly invoked to defend actions like layoff decisions, as when Bank of America CEO Brian T. Moynihan announced in August 2011 that 3,500 workers would be made redundant because "we owe it to our customers and our shareholders to remain competitive."⁵

However, individuals involved in more clearly harmful or ethically problematic situations also invoke moral justification. For example, Jérôme Kerviel, the French trader from Société Générale convicted for his role in unauthorized transactions that led to a €5 billion loss for the company, consistently insisted that he committed no crime and that he had only been trying to "make money for the bank."⁶ Similarly, when Herbert Winokur, former Chairman of Enron's Finance Committee, testified to Congress about the company's collapse, he said he had approved the partnerships set up by CFO Andrew Fastow to bolster Enron's financial statements by purchasing its poorly performing assets because he believed "these transactions would be in the best interests of Enron and its shareholders."⁷

Euphemistic labeling. Euphemistic labelling refers to the practice of using pleasant language to rename harmful or morally wrong acts to make them appear more benign. Euphemistic terms have been used for a wide range of harmful or prohibited business practices.⁸ When the air pollution released in one chemical manufacturing plant reached a neighbouring community's air, internally it came to be called a "release beyond the fence line".⁹ The false books maintained at Symbol Technology, Inc. were called "tango sheets".¹⁰ In 2010 the United States Securities and Exchange Commission (SEC) imposed a \$100 million penalty on Dell, Inc. for engaging in the prohibited accounting practice of using "cookie jar reserves," applying the reserves from profitable years to improve the balance sheet on leaner years.¹¹

Empirical studies confirm that euphemistic labels can psychologically sanitize unethical practices, making it easier for us to engage with them. In one study, participants had the opportunity to hit a passive other with foam swords and shoot them with toy guns. When the activity was called "a game," levels of aggression were significantly higher than when the exact same set of instructions were called a "test of aggression".¹²

Advantageous comparison. This mechanism uses the contrast between a behavior and an even more reprehensible behavior to make the former seem innocuous. When the U.S. government first started to crack down on the use of lead in consumer products because of harmful health effects, lead producers responded by comparing lead with automobiles, complaining that there was no legislation proposed to eliminate automobiles even though they caused hundreds of deaths a year – the implication being that the lead industry therefore should not be targeted for regulation.¹³ At a mining industry gathering in the summer of 2010, West Virginia State Senator Walt Helmick contrasted the hazards of coal mining with the dangers of drug abuse in order to make coal mining appear safe by comparison.¹⁴

Minimizing victims' distress

Distortion of consequences. This mechanism involves minimizing, ignoring, or distorting the seriousness of the effects of one's actions. BP Chief Executive Tony Hayward declared the amount of oil involved in the 2010 Deepwater Horizon oil spill to be "very tiny" compared to the "very big ocean,"

(5 million barrels of crude oil were leaked into Gulf waters before the well was finally successfully capped).¹⁵ In another example, part of the Chinese Administration of Quality Supervision, Inspection and Quarantine's response to parents' concerns after 50,000 babies had been treated in the hospital from drinking tainted baby formula,¹⁶ included a statement that focused on the 87% of companies whose formula had tested cleanly, and on research claiming that some levels of consumption of the tainted milk were not associated with illness.¹⁷

Bernie Madoff, perpetrator of a fraud against a wide swath of wealthy investors and philanthropies resulting in \$65 billion in paper losses and \$20 billion in cash losses,¹⁸ has offered in interviews his own view of how much harm he caused: "Look, none of my clients, even if they lost every penny they put in there, can plead poverty. Now if you listen to [them], they're living out of dumpsters and they don't have any money, and I'm sure it's a traumatic experience to some, but I made a lot of money for people."¹⁹ And when Satyam Computer Services Board Chairman Ramalinga Raju announced in a letter²⁰ that he had orchestrated a 6-year, \$1.47 billion fraud, he twice stated (falsely) that he had not benefitted financially from the fraud, implying that the crime was less serious because he did not personally gain from it.

Dehumanization. Dehumanization involves framing the victims of one's actions as members of an out-group, an out-group that is undeserving of basic human consideration and unworthy of moral regard and common human treatment. Dehumanization is most evident in extreme circumstances. For example, it facilitates regarding enemies in wartime as subhuman, easing the minds of soldiers who are asked to commit atrocities against them.²¹ However, it is also apparent in corporate contexts, as when salespeople view clients as "suckers" waiting to be lied to or manipulated.²²

Brain imaging studies suggest that when we encounter individuals whom we may deem unworthy of human respect, such as homeless people or drug addicts, the parts of our brain that are typically active in any human interaction are dormant.²³ Thus, unless we are aware of it, dehumanization can be a dangerous human cognition that we can use to justify harmful or otherwise morally wrong actions.

Obscuring moral agency

Displacement of responsibility. The displacement of responsibility involves attributing the responsibility for one's actions to authority figures who may have tacitly condoned or explicitly directed one's behavior.

During the investigations into the WorldCom accounting fraud, each executive claimed that they had only been acting under the orders of their organizational superiors. Betty Vinson and Troy Normand, WorldCom accounting officials who worked under Buford Yates, WorldCom's Director of General Accounting, both claimed that they had simply been obeying orders. When Yates himself was indicted, he said he committed the crimes "on orders from the 'highest levels' of senior management,"²⁴ including Scott Sullivan, WorldCom's CFO, treasurer and secretary. Scott Sullivan's defense? That he had interpreted CEO Bernie Ebbers' imperative to "hit the numbers" as a directive to commit fraud.²⁵

Even CEOs, who cannot easily displace accountability upward, can find "higher powers" to blame. When Arthur Andersen Chief Executive Joseph Berardino was taken to task for his role in Enron's failure, he targeted the economy for blame, saying, "The accounting reflects the results of business activities. And the way these events were being accounted for were clear to management and to the board. But at its base, this is an economic failure."²⁶

Diffusion of responsibility. Dispensing responsibility for one's action across members of a group or attributing blame for one's actions to the system in which one finds oneself is called the diffusion of responsibility, and it comes in many different flavors.

One manifestation involves attributing the responsibility for one's actions to a bureaucratic administration. When asked about her involvement in authorizing practices during the Iraq War that could be considered torture, former U.S. National Security Advisor and Secretary of State Condoleezza Rice stated, "I didn't authorize anything. I conveyed the authorization of the administration to the agency."²⁷

Another manifestation is defending one's actions as justifiable because it's common practice, what "everyone else" does too. Interestingly, research has shown that we operate under multiple illusions about "what everyone else does". Tax evaders, for example, believe that a more substantial proportion of other people evade tax than those who file accurate returns.²⁸ The belief that tax evasion is common thus becomes a way to avoid the discomfort that would otherwise be triggered when completing a misleading tax return.

Attribution of blame. The final mechanism of moral disengagement involves assigning responsibility for one's actions to the victims themselves. Bernie Madoff has asserted that the banks and hedge funds he worked with were "complicit" in his fraud, claiming they engaged in "willful blindness" about his accounts.²⁹ He blames those who lost money by stating that "everyone was greedy," and that he had given them fair warning about his fund, thus making their losses their fault: They were all told by me, "Don't invest any more money than you could afford to lose."³⁰

These final three mechanisms all work by attributing the moral responsibility for our actions to others: to superiors, to one's group members or peers, or to the victims of our own misdeeds.

Assessing Moral Disengagement: Warning Signs

Moral disengagement is thus a two-edged sword. While it can be enormously helpful to those who must engage in harmful acts for good reasons, moral disengagement can also be a sign of moral discomfort and a first step towards ethical blindness. The following questions can help you assess whether you or others in your organization are using moral disengagement to shield yourselves from the moral status or consequences of actions you are considering:

- Am I using the "greater good" as an excuse to do something wrong? (*moral justification*)
- Does my language "sugar-coat" an ethically problematic act? (*euphemistic labeling*)
- Am I using false or exaggerated comparisons to make my action seem less wrong? (*advantageous comparison*)
- Am I minimizing the effects of my action to feel better about it? (*distortion of consequences*)
- Am I denying the essential humanity of those whom my action affects? (*dehumanization*)
- Am I blaming my actions on my superiors? (*displacement of responsibility*)
- Am I spreading the blame for my action to others, or assuming that others would also do what I am doing? (*diffusion of responsibility*)
- Am I blaming the victims of my actions for what I have done? (*attribution of blame*)

Endnotes

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