

On The Moralization of Corporations

AP Seminar, 2024

PT 2 - IWA

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I: Introduction

Writer Scott Alexander in his 2014 piece “Meditations on Moloch” defines- in response to Allen Ginsberg’s 1956 poem, *Howl*- the concept of Moloch as the personification of the patterns of overwhelming corruption inherent in what we see in our economy and politics today. Elucidating the concept further, Alexander depicts examples ranging from capitalism gone wrong to cancer in the body. He writes:

“Imagine a capitalist in a cutthroat industry. He employs workers in a sweatshop to sew garments, which he sells at minimal profit. Maybe he would like to pay his workers more or give them nicer working conditions. But he can’t, because that would raise the price of his products and he would be outcompeted by his cheaper rivals and go bankrupt.

...

From a god’s-eye-view, we can contrive a friendly industry where every company pays its workers a living wage. From within the system, there’s no way to enact it.

...

The implicit question is – if everyone hates the current system, who perpetuates it? And Ginsberg answers: ‘Moloch’” (Alexander).

Recent researchers have made great headway in depicting the corruption that lies at the heart of United States democracy as of the 21st century, further demonstrating that there’s a mass dissatisfaction that this “God’s eye view” allows us to see, yet this “Moloch” prevents us from acting against from within the system. Regardless of the personification of the issues at hand, the

question remains: how can the United States free-market economy develop resilience to systematic corruption in corporations?

II: Relevancy

The fact that more citizens of the United States are not asking this question and more about the corruption we live amongst is an example of Moloch in itself. Therefore, in bringing relevancy to it, a solution begins to emerge. Historical, social, and artistic perspectives must be taken to understand where the issue stands in the context of the United States economy. In looking at the state of the primary problems faced by the country it becomes apparent that they are many and convoluted, however, out of them a pattern begins to emerge- reminiscent of Alexander's description in the previous body- whose identification is the key to building the resilience that the U.S. needs. War, political polarization, and economic inequity can be boiled down to issues of poor leadership, moral decay, and misaligned values- the heart of which are found in corrupt corporations with nefarious participation in U.S. politics.

Taking, for example, researchers with Brown University's Center for International Policy who outline the very extent to which money is made from war, highlighting the influence of contracting and logistics companies in incentivizing the United States' participation and action in the War on Terror. Author William Hartung details just how

“Numerous companies took advantage of wartime conditions to overcharge the government or engage in outright fraud,”

depicting a prime example of how systematic efforts of exploitation are fueled by nothing other than corporate greed gone unchecked (Hartung).

Along these lines, *The Attention Economy* by The Center of Humane Technology thoroughly describes the process by which corporations drive the political polarization and many of social issues we see today by means of corrupt social media algorithms. Essentially, social media companies are incentivized not by the power they have to potentially build a healthy social society, but by the money that they make in capturing attention by any means necessary. As is made clear in the previous example, when given the opportunity, companies direct action to optimize capital, not morality.

Lastly, wealth divide, homelessness, and institutional prejudice are all examples or products of the economic inequity that is seemingly inherent in a free market. In “Fallacies of Free Markets,” author Justin Semion outlines five founding assumptions constituting the survival of a free market, the first of which idealizes:

“That the flow of information regarding the prices and quality of goods and services is perfect,”

which, when coupled to the reality of an unregulated free market, it becomes clear that

“It is in the best interest of a firm or group of firms to maintain an imbalance of information. Viewed in this way, the assumption of perfect information is self-defeating when applied to free market theory,”

Which is in conversation with our previous examples in exemplifying another way that the rich get richer by taking advantage of systematic weaknesses (Semion).

In a free market, little to no government intervention means that companies are incentivized by nothing other than the growth of their capital. Ideally, this means that production is regulated by supply and demand based upon nothing other than the needs of the consumer, however, in reality this looks like corporations taking advantage of consumer’s needs,

weaknesses in government, and the unrivaled power that they hold, creating a seemingly unbreakable cycle of systematic corruption that in turn serves to maximize the perpetrator's capital. This claim is in conversation with the three issues depicted above, as well as in conversation with Ginsberg and Alexander's views presented previously. Given the nature of free markets, corporations hold a specific role in the type of systematic corruption that's seen throughout U.S. politics. This research paper will try to illustrate this link and provide supporting evidence for what is to be done about it. Upon examination of our history, social action, and artistic movements regarding systematic corruption, it becomes clear that healthily maintaining the framework of a free-market economy- one that's able to resist systematic corruption in corporations- is requiring of courage, education, and shared ideal.

III: Historical/Political

Given the state of this country as of 2024 as has been described thus far, does this look like the Democracy that Americans have been promised? Rightfully so, researchers have shown that out of adults in the U.S.,

“(63%) express not too much or no confidence at all in the future of the U.S. political system,”

while 65 and 55% report often feeling exhausted and angry when thinking about politics (Pew Research Center). American politics seem to have reached newfound levels of detachment and dissatisfaction among its people. However, corporate corruption is no new phenomenon. As it follows, our governance throughout U.S. history has not been wholly corrupt. So, through a historical lens, what factors have allowed us to overcome this tendency up to now?

A prime example of the kind of leadership that has empowered American politics with the capabilities of overcoming the systematic faults it had succumbed to is President Franklin D. Roosevelt. In his inaugural address, FDR responds with a plan of action to the American Great Depression- perhaps the most drastic example of the potential perils faced under a fragile free market confronted with new challenges. FDR recognized this threat, thoroughly outlining our nation's mistakes as well as cautioning the way ahead. Regarding his what we can learn from our nation's history, it is worth noting that FDR recognized first and foremost that fear itself is perhaps the greatest crippling agent when faced with the challenge of overcoming this potential for systematic paralysis of moral and reasoning. He is known for his opening remarks regarding the issue being:

“The only thing we have to fear is fear itself- nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance.”

which can be extended to say that nothing in regard to a positive action can be accomplished when the actor is overwhelmed with fear (Roosevelt). In order to hope to build resilience in our systems and combat systematic corruption, we must have the courage to acknowledge it and act towards a solution- courage is primary.

IV: Social/Cultural

In order to properly light the way to a solution of the issues at hand, sociocultural responses need to be taken into consideration as well. While acting in the context of the military, few have elucidated the United States' need for a social change as a means for opposing corruption as Ted Thomas and Ira Chaleff in their shared work *Moral Courage and Intelligent Disobedience*. In this work, the authors attempt to outline a method for solving the social

injustices brought about by poorly incentivized leadership. The solution can be contained in their stating that,

“Moral courage, including intelligent disobedience when warranted, should be taught and encouraged to ensure those in the follower role have the disciplined initiative to disobey orders when appropriate and to recommend alternatives that uphold professional military core values”,

resolving to rely on education as the constituting means for maintaining the common founding values of the system (Thomas, Chaleff). This can be applied to corruption in corporations.

Throughout the article, the authors detail just what it means to exhibit what they’ve coined Moral Courage and Intelligent Disobedience- virtues brought about by an education based upon shared values and ideals. While courage is needed to create action within the system, action is ineffective without the education to direct it, efficiently bringing meaning into fruition.

V: Artistic/Philosophical

Allen Ginsberg isn’t alone in his perspective promoted through *Howl*, and many across the United States have shared an artistic inclination towards the depiction of the overwhelming political dismay brought by the same systematic corruption that we see today. For example, Jacob Lawrence’s *Confrontation on The Bridge* echoes the same cry that Ginsberg sought to bring to light. Rather than responding to the issues at hand as did FDR, Ted Thomas, and Ira Chaleff, Jacob Lawrence expresses the perspective of being embedded within them.

Lawrence’s work depicts what happens when ideals- such as those of equality and essential human rights- are not shared in practice. While Lawrence is responding to systematic racial oppression, the same is true for corporations who exhibit a misuse of power and thereby

creating a cycle of economic oppression. As we've outlined, courage is primary to action while proper education is necessary to stabilize and direct this action. Here, it is seen that a shared ideal is the direction that action must tend toward in order to maintain a healthy system.

VI: Counterclaims

First and foremost, to make a claim as to how 300 million people are to be rightfully governed by any extent requires a proper defense of the argument's founding assumptions.

Throughout the world, economic systems contrasting to the free market employed by the U.S. thrive in ways that some would argue are superior. While the argument presented here is formatted to omit consideration of other such markets, it would be incomplete without their acknowledgement, however, the scope of this paper is limited to free markets.

The second point presented brings to question how we are to handle corruption once it arises in a free market. The evidence presented throughout this paper serves to show that it is not only possible but necessary to take action against these tendencies (as opposed to the previous body) in order to maintain a healthy free market system and yields a very rudimentary instruction for how that is to be done. However, once again the scope of the argument here is confined to courage, education, and ideals as a whole as opposed to specific means of implementing those traits, therefore limiting the capacity of the claims present.

VII: Inherent Limitations

In the discussion of the need and means for combating corruption in corporations, the political and historical lenses taken have inherent limitations that inhibit the scope of its solution. Whereas government sources would typically be your most credible and unbiased, in the case of discussing issues reflecting government folly, I found that a poem, piece of artwork, or NGO research publications were much more useful at making a claim than, say, the United States

Department of state on *Combating Corruption and Promoting Good Governance* where fellow government organization are cited, and policy is used as evidence. Given this limitation, the bulk of the evidence presented here is highly interpretive, however, it is equally valid given the nature of the issues.

VIII: Conclusions

In order to make a claim about the state of the corruption in the U.S. as is seen through artistic depictions, historical blunders, and unmet sociopolitical needs, the scope of the issues at hand must be reduced to something tangible and identifiable. In the case of this paper, the scope is reduced to the span of corporate corruption. However, solutions present here may be widely applicable to various forms of corruption.

Essentially, it can be understood that the aim is a healthy economic system. Given that the system is a free market driven by competition, this means that we need healthy competition. Win-win scenarios are not always possible in situations of strict competition, however, in the case of the losing party, the goal is to hold true to ideals that transcend incentive. That is to say, it is imperative that a system be in place that upholds and strengthens the ideals that support it given that they are healthy; fear and systematic weaknesses need not overwhelm competitors into acting outside of the values of this system.

Limitations taken into consideration, given that a free-market system be maintained while resilience to systematic corruption is developed, it is imperative that an ideal can be shared among all participants, that education be reformed around shared values, and that courage be instilled in the individual as well as the collective- leaders, followers, and organization alike.

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