

# No quick fixes in business ethics

Anton Casey, the expatriate fund manager who commented disparagingly on his Facebook page about “all these poor people” he encountered on the MRT, and felt the need to “wash the stench of public transport off me” after the train ride, shone an unflattering light on the way the financially successful view themselves as well as everyone else in society.

In expressing his disdain for the “commuting poor”, Casey betrayed a view held by too many businessmen of what constitutes human excellence, or rather what it excludes. It illustrated a misconception that the number of zeros in one’s bank account and the property one owns determines one’s happiness. From Enron to Lehman Brothers, many of the world’s biggest corporate scandals and financial crises can be traced to this same mixture of greed and hubris.

Now, some in the business community, including a business school dean, are reflecting on the application of ethics to business. One convenient suggestion is for business to be made a profession so that businessmen can be held to strict standards or some sort of code of conduct. However, in my view, a code of ethics would not have prevented the Casey incident. Further, the suggestion that quick fixes such as a code of ethics can conveniently resolve ethical dilemmas faced by businessmen belies a fundamental misapprehension of what ethics is and why it is important.

## More than a code

Ethics is about determining the moral principles by which we should live. A C Grayling says, “The task of ethics is to describe the true nature of happiness, and to say how to attain it.” This task has occupied philosophers for thousands of years. To Aristotle, the answer lay in virtue. To Stoics, the road to the good life is paved by temperance and indifference to the vicissitudes of fate. To Nietzsche, it is through the intellectual, emotional and spiritual empowerment of the individual.

Compared to the intellectual venture of describing happiness, coming up with a code of ethics for businessmen is far less enlightening. Most of us who struggle with moral philosophy as a discipline understand there are no quick fixes. This was something Aristotle was aware of. His ethical framework does not depend on a binary scheme of right and wrong but requires humans to apply practical wisdom to each situation.

The history of Western philosophy has shown that philosophical debate is often tumultuous and contentious. To what end? Bertrand Russell in his book *The Problems of Philosophy* opined, “The value of philosophy is, in fact, to be sought largely in its very uncertainty. The man who has no tincture



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of philosophy goes through life imprisoned in the prejudices derived from common sense, from the habitual beliefs of his age or his nation, and from convictions which have grown up in his mind without the cooperation or consent of his deliberate reason.”

## Moral self-justification

Thus, while philosophers may disagree with the details of an ethical life, they concur that at its heart lies the ability to think critically. My fear is that administratively convenient solutions such as a businessmen’s code of ethics not only negates that ability but also offers a beguiling cloak of illusory moral certainty, which becomes dangerous when it borders on moral self-justification.

No list or code of rules can be all encompassing. Some forms of immoral conduct will inevitably fall outside its remit. Yet, mere adherence to the four corners of such a code may provide those in business with a false certainty that they are acting morally. It provides the excuse: “Well, the code is silent on this, so it should be all right.”

When I prescribe to my students chapters of Andrew Ross Sorkin’s excellent account of the collapse of Lehman Brothers, they are amazed at the moral certainty that Dick Fuld, the then-CEO of Lehman Brothers, seemed to possess. Fuld convinced himself that engaging in risky derivatives trading was the right thing to do to maximise shareholder value, and that was his moral imperative. Similarly, Jordan Belfort, the Wolf of Wall Street, confesses to have acted with moral certainty that the cons he pulled in his heyday were the right thing to do.

I am willing to wager that Casey was just as convinced of the correctness of the views he posted on Facebook, which led to a public uproar and the termination of his employment. Marcus Aurelius, the Stoic philosopher and Roman emperor, advised, “The true worth of a man is to be measured by the objects he pursues.” Wherever he is now, Casey does not need a code of ethics to guide his behaviour. Instead, he needs to read Marcus Aurelius. ■

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