Introduction

Are we morally responsible for the distant harms spawned by our market transactions? If so, what are the grounds for these non-contractual obligations? How strong are their claims and what are their limits?

For all its genuine benefits, the market, unfortunately, also magnifies the harmful ripple effects of economic activity. In fostering specialization and division of labor, the market gives us a much wider selection of goods and services than would have otherwise been the case, but it also makes us unwitting collaborators in the wrongdoing of others. We inadvertently facilitate the misdeeds of unscrupulous market participants or perpetrate collective wrongs.

For example, the higher returns of investors in tobacco stocks come at the expense of the premature death of millions, especially in the developing world where tobacco firms have taken advantage of lax regulations and non-existent health education to promote smoking aggressively. US chicken farmers and livestock owners heavily use antibiotics in their feeds for better animal growth, but the overuse of antimicrobials has increasingly rendered lifesaving antibiotics ineffective against bacteria that have mutated with a stronger resistance to these drugs. The market for ivory objets d'art and jewelry makes it even more difficult to save endangered elephant herds from being decimated further by poachers. Hedge funds invest in commodities like oil, but their speculative trading causes greater volatility and unwarranted price increases that drive nations into deeper poverty. And, of course, as consumers, we stretch our incomes by demanding cut-rate prices for our fruits, vegetables, coffee, chocolate, meats, and apparel, but often at the cost of low wages and poor working conditions for the laborers who toil to keep our pantries and closets well stocked.

These are instances of material cooperation in economic wrongdoing or in collective harms. Clearly, the marketplace is a remarkable social institution that has greatly extended our reach. As ordinary shoppers, we can enjoy fresh-cut flowers, vegetables, and tropical fruits grown halfway across the globe, even in the depths of winter. But these expanded choices also come with considerable moral responsibilities. Our buying and selling decisions take even greater moral significance because they now have more extensive and more consequential spillover effects that either ennoble or debase human lives. As proof, we only have to look at the subprime lenders and financial institutions whose excesses precipitated the 2008–2009 global financial meltdown that brought economic chaos and suffering to many.

TWIN GOALS

The problem of how we unwittingly aid and abet evildoing through our economic choices has been long acknowledged in Christian faith and practice. John Chrysostom stressed emphatically to his congregants not to engage in trades or occupations that beget turpitude or illiberality in the human heart or that produce useless goods or luxuries. To do so is to live on disgraceful gains. Toward the end of her married life, St. Elizabeth of Hungary often went hungry rather than partake of food and drink that were unjustly appropriated from peasants. In preaching on the proper use of money, John Wesley urged caution that even as we should gain as much as we could in our work, we should do so without harming our neighbors' livelihoods or bodily and spiritual health. Abolitionists urged the English public to spurn slave-grown sugar during the bitter struggle to outlaw the slave trade at the turn of the nineteenth century. Our own generation has seen many consumer boycotts aimed at redressing economic injustice. Indeed, Christian theologians, saints, preachers, ethicists, and reformers have been well aware of the problem of blameworthy economic material cooperation in others' wrongdoing.

However, to my knowledge, there is no systematic treatment of the problem of economic complicity in Christian ethics to date. Knowing where to draw the line between permissible and blameworthy material cooperation is one of the more vexing problems in moral theology. Clearly, our interest in this book is to examine what Christian ethics has to offer in dealing with moral complicity in market harms. How might we apply scholastic "cooperation with evil" and the principle of double effect in evaluating contemporary economic wrongdoing? Can we give an adequate account of economic complicity using the resources of Christian ethics alone? If not, what methods and insights could we adopt from economics, social philosophy, and law in the attribution of individual responsibility for distant harms or collective ills? What can we learn from the legal doctrine of complicity and its theory of causation?

Unfortunately, before we can get to these questions, it is important that we first understand the nature of the problem. What moral issues are raised by the phenomenon of economic complicity? What are its defining formal characteristics? How common is this problem? In philosophy, complicity is viewed as a specialized topic, one of its least explored subjects. There is little scholarship on moral complicity, and not surprisingly, there is even less work on economic complicity. Thus, we have to add a second goal to our study by necessity. We first have to examine the nature of economic complicity itself and the moral issues it raises. This includes identifying the most prevalent instances of market-mediated complicity and then assessing the economic, philosophical, and theological warrants for why they deserve censure. These will then become the bases for our work in appraising what Christian ethics has to offer in dealing with economic complicity.

CHALLENGES

To what extent are we culpable for the unintended consequences of our actions? Is there a half-life to these duties over space and time, or are we responsible even for the most distant ills indirectly caused by our moral choices? Common sense tells us that we cannot be held to account for everything. But where do we draw the limits of our moral obligations and why?

To compound this dilemma even further, these unintended consequences unfold in a complex economic terrain. Assessing material cooperation in economic wrongdoing is made even more challenging by the market's labyrinthine web of causes and effects, simultaneous harms and benefits, and interdependent economic agencies. Moreover, we often have to deal with accumulative harms in which acts that seem benign at the individual level become terribly injurious at an aggregated level (e.g., speculative investments).

TIMELINESS

Despite these conceptual hurdles and the paucity of materials, it is well worth the effort to grapple with the problem of faulty economic material cooperation because of the urgency of the issue. We are the generation that ushered in the post-industrial era. Globalization is a major shift in socio-economic life, as significant as the Industrial Revolution was in shaping the modern age. Global economic integration is a paradox: it creates new and more demanding economic obligations, even as it greatly expands the occasion for our complicity in or indifference to one another's economic misconduct.

On the one hand, globalization has made us ever more interdependent, better informed, and more capable of providing mutual assistance – all the necessary ingredients for weightier moral obligations for one another's well-being. We are ever more potent in enriching or diminishing others. More than ever, the marketplace calls for integrity, restraint, and virtue at the individual level if it is to function properly.

On the other hand, while globalization has made it even more pressing to sensitize the public to the issue of moral complicity, it has also made it far more difficult to tackle the problem in practice. Global economic integration has made the chain of causation much more intricate. And as ever larger circles of people are needed to get things done, moral hazard becomes even more of a problem as market participants refuse to take personal responsibility for collective outcomes, choosing instead to hide behind the anonymity of group membership. It has become increasingly difficult to individuate culpability for communal faults. And as ever more of our interpersonal relationships unfold through the marketplace, our shared ethos is increasingly marked by a hardened competitive individualism and an acquisitive consumerism. Greater marketization has made it so much easier to walk away from our mutual responsibilities and to watch out only for our own interests.

We could mitigate this paradox through clear thinking and discourse about economic complicity. We have to make people understand the phenomenon so well and make the case for addressing it so compelling that they voluntarily internalize their responsibilities for distant harms and communal wrongs. Moreover, providing a theoretical framework would go a long way toward a more comprehensive and systematic approach to rectifying the market's ill effects.

CONTENT

Chapter 1 surveys the conceptual tools currently available in the literature and examines similarities and differences between the scholastic notion of material cooperation with evil and the philosophical understanding of complicity. The legal doctrine of complicity, various accountability-limiting principles from social philosophy, and the principle of double effect can be combined into a single overarching framework that highlights their complementarity. Part I of the book sets out to do just that.

Chapter 2 examines the problem of accumulative harms whereby activities that are innocuous at the individual level turn out to be ruinous when aggregated with others' similar actions. Consequently, the ascription of individual responsibility for collective harms is made much more difficult because of a superfluity of causes and interlocking economic agencies.

Chapter 3 deals with the problem of overdetermination. How do we impute individual culpability for market outcomes that arise from a multiplicity of causes? In particular, is the individual's causal contribution to the accumulative harm too minuscule or redundant to be morally significant? Philosophical and theological arguments, ranging from rule utilitarianism to the familial view of community, converge on the same conclusion: despite their duplicative and minute causal contribution to ultimate harms, individuals are nonetheless still morally accountable.

Chapter 4 grapples with the problem of interdependent agencies. Tort jurisprudence provides a wealth of ideas on disentangling causes and effects. Many of these legal formal and informal rules of thumb can be adapted for use in the attribution of personal responsibility for collective economic ills. Tort scholarship amplifies scholastic cooperation with evil because both face the same task of determining who is morally liable in the chain of causation.

Part II applies the preceding conceptual tools to four types of market-mediated complicity. It proposes a typology that differentiates "hard" from "soft" complicity. The former entails a direct, unjustifiable entanglement with the wrongdoing, while the latter involves roundabout, unavoidable causation through accumulative harms. Each type of faulty material cooperation is examined according to its object of accountability (complicity in what?), its basis for accountability (why culpable?), and its subject of accountability (who is complicit?).

The topic of chapter 5 is what most people commonly associate with economic complicity – benefitting from and enabling wrongdoing. This kind of material cooperation can be shown to be blameworthy using the Christian understanding of the divine order of creation or John Stuart Mill's notion of "harm to others." Among the practical problems we address are: How do we determine what constitutes wrongdoing? How do we deal with activities that produce simultaneous beneficial and baleful effects? Is it moral to appropriate benefits from past wrongs? As an illustration, we assess the case of the Saipan apparel sweatshops using the framework of analysis from Part I.

Chapter 6 examines economic conduct that precipitates gratuitous harms. Such behavior is blameworthy because its ensuing damages are completely avertible. Thus, the wasteful use of oil, speculative investments in vital commodities, and inappropriate production methods generate terribly injurious consequences for unsuspecting third parties downstream. These activities are legal, but market participants who engage in them are

Cambridge University Press
978-1-107-00315-6 - Market Complicity and Christian Ethics
Albino Barrera
Excerpt
More information

nonetheless morally culpable for precipitating the resulting ills. This claim can be justified using the just-use obligation from Christian ethics and the notion of undue risk creation from tort law.

Chapter 7 also deals with collective harms, but unlike in the preceding chapter, these injuries are unavoidable by the nature of market operations. Economic life is in a constant state of flux as people exchange goods and services. The resulting price changes benefit some, but at the expense of others. The latter adverse effects can be particularly severe. The community as a whole is not blameworthy for these, but it is nonetheless liable for mitigating the more grievous instances of such spillover effects. Rawls's justice as fairness and the notion of economic security as a divine gift are among the philosophical and theological grounds for this liability.

In chapter 8, we generalize the preceding chapter's findings by extending the analysis to non-pecuniary accumulative harms. On the surface, the smooth operations of the market seem to be the spontaneous result of people coming together to trade with one another. In reality, the market is undergirded by customs, law, and usage slowly accumulated and refined over time through our individual buying and selling decisions. Unfortunately, some of these underlying institutions and practices are unjust or harmful to segments of the population. The notions of bounded rationality, path dependence, and network externalities from economics, and the idea of social sin from Christian ethics are helpful on this issue. They provide arguments for why there is a moral duty to rectify these detrimental structures that we unavoidably reinforce through our participation in market exchange.

Responsibility is the corollary of complicity. Thus, chapter 9 lays the groundwork for a theology of economic responsibility using ontology, Sacred Scripture, and Christian social thought. Such theology must examine the relationship between power, responsibility, and freedom, given the nature of market operations. Responsibility is theocentric, not anthropocentric. It is God who provides the grounds for the moral agent's relationships and response to others.

We conclude the book in chapter 10 with a comparison of what secular philosophy and Christian ethics have to offer on the problem of economic complicity. There is a substantial overlap between the two, no doubt partly due to the use of both faith and reason in Christian ethics. Nevertheless, moral theology has a much "thicker" notion of the good. It is distinctly dissimilar from many secular, liberal philosophies in terms of the wider range of activities it deems to be morally wrong, the weightier obligations it embraces, and the importance it accords to the integrity of relationships and the virtue of the person.

CONTRIBUTIONS

Written for social ethicists, moral theologians, economists, policymakers, business ethicists, and students of market morality, this book advances the literature on economic complicity in the following ways. First, it identifies some of the key issues that have to be addressed in any reasonable account of blameworthy material cooperation in economic life. This study examines the nature of market-mediated complicity, a task that has not been undertaken in economic, philosophical, or theological literature to date. Second, it outlines what Christian ethics has to offer on this phenomenon. Moreover, this study embeds the scholastic principles of legitimate cooperation with evil and double effect within a much richer conceptual framework that facilitates their application to economic problems.

Third, the book identifies those occasions on which we might be complicit to misconduct in the marketplace; it also presents the moral grounds for such culpability. In particular, it proposes a typology of market complicity. Fourth, we gain a better appreciation for the nature of accumulative economic harms and the special problems they pose for social ethics. Fifth, business ethicists can use the proposed framework of analysis in their assessment of corporate complicity.

Sixth, we see an example of the use of faith and reason in moral reflection. The book highlights the points of convergence and divergence between social philosophy, economics, law, and Christian ethics in their ascription of individual responsibility for distant harms and communal wrongs. Interdisciplinary work makes a big difference.

Finally, this study is a timely contribution to public discourse. The near-collapse of the global financial system in 2008 clearly demonstrated the unintended damage individuals can wreak in the marketplace and the swiftness with which they can inflict such harms. These recent events also underscore the need to sharpen our moral reasoning in dealing with blameworthy material cooperation in economic wrongdoing.

According to development economics, sustained economic growth expands people's opportunities. They have many more choices available to them. Thus, those who have benefitted from globalization now enjoy a much broader freedom of action. But as mentioned earlier, global economic integration has also led to an increased marketization of our common life. This means that our economic choices are less private and more social than ever before, because they have much wider and more consequential spillover effects on others. Indeed, greater economic liberties come with correspondingly greater social responsibilities. Unfortunately, many wholeheartedly embrace the former but conveniently ignore the latter. Thus, there is urgent need to sensitize the winners from globalization to both the potency and the duties of their newfound economic autonomy. I hope this study will be a modest contribution to that end.

Cambridge University Press
978-1-107-00315-6 - Market Complicity and Christian Ethics
Albino Barrera
Excerpt
More information

PART I

Theory: material cooperation in economic life

Conscientious shoppers willingly pay a much higher price for tuna caught in dolphin- and turtle-free nets. Environmentalists voluntarily embrace a simple lifestyle to minimize their footprint on the ecology. Socially responsible investing is a growing segment of capital markets, covering 11 percent of all funds under professional management in the United States in 2007. Indeed, people intuitively acknowledge their obligations for the harmful ripple effects of their economic transactions. Unfortunately, the academic literature has yet to provide a rigorous theoretical foundation for our moral intuitions on the residual duties we know we owe one another in the marketplace.

The first half of this book lays the groundwork for a theory of economic complicity in wrongdoing or in collective harms. Chapter 1 outlines the scholastic principles of legitimate material cooperation with evil and double effect, the legal doctrine of complicity, and insights from social philosophy on moral complicity. The next three chapters break down the phenomenon of complicity into its three constituent issues. Chapter 2 examines the object of accountability (complicity in what?) and its attendant problem of accumulative harms. Chapter 3 is an account of the basis for accountability (why culpable?) and its concomitant problem of overdetermination. Chapter 4 grapples with the subject of accountability (who is complicit?) and the problem of interdependent economic agencies.

CHAPTER 1

The nature of material cooperation and moral complicity

COOPERATION WITH EVIL

For Christian ethicists, the scholastic notion of "cooperation with evil" (also known as the principle of legitimate material cooperation) is the logical starting point in evaluating our moral responsibility for inadvertently facilitating others' wrongdoing. Our actions that are appropriated and used by others for their misconduct can be described as merely "the occasion (but not the cause) of the sinful deed."[1] In fact, our actions may yet be morally licit even if we foresee their subsequent misuse by others. Alphonsus Liguori (1696–1787) is credited with formulating this principle in his *Theologia Moralis*:

> That [cooperation] is formal which concurs in the bad will of the other, and it cannot be without sin; that [cooperation] is material which concurs only in the bad action of the other, apart from the cooperator's intention. But the latter [material cooperation] is licit when the action is good or indifferent in itself; and when one has reason for doing it that is both just and proportioned to the gravity of the other's sin and to the closeness of the assistance which is given to the carrying out of that sin. (Grisez 1997, 873, 876)[2]

This principle has been developed even further, and there is wide agreement among commentators on its key distinctions.[3]

Coordinate agent (co-principal) versus a mere cooperator

A coordinate agent or a co-principal is one who has the same wrongful intent as the principal and who performs part of the wrongful act itself. Thus, a coordinate agent (co-principal) is always guilty. On the other hand,

[1] Griese (1987, 389). [2] Translated from Liguori (1905–1912, I:357).
[3] I draw the following distinctions from Gonsalves (1990), Griese (1987), Häring (1964, 494–519), Kaveny (2000, 285), Keenan and Kopfensteiner (1995), and Oderberg (2004).