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The moral economies of neoliberalism: the case of corporate fraud

Discourses around moral crisis, moral decline, moral bankruptcy, and moral revival are a feature of politics across the Global North and Global South. Against this background, political economy/IPE scholars have spent rather little effort to-date to theorise and study actually existing moral norms (e.g. of social practice in the economy) and their political-economic underpinning in capitalist social formations. The default position seems to be: fraud and exploitation are immoral; capitalism has nothing to do with morals; profit making is the only really important norm one needs to know about to understand corporate and more generally economic practice.

This paper challenges this analytical take on morals in capitalist systems of social interaction and practice. It tries to move the study of actually existing moralities and moral economies beyond the standard interpretation in the field (e.g. pro-social moral economy vs. the market). It does this via three analytical propositions: first, moralities/moral economies are a political and empirical phenomenon. Second, a moral norm does not automatically prescribe a pro-social practice (pro-solidarity, cooperation, honesty, justice). The moral norm can also be that one should exploit, defraud, harm, mistreat, oppress or eliminate another human being (or social group), for example to survive, to keep one's job, to advance or defend one's own power and wealth position or that of one's own social group, corporation, nation, country, etc. Third, corporate fraud (or trickery, 'malpractice', violence, exploitation etc.) signifies not the absence but presence of particular moral norms, views, and codes, i.e. notions of standards of interaction regarding others' welfare and of what constitutes acceptable/unacceptable practice. Those codes and their content, social distribution and authority need empirical investigation. I use the case of neoliberal moral economies of fraud to develop and illustrate my arguments. I suggest that more analytical effort is needed (i) to study how moral economies of corporate fraud, exploitation, and violence (i.e. of social harm) become dominant and are reproduced, and (ii) to develop a (international) political economy of actually existing (or, operational, practical, and latent) moral norms and respective dynamics.