

From cave-dweller to Mars explorer

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Vice-chancellor,

Ladies and gentlemen,

Terminology

There is no generally accepted definition of “compliance”. In theory, an organization can define the term any way it likes, in line with the maturity of its own internal awareness of the concept. Naturally, though, that definition should align with the organization’s core objectives. After all, compliance refers to the way such objectives should be reached, within the confines of the law and of the internal and external agreements made. The postgraduate programme in Compliance and Integrity Management at VU University Amsterdam uses the following definition:

Upholding, in the broadest sense, the national, European and international legislation and regulations, the integrity of the organization and that of its directors and personnel, with the aim of managing risks and so preventing damage.

This definition can be summarized in one word: compliance is *behaviour*. And it is inextricably linked with *integrity*. Unfortunately, that is a concept which has been seriously dented in the past two decades.

Integrity has become a politically charged term, used mainly as smear. Merely to have your integrity called into doubt has the potential to seriously damage your reputation. Repeated use of the word without conclusive evidence to support the accusations being levelled has eroded its meaning. The threat now comes primarily from the use of the term itself, not from the underlying behaviour. It is striking that it has become almost automatically associated with *personal* integrity. And in this case, personal means intangible. As the saying goes, nothing is more fickle than man. Psychology is the science we usually call to mind when it comes to analysing human behaviour, whereas compliance and integrity management focuses upon behaviour in the context of the organization, where it is bounded by internal and external agreements. In other words, *organizational* integrity. Finally, there is a third form: system integrity, such as that of the financial system. In this domain, technical factors related to the system are also relevant, alongside behaviour.

Our place in the organization

In biological taxonomy, man belongs to the kingdom *Animalia* and the class *Mammalia*, or mammals. As the title of this lecture suggests, we begin our analysis of compliance and integrity management at the dawn of

mankind, when our ancestors sheltered in caves. The problems the cave-dweller encountered in his everyday life were existential in the most primary sense of the term: staying alive, finding food and water, procreation and sleep. Conditions were tough. Man was an omnivore and so could not live on plants and berries alone. Mammoths had to be caught. But a sturdy club on its own was not enough to bring down the giant beast. To survive, the cave-dweller had to organize. Darwin calls this the “struggle for life”. “I should premise,” he writes, “that I use the term Struggle for Existence in a large and metaphorical sense, including dependence of one being on another, and including (which is more important) not only the life of the individual, but success in leaving progeny.”¹



¹ Charles Darwin MA, *On the Origin of Species by Means of Natural Selection, or the Preservation of Favoured Races in the Struggle for Life*, p. 62. In: The Complete Work of Darwin Online.

In *The Descent of Man*, Darwin describes how primitive humans constantly adapted their survival techniques to suit their situation. They developed tools, and strategies, to feed and defend themselves. And they started working with other people. Tasks were shared out or, when they were too much for one person to complete successfully, performed collectively.²



According to Darwin, the tribes which developed the best weapons and tools grew in size and so were able to absorb or even exterminate competing groups.³ He becomes more interesting, though, when he turns his attention to the *morality* of primitive man. People need other people in order to survive. And as they warn one another of danger and help each other to defend themselves, so feelings like sympathy, courage, trust

² Charles Darwin MA, *The Descent of Man*, Volume 1, p. 158 In: The Complete Work of Darwin Online.

³ Idem, p. 159.

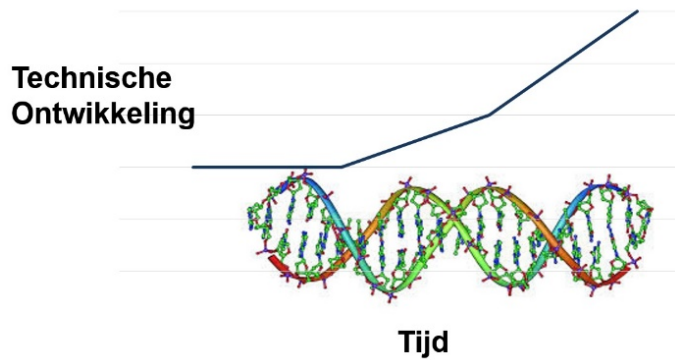
and love can arise. Within the organization, the tribe, mutual support emerges in pursuit of the common goal.⁴ Darwin goes on to state that co-operation requires a form of government, and hence obedience. This, he says, “is of the highest value, for any form of government is better than none. Selfish and contentious people will not cohere, and without coherence nothing can be effected. A tribe possessing the above qualities in a high degree would spread and be victorious over other tribes.”⁵ Here, Darwin is actually describing an early form of *compliance*, as a prerequisite for a successful organization. Moreover, achieving that success demands that compliant behaviour be praised because it is in the general interest and that actions to the contrary be condemned in the clearest terms.⁶ Darwin also stresses the importance of exemplary conduct. Within a tribe, progress comes not from the group but from the one individual who develops new tools and methods. The organization moves forward by imitating the behaviour of this pioneer. In other words, setting a good example strengthens the collective. Finally, in Darwin’s analysis we can discern a hope that, as the tribe develops or learns new techniques and so advances as an organization, the morality of its members will also be enhanced. Unfortunately, if we

⁴ Idem, pp. 162, 164.

⁵ Idem, p. 163.

⁶ Idem, p. 166.

are to believe Darwin, the evolution of the necessary “good genes” is an agonizingly slow process. Those most inclined to self-sacrifice, those most prepared to do all they can for the group, are also those most likely to die trying, before they can pass on their selfless genes. In Darwinism, “survival of the fittest” is not the same as “survival of the finest”. Or, to put it another way, “only the good die young”.



Technological development

Time

From its original tribal form, human organization continued to develop down the ages, adapting continually as the world around it become more and more complex. The Industrial Revolution had a particularly massive impact. However, internal organizational morality has evolved more slowly than

technology. The current digital revolution has seen exponential technological growth, but people remain people and unable to do everything by themselves. Division of labour is still the norm, so that we have to work together to achieve each new goal we set ourselves.

The latest challenge is taking people to Mars. But without organization there can be no Mars. And without co-ordination and agreement there can be no effective organization. The raw materials still need to be mined, the components manufactured and the spacecraft assembled. The data will have to be programmed and the astronauts trained in compliance with the protocols. And there will have to be a “Houston” to deal with the problems. Everything has to be organized to protect the lives of the Mars explorers, to safeguard the interests of the organizations involved and to serve the greater goal, our ongoing quest to push back the boundaries of human achievement.



Compliance is behaviour

If compliance is the same as behaviour, then desirable behaviour should be clearly flagged and the associated instructions followed. Even though a good example makes for good imitation, however, exemplary behaviour alone is not enough to guarantee that it will be followed in the long term. The key question here is why people behave as they do, and it is one various branches of science have addressed. Every person is different, but there is some degree of overlap between us all. Martine Delfos describes this at length in her book *De schoonheid van het verschil*,⁷ or “The Beauty of Difference”, where she distinguishes between genotypes and phenotypes. That is, between genetic characteristics and the phenomena through which they

⁷ Martine F. Delfos, *De schoonheid van het verschil: Waarom mannen en vrouwen verschillend én hetzelfde zijn*, Pearson, fifth edition, 2010.

manifest themselves. The behaviour genotype reflects the hereditarily programmed aspects of behaviour;⁸ it determines predisposition and delineates the boundaries within which that can be expressed. But, as Delfos points out, “what behaviour looks like is not dependent only upon predisposition... Predisposition – heredity – is not the sole determinant of behaviour. Interaction with the environment is also crucially important.”⁹ She thus believes that behaviour is an interaction between predisposition and environment.¹⁰ And so the environment is vital to inducing correct behaviour. People are rational beings and hence are more inclined to act in a particular way if they can understand *why* that behaviour benefits the organization or them personally. In its turn, the organization looks for people more or less similar in *predisposition* and then tries to create an *environment* in which the behaviour it desires can flourish. It is in this way that countless organizations with different cultures develop, each adapted to the people working for it and the products and ideas it generates. However, finding the right mix of staff is an art in itself. Homogeneity is no guarantee of quality. Quite the opposite, in fact: sameness saps creativity, which is one of the

⁸ Idem, p. 68.

⁹ “Hoe gedrag er uit zal zien, is niet alleen afhankelijk van de aanleg... Aanleg, erfelijkheid is niet alleen bepalend voor hoe gedrag er uit zal zien, de interactie met de omgeving is van wezenlijk belang.” Idem, p. 69.

¹⁰ Idem, p. 71.

prerequisites for any organization's continuing existence. When everyone agrees about everything, the saying "no shine without friction" applies. Finding the right mix of the right people, with different kinds of predisposition, is essential if an organization is to achieve its objectives. But these also have to be met within a set legal framework, which is then translated into internal rules and regulations. And that requires a policy that restrains behaviour in order to prevent the pursuit of the objectives being undermined by transgressive actions. In their enthusiasm to achieve their goals, employees must not stray off the right path. To prevent them doing so, barriers need to be erected. Moreover, the policy of restraint should not be undermined by the rigorous pursuit of overambitious objectives fuelled by perverse incentives. Contradictory messages – telling people that they have to play by the rules, for example, whilst at the same time setting targets which can only be achieved by breaking them – inevitably result in the barriers being crossed. And that can cause accidents. Everything in life is a question of striking the right balance. That applies just as much to an organization as it does to people, because ultimately an organization is nothing more and nothing less than a collection of people.

The existential question: “why?”

From all this we can deduce that an organization is made up of a group of people who pool their respective dispositions in pursuit of a common goal, one which no single individual can achieve alone. And the work they do has to be carried out within a set framework. As Darwin pointed out, some form of “government” is needed. It is the external government which designs the barriers the internal government is expected to erect. The staff of the organization must be made aware of the behaviour required of them, and kept aware of it. That is an ongoing process, which requires more than just training. Compliant behaviour is not simply a matter of learning by rote, like the times tables drummed into us at school; it is behaviour in the service of a core objective which can only be achieved by the organization as a collective entity. It is in that collectivity that we should find the key to a heightened awareness of the importance of pursuing the objective in an appropriate manner, and hence a sustainable one. To this end, such behaviour is best supported by incentives which rely more upon the “carrot” than the “stick”. Perhaps Simon Sinek’s “Golden Circle” concept can help here. This should enthuse the organization, and all its stakeholders with it, for the “carrot” of the question *why* rather than the “sticks” of *how* and *what*. The leader plays a crucial role in this. One which goes much

further than setting the right example, because that only touches upon the *how*.

In the preface to his book *Start with Why*, Sinek sums up that role as follows. “Whether individuals or organizations, we follow those who lead not because we have to, but because we want to. We follow those who lead not for them, but for ourselves.”¹¹_[TC-VU1]

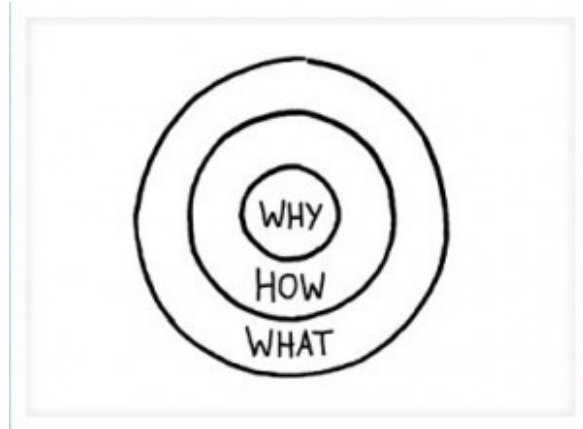
If a leader wants to encourage their organization to act in a specific manner, they are most likely to be successful when they inspire the people under them in such a way that those individuals feel that adopting the desired behaviour is the best course for them personally, rather than forcing it out of the group in a manipulative fashion. Behaviour induced in that way is simply unsustainable; once the manipulation has been unmasked, resistance will follow. The focus in such cases is usually the product the organization wishes to generate, and following on from that the manner in which it can best be produced, including the behaviour required. Here, the product is the objective and its production represents compliance. This is a highly pragmatic approach, which lacks inspiration. As tasks resulting in a finished product, the *what* and *how* are more or less tangible. But where is the passion? Say the organization is a brewery. Why do people start the

¹¹ Simon Sinek, *Start With Why: How great leaders inspire everyone to take action*. Portfolio Penguin, 2009, Preface.

process, collect the ingredients, brew up the right mix and follow a strict set of predefined rules to come out with the end product they want, beer? That *why* is a question at a more abstract level. The beer represents a mission, perhaps even a particular vision of a group of friends gathering at the end of a hard day's work to enjoy each other's company over a pint. That vision is not the beer itself, but the ability to create a product that generates conviviality. It is also a vision that gives the company the opportunity to devise other products which meet that same need. If your mission is to improve the way people communicate, with an open vision what began a hundred years ago as a logging business with a paper mill could now have evolved into a television and internet empire without deviating from that mission.

Sinek regards his Golden Circle as a mathematical aid to help develop practical solutions in the quest for the "ability to inspire..., a guide to vastly improving leadership, corporate culture, sales, and marketing... [which] explains loyalty and how to create enough momentum to turn an idea into a social movement. But it all starts from the inside out. It all starts with Why."¹²

¹² Sinek, pp. 38-39.



What makes the Golden Circle concept interesting is the enthusiasm it engenders in the members of the organization, as a result of which the *why* become its driving force and the *how* and the *what* respectively merely the means to the end and one of the many possible results. As Sinek says in his preface, the leader inspires and the staff follow because they believe in what he is doing, including what it has to offer them as employees. The question is whether this approach can be made to work even in organizations which have been struggling for years with problems around the existential meaning of their work. Putting beer to one side, let us look at banks instead. What *why* can we distil from the banking process, and how can an industry in the midst of an identity crisis go in search of meaning? The Golden Circle approach would require far-reaching changes to its entire business model, which would first need to undergo a fundamental rethink. And that would be the hardest step of all. Returning to

Sinek, it is the leaders who would have to instigate that about-face. Society's current search for the core objectives of our financial institutions perhaps presents their leaders with the ideal opportunity to design a robust new model that incorporates the *why*. In developing this more appropriate vision of their institutions, that *why* would be linked directly with the *who*. The social unease has arisen amongst their internal and external stakeholders: the institutions' employees, their customers and the wider community – sometimes as shareholders, but always as interested parties. The globalization of the financial economy means that these organizations' decisions affect not only their own staff and customers, but extend much further. With the fear engendered by an all-disrupting crisis still fresh in their memories, the stakeholders concerned have shown their displeasure with current policy. In this light, is the importance of instigating a quest for the *why* still merely a hypothetical question, or is it a fact the financial institutions are going to have to accept sooner or later?

In searching out the success the Golden Circle can provide, a good place to start is with those smaller financial institutions which focus upon socially responsible banking. Since the crisis, we have seen that organizations that bring a clear ethical dimension to their activities are generally able to stand up to economic adversity reasonably well. At any rate, they

have not had to deal with the demotivating demonization of the role played by the mainstream financial institutions. So perhaps it is a good idea look more closely at how much the *why* has helped those with an ethical or green business model to sustain their profitability and at how their approach influences their workforce and other stakeholders. It would also be interesting to look at the way the *why* has affected the *how* – by which I mean compliance, with internal standards as well as the letter of the law – and whether both together have strengthened the *what*; that is, the organization’s products and financial objectives.

The quest for the *why* demands courage, insight and leadership, not to mention an excellent propensity for “out-of-the-box” thinking. The great thing about mankind is that circumstances can induce us to perform great deeds. Amongst our cave-dwelling ancestors, we saw that in those who put the collective interest before their own. Looking at the financial institutions, we also see a situation which could give their leaders the opportunity to excel themselves. Two of the major Dutch institutions are now in state hands. To allay public discontent – which has the potential to ignite into social unrest – the political establishment should be prepared to seize its chance to turn things around and approach the traditional business model from a new perspective: that of the *why*. That would help forge new forms of loyalty, both internal and amongst customers

and other external stakeholders, including shareholders. But it requires leadership on the part of the politicians, and “out-of-the-box” thinking. They would have to subordinate party interest to the public good, to abandon debating for its own sake in the endless battle for putative voters, and instead roll up their sleeves and plant both feet firmly in the apolitical mud!

None of this will be possible, though, unless the regulators also adjust their sights to focus more upon the *why*. Since the financial crisis we have indeed seen the Dutch regulators, De Nederlandsche Bank and the Financial Markets Authority, pay more attention to integrity, and hence behaviour, so that could be made a good first step towards developing a *why*-based mindset in the spirit of the Golden Circle, with the *how* and the *what* being better attuned to that *why*. However, most of our financial institutions operate on the global stage. And there, unfortunately, regulators like those in the US still feel very attached to regulations. A straitjacket of innumerable and not always consistent rules has resulted in regulatory overkill and a “box-ticking” approach which allows little or no time to consider the underlying thinking: the spirit of the law. A spirit which should be linked to the *why* guiding both the financial institutions and their regulators. We see the same problem looming at the European level, too. By strangling organizations with regulatory red tape, they are prevented from reaching

the nub of the matter, the *why*. This is not to say there should be no rules, of course. They are absolutely essential, and so is their observance, but they and their enforcement should converge in the institutional *why* and that should be better synchronized with the regulatory one.

For this reason, we at Compliance and Integrity Management at VU University Amsterdam are going to start looking for good PhD students to investigate the *why* of banking at that of its regulation, at both the national and European levels.

The role of compliance

The next question requiring an answer concerns the role of compliance within the organization. From what we have already seen, we can infer that human organization began with particular desired behaviour being elicited by exacting acquiescence, Darwin's "obedience". In recent decades compliance has been closely linked with so-called "hard controls". In other words, it specified how the objective should be reached. The regulators of this period wanted compliance enforced in order to counter undesirable behaviour. In response, financial institutions were soon setting up ever larger compliance departments. But in the process

it became a top-heavy function. Failing to keep pace with the organization's organic development, it began to resemble an alien body within – one being rejected slowly but surely by the host entity. Quite simply, compliance came to be ignored. For the leaders of the organization, it was merely a formality that only gained any importance once an issue had arisen and the regulators started insisting that the rules be observed. As soon as the crisis had passed, compliance once again retreated into the background. It withdrew back into its shell, returning to its previous status as an alien body in the second line of defence, a safety net in the face of increasing legislative controls, occasionally playing its old policing role. The financial crises in the early years of this century unleashed a flood of new rules, which compelled compliance to put all its effort into converting innumerable requirements into official policy so that all the right boxes were kept formally ticked. Life in the compliance department began to feel more and more like living in Charlie Chaplin's film *Modern Times*: entangled in the *how* and making no substantial contribution to the *what*, never mind having room for the *why*. Compliance had lost its focus.



In the end, it turned out that crises cannot be prevented through compliance alone. After all, it inevitably found itself caught in the cogs of the organizational machinery. But it did try to find a way out of the labyrinth, with some help from the regulators. Together they began to place an increasing emphasis upon behaviour, as well as calling into question the compliance function's entrenched position in the second line of defence. From there it gradually began to move forward into the field of business consultancy, with compliance officers brought up to the front line as direct advisers. This transition is still under way, but we have already seen plenty of ill-considered steps taken along the path. In many cases, for example, the front is manned by compliance officers pulled straight out of the second line – often in order to save money. Here they remain in dialogue with the business side of the

organization, but to a great extent miss the point. Much of their reasoning is complex, whereas the basic concept is very straightforward: everyone is responsible for their own behaviour. Within the organization, each individual is accountable for their part of the process. And its management and leaders bear their own cumulative responsibility for the overall process under their command. The front line is production, in the broadest sense of the term, so compliance's role here should be to advise on and support the production process. But take note: this does not mean that it takes responsibility for compliant behaviour in the front line! As I just said, everyone is responsible for their own actions. Compliance is actually there to make sure that the front line knows how it is expected to behave and how best to incorporate that behaviour into its activities, and also ultimately to monitor behaviour. Final responsibility for the smooth running of the production process itself – including compliance's ability to do its job effectively – still rests with management and leaders. To return to Darwin's tribes, everyone has their own task to perform in pursuit of the common good. Only then is prosperity possible.

So should the entire compliance function be moved up from the second line to the first? No! That would create an undesirable situation. In fact, compliance has its place in both lines of defence. In the second it should maintain its position as adviser to the entire

organization, as a partner in crisis management and – alongside the third line, internal audit – a guarantor of adequate compliance auditing of the front-line process. The compliance officer has a unique status within the organization, in that he or she monitors both its overall behaviour as a corporate entity and that of all its individual employees. He or she is also the organization’s integrity manager, charged with making sure that it sticks to the right path and that its personnel exhibit the behaviour needed to ensure its prosperity.



In fact, we can compare the role of the compliance officer with Socrates’ description of human motives in his dialogue with Phaedrus. In love, he says, we are guided by two ruling principles: the “natural desire of pleasure” and “an acquired opinion which aspires after the best”. These are “sometimes in harmony and then

again at war”, the outcome of which may be either excess or temperance.¹³ Socrates relates the allegory of a chariot drawn by two winged horses, one “noble” and the other “ignoble”. As a team, they are difficult to control; the noble horse flies up to the heavens whilst the other loses its wings and falls to earth.¹⁴

As far as behaviour is concerned, the compliance officer is assigned by the leaders, management, to guide the organization – the chariot – down a track without knocking down the hurdles erected by legislators and regulators. The chariot has keep to the right speed to avoid accidents, but also complete the course successfully to reach the future. Internal and external regulation are the reins the officer uses to keep the varied workforce of noble and not-so-noble characters pulling in the same direction. He or she has to make sure that they do not succumb to the forbidden fruit of selfish earthly temptations on the way, or cling to their own dreams, but instead realize that the organization has to produce so that everyone earns the oats they deserve. The track they are negotiating is not an even one, and in times of crisis it requires a driver with exceptional steering skills. Without that ability, sooner or later the chariot will overturn and the race come to an abrupt end.

¹³ Phaedrus, in Plato, *Symposium and Phaedrus* (translated by Benjamin Jowett). Dover Thrift Editions, 1993, p. 54.

¹⁴ Idem, p. 61.

The role of the compliance officer is changing, due especially to the gradual realization that the organization has to be able to adapt to the rapidly changing circumstances of our age. The position requires maturity and the ability to help the organization implement the necessary behavioural adjustments. With the social tide turning, organizations today find themselves at a crossroads: the point at which habitual and desirable behaviour diverge. How financial institutions have had to reconsider their objectives is a good example of the choices they face. Legislators and external regulators have been demanding higher standards of their leaders and internal regulators. For example, ever stricter prerequisites for non-executive directors. And not just in the financial sector. The compliance officer is one of those internal regulators, responsible for overseeing the behavioural aspects of the organization. So this function needs be further professionalized. We have just seen that the charioteer must possess specific qualities to be suited to his task. Similarly, as I have stated elsewhere, “As well as warding off the risks posed by legal and regulatory transgressions, ideally the compliance officer should also be the organization’s ethical conscience. The guardian of its internal standards and rules, including codes of conduct. If not the petty fraud officer, then certainly the serious fraud officer.”¹⁵ Even

¹⁵ See S. Bleker-van Eyk, De Compliance Officer 2.0. In: *MAB* vol. 87, no. 10,

with that kind of policing remit, however, the ethical responsibility should take priority. At the organization's ethical reins, the compliance officer must be in a position to indicate when it needs to change course – or even brought to a standstill. But the final decision is not his or hers to make. That is up to the leaders. The compliance officer therefore needs direct access to the board of directors. And if it is unwilling to make a change he or she believes is “mission critical”, then the compliance officer must be able to refer the matter directly to the supervisory board. This is a track that must be negotiated carefully to keep the chariot balanced and to keep hold of the reins in the relationship between compliance and the supervisory board. To do that, though, demands a readiness to emerge from your protective shell. To show courage. An ethical conscience should not be something you can silence, but a voice you hear when it really matters. In short, the compliance officer should be a “countervailing power” within the organization. That is a concept introduced by Galbraith in the context of the power play between businesses and their customers. In his words, “the existence of... power creates an incentive to the organization of another position of power that neutralizes it.”¹⁶

p. 406.

¹⁶ Galbraith, J. K., *American Capitalism: The concept of countervailing power*. Transaction Publishers, 1952, pp. 118-119.

Once we couple the notion of “countervailing power” with the compliance officer’s role as ethical conscience and the task of guiding the organizational chariot towards a sustainable future, we comprehend that he or she must be in a position to apply the figurative “handbrake” in the event of possible irregularities.

Summary and conclusion

The organization is a group of people jointly pursuing a goal no single individual can achieve alone, a goal which should serve the interests of all those who commit to the collective entity. Darwinism is not merely a biological trip through time, then, but a window into the complex world mankind has shaped in order to satisfy his needs as effectively as possible. The division of labour has allowed us to achieve great things, from successfully hunting much larger animals with the most primitive of means to interplanetary travel. When people join forces in an effort to reach a goal, leadership is needed in order to allocate the available resources in an appropriate and effective manner. But because the human journey began as an individual quest to satisfy personal needs, that collective – the organization – also needs a shared ethical conscience charged with ensuring that the totality of its behaviour is directed towards its objective, and hence also that of the individual member. Uniting people under an organizational umbrella and allowing them to flourish in that associative context is an art in itself. One which requires leadership with an insightfulness that goes deeper than the intended product of the union. The leader has to be able to translate the *why*, that product, into tangible objectives which bind stakeholders, internal and external alike, to the organization. Only

then does growth on all fronts become possible. And to ensure that it grows organically within bounds acceptable to society, it needs an ethical conscience with countervailing power for those moments of weakness all of us experience, even leaders. The compliance officer is that conscience.

A conscience requires certain characteristics. Descartes said, “I think, therefore I am... it most clearly and certainly followed that I was; while, on the other hand, if I had only ceased to think, although all the other objects which I had ever imagined had been in reality existent, I would have had no reason to believe that I existed...”¹⁷ This is a line of reasoning we see reflected in Hannah Arendt’s analysis of the trial of Adolf Eichmann. In the dock, the former SS commander concealed his own conscience behind the oath of loyalty he had taken, the rules imposed by the Nazi government and the orders he received from his own immediate superiors. Arendt seems to mirror Descartes’ “I think, therefore I am” by equating not thinking with not possessing a conscience.¹⁸ She describes Eichmann’s

¹⁷ “Je pense, donc je suis... il suivait très évidemment et très certainement que j’étais ; au lieu que, si j’eusse seulement cessé de penser, encore tout le reste de ce que j’avais jamais imaginé eût été vrai, je n’avais aucune raison de croire que j’eusse été...” René Descartes, *Discours de la Méthode, pour bien conduire sa raison et chercher la vérité dans les sciences*, first published 1637. La Gaya Scienza, June 2012, p. 34.

¹⁸ Hannah Arendt, *Eichmann in Jerusalem: A Report on the Banality of Evil*, Penguin Classics, 2006, pp. 135-150.

attitude as “sheer thoughtlessness – something by no means identical with stupidity”.¹⁹ Rather than thinking, he just hides behind the rules. In my view, this is the nub of the debate surrounding the ethical conscience of businesses. Or states, for that matter, or any other form of collaborative entity. As long as the people involved refuse to think, they are nothing more than amoral extensions of the organization. But from the moment they push aside that shield of amorality, there is no going back. Before them now are just two paths they can take: the path of morality or the path of immorality. Amorality is a neutral state, both devoid and unneeding of thought.

The compliance officer should be the mouthpiece of an organization’s conscience. For as long as the members of that organization remain unthinking, it and they are amoral. As soon as they do start reflecting upon its actions and their own, however, they face only two options: morality or immorality. And in that choice lies the indispensability of compliance and its inseparable companion, ethics.

¹⁹ Idem, pp. 287-288.