

# On the possibility of a normative account of corporate trust

Sareh Pouryousefi & Jonathan Tallant

To cite this article: Sareh Pouryousefi & Jonathan Tallant (02 Feb 2025): On the possibility of a normative account of corporate trust, Inquiry, DOI: [10.1080/0020174X.2025.2455999](https://doi.org/10.1080/0020174X.2025.2455999)

To link to this article: <https://doi.org/10.1080/0020174X.2025.2455999>



© 2025 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group



Published online: 02 Feb 2025.



Submit your article to this journal [↗](#)



Article views: 103





View related articles [↗](#)



View Crossmark data [↗](#)

# On the possibility of a normative account of corporate trust

Sareh Pouryousefi <sup>a</sup> and Jonathan Tallant <sup>b</sup>

<sup>a</sup>Law and Business Department, Ted Rogers School of Management, Toronto Metropolitan University, Toronto, Canada; <sup>b</sup>Department of Philosophy, University of Nottingham, Nottingham, United Kingdom

## ABSTRACT



Philosophers have had much to say about the moral obligations arising from trust. These obligations involve, predominantly, interpersonal relationships. But what can we say about the moral relevance of trust in institutional settings? In this paper, we consider the particularised approach to trust and its focus on interpersonal relationships and argue that it is far from clear whether this is the kind of relationship that persons can have with respect to firms. For a particularised view of trust to be applicable to firms, firms must be seen as institutions that are to some extent distinct from their individual members. They would also have to be fitting targets and sources of reactive attitudes in morally relevant trust relationships. Such an account of trust in firms is not as yet forthcoming. To inspire future work on trust and firms, we take note of an argumentative strategy in the literature on corporate agency that lets us conceive of firms as appropriate targets and/or sources of reactive attitudes. In so far as this strategy turns out to have empirical efficacy, we suggest it may also prove fruitful for thinking about trust in relation to firms.

**ARTICLE HISTORY** Received 6 November 2024; Accepted 16 January 2025

**KEYWORDS** Trust; corporate trust; moral agency; corporate agency; reactive attitudes

## 1. Introduction

We trust firms but firms regularly betray our trust. They let consumers down through predatory pricing, betray employees in long-term non-unionised minimum wage contracts, and skimp on duties to democratic societies by gaming regulations and dodging tax. Corporate trust involves large sums of money. It also encompasses important vulnerabilities:

**CONTACT** Sareh Pouryousefi  [sareh.pouryousefi@torontomu.ca](mailto:sareh.pouryousefi@torontomu.ca)  Law and Business Department, Ted Rogers School of Management, Toronto Metropolitan University, 350 Victoria St, Toronto, ON M5B 2K3, Canada

© 2025 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group  
This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. The terms on which this article has been published allow the posting of the Accepted Manuscript in a repository by the author(s) or with their consent.

among others, private information is entrusted en masse to tech giants, and our climate is at the mercy of industry.

Trust is, thus, crucial in our daily engagement with firms, especially when no outside forces (e.g. reputation, contract) compel them to fulfil commitments to us or to guard our interests. Indeed, modern business interactions would come to a halt in the absence of trust. Beyond economic implications, corporate trust has moral implications. We need to know how to interpret betrayals of corporate trust – are we betrayed by the firm, its members, both, or neither? We also need to know how we ought to respond to these betrayals. We thus need a moral theory of corporate trust but therefore also a respectable *metaphysical* account of corporate trust.

Our plan in this paper is to show that the dominant account of ethics in the philosophy of trust – particularised trust – is not appropriately configured to address corporate trust. We then show that the particularised view clashes with a standard metaphysical understanding of firms, unless we adopt particular positions in the metaphysics of corporate agency. We proceed as follows. We begin (Section 1) with a brief overview of the philosophy of trust. Section 2 links this literature with cases from the corporate world, making clear what demands a philosophical theory of trust would place on a trusted corporation. Section 3 notes a problem: theories of trust require that we treat corporations as moral agents. Section 4 spells out how a metaphysics of corporations might meet that challenge. We conclude with some suggestions for future research.

## 2. The philosophy of trust

We conceive of corporations as groups of individuals who collectively engage in different activities while guided by a set of institutionalised rules and procedures. A wide range of institutions are included under this definition, including professional associations, churches, and universities, but also for-profit private entities, viz. firms. We focus on firms in this article. The law takes firms to have certain rights, duties, immunities, personhood, etc., but our task here is philosophical, not legal.

Ever since Baier's (1986) discussion of trust, a commonplace distinction in the philosophical literature on trust has involved a form of trust that has a relational, three-placed structure:  $x$  trusts  $y$  to  $\varphi$ . Here, two individuals are connected to an action. Let's call this *particularised* trust. As Faulkner (2015, 425) notes, the vast majority of philosophical work on trust has focused on trust as it is described by this three-placed predicate. This

paper will be no exception. This notion of trust, as connecting two agents and an action, can be separated from someone's being *trustworthy*.

The distinction between trusting, and being deserving or worthy of trust, is clear enough. Trustworthiness is, after all, a property of an individual who deserves our trust, as opposed to a relation that connects two individuals and an action. We will also have nothing to say, here, about whether the notion of *generalised* trust – of the form 'x trusts y' without being connected to any action – is to be understood as basic (as Faulkner [2015] claims), or whether it can be given an analysis in terms of particularised trust (as Hawley [2014, 10] claims).

Further, our target in this paper is a normative conception of particularised trust, as opposed to the less morally rich notion of reliance. In a breach of trust, we would blame a trustee<sup>1</sup> and hold them morally responsible, whereas with a breach of reliance we might consider the trustee at fault but not necessarily in a morally relevant manner. This distinction (between trust as a moral notion and trust as *mere reliance*) is common in the philosophical literature (compare Baier 1986, 234; Hawley 2014, 1–2; Hieronymi 2008, 215; Holton 1994, 64–65; Jones 1996, 14; Jones 2004, 4; McLeod 2015, 3; O'Neill 2002, 15; Potter 2002, 3–4; Pettit 1995, 205)<sup>2</sup>.

For instance, we may speak of trusting a shelf to take the weight of a vase, but in doing so we signal only that we are relying upon it. In contrast, when we speak of (for instance) trusting a friend or colleague to keep a promise, we signal a rich, moral concept of trust. To illustrate the general trend: Hawley (2014) treats trust as requiring that we believe that the trustee has commitments to us. We do not believe that mere objects (i.e. shelves) have commitments to us, so we do not trust them.<sup>3</sup>

We are now in a position to spell out the detail of our aim in this paper. Our focus will be on particularised trust. We will not discuss generalised trust or mere reliance any further. We think that philosophical theories of normative, particularised trust require us to treat corporations as moral agents. If we are to treat corporations as moral agents, we think that we require some underlying metaphysical view about firms as agents – and in particular how firms can be thought to have a variety

---

<sup>1</sup>Following norms in the philosophical work on trust, we deploy the shorthand "trustor" to mean the individual who trusts another, and "trustee" to mean the individual (or firm) that is an appropriate object of trust or that is trustworthy.

<sup>2</sup><<https://plato.stanford.edu/archives/fall2023/entries/trust/>>

<sup>3</sup>Another distinction that is overlooked in the philosophy of trust but merits attention is that between trust, reliance, and *confidence*. Confidence is often confused with trust in practice. Confidence involves a firm belief, often about social systems, contracts, regulatory regimes, codes of conduct, and systems of governance and knowledge (see, e.g., Lyons and Mehta 1997).

of mental states. Since corporations (including firms) have received relatively minimal attention from philosophers of trust, there has been little reason to think more seriously about social ontological views that might pertain to social groups or corporations. This omission has had unfortunate ramifications, so that when firms are discussed as morally relevant trustees, e.g. in recent work by Kim and Routledge (2022), interpersonal conceptions of trust (viz. the participant stance – see Section 2) are drawn upon as if firms were, literally, human beings. This amounts to an ethics of trust severed from an appropriately informed metaphysics of corporate trust. We take our paper to be offering a corrective to that wider approach. As we go, we sketch some of the views of firms that we think we are committed to if we take seriously the notion that individuals trust firms.

Outside philosophy, there has been much attention paid to the concept of trust in studies about organisations and firms. We won't attempt to offer a comprehensive overview here given the breadth of that literature. Consider social trust (e.g. Govier 1997), public trust (e.g. Townley and Garfield 2013), and institutional trust (e.g. Potter 2002). Much of the literature on trust is explicitly amoral, focused instead on risk and uncertainty, and the corresponding costs and benefits of trusting and trustworthy behaviour (e.g. Coleman 1998; Gambetta 2000; Mayer, Davis, and Schoorman 1995; Williamson 1993). Other conceptions of trusting and trustworthy behaviour are not necessarily or exclusively based on self-serving calculations but are also influenced by socialisation and social norms. Here, keeping promises, being honest, and caring for others are morally relevant features of trust as a kind of social good in cooperative societies (e.g. Lyons and Mehta 1997; Fukuyama 1995), but not necessarily a disposition or a relationship that gives rise to *moral* obligations on the part of trustees. Whenever moral commitments are missing, we are more likely to have what philosophers consider *mere reliance* or *confidence* (see Smith (2005) for discussion of the distinction between trust and confidence). Reliance or confidence may still have socially beneficial, welfare-enhancing appeal, but do not necessarily justify deontic constraints or give rise to moral obligations on the part of trustees.<sup>4</sup> These other kinds of trust, which do not involve moral obligations, are not our concern in this paper.

---

<sup>4</sup>Importantly, philosophers acknowledge that people regularly use the term “trust” in cases of reliance and confidence. Compare Hawley (2014). The philosophical position tends to be that in many cases we use the term “trust” to pick out the concept of trust, with its attendant moral obligations, and in many other cases we use the term “trust” to pick out (mere) reliance.

### 3. Philosophy of trust applied to corporations

Consider a case. The company Volkswagen (VW) has a relationship with various individuals, including shareholders, managers, members of a board of directors, employees, and customers. When VW betrays the public's trust, as they did in their emissions testing scandal, how ought we to interpret this betrayal of trust? Should our feelings of anger be targeted at particular individuals, at VW as a firm, or at both? Let us consider some of the available approaches currently on the books about the ethics of trust and explore whether they might prove instructive in answering questions about VW. We will suggest that, if we are to be said to trust a firm, then philosophical theories of trust suggest that we should be able to blame a firm, too.

Earlier, when we distinguished between reliance and trust, we mentioned one such dominant trend (regarding commitments) to explain the moral relevance of trust. This approach draws a close connection between trust and commitment (Hawley 2014, 2019; Tallant 2017). According to this approach, to trust someone, *S*, to perform some action, *A*, is to believe that *S* has a commitment to performing *A* and to then also rely upon them to meet that commitment. This allows a sharp demarcation between trust and reliance. Trust, but not mere reliance, involves the belief that the putative trustee has a particular commitment and then sees the putative trustor act on that commitment.

According to a second dominant account of trust, the trustee must take the trustor's interests into consideration. One such theory is will-based (Jones 1999). The trustee must be *motivated* by goodwill in their actions toward the trustor. Originating in the work of Annette Baier (1986; 1991), betrayal, according to this account, is the appropriate response to someone we trust who fails to act on good will, whereas we might be simply disappointed in cases of mere reliance.

A third view of trust is not based on motivations but similarly distinguishes trust from mere reliance according to the trustors' normative expectations of trustees. According to the 'participant stance' approach, when we trust, we treat the trustee as a person toward whom we exhibit vulnerability, and therefore we can feel betrayed if the trustee fails to act in line with their commitment to us (Holton 1994; Hieronymi 2008).<sup>5</sup> Crucially, note that this account, as well as the other two

---

<sup>5</sup>We should also mention that some philosophers have taken a different stance on trust. Recall that according to Strawson (1962) reactive attitudes (e.g., resentment, guilt) are essential to understanding how we hold each other responsible in interpersonal interactions but also in the way we *are* responsible

alternatives, focuses on interpersonal interactions and involves particularised trust (e.g. Baier 1986; Hawley 2014; Hieronymi 2008; Holton 1994; Jones 1996).

These dominant accounts have a shared feature. Essentially, the putative individual trustor must take appropriate reactive attitudes toward the trustee. What are reactive attitudes? We consult Strawson's (1962) text on participant attitudes / reactive attitudes. According to Strawson, reactive attitudes are 'essentially reactions to the quality of others' wills towards us, as manifested in their behaviour' (1962, 15). As he explains:

We should think of the many different kinds of relationships which we can have with other people – as sharers of a common interest; as members of the same family; as colleagues; as friends; as lovers; as chance parties to an enormous range of transactions and encounters. Then we should think, in each of these connections in turn, and in others, of the kind of importance we attach to the attitudes and intentions towards us of those who stand in these relationships to us, and of the kinds of reactive attitudes and feelings to which we ourselves are prone. In general, we demand some degree of goodwill or regard on the part of those who stand in these relationships to us, though the forms we require it to take vary widely in different connections. ... The object of these commonplaces is to try to keep before our minds something it is easy to forget when we are engaged in philosophy, especially in our cool, contemporary style, viz. what it is actually like to be involved in ordinary interpersonal relationships, ranging from the most intimate to the most casual (1962, 6).

Strawson's focus here is on interpersonal attitudinal responses toward other individuals in ordinary moral interactions. As examples of reactive attitudes, Strawson mentions 'gratitude, resentment, forgiveness, love, and hurt' (1962, 5).

In summary, then: particularised views on trust differ considerably, but share a more or less uniform position on reactive attitudes. If  $x$  trusts  $y$  to  $\varphi$  then  $x$  relies on  $y$  to  $\varphi$ , and there is then some further condition (commitment, a motivation by goodwill, etc.) in virtue of which a betrayal of trust justifies a negative, reactive attitude on the part of the trustor toward the trustee. This explains why trustors tend to exhibit appropriate reactive attitudes toward the trustee. In the context of firms, of course, this amounts to saying that individuals tend to experience apt reactive

---

toward one another. Trust seems to presuppose this kind of "participant stance." Indeed, as Holton (1994, 67) argued, trust involves reliance undertaken from within this stance. Beyond the participant stance, others have argued for a strong connection between trust and reactive attitudes such that trust is closely tied with our practices of holding each other responsible (Walker 2006), or even further that trust simply *is* a reactive attitude (Helm 2014). These latter views are not our concern in this paper.

attitudes toward firms – for it is they, the firms, that we tend to trust for an account of firms as morally relevant trustees to go through. That being the case, if we are to trust a firm, we must be able to have an appropriate reactive attitude towards a firm.

#### 4. Can we blame a corporation?

Suppose we were to argue that firms are morally relevant trustees. For reactive attitudes, such as blame, to be appropriate attitudes to take toward firms, firms must be blameworthy. And, we think, we should be able to talk about them as appropriately experiencing regret. After all, if firms are (metaphysically) not the kinds of entity that can take decisions, and not the kinds of entity that can experience regret, then we can think of no sense in which it would be rational or reasonable to blame a firm for its actions. We will focus here on blame since it will help bring out the moral dimension of trust. If firms are the proper target of blame, then they are morally responsible – at least, so we will suppose.

So, then: are firms *themselves* the proper target of blame, or are the *individuals* who make up the firm the appropriate target of blame? To illustrate the difference: when VW were found to have misled the public about the emissions from their vehicles, it was Martin Winterkorn, the CEO, who resigned.<sup>6</sup> Was this apt, or should VW instead have taken the fall as a whole? As Stephanie Collins puts it in her aptly titled article, ‘I, Volkswagen’ (2022), natural reactions to VW include anger, resentment, and indignation, and yet it is not clear *where* we should target these attitudes – to individuals or to the firm. And the corporation itself seems a slightly peculiar target if it did not take the decisions. Andrew Cohen and Jennifer Samp have considered similar challenges in ‘On the Possibility of Corporate Apologies’ (2013). They ask: can corporate apologies be offered on the part of corporate entities qua organisational entities, even if corporate acts are analysed as acts by *individuals* within certain relationships? If the particularised view on trust is applicable to firms, then it should be *the firm* that is responsible, and it should be toward the firm (not the CEO) that we direct the reactive attitude.

And – or so might go the thought – it is not VW *the company* that we should (morally) blame for the emissions scandal; it is *the individuals* (or in this case ‘individual’) involved in taking key decisions that we should

---

<sup>6</sup><https://www.independent.co.uk/topic/martin-winterkorn>



blame for what followed. This might seem very natural. After all, VW does not and cannot think; VW does not and cannot lie; VW does not and cannot mislead – it cannot do those things any more than any other firm, because it is individuals who do those things – agents with purpose, intention, and moral agency. If that is correct (an ‘if’ we shall return to, below, in Section 4), then VW and other firms like them cannot be the proper targets of reactive attitudes such as blame. For, in assessing whether or not a putative subject is to blame for some event, we must consider where relevant decisions issued from. And, as above, if we cannot be said to properly blame a firm for its actions, then we seem to lose our basis for thinking that a firm is morally responsible for its actions and, hence, we lose our basis for thinking that we can trust a firm. No possibility of blame signals no possibility of a moral agent. No moral agent signals no possibility of trust.

One solution for proponents of particularised trust in firms is to locate regret and remedy in individual members of firms and stop short of considering the firm.<sup>7</sup> Persons are the obvious location for regret and remedy and it would seem reasonable to say that, even though firms are not persons, the responsibility for their operation lies with a person or persons.<sup>8</sup> We’ll consider two options. First, the *chain of command* is of special interest here, so that consumers should be able to trust a company’s CEO and assign them blame when things go wrong. At least on the surface, it seems that individuals ultimately sign off on all corporate<sup>9</sup> decisions. Individuals run the company and so it is those people who can be trusted (or not).<sup>10</sup> It is those individuals who might be seen as bearing some moral burden. Second, it could be argued that the in-house experts who adopted and adapted certain decision-making mechanisms are distinctly more culpable than non-specialists up the chain of command. Expert staff members may be best placed to deal with corporate decisions that require specialised knowledge or training.

---

<sup>7</sup>For helpful discussions of blame and remedy see Cohen (2020) and Collins (2022).

<sup>8</sup>A complication here is that Kim and Routledge are interested in firms that draw on machine-learning-derived algorithms that operate with little or no human intermediaries. Despite this interest in machine-learning-derived algorithms, Kim and Routledge’s normative “trust-based account” is formulated in relation to “companies” in general. They do not comment on whether and how *algorithmic* firms require distinctive treatment. Following their lead, we leave questions about trust in artificial intelligence/machine learning aside for the purpose of this paper.

<sup>9</sup>By using the adjective “corporate,” we do not intend to refer to entities that are legally “incorporated” or whose composition has certain specific legal implications. Rather, what we have in mind is a given company, firm, enterprise, or organisation and its operation distinct from any legal ramifications of its structure.

<sup>10</sup>Perhaps such a position would go hand-in-hand with treating firms themselves as mere illusions. We don’t mean to take a stand on the metaphysical status of firms, however.

But notice a tension. What we are doing here is locating *individuals* to bear the moral burden of the firm itself. In the first case it is the CEO who is the appropriate source of regret and remedy. In the second case it is the in-house experts. Those individuals are not identical to the firm in question, however. Group sceptics (ie. Hawley (2017)) would insist that we do not trust groups qua groups (rather perhaps we rely on them or have confidence in them). This means that our suggestion around CEOs and experts bearing the blame will not aid the particularised account of trust *in firms*. If we are to trust firms, *firms* must bear the blame and be the source of remedy – not *merely* an individual or a small handful of individuals contained within the firm.<sup>11</sup> To give an illustration of the wider point: if a class of children are collectively responsible for making too much noise, and thereby disturbing an examination going on in a nearby classroom, by virtue of each of them speaking only moderately loudly, it would be inappropriate for us to blame *one child* or even a small number. If we trusted the class to keep quiet, and they failed to do so due to the widespread engagement in conversation at modest levels, then the class have collectively breached our trust and the class are to blame – as a collective.<sup>12</sup>

Let us now re-consider the question we began with: can we properly talk about firms as morally relevant trustees? We've drawn out two challenges. First, that unless we treat firms as moral agents, it makes little sense to say that we can trust them. Second, in order to trust firms, it must be possible to have apt reactive attitudes toward firms. In the face of these twin challenges, one might think that we should simply give up on the idea that we can trust firms. Perhaps we should adopt a sceptical account of trust in groups, where we simply take the view that we do not trust firms qua firms, but instead trust the individuals who constituted them, or the individuals who lead them. That might seem a very sensible step. But for two reasons, we think that it is worth pursuing other options.

First it seems that firms often morally transcend their individual members, pace the argument by group sceptics in the philosophy of trust. As noted in Sapienza and Zingales (2012) and discussed at length in Pouryousefi and Tallant (2023), moral evaluations by members of the

---

<sup>11</sup>Note, also, that we cannot *simply* reduce the firm to the individuals contained within it. Firms, like other social entities, are more complex than that. For a sustained and excellent piece of work on social metaphysics, see Epstein (2015).

<sup>12</sup>We take no position on the metaphysics of school classes. The example is only intended to illustrate the general idea.

public of members of a corporation can be very different from the moral evaluations by the same public of the corporations themselves. For instance, trust in banks varies considerable from trust in bankers. If we take those findings seriously (and Pouryousefi and Tallant argue extensively that we should), we need to be able to discuss the relevance of morally relevant trust relations involving individuals as well as groups of individuals, including the effect of the distinctive institutional structures, procedures, and norms that structure and guide corporate trust. What is missing, then, is an up-to-date metaphysical picture of corporate trust – one that can ground considerations about the moral relevance of firms as trustees.

Second, the empirical literature on trust and studies of trust in business suggests that individuals do indeed hold and express such reactive attitudes toward firms. Bennett and Kottasz (2012) is representative.<sup>13</sup> Some philosophers may view these holdings and expressions as resting upon conceptual mistakes: perhaps less morally relevant notions of reliance and confidence are being mistaken for trust. Perhaps civilians outside philosophy departments are living their lives, making conceptual mistakes in everyday language. Perhaps. We think that this would be very quick and highly revisionary of ordinary social practice where individuals regularly hold these attitudes. We do not intend to settle the matter here, but we note another possibility. Perhaps philosophers need to update their understanding of the morally relevant relationships between persons and institutional groups like firms in light of the modern corporate experience. Rather than attempting to dictate that folk attitudes are incorrect because of theoretical positions on the nature of what reactive attitudes *should* be responsive to, philosophers could consider what reactive attitudes are responsive to, and then develop a theoretical position in light of that data.

As noted, we will not attempt to adjudicate between these options. Nonetheless, we believe that it may be possible to offer an account of firms as morally relevant in relationships that involve trust. In the next section, we offer a possible solution to the challenge we have raised by taking note of an argumentative strategy in the literature on corporate agency.

---

<sup>13</sup>As they conclude, '[a]s anger represented a powerful determinant of current attitudes towards the banks it would be valuable to examine in greater depth how various dimensions of anger with the banks translate into specific attitudes and behaviours.' (2012, 141). See, also, Pouryousefi and Tallant (2023: sect 3.1.2).

## 5. A metaphysics of the corporation

So far, we have raised doubts about whether firms are appropriate targets or sources of reactive attitudes within the particularised view. After all, following the standard particularised view, it appears that we can be angry with or blame individuals that constitute the firm. But it is far harder to see that we can blame a firm qua firm – the firm qua firm lacks the right kind of properties to be the proper subject of trust. It cannot experience regret. It cannot take decisions. Simply, a corporation is not an agent. And, according to the philosophical orthodoxies we are considering, only agents can be blamed, and so only agents can be trusted.<sup>14</sup>

Notice, then, that there are two distinct questions about reactive attitudes in trust relationships between individuals and firms: i) whom can they be targeted toward (e.g. whom can individuals properly be angry with?) and ii) who can be the source of reactive attitudes? (e.g. who/what can properly be seen as expressing anger?). After all, if firms are morally relevant trustees, then they have to fulfil certain moral responsibilities, and this would presumably require experiencing and expressing certain reactive attitudes. Can firms exhibit regret and remorse for misconduct, for example? *If* firms can be established as appropriate *targets* as well as *sources* of reactive attitudes, this would take us one step closer to establishing them as morally relevant in relations of trust.

It is relatively uncontroversial to say that for an entity to be an appropriate source of regret it must be a moral agent. For our purpose, it would be productive to draw on an account of *corporate* agency that meaningfully engages with questions about moral responsibility and reactive attitudes, one that does not revert to viewing firms as morally relevant *by virtue of* the individual members that make up the firm. Realist arguments in support of corporate agency have been around for some time and discussed in different disciplines, including philosophy. What is new and interesting about the approach we take, discussed below, is to think about the implications of realism about corporate agency for philosophical questions about trust.

Corporate agency is a longstanding topic of inquiry (see, for example, Donaldson 1982; French 1979, 1984; Copp 1979, 1984, 2007; Goodpaster 1983; Hess 2014a, 2014b; Morrison, Mota, and Wilhelm 2022; Pettit 2010; List and Pettit 2011; Silver 2022). To be agents, firms must be capable of acting according to their own beliefs, desires, and intentions. If firms are

---

<sup>14</sup>Notably, Tallant (2019) argues that the orthodoxy makes this requirement—that we can only trust agents.

*moral* agents, then they are also subject to moral obligations and they should be accountable for their actions. Such a firm should further be capable of acting freely in the relevant sense, and of recognising and acting on moral considerations. To be subject to a wider range of moral evaluations, firms must also be capable of certain reactive attitudes such as guilt. To do so we should be able to talk about firms as agents that understand what they did wrong and be accountable for the wrong (e.g. Strawson 1962; Gibbard 1990, 2006; Darwall 2006).<sup>15</sup> This involves considering firms as agents that are capable of certain intentional and other mental states required for reactive attitudes such as guilt (see, for example, Silver 2002, 2006; Gilbert 1996, 2006; Kutz 2000).

By 'corporate agents' we have in mind collective entities that can form positions, strategies, and goals that are to some extent separate from their individual members. Firms often *act* through their individual members, but individual – and corporate-level *goals* need not be congruent and there may be different ways that preferences and goals align. There is at least the possibility that individual members disagree with or are not even aware of corporate plans and commitments in instances of corporate agency. A simple example is that of a board of directors in which individual members may vote one way or another with the understanding that their vote may differ from the majority vote, and therefore from the approach adopted by the firm (Björnsson and Hess 2017, 276).

Corporate agency has been a subject of debate in a variety of disciplines, especially sociology, political science, organisation studies, and law. In these areas, scholars have long taken seriously the role of firms as agents of rational control, as ideologically driven forces of political power, as entities with important interests and values, and as sites of cultural meaning. Meanwhile, in philosophy, the idea of corporate agency continues to be controversial and there are longstanding worries and doubts about this kind of agency (e.g. Hasnas 2010; Ludwig 2017; Miller and Mäkelä 2005; Narveson 2002; Rönnegard 2013; Rönnegard 2015; Rönnegard and Velasquez 2017; Velasquez 1983, 2003).<sup>16</sup>

---

<sup>15</sup>This is not to say that we believe these requirements are a sufficient condition for corporate moral agency. Rather we suggest that to the extent that firms must be capable of reactive attitudes in order to be moral agents, this condition can be accommodated using the strategy adopted in this paper.

<sup>16</sup>As we mentioned earlier, debates about social ontology have had an influence in the philosophy of trust. This influence has been, prominently, negative, however, so that the notion of group trust does not enjoy broad acceptance. In contrast, work at the intersection of corporate agency and trust is less common.

Our intention is to avoid worries about ‘ghostly group entities’ (Velasquez 2003) that are ‘self-sufficient agents’ (Wellman 1995, 164), separate from members of a given firm. Let us stay clear of the idea of fully-fledged moral agency and instead determine whether corporate agents possess the functional equivalent of the beliefs, desires, hopes, regrets, and intentions required for rational agency. If corporate structures and systems instantiate such corresponding functions, then firms can be viewed as fitting sources of reactive attitudes that are normally seen as crucial for moral agency. In other words, *if* rational corporate agents exist, then perhaps such an argument can also show that corporate agents are capable of experiencing the moral equivalent of reactive attitudes.<sup>17</sup> A related realist approach for defending corporate agency asks whether it is possible or rational for us as external observers to adopt an intentional stance *toward* corporate entities (e.g. List and Pettit 2011; Tollefsen 2015). Here, the question is whether a firm’s behaviour is explained appropriately by its beliefs, hopes, regrets, etc. An intentional stance is rational when it nicely explains and correctly predicts a firm’s observed behaviour. When thinking about trust, according to this view about agency, firms might be seen as *appropriate targets* of our reactive attitudes (e.g. blame, anger) when they betray our trust. Notice that these approaches to corporate agency map on nicely to the goals we set for this section: to determine whether firms are appropriate *sources and targets* of reactive attitudes. For those who accept some variation of the realist approaches discussed here, qualified by empirical verification of actual firms’ behaviour in the real world, this kind of argument for corporate agency offers a way forward for thinking about firms as sources of reactive attitudes.

Some might have concerns about corporate agency because beyond association with rational behaviour they believe agency requires phenomenal experience (e.g. Sepinwall 2016, 2017). This is a legitimate worry. But perhaps corporate agents might be able to instantiate different functional properties associated with phenomenal consciousness. Björnsson and Hess (2017) encourage us to consider the role that an individual’s consciousness plays to facilitate the integration and coordination of information from different sources, e.g. the senses. They believe that corporate agents are ‘capable of non-phenomenal analogs’: For a firm, different kinds of information about internal and external

---

<sup>17</sup>Whilst we are considering a functionalist argument for considering firms as fitting targets of reactive attitudes, we recognize that the question of whether humans can (appropriately) exhibit reactive attitudes toward firms is in part an empirical question and requires empirical investigation. See also other proponents of functionalism about agency: Huebner (2011) and Strohmaier (2020).

affairs may be communicated and made publicly available through various systems of corporate governance or in light of prior corporate commitments and arrangements. As they put it, what matters is that corporate agents can 'have what it takes to be morally responsible' (282), exhibited through 'certain motivational and epistemic capacities,' as opposed to, necessarily, 'purely qualitative experiences' (292).

Another recent promising solution involves reconfiguring firms, as a subset of organisations more broadly, as structural wholes and material objects that have members as material parts (Collins 2023). In this view, as opposed to being abstract organisations, we can locate firms in physical space, wherever their members are located. Through this route, we can reliably attribute a number of different properties to firms, including phenomenal states. As this kind of organisational form, firms are composed of certain formal components, which in turn specify how material components ought to be functionally arranged. Through this approach Collins offers an account of what it means to blame organisations, over and above what it means to blame its members, and explores the morally relevant considerations this blame gives rise to. Interestingly, although Collins's account can assign phenomenal states to firms, organisational moral self-awareness is possible in her metaphysical account because firms inherit this phenomenology from their members. The organisation's mental state is thus realised in its members.

Considering Collins's approach to blameworthy organisations is productive for our discussions of the philosophy of trust, as it offers a respectable corporate metaphysics that makes sense of common, widespread ethical practices in markets and society. In an effort to examine the meaning of reactive attitudes in the philosophy of trust, we quoted Strawson (1962) in Section 1, and highlighted the interpersonal nature of reactive attitudes in his work. Taking a leaf out of the pragmatist approach to thinking about the ethics and metaphysics of trust, future work on firms as trustees could appeal to a Strawsonian respect for our real-life trust practices, as directed at corporate entities as opposed to their individual members.

To summarise, then: so long as we are prepared to take at least this modest position on corporate agency, then we can make sense of particularised (moral) trust in firms. Since this aligns well with the way we ordinarily speak and think about trust in firms, we suggest that such a metaphysical position is one that should be adopted – at least in the first instance. Further work may show other positions preferable, but as a defeasible starting point, we think Collins' approach has much to recommend it.

## 6. Conclusion and future directions

This paper has raised questions about whether the standard philosophical approach to particularised trust is configured to make sense of the moral and metaphysical reality of firms in trust relationships. In order for us to treat firms as morally relevant trustees, we should treat firms as the appropriate target of reactive attitudes including trust. Moreover, firms themselves should be capable of expressing reactive attitudes, e.g. guilt and remorse, if they are to fulfil the moral obligations in trust relationships. Our foray into corporate agency has offered an argumentative strategy that establishes firms as appropriate targets and sources of reactive attitudes within trust relationships and, hence, as morally relevant agents.

Our work in this paper complements other recent work on the moral relevance of trust in groups *qua* groups (Pouryousefi and Tallant 2023) and makes space for future research on firms and trust, building on existing work in this area (Faulkner 2018; Hawley 2017). Notably, and interestingly, it also makes space for the notion that companies might trust individuals, too, for firms could have reactive attitudes toward individuals. Whilst we ourselves have not taken a position on the feasibility of the concept of corporate agency, we have argued that proponents of the notion of trust in firms would benefit from considering such an account.

An implication of our discussion of reactive attitudes and corporate agency in this paper pertains to questions about distrust. It is one thing to say that we trust someone to perform a particular action. It is another thing to say that we do *not* trust them to perform that action. But it is another thing altogether to say that we *distrust* them to perform that action. We may not trust a legal representative from another company when we first meet them, but (all else being equal) we have no reason to actively distrust them, either. How different is our distrust of an individual versus our distrust of a firm? What are the appropriate moral justifications for the relational distrust of firms, and are there morally relevant differences here from the reasons that appropriately qualify our distrust of other individuals? This is an underdeveloped area of research: while plenty of work has been carried out on the functional and qualitative features of corporate distrust, the normative significance with respect to firms deserves more attention.

Another significant diversion in the philosophy of trust scrutinises the different kinds of structure that trust can have. For instance, we can speak of trust as a relation, in cases with an outline form of 'x trusts y to perform some action  $\phi$ .' For instance, we may say that we trust a particular sales representative to tell us the truth. We can call this relational trust. But



we can also speak of *trustworthiness*. This is not relational trust – trust here is not a relation that is connecting people to an action. Rather, this is a property that an individual has, in virtue of which it is appropriate (perhaps even required) that we put our trust in them. For instance, if a business partner is *worthy* of our trust, then it would seem entirely appropriate that we enter into a situation of relational trust with them.

In our discussions above, we established that to treat firms as morally relevant trustees, we should treat firms as the appropriate subject of reactive attitudes including trust. Moreover, firms themselves should be capable of expressing reactive attitudes, e.g. guilt and remorse, if they are to fulfil the moral obligations that arise from their status as trustees. Presumably, as well as thinking that firms must be *agents*, we will also think that, for us to properly enter into relational trust with them, firms should be *trustworthy*. Just as we are advocating here for a position according to which business ethicists should reconsider the role of trust in the firm, we also think it would be entirely appropriate for business ethicists to consider what it could and should take for the modern firm to properly be regarded as worthy of that trust. Is being trustworthy nothing more than that which is required for an individual to be worthy of our trust, or is there something about the intra-firm organisational structure and the inter-firm market dynamics – and questions about whether firms are persons – that means that this analysis is not appropriate?

In closing, recent developments in the philosophy of trust (e.g. about trust in groups, institutions, and social trust) offer plenty of inspiration for thinking about the role of firms, and yet private entities, in general, remain understudied by philosophers. The rise of interest among philosophy, politics, and economics scholars in the moral significance of organisations also has interesting implications for the philosophy of trust, as we noted in our discussion of corporate reactive attitudes, corporate moral responsibility, and corporate agency. Meanwhile much of the existing social scientific body of research on trust in firms misses the mark on its normative relevance. Once the relevant conceptual distinctions are established, we hope that this might also inspire renewed empirical evaluations of trust, including its moral significance. Whilst we have suggested that the literature on corporate agency offers a promising argumentative strategy for thinking about firms as targets and sources of reactive attitudes, this is one small step within a complete account of corporate trust. Future work in this area will benefit from considering questions about the distinction and connection between interpersonal and person – firm relations of trust, trustworthiness, and distrust.

## Acknowledgments

The authors wish to thank audiences at the following conferences and seminars for helpful feedback: “Philosophical Perspectives on Trust and Reputation” conference, Saïd Business School, University of Oxford; “Law and Business Research Seminar Series”, Law and Business Department, Ted Rogers School of Management, Toronto Metropolitan University; “Brown Bag Series”, Hoffman Center for Business Ethics, Bentley University.

## Authors’ contributions

Both authors are fully responsible for all of the material, having co-authored and drafted each section equally.

## Availability of data and material

Aside from the items in the bibliography, there are no sources and there are no data to be made accessible.

## Consent for publication

Both authors consent to this paper being published; as corresponding author I take responsibility for this claim.

## Disclosure statement

No potential conflict of interest was reported by the author(s).

## ORCID

Sareh Pouryousefi  <http://orcid.org/0000-0001-7196-5262>

Jonathan Tallant  <http://orcid.org/0000-0002-8085-3104>

## References

- Baier, A. 1986. “Trust and Antitrust.” *Ethics* 96 (2): 231–260.
- Baier, A. 1991. “Two Lectures on “Trust:” Lecture 1, “Trust and its Vulnerabilities” and Lecture 2, “Sustaining Trust.”” In *The Tanner Lectures on Human Values*, Vol. 13, edited by Grethe B. Peterson. Salt Lake City, UT: University of Utah Press.
- Bennett, R., and R. Kottasz. 2012. “Public Attitudes Towards the UK Banking Industry Following the Global Financial Crisis.” *International Journal of Bank Marketing* 30 (2): 128–147.

- Björnsson, G., and K. Hess. 2017. "Corporate Crocodile Tears? On the Reactive Attitudes of Corporate Agents." *Philosophy and Phenomenological Research* 94 (2): 273–298.
- Cohen, A. I. 2020. *Apologies and Moral Repair: Rights, Duties, and Corrective Justice*. New York: Routledge.
- Cohen, A. I., and J. A. Samp. 2013. "On the Possibility of Corporate Apologies." *Journal of Moral Philosophy* 10 (6): 741–762.
- Coleman, J. S. 1998. *Foundations of Social Theory*. Cambridge, MA: Belknap Press of Harvard University Press.
- Collins, S. 2022. "I, Volkswagen." *The Philosophical Quarterly* 72 (2): 283–304.
- Collins, S. 2023. *Organizations as Wrongdoers: From Ontology to Morality*. Oxford, UK: Oxford University Press.
- Copp, D. 1979. "Collective Actions and Secondary Actions." *American Philosophical Quarterly* 16 (3): 177–186.
- Copp, D. 1984. "What Collectives Are: Agency, Individualism and Legal Theory." *Dialogue (Los Angeles, Calif)* 23 (2): 249–269.
- Copp, D. 2007. "The Collective Moral Autonomy Thesis." *Journal of Social Philosophy* 38 (3): 369–388.
- Darwall, S. 2006. *The Second-Person Standpoint: Morality, Respect, and Accountability*. Cambridge, MA: Harvard University Press.
- Donaldson, T. 1982. *Corporations and Morality*. Englewood Cliffs, NJ: Prentice-Hall.
- Epstein, B. 2015. *The Ant Trap: Rebuilding the Foundations of the Social Sciences*. New York: Oxford University Press.
- Faulkner, P. 2015. "The Attitude of Trust is Basic." *Analysis* 75 (3): 424–429.
- Faulkner, P. 2018. "Finding Trust in Government." *Journal of Social Philosophy* 49 (4): 626–644.
- French, P. A. 1979. "The Corporation as a Moral Person." *American Philosophical Quarterly* 16 (3): 207–215.
- French, P. A. 1984. *Collective and Corporate Responsibility*. New York: Columbia University Press.
- Fukuyama, F. 1995. *Trust: The Social Virtues and the Creation of Prosperity*. New York: Free Press.
- Gambetta, D. 2000. "Can We Trust Trust?" In *Trust: Making and Breaking Cooperative Relations*, edited by D. Gambetta. Oxford, UK: Blackwell.
- Gibbard, A. 1990. *Wise Choices, Apt Feelings: A Theory of Normative Judgment*. Cambridge, MA: Harvard University Press.
- Gibbard, A. 2006. "Moral Feelings and Moral Concepts." In *Oxford Studies in Metaethics*, Vol. 1, edited by R. Shafer-Landau. Oxford, UK: Oxford University Press.
- Gilbert, M. 1996. "On Feeling Guilt for What One's Group has Done." In *Living Together: Rationality, Sociality, and Obligation*, edited by M. Gilbert. Lanham, MD: Rowman & Littlefield.
- Gilbert, M. 2006. "Who's to Blame? Collective Moral Responsibility and its Implications for Group Members." *Midwest Studies in Philosophy* 30 (1): 94–114.
- Goodpaster, K. E. 1983. "The Concept of Corporate Responsibility." *Journal of Business Ethics* 2 (1): 1–22.
- Govier, T. 1997. *Social Trust and Human Communities*. Montreal, QB: McGill-Queen's University Press.

- Hasnas, J. 2010. "Where is Felix Cohen When We Need Him? Transcendental Nonsense and the Moral Responsibility of Corporations." *Journal of Law and Policy* 19 (1): 55–82.
- Hawley, K. 2014. "Trust, Distrust and Commitment." *Noûs* 48 (1): 1–20.
- Hawley, K. 2017. "Trustworthy Groups and Organizations." In *The Philosophy of Trust*, edited by P. Faulkner, and T. Simpson. Oxford, UK: Oxford University Press.
- Hawley, K. 2019. *How to be Trustworthy*. Oxford, UK: Oxford University Press.
- Hess, K. M. 2014a. "Because They Can: The Basis for the Moral Obligations of (Certain) Collectives." *Midwest Studies in Philosophy* 38 (1): 203–221.
- Hess, K. M. 2014b. "The Free Will of Corporations (and Other Collectives)." *Philosophical Studies* 168 (1): 241–260.
- Hieronymi, P. 2008. "The Reasons of Trust." *Australasian Journal of Philosophy* 86 (2): 213–236.
- Holton, R. 1994. "Deciding to Trust, Coming to Believe." *Australasian Journal of Philosophy* 72 (1): 63–76.
- Huebner, B. 2011. "Genuinely Collective Emotions." *European Journal for Philosophy of Science* 1 (1): 89–118.
- Jones, K. 1996. "Trust as an Affective Attitude." *Ethics* 107 (1): 4–25.
- Jones, K. 1999. "Second-hand Moral Knowledge." *The Journal of Philosophy* 96 (2): 55–78.
- Jones, K. 2004. "Trust and Terror." In *Moral Psychology: Feminist Ethics and Social Theory*, edited by P. DesAutels, and M. Urban Walker. Lanham, MD: Rowman & Littlefield.
- Kim, T. W., and B. R. Routledge. 2022. "Why a Right to an Explanation of Algorithmic Decision-Making Should Exist: A Trust-Based Approach." *Business Ethics Quarterly* 32 (1): 75–102.
- Kutz, C. 2000. *Complicity: Ethics and Law for a Collective Age*. Cambridge, UK: Cambridge University Press.
- List, C., and P. Pettit. 2011. *Group Agency: The Possibility, Design, and Status of Corporate Agents*. Oxford, UK: Oxford University Press.
- Ludwig, K. 2017. "Do Corporations Have Minds of Their Own?" *Philosophical Psychology* 30 (3): 269–301.
- Lyons, B., and J. Mehta. 1997. "Contracts, Opportunism and Trust: Self-Interest and Social Orientation." *Cambridge Journal of Economics* 21 (2): 239–257.
- Mayer, R. C., J. H. Davis, and F. D. Schoorman. 1995. "An Integrative Model of Organizational Trust." *The Academy of Management Review* 20 (3): 709–734.
- McLeod, C. 2015. "Trust." In *The Stanford Encyclopedia of Philosophy*, edited by E. N. Zalta and Uri Nodelman. Stanford, CA. <https://plato.stanford.edu/archives/fall2015/entries/trust/>.
- Miller, S., and P. Makela. 2005. "The Collectivist Approach to Collective Moral Responsibility." *Metaphilosophy* 36 (5): 634–651.
- Morrison, A. D., R. Mota, and W. J. Wilhelm. 2022. "Relationships, Authority, and Reasons: A Second-Personal Account of Corporate Moral Agency." *Business Ethics Quarterly* 32 (2): 322–347.
- Narveson, J. 2002. "Collective Responsibility." *The Journal of Ethics* 6 (2): 179–198.
- O'Neill, O. 2002. *A Question of Trust*. Cambridge, UK: Cambridge University Press.

- Pettit, P. 1995. "The Cunning of Trust." *Philosophy & Public Affairs* 24 (3): 202–225.
- Pettit, P. 2010. "Groups with Minds of Their Own." In *In Social Epistemology: Essential Readings*, edited by A. I. Goldman, and D. Whitcomb. Oxford, UK: Oxford University Press.
- Potter, N. N. 2002. *How Can I be Trusted? A Virtue Theory of Trustworthiness*. Lanham, MD: Rowman & Littlefield.
- Pouryousefi, S., and J. Tallant. 2023. "Empirical and Philosophical Reflections on Trust." *Journal of the American Philosophical Association* 9 (3): 450–470.
- Rönnegard, D. 2013. "How Autonomy Alone Debunks Corporate Moral Agency." *Business and Professional Ethics Journal* 32 (1–2): 77–107.
- Rönnegard, D. 2015. *The Fallacy of Corporate Moral Agency*. Vol. 44. Dordrecht: Springer Netherlands.
- Rönnegard, D., and M. Velasquez. 2017. "On (not) Attributing Moral Responsibility to Organizations." In *The Moral Responsibility of Firms*, edited by E. W. Orts, and N. C. Smith. Oxford University Press.
- Sapientza, P., and L. Zingales. 2012. "A Trust Crisis." *International Review of Finance* 12 (2): 123–131.
- Sepinwall, A. J. 2016. "Corporate Moral Responsibility." *Philosophy Compass* 11 (1): 3–13.
- Sepinwall, A. J. 2017. "Blame, Emotion, and the Corporation." In *The Moral Responsibility of Firms*, edited by E. W. Orts, and N. C. Smith. Oxford, UK: Oxford University Press.
- Silver, D. 2002. "Collective Responsibility and the Ownership of Actions." *Public Affairs Quarterly* 16 (3): 287–304.
- Silver, D. 2006. "Collective Responsibility, Corporate Responsibility and Moral Taint." *Midwest Studies in Philosophy* 30 (1): 269–278.
- Silver, K. 2022. "Group Action Without Group Minds." *Philosophy and Phenomenological Research* 104 (2): 321–342.
- Smith, C. 2005. "Understanding Trust and Confidence: Two Paradigms and Their Significance for Health and Social Care." *Journal of Applied Philosophy* 22 (3): 299–316.
- Strawson, P. F. 1962. "Freedom and Resentment." *Proceedings of the British Academy* 48:187–211.
- Strohmaier, D. 2020. "Two Theories of Group Agency." *Philosophical Studies* 177 (7): 1901–1918.
- Tallant, J. 2017. "Commitment in Cases of Trust and Distrust." *Thought: A Journal of Philosophy* 6 (4): 261–267.
- Tallant, J. 2019. "You Can Trust the Ladder, But You Shouldn't." *Theoria* 85 (2): 102–118.
- Tollefsen, D. 2015. *Groups as Agents*. Malden, MA: Polity.
- Townley, C., and J. L. Garfield. 2013. "Public Trust." In *Trust: Analytic and Applied Perspectives*, edited by C. Townley, and P. Maleka. Amsterdam: Rodopi.
- Velasquez, M. G. 1983. "Why Corporations are not Morally Responsible for Anything They Do." *Business and Professional Ethics Journal* 2 (3): 1–18.
- Velasquez, M. 2003. "Debunking Corporate Moral Responsibility." *Business Ethics Quarterly* 13 (4): 531–562.

- Walker, M. U. 2006. *Moral Repair: Reconstructing Moral Relations After Wrongdoing*. Cambridge, UK: Cambridge University Press.
- Wellman, C. 1995. *Real Rights*. New York: Oxford University Press.
- Williamson, O. E. 1993. "Calculativeness, Trust, and Economic Organization." *The Journal of Law and Economics* 36 (1): 453–486.