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THE APPLIED ETHICS OF COLLEGIALITY:
CORPORATE ATONEMENT
AND THE ACCOUNTABILITY
FOR COMPLIANCE
IN THE WORLD WAR II

Abstract: Recently, I have proposed an extension of the framework of the ethics of collegiality (Berber & Subotić, *forthcoming*). By incorporating an *anti-individual perspective* and the notion of *epistemic competence*, this framework can reveal the epistemic *virtue/vice relativism*, which, in turn, charts the tension between being a good colleague and an efficient, loyal employee. In this paper, however, I want to sketch how the ethics of collegiality could be applied to practical domains, such as the *historical accountability* and *atonement* of corporations that participated in the anti-Semitic policies of the Third Reich and contributed to the Holocaust by using slave or forced labor. New studies suggest that corporations ought to engage in deeper historical reflection and ethical dialogue between Shoah survivors and top managers to address the issue of industrial compliance (Federman 2021), whereas most of the work on this topic traditionally focused on the issue of reparations litigation (Kelly 2016, Neuborne 2003). Through the notions of *collective institutional epistemic vice* and *institutional ethos* (Fricker 2021), the upshot is to assess whether it is feasible for corporations to be genuinely repentant regarding their role in the Holocaust thanks to the ethics of collegiality instead of merely offering compensation. I will argue that instead of emphasizing ethical leadership and the top-down approach to the (re-)implementation of values in corporate conduct, the spotlights should be on the *bottom-up approach* grounded in *collegial solidarity* among all employees.

Keywords: Corporate Accountability, Corporate Atonement, Corporate Ethos, Epistemic Vice, Ethics of Collegiality, Holocaust.

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1. Introduction

Primo Levi, a twentysomething Italian chemist, who turned partisan, found himself in the notorious *Auschwitz Birkenau* concentration and extermination camp (*Konzentrationslager*) in February 1944. There he got a tattoo on his arm – he was no longer Primo, but *Häftlige 174517* (Levi 1959: 22). Primo was among the few lucky ones who survived long enough to see the camp liberated by the Soviet Red Army in January 1945 – one of the 20 Italian Jews who were once part of the cohort of 650 living souls that were transported in cattle trucks. His expertise helped him to get around *Monowitz*, a labor camp (*Arbeitslager*) that was part of the deadly system of subcamps that constituted *Auschwitz*.

The peculiar thing about the *Monowitz* is that it was built and envisaged by the executives of *IG Farben* (*Interessengemeinschaft Farbenindustrie AG*), a German chemical and pharmaceutical company that was one of the largest conglomerates in the world back then.¹ *IG Farben* invested 700 million Reichsmark² in establishing a factory for the production of synthetic rubber in *Monowitz*, namely *Buna Werke*, for exploiting slave labor (Borkin 1978). Primo was among the 35,000 inmates who worked in *Buna*, thanks to his previous education as a chemist. He described the everyday routine in *Buna* in his memoir *If This is a Man*:

The hours of work vary with the season. All hours of light are working hours: so that from a minimum winter working day (8–12 a. m. and 12.30–4 p.m.) one rises to a maximum summer one (6.30–12 a.m. and 1–6 p.m.). Under no excuse are the Häftlinge allowed to be at work during the hours of darkness or when there is a thick fog, but they work regularly even if it rains or snows or (as occurs quite frequently) if the fierce wind of the Carpathians blows; the reason being that the darkness or fog might provide opportunities to escape. (Levi 1959: 32)

The SS (*Schutzstaffel*) charged three Reichsmarks for unskilled workers, four Reichsmarks for skilled ones like Primo, and around one for children

1 *IG Farben* was formed in the 1920s when six chemical companies – *BASF*, *Bayer*, *Hoechst*, *Agfa*, *Chemische Fabrik Griesheim-Elektron*, and *Chemische Fabrik vorm* – decided to merge. Among industrial chemists employed in the company there were three Nobel laureates (Carl Bosch, Friedrich Bergius, and Gerhard Domagk). Interestingly enough, at first, the company had been denounced by the Nazi party as being capitalist and Jewish, but had come a long way to become the main government contractor and Nazi party donor during the World War II. The employees, chief scientists and physicians working for *Bayer*, even participated in medical experimentation on humans in *Auschwitz Birkenau* and *Mauthausen* by deliberately infecting inmates with diseases. Think about this next time you go to the nearest pharmacy and ask for *Bayer's* aspirin.

2 To get a more vivid picture, that would be *more* than 3 billion (inflated) euros.

workers (Sofsky 1996: 175). The life expectancy was three to four months (Sofsky 1996: 182) – the inmates would die out of weariness, exhaustion, diseases such as scarlet fever, starvation, beatings from the assigned *Kapo*, or they would be gassed if deemed unfit for further exploitation. Around 10,000 people lost their lives in *Monowitz*, and the top management of *IG Farben* approved *any* method that would enforce inmates' productivity, as stated in reports sent from and to Frankfurt am Main, where the headquarters of the company were located.³

All major German companies, such as *BMW*, *Volkswagen*, *Siemens*, *AEG-Telefunken*, *Daimler-Benz*, *IG Farben*, *Deutsches Bank*, *Krupp*, and *Bosch*, were parts of the military economy and industry and relied on the slave labor force (Hayes 1995: 68). Specifically, *IG Farben* supplied the Third Reich with synthetic fuel and nitrile rubber thereby facilitating war efforts of *Wehrmacht* and was included in the production and distribution chain of *Zyklon B* – used for murdering more than million people, mostly European Jews, in gas chambers – along with another company, namely *Degussa* (*Deutsche Gold- und Silber- Scheideanstalt vormals Roessler*). This company acquired 25 Jewish firms and parcels of the real state (this was called the Aryanization of Jewish business), as well as rights to process gold and silver plundered from Jewish families sent to concentration and death camps (Rosenbloom & Althaus 2010: 185). They also used slave laborers to build new facilities. For some construction sites, slave laborers represented a horrific majority – or 76% of the total workforce (Rosenbloom & Althaus 2010: 186). In the 1920s, *Degussa* and *IG Farben* each acquired 42,5% of *Degesch* (*Deutsche Gesellschaft für Schadlingsbekämpfung*) shares. *Degussa* retained managerial control of the company during the war, while *IG Farben* had placed its directors as members of the *Degesch* executive board. *Degesch* developed the use of a pesticide that releases hydrogen cyanide in specific conditions and owned brand rights when it comes to the name *Zyklon*, whereas *Degussa* possessed the chemical formula (Hayes 2004: 275).

In September 2002, *Degussa AG* received a request for a bid to supply graffiti-resistant coating for the Memorial to the Murdered Jews of Europe in Germany's capital Berlin. The two main symbols of the Holocaust are *Zyklon B* and deportations via cattle trucks and trains. In this sense, the Holocaust legacy of *Degussa* and German corporate history play a significant role in ethical decision-making on the institutional and governmental levels. Similarly, in France, the role of the French National Railway

3 As stated in the educational material on the official page of *Auschwitz Birkenau Museum*: <https://www.auschwitz.org/en/history/auschwitz-iii/living-conditions-and-number-of-victims/>

(*Société Nationale de Chemins de Fer Français – SNCF*) in World War II came under scrutiny when a group of Shoah survivors in France and the United States requested that *SNCF* takes responsibility for organizing and participating in the transportations of 76,000 Jews to the German border, from where they were directly taken to concentration and extermination camps (Federman 2021: 410). This resulted in the Holocaust Rail Justice Act of 2013. The impetus for this was, again, bidding. *SNCF* aimed to sign lucrative commuter, regional, and high-speed rail contracts with the US government.

The questions that emerge are whether the top management and the employees of the corporations knew what was happening to the unfortunate and persecuted European Jewry during World War II and whether there was a way to remain profitable without being compliant with the Nazi regime and its nefarious policies. Moreover, do current CEOs and employees feel the burden of notorious corporate history? Every year, there are fewer and fewer Shoah survivors to tell their stories and to help us navigate the moral, social, and political waters so that Holocaust never happens again. It, thus, seems pertinent to discuss what constitutes ethical leadership and the genuine atonement of companies since commercial settlements and strategic re-branding do not seem to address the real issue – how was it possible for “ordinary men” to turn a blind eye to increase in Zyklon B turnover which went as high as 13.4 short tons⁴ in 1943, or to horrific conditions in cattle cars where packed deportees died in significant number from asphyxiation, hypothermia, or thirst?

I will approach the issue from a somewhat unusual collectivistic perspective by analyzing corporate accountability and atonement through the intertwined frameworks of *the ethics of collegiality* and *vice epistemology*. I will start by introducing the said frameworks (Sect. 2), especially its point of intersection – the notion of *corporate ethos*. I will then present legal aspects of dealing with the *IG Farben*, *Degussa*, and *SNCF* cases (Sect. 3) in order to show that atonement must come from a deep reflection on corporate history and critical dialogue through which a company would realize what values constitute its ethical core (Sect. 4). In a nutshell, financial and legal accountability are hollow without moral, epistemic and historical accountability which would allow corporations to rebuild its deteriorated set of values, i.e., ethos, that should have a socially integrative role within work collectives forming corporations. Collegial solidarity should represent a solid ground for such efforts.

4 Keep in mind that 1 ton was sufficient for murdering around 300,000 people. In 1943, *Degesch* earned as much as 544,000 Reichsmark for selling Zyklon B to concentration and extermination camps (Hayes 2004).

2. From Anti-Individualism in the Ethics of Collegiality to Corporate (Counter-)Ethos

Normative ethics has seen a new development in the work of Monika Betzler and Jörg Lösckke (2021), who proposed the inauguration of the ethics of collegiality as a new subfield between friendship and family ethics on the one side and business ethics on the other side. As authors rightly notice, given the extent to which collegial relations can impact our lives in terms of well-being and the sense of belonging to a particular work collective, it is quite odd that philosophers have not thought it through much earlier. Anyhow, let me start by introducing you to the framework.

Betzler & Lösckke (2021) hold that collegial relationships should be regarded as intrinsically valuable iff two features are present – *collegial recognition* and *collegial solidarity*. This means that you will deem person *X* as a good colleague only if *X* is performing her job well, i.e., she is competent *and* if she is willing to help you. What matters here is the assumption that you and *X* are *peers*, and by virtue of being peers, you can assess each other's contribution to the company. To be labeled as peers, you and *X* should fulfill at least one of the following criteria: (i) You share the same domain of activity, (ii) You share the same affiliation, i.e., work for the same company or institution, (iii) You match when it comes to the work purpose, (iv) You have the same level of responsibility. To sum up, according to this framework, if you are bad at your job and you are systematically mistreating your co-workers, nobody will think of you as being a good colleague. Simple as that.

However, in a recent paper, my co-author and I proposed the extension of the initial framework so that it could be plausibly applied to real-world cases (Berber & Subotić, *forthcoming*). Although we think that Betzler & Lösckke can rest on their laurels, given that they inaugurated a novel and important subfield in normative ethics, our view is that the natural next step for the ethics of collegiality is to turn towards anti-individualism. In other words, the current framework is focused on what it takes for an individual to be a good colleague, whereas we want to point out that the individual is always embedded in the work collective within a company, and the collectivistic perspective may dictate different norms for being considered a good colleague. Betzler & Lösckke insinuated that the tension between being a good colleague and a loyal employee could easily be imagined: sometimes, corporate ethos will require that we owe our loyalties to the employer rather than our team or individual colleague. This is the borderline case that I will be examining through the prism of World War II-related atonement debates pertaining to the legacy of companies such as *IG Farben*, *Degussa*, and *SNCF*.

The first part of the framework extension has to do with the notion of *epistemic competence*. Not only do you (and should) care about the skills and corpus of knowledge of colleague X, but X's epistemic character matters as well for performing the job. Her epistemic character is constituted by a mash of epistemic virtues and epistemic vices. Virtue and vice epistemology were predominantly individualistic at the beginning (see Zagzebski 1996 and Cassam 2016), as is the case with the ethics of collegiality now. Nonetheless, in the past decade, the anti-individualistic turn has changed virtue and vice epistemology to their core (see Smart 2018). The key point of anti-individualism in the virtue and vice epistemology is that groups can be considered as independent epistemic agents having an epistemic character in the same manner as individuals have it.

Miranda Fricker has recently proposed – *per analogiam* with the epistemic character of individuals – that institutions have an *ethos* that “(...) includes collective motivational dispositions and evaluative attitudes, whereas good or bad ends orientate the actions based on the ethos” (Fricker 2021: 91). In other words, we can dissect the values, virtues, and vices of institutional bodies thanks to their professed ethos: the absence or presence of particular values and virtues helps us understand and evaluate epistemic outcomes of such bodies.⁵ This is similar to our idea that work collectives also have epistemic character *per analogiam* with the epistemic character of colleagues and co-workers constituting it; the difference is merely in the size of the chunk that is being analyzed. For the purpose of this paper, I will take Fricker's institutional ethos as a synonym for *corporate ethos*.

Collegial relations contribute to the corporate ethos and are an integral part of it as long as good colleagues are also loyal employees. As we have argued in Berber & Subotić (2021), the assessment of what makes one a good colleague heavily depends on one's contribution to the team or work collective: sometimes, individual epistemic vice may bring about a positive pattern of epistemic conduct of the collective and, conversely, individual epistemic virtue may hinder the positive epistemic outcome. In this sense, a good colleague need not be epistemically virtuous at all costs, but rather his position should be evaluated within a broader network of co-workers such as her team. This was a bottom-up approach. Here, however, I intend to use the top-down approach, i.e., I want to examine how companies, through the professed set of values, influence teams, and individuals.

5 In Sikimić et al. (2021), my co-authors and I offer an empirical in-depth analysis of the ethos of scientists comprising scientific institutional bodies with respect to the influence of their political attitudes on their epistemic attitudes.

Of course, the idea that companies can and do incorporate specific values is not new. Pruzan (2001), who even designed workshops in business ethics for CEOs in large multinational companies, argues that no company can be described as successful and visionary without the implementation of core values since legal and financial liability is hollow without accounting for the social and ethical aspects of corporate activities. Moreover, as he points out, there is a non-symmetric relationship between the decision-makers and decision-receivers – the management has a social responsibility that extends beyond maximizing profits, i.e., to *create* a set of values that should be *shared* among other employees and stakeholders. How to make sense of collectives and corporations sharing values, though?

You can choose to be a *summativist*, *non-summativist*, or the proponent of the *joint-commitment model* regarding group phenomena, be they belief, intentionality, conduct, or epistemic character. Summativists (e.g., Wray 2007) hold that groups cannot be endowed with epistemic character but rather an aggregation of individual employees' epistemic virtues or vices. If all co-workers in a team are intellectually humble, then the whole team *must* be intellectually humble. Non-summativists (e.g., Lahroodi 2007) claim something completely different – your co-workers may, in fact, lack intellectual humbleness, but that does not mean that the team cannot exhibit intellectual humbleness. Finally, in Margaret Gilbert's (2013) joint commitment model, groups are *plural subjects*, not mere aggregations or emergent entities. This means that groups are bonded by shared values, i.e., corporate ethos. If there is no such joint commitment, then corporate ethos deteriorates. Like Pruzan, Fricker (2021: 94) notices that, at first, there can be a mismatch between the newly committed values at the executive level and their implementation at the level of employees, but if such values are not professed among those who are in top positions we ought to doubt the viability of such ethos.

Arguably, only temporally and counter-factually stable values can be part of the ethos. This point is crucial for determining whether lapses of judgment were a one-time thing or whether the deterioration of values suggests that the ethos has crumbled. For instance, does the overt anti-Semitism and compliance with the Nazi regime's atrocities count as a one-time thing or serve as proof of crumbled corporate ethos during the time of crisis? As both Fricker and Gilbert argue, becoming a party to joint commitments, i.e., corporate ethos, has genuine *normative pressure*, which, sometimes, may not serve good ends. In this sense, one could claim that the employees of *SNCF*, *Degussa*, or *IG Farben* were jointly committed to the anti-Semitic policies endorsed by their managers and company directors. Their adherence to such policies would make them loyal employees, and conversely, were they opposed to it, they would be violating something to which they pledged, i.e., corporate ethos.

Moreover, we could go as far as to say that these companies had their own *counter-ethos* – collective motivational dispositions and evaluative attitudes that are easy to condemn from the contemporary perspective but that were gradually implemented in employees once the top managers and directors realized that it was the most rational way to be profitable during the war. After all, they all have to bring bread to the table, right? Social and ethical aspects of corporate actions could be further redeemed by pointing out how many families were sustained through the war. Turning a blind eye here and there, i.e., when *cheminot* working for *SNCF* notices that his former Jewish colleague's family is in a cattle car, but refrains from doing anything, only means that *cheminot* is loyal to the company in the kairotic moments when loyalty is a rare gem. Counter-ethos could be seen as a set of binding commitments which would allow some of the values to become suspended or vices endorsed and vindicated for the purpose of surviving in times of crisis, similarly as some national constitutions presume that in such times president takes charge, whereas other democratic institutions, e.g., people's assembly, are temporarily dismissed.

Would the endorsement of counter-ethos make corporations bulletproof when it comes to their culpability once the crisis has ended? In other words, would the conduct of corporations be irreproachable in that case? Legal accountability of corporations (and persons) is what remains stable across the periods of peacetime and wartime – this is what allows us to try those who have transgressed during the war. Thus, any fleeting lapse of judgment of corporations is still under the auspices of transitional justice.

3. Lex Paciferat: Redeeming Corporate Ethos through Trials and Compensations?

Recall the pertinent question posed in the **Introduction**: did the CEOs and employees of companies such as *IG Farben*, *Degussa*, and *SNCF* know what was going on with their Jewish neighbors, acquaintances, and co-citizens? If they did know, why did they not do something? As I have sketched in **Sect. 2**, adherence to the counter-ethos and loyalty to the company in times of crisis may be possible answers. Nonetheless, this does not strip one of the legal culpability. Thus, one more question can be added here: were the CEOs punished in any way for compliance with the regime that brought about the mass atrocity unheard of in modern European history?

Upon the liberation of *Auschwitz* and the capitulation of the Third Reich, The Allied forces organized the Nuremberg Trials between 1945 and 1949. Corporate entities did not face trials⁶, but directors, board members, and CEOs of *IG Farben* and *Degesch*, besides several other companies that fueled the war efforts of Nazi Germany, were held accountable for committing crimes against humanity by using slave labor and supporting deportations to concentration camps, albeit nobody has served more than 8 years in prison (Federman 2021: 408). In fact, many of those who stood trial were acquitted and resumed their positions at *Bayer*. The director of *Degesch* was sentenced to only 5 years in prison, but neither the Nuremberg trials nor post-war investigations could disprove the testimony of *Degussa's* leaders that they did not know that Zyklon B was used for the extermination of Jews in extermination camps (Rosenbloom & Althaus 2010: 187). *Degussa* initially dismissed members of the former Nazi party from management, board, and production in 1945. Unfortunately, however, the company rehired many of them in the years to come.

Interestingly enough, as Wiesen (2001) points out, the industrialists who stood trial wanted to deny compliance in war crimes and, simultaneously, to portray themselves as pragmatic and principled businesspeople who acted in accordance with corporate (counter-) ethos, which made them spend a pretty penny on newspaper articles, PR statements, pamphlets, and apologies. Maintaining profitability, caring for workers and their families, and sticking to high-quality manufacturing even amidst the war were the often pointed-out excuses by the industrialists. When faced with accusations of forced and slave labor, the answer was that corporations, in fact, saved the inmates from a much worse fate.⁷ The industrialists

6 According to historian Jonathan Wiesen (1999), the American prosecutors were careful to blame individuals rather than corporations so that they could vindicate the image of market economy. Moreover, as the Cold War heated the relationship between the Allies and Soviet Union, *ipso facto* between Western and Eastern Germany, the views of business complicity obtained an ideological shade: whereas Marxist and communist voices saw a link between nazism/fascism and market economy due to the role of German businesses in the World War II, the Western capitalist countries mostly lost interest in this issue the moment the reparations were ensued (Wiesen 1999: 4–5). The Cold War period was also cleverly used by the German industrialists who sought to wash their hands: they portrayed their pre-1933 role as saving the country from communism at all costs, which resonated with Western stakeholders (Wiesen 2001: 72).

7 The cynicism of this line of argumentation could be refuted by relatively undemanding fact checking. Indeed, there were industrialists who actually *did* save inmates from much worse fate, and these efforts definitely did not include slave labor – take only a wildly popular example of Oskar Schindler. Moreover, historians Bernd Wagner and Piotr Setkiewicz found archival evidence that managers in *IG Farben* discussed labor conditions in *Auschwitz* and the ratio between SS and *Kapo* brutality and inmates

were, at the same time, victims of Nazism, virtuous Christians, devoted workers, loyal citizens, and apolitical patriots (Wiesen 2001: 70). Thus, the attorneys who worked for *IG Farben* argued the following about Karl Krauch, one of the directors:

“[I]nstead of being an ambitious and ruthless industrial magnate, Dr. Krauch is an honorable Christian, a simple man, a research-worker and scientist, conscious of his responsibilities, who never committed an offence but devoted his whole life to technical and scientific progress” (cited in Wiesen 2001: 69).

Moreover, the industrialists went far to prove that they did not violate the intrinsic values constituting the corporate (counter-) ethos, such as adherence to Anti-semitism: many resisted the Aryanization and de-Judaization of companies from 1933 to 1938. For instance, *Degussa* didn't have any members of NSDAP (*Nationalsozialistische Deutsche Arbeiterpartei*) on the Board but several converts to Judaism were part of it (at least until 1938), and one of the last family members associated with the company, Walter Roessler, did not support the Aryanization (Rosenbloom & Althaus 2010: 185). However, the *Kristallnacht* in 1938 and further Anti-semitic policies such as the *First Ordinance on the Exclusion of Jews from German Economic Life* brought about the situation in which industrialists acted upon simple cost-benefit analysis – in the name of the company's overall interest, no resistance to governmental policies should be indicted (Wiesen 2001: 65–66). This is where the counter-ethos came to the scene – desperate times call for desperate measures such as the Aryanization of Jewish business and the usage of slave labor in order to save the ordinary German people struggling in the war-struck *Vaterland*.

The survivors' demands for reparations and compensation were met with varying success (Neuborne 2003, Kelly 2016). *IG Farben* failed to pay any money to Shoah survivors, and representatives blamed the legal disputes for not being able to put the company into liquidation (Borkin 1978). The company did, however, join the *German Companies Foundation Initiative: Remembrance, Responsibility, and the Future* in 2000, along with other 5000 corporate entities, including *Degussa*. Nonetheless, the fund struggled to obtain 10 billion *Deutschmark* for the ultimate compensation to former forced and slave laborers and came up with the total amount only after much international pressure (Wiesen 2001: 79, n. 2). *Degussa's* sins were largely put to rest, and, recall, the company even produced anti-graffiti paint for the *Memorial to the Murdered Jews in Europe* in Berlin, although a considerable public controversy ensued when the

greater efficiency, whereas it is a widely known fact that *Siemens* used slave women labor in *Ravensbrück* concentration camp (Wiesen 2001).

company had submitted a bid (Rosenbloom & Althaus 2010: 183). In any case, the financial and legal aspects were taken as proof that the corporate ethos has been re-implemented in repentant German companies – the debt is paid, whereas moral responsibility and epistemic blameworthiness are now part of the history that should remain confined to archives. After all, *it will never happen again, right?*

SNCF, on the other hand, had a completely different historical trajectory being in the occupied zone rather than in the occupying country. An enterprise with a hybrid public-private identity was temporarily placed under German control in 1940, but the *SNCF* managed to handle its daily operations independently and billed Germans for all the provided services (transportation of soldiers, livestock, armaments, etc.). Moreover, French railway workers – *cheminots* – carried railroad sabotages during the war, which increased in intensity and number from 1943 onwards. Germans were never pleased with the lack of enthusiasm *SNCF* showed towards their requests (Federman 2017: 19). And yet, the employees and executives of *SNCF* organized the deportation of French Jewry to the border with Germany, from where they were taken to concentration and extermination camps. As Sarah Federman rightly notices, even if the employees were ignorant about the final destination of more than seventy convoys⁸, the very conditions, and manner of deportation – witnessed by *cheminots* and bystanders alike – represented the violation of human rights:

“I saw a train pass by (...) Then, came the cattle cars packed. The skinny arms of children clinging to the bars. A hand outside flapping like a leaf in the storm. When the train stopped, voices cried ‘Momma!’” (cited in Federman 2017: 20).

Allegedly Germans ordered both deportations and conditions, whereas the task of the *SNCF* was to carry the orders. In post-war France, this episode was banished away from the collective memory due to the company’s alleged role in the *Résistance*. Furthermore, in the 2000s, the company became an international player with worldwide revenue that is measured in billions of dollars (Federman 2017: 21). Holding such a company liable for its role in the Holocaust proved to be Sisyphus’ job. First, in France, it was impossible to sue the state for policies imposed by the collaboration-

8 And, in any case, if the employees were ignorant about it, the “big shots” were not. In 1942, *SS-Obersturmbannführer* Adolf Eichmann, who planned and overlooked deportations, held a meeting in Berlin with those who were in charge of deportations in The Netherlands, Belgium, and France. The technicians from the *SNCF* as well as officials from the Vichy government were present and developed a deportation plan which was later passed on to *SNCF* general director, workers, local French prefectures, and police (Federman 2021: 415).

ist Vichy regime until the early 2000s. Second, survivors who decided to launch suits generally did not manage to obtain financial compensation, and the cases mostly outlived them (for a comprehensive list of lawsuits against the *SNCF*, see Federman 2017: 24–25). *SNCF* is a public company operating within private law, which essentially means that if there are no individual employees alive to be tried in criminal court (and, needless to say, there aren't any), then the company cannot bear any legal liability. The decisive ending of French Holocaust litigation came about in 2009. The ultimate result was *social* rather than legal or financial. *SNCF* started to take the Holocaust legacy on its shoulders: the company opened archives, had numerous exhibitions on deportations, took part in Holocaust commemorations, etc. (Wieviorka 2007).

However, in the USA, once the *SNCF* started bidding for rail contracts, especially in Maryland, the survivors engaged in lobbying and legal complaints, which brought about bad press. As opposed to France, the US public is sensitive to survivors' horrific experiences during the Shoah, and "a foreign, faceless, multi-national train company becomes all too easy to hate" (Federman 2017: 27). Moreover, rarely something conveys the symbolic of Shoah as trains since it would not be possible to proceed with methodical industrial killings without railroads and meticulous timetables. In 2014, after much pressure, France and the USA signed a settlement agreement to compensate the remaining survivors, and *SNCF* agreed to invest 5 million dollars in Holocaust research, commemorations, and similar educational projects (Federman 2021: 419). For instance, *SNCF* became one of the leading sponsors of the *Fondation pour la Mémoire de la Shoah* located in Paris and donated the land in Bobigny (the place from where most convoys departed) to the French Jewish community.

4. Applying the Ethics of Collegiality: Corporate Atonement through Ethical Leadership or Collegial Solidarity?

I have shown in the previous section how the legal and financial accountability of German corporations and French *SNCF* for their role in the Holocaust may be approached from the perspective of the shift from the crisis-induced counter-ethos to the re-establishment of ethos once the crisis has ended. The important moment here is whether the deterioration of intrinsic values and human rights, such as anti-racism and anti-discriminatory treatment of employees and stakeholders belonging to ethnic minorities, can be simply resumed and re-enacted through com-

pensations. For this reason, I will reiterate the issue of culpability in this **Section** so that I can propose a different and more effective type of atonement by applying the ethics of collegiality. My point will be that instead of focusing on a top-down approach, i.e., the culpability of top management and creating ethical leadership, one should turn to a bottom-up approach, i.e., the epistemic and ethical characters of employees constituting work collectives and collegial relations.

Recall Miranda Fricker's (2021) notion of institutional ethos that I used to account for corporate ethos and counter-ethos. She also argues that there are two distinct domains of potential culpability of institutions, namely the *inner ethos* (whether institutions are endowed with stable motives and values) and the *outer performance* (whether institutions achieved the ends of those motives). Thus, when assessing the culpability of institutions, one should pay attention to the violation and betrayal of intrinsic values or ends that should have been achieved through values. Specifically, when it comes to corporations, accountability refers to the amends a market actor must attempt in the aftermath of human rights violations (Federman 2017: 13). Regardless of the financial and legal accountability, Fricker's two types of culpability may be taken to show that corporations can be endowed with social and historical accountability as well. Take, first, the inner ethos – it is something that should survive the trials of the time and counterfactual situations. In this sense, crumbling inner ethos points out the historical accountability of specific companies: intrinsic values and core ideology of companies cannot be put on hold during the crisis. Once the values have been betrayed, there is no easy way back. The re-establishment of the inner ethos must be based on a deep and honest reflection on what went wrong in corporate history.

On the other hand, when it comes to outer performance, it is clear that the consequences of corporate conduct always have a bearing on the stakeholders. The post-war German industrialists were quite aware of it, so they spent a considerable amount of money to bleach the image and the brand of their companies so that they could regain the trust of both ordinary German folk and people who suffered heavily because of the Nazi regime. They sensed that the betrayal of inner ethos (regardless of the narratives that counter-ethos was indispensable for protecting German businesses and families) meant that the companies underperformed *despite* remaining profitable. Moreover, precisely because of the profitability, their outer performance was put under scrutiny.

Fricker (2021: 99) defines institutional epistemic vice as “a matter of culpable epistemic bad habits, where the culpable lapses might be in ethos or in implementation, or both,” which allows for putting all pieces to-

gether. Corporations such as *IG Farben*, *Degussa*, *Degesch*, and *SNCF* were all guilty of culpable lapses in both inner ethos and outer performance, which made them epistemically vicious at the level of corporate epistemic character. Their betrayal of intrinsic values happened deliberately and consciously, which was further witnessed by their post-war conduct. The institutional or corporate epistemic vice in this regard forms the basis of their multifaceted accountability – legal, financial, social, and historical. Besides the usual charges of moral responsibility of corporations, here we can see that the notion of *epistemic blameworthiness* would be more useful. Both the employers and employees knew that they were taking part in something that went against the core values of their companies and offered different justifications to account for such lapses of good judgment. But, nonetheless, the employees were loyal to employers, and employers were committed to profit.

Take *SNCF*, for example. Instead of denying its participation in the process of organizing convoys, *SNCF* executives chose a strategy of victimization under German occupation: they emphasized plundering of assets, threats to employees and their families, Gestapo interrogations, etc.⁹ Moreover, employers and employees “acted like the average French person; tired, afraid, and more concerned with their own survival than with the deportation of neighbors” (Federman 2021: 413). Can you blame anyone for being the average citizen amidst the occupation in war-torn France? Ludivine Broch (2014), the historian of the Vichy France, analyzed the relations within *SNCF* and suggested that they represented a complex web of advancement, hierarchy, and loyalty that resembled subservience: the *cheminot* were professionals, loyal to each other and to the company, who were ready to set aside any issues regarding human rights in order to perform their jobs competently. Only one (!) *cheminot* was honored as Righteous Amongst the Nations for rescuing his Jewish neighbors during the Shoah.

In the contemporary business ethics literature, the notions of ethical leadership and corporate social responsibility gained prominence in the 21st century (for an excellent review based on big data, see Liu et al. 2019). However, these analyses do not take into account the historical conduct of corporations but rather focus on mending the present consequences and forging trust with the idealized stakeholders who are living in the here and now. On the other hand, analyses such as Sarah Federman’s (2021) do

9 Ironically, though, *SNCF*’s general director Robert Le Besnerais reported his own employees to Gestapo for the carried out and planned attempts of diversion (Federman 2021: 413). The employees were then deported to concentration camps.

take into account corporate history but still frame the issues around the same notions. According to this framework – let me label it as a *top-down approach* – the top management struggling with the Holocaust legacy of companies should provide their companies with ethical guidelines and communicate them to their employees instead of offering financial settlements, which ultimately amount to settlements of conscience.

However, the top-down approach does not seem to deal straightforwardly with the *esprit de famille* that characterized work collectives in *SNCF*. The employees were true-blue patriots and genuinely cared for the company and its trains. Moreover, they themselves felt victimized by the German occupation. Communicating intrinsic values to such a collective would amount to endorsing counter-ethos through which top management would find excuses for complicity rather than fighting the institutional vice. In this sense, *SNCF* would not be any different from overtly anti-Semitic corporations such as *IG Farben*, *Degussa*, and *Degesch*. In other words, relying on the top-down approach shows only how values can be fickle instead of temporally and counterfactually stable – the big shots can make a sales pitch out of any kind of guidelines if the employees are only to be passive recipients. What needs to be implemented is a *participative process* (Pruzan 2001). The process would include developing a dialogue between the employees and management in such a way that values must serve a socially integrative function as opposed to discriminatory and racist policies that were justified by values constituting counter-ethos. In a nutshell, the corporations grappling with the Holocaust legacy need to, in fact, re-invent their ethos – specifically, their *esprit de famille*. This could be done through a *bottom-up approach*.

Let me briefly remind you of the core features of the ethics of collegiality. The relation of collegiality is intrinsically valuable due to collegial recognition and collegial solidarity. Collegial recognition has to do with one's competence, including epistemic competence. Collectives may profit from an individual's unfavorable epistemic character in such a way that this brings positive epistemic output on the collective level. Conversely, an individual's favorable epistemic character may have adverse effects, i.e., negative epistemic output on the collective level. As we could witness in the case of *IG Farben*, *Degussa*, *Degesch*, and *SNCF*, individual's loyalties and dedication to producing high-quality goods or services had negative epistemic output on the collective level – the corporate ethos crumbled in times of crisis and distorted into counter-ethos due to individual's tunnel-vision which resulted in the willingness to avoid facing the devastating consequences of counter-ethos endorsement such as deportations to concentration camps where people would be worked to their death.

This is, of course, not to say that loyalty should be a red flag. Rather, what went wrong is the omission of collegial solidarity from the equation. In a similar manner, as collegial recognition was extended in Berber & Subotić (*forthcoming*) to include epistemic competence as means of evaluating one's co-workers, here, the collegial solidarity should be extended to include the ones suffering the consequences of corporate conduct. Not only that one owes solidarity and empathy to colleagues and work collectives – after all, the most successful and visionary corporations harness *esprit de famille* (cf. Pruzan 2001) – but one should discern institutional vice of inaction and indifference from intrinsic values and virtues that keep one from realizing the responsibility towards the end-users, consumers, or stakeholders. The values constituting corporate ethos must be actively shared within work collectives in such a manner that the corporate history serves as – pardon the *cliché* – a teacher of anti-discriminatory and anti-racist conduct. Without encouraging individual employees to express their solidarity and to be critical of the historical baggage of their companies, any donation to Shoah education or commemorations is hollow since the top management has not cultivated their own garden. Additionally, without the active participation of *all* employees in crafting the novel identity of the company, any litigation and financial compensation to survivors is more of a PR ruse than genuine atonement.

5. Conclusion

The upshot of this paper was to show one possible and important domain for the application of the ethics of collegiality, namely the historical and social accountability of companies *as* collective agents and means of their atonement. One of the darkest episodes of corporate history is the role of companies in the Holocaust. I have tackled the conduct of a negligent number of them – four (three German and one French) companies that were compliant with anti-Semitic policies of varying levels of human rights violation. Thus, *IG Farben* and *Degussa* were guilty of using slave labor in concentration and death camps; *Degeesch* provided such camps with means to carry out mass atrocities, namely Zyklon B for gas chambers, whereas *SNCF* took part in the deportation of French Jewry to camps to meet their end there.

The similarity uniting these examples is the attempt to wash their hands in the post-war period by building idealized images of corporate conduct – German companies were trying to remain profitable to sustain ordinary German families, whereas the French company was itself the vic-

tim of German occupiers. As I have argued, such images can be taken to advance the argument that companies behaved in accordance with their counter-ethos, a set of values that emerge in times of crisis and are justified by such unfortunate and pitiful circumstances. I further argued that this is essentially a bad argument – values being temporally and counterfactually stable cannot simply be put on a halt due to both conceptual reasons and historical evidence that people knew that the deterioration of values is morally and epistemically reprehensible.

Contemporary business ethics has shown laudable interest in these issues albeit from the top-down perspective. The need for ethical leadership was emphasized at the expense of fine-grained analysis of regular employees' behavior and endorsed values. I proposed a bottom-up perspective through which one can apply the framework of the ethics of collegiality. The solidarity of colleagues constituting work collectives should be understood as extending beyond such collectives, and the values embodied in anti-discriminatory and anti-racist policies should be shared and co-created by all employees to ensure that never again one's whole being gets determined by the inscription *Arbeit Macht Frei*.

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