

**ÉTICA DE LAS FINANZAS****CARMEN ANSOTEGUI, FERNANDO GÓMEZ-BEZARES,  
RAÚL GONZÁLEZ FABRE****PROFESSIONAL ETHICS COLLECTION****DESCLÉE DE BROUWER (BILBAO, 2014)**

This book is as brave as it is necessary. *Brave* because hardly anyone dares to dig into a topic as complex as financial ethics, especially during an economic crisis brought about by a huge financial and housing bubble. And *necessary* because both a thorough ethical analysis of the causes of this crisis and a systematic reflection of the moral dimension of the financial world are pressing needs. It must be pointed out without risk of exaggeration that the interdisciplinary teamwork of the three authors –Carmen Ansotegui (economist, ESADE, Ramon Llull University), Fernando Gómez-Bezares (economist, Deusto University), and Raúl González Fabre (Jesuit, philosopher specialized in Economical Ethics, Comillas Pontifical University)– is brilliant.

The collection “Ethics in professions”, edited by UNIJES (Centros Superiores of the Society of Jesus in Spain) of the Desclée de Brouwer publishing company, has been publishing one book per year since its foundation fourteen years ago. Within this collection, professors of ethics from several centers at UNIJES, together with experts of other disciplines, address the moral dimension of several professions. Two introductory books (*Temas básicos de ética*, by Xabier Etxeberria, and *Ética de las profesiones*, by Augusto Hortal) establish the theoretical frameworks of ethics in general –in its different schools and traditions– and professional ethics in particular. Each subsequent volume addresses a particular profession group of professions from a given sector – so far, Nursing, Social Work, Humanitarian Aid, Communication, Business, Economics, Law, Engineering, Translation and Interpretation, Education, Teaching, Politics, and the one that concerns us here, Finances. Others, such as Psychology or Scientific Research, are still in process.

As stated above, the work by these three authors is brilliant. Its success lies in its structure, the quality of the ethical analyses and the exhaustiveness of the application of financial ethics to a variety of professions and fields. In the introduction, the authors contend that the main topic of the book is the “moral difficulties that the professionals of finances meet, what is at stake within them, and the ethical options with which they can be addressed” (p.21). When specifying regulative frames, examples,

documents, etc., they focus on Spanish finances, as they note at the beginning. However, the book also includes references to finances in other latitudes. The book constitutes an attempt to combine the general presentation of the topic with the current situation of the economic crisis. Overriding the economic crisis for the sake of a more systematic work would have been both absurd and artificial. On the other hand, focusing exclusively on the current economic crisis might have proven interesting in the short term, but would have deprived the work of interest once circumstances have changed. Without a doubt, the collection aims at addressing the question of finances and ethics from a perspective that goes beyond concrete circumstances. Thus the book enjoys an indisputable balance between analysis of the current financial crisis and a general systematization of the topic in question.

The book is divided into four parts. The first part includes three chapters that address general issues concerning financial ethics. The topic of the book is introduced in the opening first chapter, titled "Ethics and Finances." In it, the authors maintain that the economic crisis has been to a large extent a moral crisis, in which two major factors have intervened. On the one hand, there are financial institutions and the regulative roles of governments. On the other, citizens. "Two are needed to dance the tango," (p.30) the authors note. Accordingly, "once the first phase [of analysis of the current crisis] was overcome in which it looked like the group to blame was always the same and the victims the other, we now see a growing tendency to consider the role of both groups in the existence of a problematic contract" (p.31). It is undeniable, then, that financial professions have lost part of their moral authority as a result of the crisis. But this chapter also addresses the difficult issue of responsibility: who is responsible for a crisis like the current one, in which the agents are many and diverse? How to distribute the responsibility between who makes decisions, who provides the resources, who transmits them, who runs risks, and who collects some fruits of the process? Are we morally responsible as actors only for our intentions or also for the consequences of our actions?

Relevant asymmetries exist within the financial world: the asymmetry of information between the professional operator and his client; the asymmetry of risk between both; and the asymmetry between big and small operators.

Chapter 2, "The Social Function of Finances," revolves around the role of finances in the economy and social structures. At the microeco-

conomic level, finances are crucial for managing both money and risk in time and space. This can be done through either private or public finances. The book examines the latter in depth. At the macroeconomic level, finances contribute to stimulating growth and the use of the means of production. They also help the economy grow and employ people. Chapter 3, “The Person, Money, and Risk”, examines aspects of the Western intellectual tradition that recognize the person in relation to money and risk: teleological ethics, since Aristotle, recognizes that the human being looks for fulfillment, a process that requires a number of transitory means and ends to reach a final end – probably happiness. Along this chain, three types of human cooperation can be observed: community, organization, and the market. Money and risk are means, only means, and a serious moral and anthropological problem is at work when means become ends.

The second part of the book further deals with typical problems of finance, such as the generation and use of information (chapter 4), the market logic (chapter 5), conflicts of interest and consequent agency problems (chapter 6), and the relationship between finance professionals and the companies they work for (chapter 7). This part stands out for its balance –typical of the rest of the book– between rigorous technical financial detail and serious ethical analysis. For those like me who do not specialize in financial ethics, I am grateful for the pedagogical style of the entire work –and of the second part in particular– where various technical concepts are patiently explained.

The book’s third part sharpens the discussion by focusing on the financial objective of the company (chapter 8) and its influence on the different professions linked to the world of finances: financial directors (chapter 9), accountants and auditors (chapter 10), boards of directors (chapter 11), bankers (chapter 12), insurers (chapter 13), market analysts (chapter 14), fund managers, brokers and other operators (chapter 15), and public regulators and supervisors (chapter 16). Still nowadays, several economic manuals hold that the only goal of a company is increasing its shares in the market as long as the legality in force and some basic moral rules are respected –the so-called *financial objective*. The book’s authors emphasize the importance of moving beyond the dichotomy of financial objectives vs. ethical objectives –which focuses on the satisfaction of the various *stakeholders*–, and defend the need to pursue both objectives simultaneously –without a doubt, a goal that is not exempt from difficulty.

The fourth and last part delves deeply into the ethical and political shortcomings and failures of private finances in a globalized world (chapter 17). Chapter 18 offers a suggestive reflection on alternative finances – ethical finances in the West and Muslim finances in the East.

Following the format of other books in the collection, each chapter ends with concluding reflections and a handful of questions for personal reflection or group dialogue – a helpful instrument for both research and class work.

The terms and the approach of the book make it suitable for both financial experts and for students of economics and business, as well as citizens interested in an ethical economy. Nevertheless, the book is clearly more a text for in-depth study of financial ethics than a light read for holidays.

José Sols Lucia  
IQS, Ramon Llull University  
jose.sols@iqs.edu