ORIGINAL PAPER

Black and white transparency: contradictions of a moral metaphor

Armando Menéndez-Viso

Published online: 6 May 2009

© Springer Science+Business Media B.V. 2009

Abstract Transparency has evolved from an individual, dangerous power in Plato to a desirable, collective property in the contemporary world. This paper intends to give a brief account of this long and somehow surprising path and extract some interesting consequences for economic and political activities, as well as for information technologies. Six literary masterpieces are used to highlight the contradictions and dangers entailed by the abuse of the fascinating metaphor of transparency. In the end, what is usually intended when demanding transparency from a corporation, a firm or a state is more (or more accessible) information about it, i.e., understandable and abundant black and white data. This means reporting, picturing, producing material, becoming apparent, which is precisely the contrary of being transparent. We don't want to look through, but to look directly at. The question, then, is not transparency, but opacity: what do we need and want to see, and how is this going to be produced?

Keywords Corporate social responsibility · Ethics · Information · Transparency · Visibility

Transparency is nowadays an unambiguously positive concept for the general public, governments, and firms alike. It is present in almost every code of conduct (Kaptein 2004) as an undisputed principle and the bulk of governmental and non-governmental organisations count it among their aims. Transparent companies, governments, institutions and processes are seen to be essential in achieving

corporate social responsibility (EU 2001; 7), social justice, environmental security, true democracy and wellbeing. So much so, that it is the topic of the first memorandum signed by Barack Obama after assuming the presidency of the United States. As this document points out, the good thing about transparency is that it "promotes accountability and provides information for citizens". Without transparency the actions of companies, governments, and other organisations could not be monitored and there would be certainly less incentives for them to act fairly. When something prevents the public from watching what economic and social agents are actually doing, these agents cannot be punished (if only with a damaged public image) and consequently they might not act correctly. In order to ensure their compliance to the law and public interest, institutions have to be transparent. Transparency promotes democratic control and goes hand in hand with responsibility. It has definitely a good press; for someone or something to be good, it has to be transparent.

However, it has not always been so. Indeed, throughout the history of ethics, transparency has been considered a negative, even dangerous property. And there were good reasons for that. In the following sections the ambiguous relation between the concept of transparency and accountability will be explored. Using six timeless literary masterpieces, it will be shown that the optical metaphor of transparency has many faces. Paradoxically, some of them are hidden, and precisely because of that they might be counterproductive in achieving the just and sound economic

A. Menéndez-Viso (⋈)
Departamento de Filosofía, Universidad de Oviedo, c/Teniente
Alfonso Martínez, s/n, 33011 Oviedo, Spain
e-mail: amv@uniovi.es

Transparency and Open Government (Memorandum for the Heads of Executive Departments and Agencies). January 21, 2009. Published at http://www.whitehouse.gov/the_press_office/TransparencyandOpenGovernment/.

systems that modern information societies need, if they are to become true knowledge societies.²

The ring of Gyges: transparency, visibility and morals

When we claim for more transparent institutions and companies we use transparent in a clearly metaphoric way. But, alas, the metaphoric use of transparency is far from being transparent. In its first meaning, transparent is defined as "having the property of transmitting light, so as to render bodies lying beyond completely visible; that can be seen through; diaphanous".3 Therefore, being completely transparent tantamounts to being invisible, and invisibility has always been a very desirable property for offenders. Crowds, shadows, camouflage... anything which helps to go unnoticed can be used to offend, to transgress the bounds of morality and law, for invisibility goes with impunity, thus impeding what for many is the source of moral behaviour: punishment. This is the classical, ethical viewpoint that Glaucon and Adeimantus famously present to Socrates in the Republic, challenging him to refute it. To explain their argument, they relate the story of Gyges, who, after finding a magical ring with the power of turning its owner invisible (i.e., perfectly transparent), uses it to go to the court, seduce the queen, kill the king and ascend the throne. Socrates' interlocutors draw the following moral from the story:

"Suppose there were two such rings, then -one worn by our moral person, the other by the immoral person. There is no one, in this view, who is iron-willed enough to maintain his morality and find the strength of purpose to keep his hands off what doesn't belong to him, when he is able to take whatever he wants from the market-stalls without fear of being discovered, to enter houses and sleep with whomever he chooses, to kill and to release from prison anyone he wants, and generally to act like a god among men. His behaviour would be identical to that of the other person: both of them would be heading in the same direction.

Now this is substantial evidence, it would be claimed, that morality is never freely chosen. People do wrong whenever they think they can, so they act morally only if they're forced to, because they regard morality as something which isn't good for one personally. The point is that everyone thinks the rewards of immorality far outweigh those of morality—and they're right, according to the proponent of this view.

² More on this distinction in Bindé 2005.

The sight of someone with that kind of scope refusing all those opportunities for wrongdoing and never laying a finger on things that didn't belong to him would lead people to think that he was in an extremely bad way, and was a first-class fool as well—even though their fear of being wronged might make them attempt to mislead others by singing his praises to them in public".⁴

The negative image of transparency pictured in Plato pervades the literature, at least until the turn of the twentieth century, when Wells (2005/1897) portraits his invisible man as a wicked character, who wants to use his transparency to establish a Reign of Terror. Ethicists and political theorists have also dealt with transparency, presenting it rather as a cause of mistake, distrust or, even worse, as a source of impunity and, therefore, of violence and injustice: Descartes adopted the Epicurean motto "lathe biosas" ("live hiddenly"); Leibnizian monades were absolutely opaque⁵; baroque emblem books advised princes and governments not to be too transparent; logical positivism required contrasted (non transparent) facts; Rawls praised the veil of ignorance.⁶... According to this ancient tradition, transparency is a dangerous property. Letting others act unnoticed or know everything about oneself (or, correspondingly, getting to know everything about other human beings, the outer reality, or the future) does not make social life better. The reason for this traditional mistrust towards transparency is not only that it impedes the right imputation of actions and, consequently, their sanction (by prize or punishment), but also, as in the cases of Descartes and Rawls, that an excess of information can lead to wrong decisions and make things worse.

Surprisingly enough, the same arguments supporting this long tradition are used to promote transparency in our day. How can it be explained, that the same reasoning underpins one position as well as the opposite one? The reason is that modern claims for transparency are actually claims for appearance. Both the tradition starting with Plato and the modern claims for transparency understand this as diaphaneity. But, whereas Plato talked about diaphanous agents, modern theorists claim for diaphanous environments, which allow people to watch apparent agents perfectly. Even when it is said that a given company or institution is transparent, it usually means that there is nothing hiding it. Strictly speaking, what public information requires today is not transparent (or invisible) agents, but apparent ones, visible thanks to transparent walls, transparent buildings and offices, transparent web pages,



³ Oxford English Dictionary, on-line version, at http://www.oed.com.

⁴ Rep., II, 360 (Plato 1993).

⁵ Conf. his *Monadology*.

⁶ In his Theory of Justice.

Black and white transparency 157

even transparent camera lenses. The claim for transparency nowadays means bringing outside what is inside, to publicise. People want to look at what other people are doing inside companies, boards, and political institutions.

Both the Platonic rejection of invisibility and the modern claims for transparency are based on distrust. Precisely because citizens are suspicious of companies and governments, they want to keep them visible (which is the opposite of transparent). Hence transparency as a public virtue arises only when the economy and the administration are so complicated that it is easy to act unnoticed within them, when it is difficult to find out what is happening inside while, at the same time, there is a pressing need to know it. This happened only well into the twentieth century. Until that time, the only non-poetic mentions of transparency could be found in texts about the nature of light, the properties of lens and crystals, the anatomy of the eye, or luminescent fishes and insects-making direct use of the word, to denote precisely a property of physical objects in relation with light. The current, moral meaning of the term comes about just as it starts to be used in a metaphoric fashion by social scientists (and not only by poets), thus trespassing the borders of optics and reaching the ampler territories of economics, sociology, politics and law.

There is a realm in which transparency seems to have a straightforwardly positive, technical meaning; namely, economic theory, particularly neoclassical approaches and information theory. In effect, according to most economists, transparency (understood as perfect information) is a formal property necessary for markets to work efficiently. If agents in the market act transparently, markets enhance. Thus, market economies should promote transparency in order to increase wealth and, subsequently, wellbeing.

However, in this economic approach to transparency lies the first of the contradictions this paper intends to highlight. The argument goes as follows:

- According to the standard economic view, the agents in the market follow enforcing laws (like the one that regulates supply and demand).
- 2. Some agents can, however, benefit from breaking those rules and enjoy enough freedom to do it.
- 3. Transparency is needed to impede such breaches.
- Claims for transparency entail the assumption that market laws cannot prevent agents from violating the rules of the game.
- 5. Therefore, market laws that recommend transparency are not proper enforcing laws (and, consequently, the

need for transparency is not derived from the laws of the market).

In the end, the debate about economic transparency is the debate about freedom in the market. Attaching importance to transparency implies neglecting the mechanical conception of markets (or at least seriously doubting it). By acknowledging the need of transparency, those who claim for it implicitly admit that hiddenness could bring benefits to economic agents. Indeed, were the economy fully ruled by necessary laws, the exposure of its agents would not modify its structure or its functioning at all. Concerns about transparency entail the possibility that wickedness, abuse, and lies be used to improve economic performance, which in turn means that economic agents may not be fully subject to the laws of economics. The 2008 financial crisis has showed clearly that this is the case. Madoff's pyramid scheme is an outstanding example of the possible private benefits (and great public risks) of lack of transparency. Political and economic leaders now agree that markets do not work mechanically, or autonomously. The only way to save the mechanical conception of the economy is to show that transparency (or morality) somehow pays⁸; i.e., that the pursuit of transparency is a consequence of the rules of the market. But transparency is demanded precisely because people fear it is not. In any case, it is important to note that what virtuous economic systems need are not transparent agents, but apparent ones. If anything, it is the market that has to be transparent, so that agents cannot act invisibly within it. All in all, transparency seems to be an ambiguous property in need of a deeper analysis, starting from the way it is produced.

Through the looking-glass: making, not revealing

The virtuous character of transparency stems from its second definition, according to which *transparent* means "frank, open, candid, ingenuous". Transparency, in this sense, has to do with sincerity, faithful description, and accurate accounting, and becomes desirable, as it is related with purity, the absence of distortion, and the possibility of accessing reality as it is. Thus, transparency acquires its positive face when it is associated with fidelity, with realistic portraits.

As is the case with many contemporary ideas, it was the Enlightenment that brought about the seeds of the current meaning of transparency. The Leibnizian project of a *lingua characteristica universalis*, the *Encylopædia*, and a sanguine (half Socratic, half Rousseauan) view of the



⁷ Dating is always difficult, but the literature on transparency (in this sense) appears to have started only in the 1980s (one of the first texts is OECD 1983), to grow exponentially during the 1990s (*Transparency International* was founded in 1993) and the 2000s.

⁸ As Bartlett S Preston 2000; Hebb 2006; Islam 2006; Klundert 1999, and many others try to do.

⁹ OED.

human race, render a positive conception of transparency. Indeed, to compile human knowledge and make it apparent to all would benefit the whole humanity by reducing ignorance, risk and inequality. Transparency is knowledge and knowledge is good (since it enlightens). This positive (and epistemological) image reaches its peak with the modern theory of information, allowing even one of its main developers, Joseph Stiglitz, to assert that transparency is just another name for information (Stiglitz 2000, p. 1466). Indeed, both terms are often used as synonyms. But if transparency is equivalent to information, then it is a product, not a virtue. Transparency requires producing information. Today there is no institutional transparency without figures, reports, texts, charts, tables, web pages, or public appearances in the media, which in turn require information technologies in general. This means at least that:

- This kind of transparency has to be produced actively (by administrations, firms, charities or whatever organisation we want to be transparent). It does not stem from a passive disclosure of data, for data do not stem spontaneously: they have to be elaborated.
- Institutional transparency is subject to the laws of supply and demand. If there is no demand for information, it is probably not going to be produced. Besides, the kind of information provided should fit the public's requirements to be "sold" (i.e., read and understood).
- 3. It has rival and complementary goods. Rival products of information are, e.g., fiction films, sports, chatting, certain kinds of magazines, TV programs and films, computer games,... Complementary items are computers, broadband networks, education systems, books, paper, alphabets, software, printing technologies, mobile electronic devices, ...
- 4. It can be assessed and measured with instruments very similar to those employed for quality control.
- 5. It has costs (Alexander 2007), precisely because it is something that has to be produced.
- It could have economies of scale, making it cheaper for big companies and administrations to produce and publicise themselves—thus appearing to be more transparent than smaller competitors.

The transparency of firms and institutions in general is like the transparency of the glass of a mirror: even if light goes through it, we do not see images *through* it but *on* it. It is not, then, a coincidence that, talking about transparency in political and economic contexts, the metaphor of the looking-glass be more accurate than the metaphor of the glass. A looking-glass as a whole is a reflecting structure, not a transparent one. Mirrors are not windows; they simply return the image they have in front, usually our own

image—an image that we could not ever get without them. In this sense, they are similar to pictures. That is why an accurate view of a firm can be obtained only through reflection; i.e., through reports (written or spoken), indexes, and accounting, not looking directly at its facilities, products or employees. When demanding information from organisations and institutions, what we usually get is but a representation, a reflected, and therefore an opaque product. We do not see companies and institutions *through* their reports, but *on* them.

Like good portraits, these products have to be easily recognisable, but not necessarily detailed or completely undistorted. The main virtue of information products (like reports, charts, labels, seals, etc.) is not their accuracy, but their reliability. As Descartes said:

"We must at least observe that in no case does an image have to resemble the object it represents in all respects, for otherwise there would be no distinction between the object and its image. It is enough that the image resembles its objects in a few respects. Indeed the perfection of an image often depends on its not resembling its object as much as it might. You can see this in the case of engravings: consisting simply of a little ink placed here and there on a piece of paper, they represent to us forests, towns, people, and even battles and storms; and although they make us think of countless different qualities in these objects, it is only in respect of shape that there is any real resemblance. And even this resemblance is very imperfect, since engravings represent to us bodies of varying relief and depth on a surface which is entirely flat. Moreover, in accordance with the rules of perspective they often represent circles by ovals better than by other circles, squares by rhombuses better than by other squares, and similarly for other shapes. Thus it often happens that in order to be more perfect as an image and to represent an object better, and engraving ought not to resemble it" (Descartes 1985, pp. 165–166 [AT VI, 113]).

Correspondingly, a report does not have to be a perfect account of every feature of the organisation it tries to present. Credibility does not arise from details, but from appropriateness. Strictly speaking, reports and assessments cannot be more or less transparent, but more or less detailed, more or less trustworthy, more or less useful. Transparency is only an inaccurate, though powerful, metaphor. Transparency cannot be complete, because then it turns to invisibility. Even when we think we are really looking inside, using X-rays or ultrasounds scanners, what we really have are images, representations of the inner parts of our bodies. We are then doomed to deal with the notion of translucency, which in turn implies filtering.



Black and white transparency 159

What we demand are, in fact, filters that allow us to evaluate companies, policies, etc.—but not Griffin's philtre, which makes them completely transparent! As modern economists and decision theorists have demonstrated (Goldstein and Giegerenzer 1999), in most contexts frugal information, or even ignorance, can lead to quicker and better decisions than abundant data. Transparency as we understand it nowadays entails assessment, accountability, and production of information, which is much more than sheer disclosure or exposure.

When Alice (Carroll 1998/1872) went through the looking-glass what she found was a rich world created by her own imagination. What the interested citizen can find on reports, indexes, certificates, web pages and anything related with transparency is the fruit of intellectual and physical activity of other human beings. It is by no means a perfect reflection of the outer, real world, but a construction in which the "transparent" agents try to present all their achievements and virtues. In the end, transparency depends on the hands of reporters, rather than on the eyes of readers.

In the looking-glass house that Alice entered, a chess game was being played. Economic and political agents also play a game in the market, which requires the absolute visibility of the chessmen on the board at any time—but certainly not the transparency of the players' thoughts! A transparent game needs visible, opaque players. Agents' transparency can be but an illusion.

The tableau of wonders¹⁰: a warning to the naïve

In one of his best entremeses, 11 entitled The Tableau of Wonders, Miguel de Cervantes (2006/1615) tells us the story of a couple of rogues who arrive into a village, asserting to possess a wonderful tableau, which can only be seen by those who are not religious converts, nor of illegitimate birth. As in the more recent story of The Emperor's New Suit, at the time of the performance nobody can see anything on the stage, but everybody pretends to be watching the wonders that the swindlers are describing in full detail. Quite often we act a bit like the spectators of the tableau of wonders: we maintain to be seeing the insides of an institution when before our eyes there are only sheer stories, told by spokespeople, reports, figures, and graphics on a paper or a screen. Like the *personae* of the Cervantes' play, we suppose a reality corresponding to the descriptions we receive, but we cannot see it. This is all too apparent in the realm of information technologies. Virtual worlds, like

Second Life, ¹² are proper *tableaux of wonders*, made up of avatars and places with no real correspondence, but still used by real institutions (like political parties, banks, and world corporations) to become apparent, publicise their products, and build up their best image. Also citizens use these virtual worlds, together with digital social networks like Facebook, MySpace, or Twitter, to gain access to information from all kinds of organisations, including governments and companies. The Internet provides information about virtually everything thus creating the most perfect illusion of transparency. However, net users do not see companies or parties through their screens. They get but texts, pictures, graphs, and they do not know immediately whether they correspond to reality or in which way.

Often the information that provides transparency is not elaborated by the 'exposed' institutions, but by external agents, such as financial analysts, industry experts, consultants and the media. Most of us do not have an immediate access to governments and firms and must rely on the intermediate institutions and individuals that evaluate and report to us. Information is the only glass through which we can look at the many organisations that influence our lives without having us as one of their members. Then, if we want to know what firms and other institutions really do, we require something other than transparency: we need trust; we need reliability.

Information is not considered reliable unless it is monitored and certified by different, independent agents. Thus, transparency is tightly linked to legitimacy, and this in turn has to do with accountability. This is particularly apparent in the case of extremely complex and intrusive institutions, like the WTO (Smythe and Smith 2006), but common to virtually every organisation we are to assess. Just like the spectators in Cervantes' play, we are doomed to trust those who elaborate the reports about the organisations we wish to assess. If they want, they can easily deceive us, since we are not in a position to examine the sources of their products by ourselves. The generalisation of transparency demands could give enormous power to these immediate institutions (particularly those operating in the digital world), which, together with the big companies (those able to produce their own transparency surveys and reports), could seriously limit the ability of the general public to form an accurate picture of their economic and social environment.

Transparency is all about perception. An institution is transparent if, and only if, it is perceived to be so. In a half-virtual world, where IT plays a major role, Berkeley's dictum has become true: *esse est percipi*. The only transparency we can claim is visible information, not a direct view over the activity of a company or an administration.



¹⁰ El Retablo de las Maravillas.

¹¹ Short and humorous dramatic pieces that used to be performed between the different acts of comedies, and originally even within an act.

¹² http://secondlife.com/.

Moreover, the public do not want to look *through* companies and governments, but *into* them. When we speak of transparency we refer to the transparency of the skin, or the external structure, that may be concealing the agents we wish to watch. However, we check it only through information, not by direct scrutiny. X-rays are probably the best visual representation of the contemporary metaphor of transparency. But X-rays do not make what we want to see transparent, but apparent. Again, we are talking about opacity rather than transparency—the opacity of reports, seals, inspectors, offices, laboratories, computer screens, etc.

Nineteen eighty-four: a well-known danger and a not so apparent one

Tools providing transparency, like virtual worlds or social networks, do it usually in both directions. The loss of privacy is then seen as the main danger derived from the generalisation of transparency. Undoubtedly, transparency conflicts with privacy when it is conceived as the possibility to unrestrictedly look *into* firms or even people. The more transparent we are, the less privacy we enjoy, but, as it has just been said, many transparency issues are actually opacity matters. At any rate, privacy is an obvious problem when dealing with transparency—a problem to which a good number of authors and disciplines have already devoted efforts much more successfully than this paper could ever do. Here another difficulty is highlighted: the new power relations derived from the accumulation of information brought about by the claims for transparency.

From a logical standpoint, transparency is by definition a negative concept, since it means the absence of barriers to light, and therefore to vision. It encourages surveillance and control and, consequently, entails the risks that Orwell (1989/1949) and Foucault (1975) have pointed out. The information about the citizens and the prisoners obtained by the Big Brother and the guards in charge of the panopticon overwhelmingly surpasses the information that citizens and prisoners have about their watchers. The same happens with multinationals and governments: in a 'transparent' environment, weak individuals are, so to speak, more visible than big institutions (be these governments, firms, or supranational entities). Transparency could generate a serious information asymmetry. Information asymmetry occurs when a party in an agreement or a decision knows relevant information, which other parties ignore (Macho-Stadler and Pérez-Castrillo 2001), for instance, when a potential investor in a given firm possesses confidential information about that firm that other potential investors ignore. General public is much more transparent for certain kinds of agents like banks, broadband and telephone providers, and insurance companies, than vice versa.

The main problem is not the loss of privacy, but the outbreak of an information police state—which, as usual, would harm mainly the weakest members of society, those who lack the means to defeat surveillance and filter the relevant data. Adequate regulation of transparency can avoid the risk of information asymmetry, but not the danger of an unbalance of power. It is true that transparency should lead to a more democratic society, but it could also create a divide between those agents able to publicise their 'transparency' and those lacking the means to do it. This is something that is already happening, for big companies are producing an overwhelming amount of reports and campaigns, appearing to be much more transparent (committed, sustainable, better to work in, and so on) than small companies. The most powerful social and economic agents can hide behind a curtain of transparency.

Publicity of transparency criteria (which are instructions for the elaboration of data) allows the transparent entities to fulfil them without really changing anything inside. That is often the case of impact assessment; once it is passed, companies can stop public criticism by showing the favourable report. No matter if we are talking about environmental, social, or legal impact, transparency can always be used to justify institutional decisions. Acting under cover of positive evaluation can make true reasons virtually invisible (i.e., transparency instead of *commitment*, *accountability*, *information* or *visibility*.

The glass graduate¹⁴: strengths and weaknesses

There is still a third meaning of *transparent*, which is relevant here: "Easily seen through, recognised, understood, or detected; manifest, evident, obvious, clear". 15 Clarity and understandability are certainly two valuable properties for the products (reports, graphics, tables, seals,...) that inform us about the actual transparency of a given agent. *The Glass Graduate* that Cervantes (1998/1613) portrays in his *Exemplary Stories* was blessed with both virtues. This curious character is poisoned by a spiteful lover, who wanted to kill him. The lover does not succeed but, as a result, the graduate suffers a strange madness, by which he believes to be made of glass and starts to tell every person he meets exactly what he thinks about her or him. So, simultaneously he acquires a pair of apparently contradictory properties: fragility and boldness.



¹³ For the case of EU lawmaking, see Meuwese 2008.

¹⁴ El licenciado Vidriera.

¹⁵ http://www.oed.com.

Black and white transparency 161

Something similar happens to all agents in a context of transparency: the watched becomes transparent to the watcher agent and, given that transparent objects can be seen through in both directions, the watched can easily see where are the watcher's weaknesses. But an atmosphere of constant surveillance, exposure, and report easily becomes suffocating. If everyone is going to constantly tell the others what they are doing wrong, public life could become impossible. Again this would make individual agents more vulnerable to corporations.

By making firms transparent, consumers, rulers and watchers also lose their privacy, and are more exposed to the indiscreet eyes of big companies. Transparency is not a simple property, but a metaphor, the accuracy of which depends on how players understand it. Since appearing to be transparent is already to be transparent and appearances rely exclusively on perception, institutions mighty enough to alter such a perception in their favour, enjoy a competitive advantage. Supposing that the market forces were as irresistible as those suffered by the poor graduate, all economic agents would be completely transparent. But that is not the case. The most powerful members of the market do benefit from false transparency and therefore we cannot expect the solution to come from the market itself. Transparency stems from a political game, in which it is the power of some to control the actions of others what is at stake. To construct a just society this game should be put under control, so that abuses be kept to a minimum. Political agents would then control what should become apparent and under what conditions.

The tree of knowledge of good and evil: conclusions

The one-sided representation of firms as pecuniary profit seekers makes them immediately wicked, like Wells' invisible (completely transparent) man, who is described by doctor Kemp as follows: "<He is> inhuman. He is pure selfishness. He thinks of nothing but his own advantage, his own safety" (Wells 2005/1897; Sect. 25, 127). Even if one agrees with Friedman that "there is only one social responsibility of business: to use its resources to engage in activities to increase its profits, so long as it stays within the rules of the game" (Friedman 1970), profits can be increased in many ways. Precisely because we citizens know these many ways actually exist, we try to enforce companies and other institutions to take the right ones. Allegedly transparency helps us in that task. However, transparency as such lacks any moral content. Transparent does not mean good, for wicked actions can also be perfectly apparent. As it happened in Eden, ¹⁶ transparency is a consequence of the knowledge of good and evil, rather than the other way around.

What is usually intended when demanding transparency from a corporation, a firm or a state is not disclosure, but more (or more accessible) information about it. However, this is not, strictly speaking, passive transparency, but rather, active production of data and documents. What we mean by transparency nowadays is something other than disclosure, comprising elaboration and publication of a huge amount of information, writing things down, putting them black on white. Getting black and white means, precisely, becoming apparent, which is quite the contrary of being transparent. We do not want to look through, but to look directly at. The question, then, is not transparency, but opacity: what do we need and want to see, and how is this going to be produced? The moral problem lies in the quantity and quality of information, and this information is not revealed, but produced. Ethical problems of transparency are, in the end, quality problems—and, therefore, transparency can be measured using quality indices.

By "making transparent" we usually mean "making public", but this is far from being the same thing! To have a public life, to be present in the public arena, implies being visible, corporeal, opaque, which is precisely the opposite of being transparent. We demand well-defined contours, not transparency. Transparency can be a passive property of institutions, but visibility requires the active participation of both viewed and viewers. What happens if the wrong, even wicked actions of a company or a government are perfectly apparent and nobody cares about them? Without honesty, integrity and public care, transparency loses most of its moral powers. Hence, we should not aspire to have naked corporations, but perfectly visible ones. Transparency is not an end in itself but a mean to achieve justice or wellbeing—if not other virtues. Should we forget this, we could easily slip into the dangers exposed above; i.e.:

- Treating transparency as a real feature and not as a metaphor. As Plato said, properly transparent (in a non-metaphoric sense) agents are dangerous. Agents (corporations, governments, etc.) cannot be transparent themselves. If anything, transparent are their relations to other institutions and the public. Transparency stems from social interaction and it is therefore a political, not a technical issue.
- 2. Seeing transparency as a passive property, and not as a product of human action. Like the images Alice contemplated through the looking-glass, transparency results from our own activity. In fact, claims for transparency are usually claims for appearance. Monitoring firms and public institutions requires producing



¹⁶ Gen., III, 7.

- information—good, useful information, not more information.
- Letting powerful institutions hide behind an overwhelming amount of data, usually presented through dazzling technological means.
- Creating a reign of mutual control, in which the individual would be at a serious disadvantage against mighty companies and organisations.
- 5. Generating an undesired atmosphere of continued report and claim.

Managing transparency is far from being a straightforward task. Like many other political ideas, transparency has to be handled with care. We should always keep in sight that societies do not need firms and governments to be transparent for the sake of it. Societies need good institutions—and a responsive public.

Acknowledgments This work has been developed at the Department of Sociology and Philosophy of the University of Exeter, UK, and sponsored by the Spanish Ministry of Education and Science through its MEC/Fulbright Fellowships program and its FFI2008-03599 research project. The author wishes to express his debt with both institutions and his gratitude to all his colleagues and friends at Exeter, particularly to Francesco Guala, Anne Meuwese, and Michiru Nagatsu. Special thanks must also be given to Teresa Erice, for her careful corrections of earlier drafts.

References

- Alexander, K. (2007). The GATS and financial services: The role of regulatory transparency. *Cambridge Review of International Affairs*, 20(1), 111–132.
- Bartlett, A., & Preston, D. (2000). Can ethical behaviour really exist in business? *Journal of Business Ethics*, 23, 199–209.
- Bindé, J. (2005). Towards knowledge societies. Paris: UNESCO.
- Carroll, L. (1998/1872). Through the looking-glass. London: Penguin Books.
- de Cervantes, M. (1998/1613). El licenciado Vidriera, one of his Novelas ejemplares (Trans. by Lypson, L.), *The Glass Graduate*, in Exemplary Stories. Oxford, New York: Oxford University Press.
- de Cervantes, M. (2006/1615). *El retablo de las maravillas* (The Tableau of Wonders), one of his *Entremeses*. Madrid: Alianza. Available on line at http://www.cervantesvirtual.com

- Descartes, R. (1985). *Optics* (Trans. by Stoothoff, R.), In *The philosophical writings of Descartes* (Vol. I, pp. 152–175). Cambridge: Cambridge University Press.
- European Commission. (2001). Promoting a European framework for corporate social responsibility: Green paper. Luxembourg: Office for Official Publications of the European Communities.
- Foucault, M. (1977). Surveiller et punir: Naissance de la prison. Éditions Gallimard, Paris, 1975 (Trans. by Sheridan, A.), Discipline and punish: The birth of the prison. London: Penguin Books.
- Friedman, M. (1970). The social responsibility of business is to increase its profits. *New York Times*, September 13.
- Goldstein, D. G., & Giegerenzer, G. (1999). The recognition heuristic: How ignorance makes us smart. In G. Giegerenzer, P. M. Todd, & the ABC Research Group (Eds.), Simple heuristics that make us smart (pp. 37–58). Oxford: Oxford University Press.
- Hebb, T. (2006). The economic inefficiency of secrecy: Pension fund investors' corporate transparency concerns. *Journal of Business Ethics*, 63, 385–405.
- Islam, R. (2006). Does more transparency go along with better governance? *Economics and Politics*, 18(2), 121–167.
- Kaptein, M. (2004). Business codes of multinational firms: What do they say? *Journal of Business Ethics*, 50, 13–31.
- Macho-Stadler, I., & Pérez-Castrillo, D. (2001). Introducción a la economía de la información. Ariel, Barcelona, 1994 (Trans. by Watt, R.), An introduction to the economics of information: Incentives and contracts (2nd ed.), Oxford: Oxford University Press.
- Meuwese, A. (2008). *Impact assessment in EU lawmaking*. Leiden: E.M. Meijers Institute of Legal Studies of Leiden University.
- OECD. (1983). Transparency for positive adjustment: Identifying and evaluating government intervention. Paris: OECD.
- Orwell, G. (1989/1949). *Nineteen eighty-four*. London: Penguin Books.
- Plato. (1993). *Republic* (Trans. by Waterfield, R.). Oxford, New York: Oxford University Press.
- Smythe, E., & Smith, P. J. (2006). Legitimacy, transparency, and information technology: The world trade organization in an era of contentious trade politics. *Global Governance*, *12*, 31–53.
- Stiglitz, J. E. (2000). The contributions of the economics of information to twentieth century economics. *Quarterly Journal* of Economics, 115(4), 1441–1478.
- van de Klundert, T. (1999). Economic efficiency and ethics. *De Economist*, 147(2), 127–149.
- Wells, H. G. (2005/1897). *The invisible man*. London: Penguin Books.

