

THE ROLE OF GOVERNING BODIES IN AN AFRICAN ETHICAL RENAISSANCE

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Over the past several months, I have been pondering over what to do with myself after I have retired as Registrar from the University of Ghana. Well, my formal retirement took effect from two days ago, the 1st of August, 2009. And now of course what to do in retirement is a real issue. But prior to the 1st of August, everyone I have met who knew that my retirement was fast approaching has asked me what I plan to do in retirement. The constancy and frequency of that question has sometimes been irritating. It has often felt as if life threatens to come to a halt after retirement. It was during one of such conversations with Professor Helen Lauer of the Department of Philosophy, University of Ghana, Legon when I told her that I was developing an interest in issues of public morality and that I would like to start discussions on the topic with groups of people with similar interest. It was during this encounter that Helen Lauer told me about the 9th Annual BEN-Africa Conference to be held at GIMPA from the 3rd to 5th August, 2009. She invited me to consider presenting a paper on Ethics and Governance given my experience as Secretary to the governing body of the University of Ghana, and given the fact that I have served on a couple of governing boards in town. I agreed to do so. I know now that this was a mistake. I had clearly underestimated the time it would take for me to wind up my job at

the University while at the same time preparing for my presentation to BEN-Africa. Of course things were not made easier by the constant e-mails that I received from Professor Lauer reminding me of my commitment to BEN-Africa. And then, a couple of weeks ago, Helen Lauer called to ask if I would agree to be the keynote speaker. The question was put to me with such earnestness that again I agreed to the request against my better judgment. So colleagues this is how I find myself standing here before you this morning.

Ladies and Gentlemen, I began to develop an interest in issues of public morality simply by observing world events and various reports in the Ghanaian media over the past five years. Of course things came to a head with the fiscal meltdown last year that perhaps was more pronounced in the Western economies than elsewhere. We can also recall as far back as the 1980s and '90s the reports of salaries and bonuses and handshakes that were completely out of alignment with productivity however defined. In brief, the financial and investment markets in the West had succumbed to greed and a desire to make a quick buck by fair means or foul.

The conventional wisdom that drove Reaganomics and Thatcherism in the eighties favoured de-regulation and the barest minimum of top-down control. And even though Reagan and Thatcher have been long off the scene, their economic philosophies have continued to hold sway until the fiscal meltdown of 2008. It appears now that the consequences of the Reaganomic approach to governance have become obvious to every one. But one could still ask: Has the

lesson really been learned? Judging by what we hear is still going on in Wall Street and in board rooms, one has cause for doubt and worry.

In the immediate aftermath of the meltdown, the general cry was for the introduction of super regulatory frameworks for all manner of businesses. In my opinion, this call for regulatory frameworks is simply a call for returning to some basic sense of public morality in all business affairs and governance issues.

It is this interpretation of the call for regulatory frameworks or—as I am suggesting—the re-enthronement of public morality that leads me to pose a few questions. I shall not attempt here to answer these questions. I simply want to provoke thought and debate. I suspect, though, that when we are able to reach a broad consensus on the answers to these questions, we should be well on our way to defining the ‘litmus test’ of moral rectitude which all businesses, organizations, and institutions should pass, in order to bring about a necessary condition for creating a more just society. The questions are as follows:

- (i) What are the functions of a governing board of any private or public institution?
- (ii) What should be the qualifications for serving on a governing board?
- (iii) How many governing boards should an individual serve upon simultaneously? Should there be term limits on an individual’s membership?
- (iv) Should a member of a governing board be very knowledgeable about the business of the institution on whose governing board he or she is serving? Is it important to have people with competing interests and divergent areas of expertise sitting as its statutory members?
- (v) Can an individual serve on both a regulatory body and also on the board of a company that operates under that same regulatory body?

- (vi) Should members of a governing board be paid, and if so who should determine their remuneration?
- (vii) Should one lobby for membership of a governing board?
- (viii) Should members on governing boards of public institutions change with each change in government?
- (ix) How should issues arising from conflicts of interest be identified and resolved?
- (x) When and how should a member of a governing board resign his or her membership?

Any observer of the political scene in Ghana would appreciate that the questions I just posed are very real and live concerns.

Ladies and gentlemen, these are issues that have occurred to me in my random thinking about public morality as it affects quality of governance. They outline what is for me work still in progress.

I would like to note that issues of public morality will never go away, not for as long as human beings exist. The beauty of democracy is that we can at least always talk about them. Hopefully, the more we talk about them the greater the prospect of our wanting to do something about those practices that we feel are repugnant to good sense—however we care to define it.

The ideals of integrity, transparency, and accountability may seem ephemeral and elusive. That is because they can never be defined precisely. They assume distinct meanings in different contexts, even if we were all to agree on their implications in practice. So we may concede these are ideals that can never be achieved, anymore than they can be precisely defined. A guiding principle of public morality may never manifest perfectly in a corporate body's

daily routine or actual practice. Ideals are always aspired to but rarely achieved. But the fact that an ideal may never be attained does not mean that it is not functional or that it is non-existent. Ideals must surely exist in Plato's ethereal world of forms! We can struggle, as philosophers do, with understanding what this conviction boils down to; I don't suggest we do that here because perhaps it doesn't really matter.

For it remains the case, that however 'ideals' are construed metaphysically, we need them as a matter of practicality, to minimize inequities and inequalities in our day to day affairs. Without any ideal to inspire thought and action in the struggle for success and progress, a society is likely to deteriorate to the lowest common denominator, if not into Hobbesian chaos. So a corporate body needs articulated ideals, unattainable though they be, since ideals act as a guiding star to keep the institution on course.

Moreover, this lode star cannot be held up effectively by one individual. A flawless CEO, with the most noble character imaginable, will never obviate the need for a governing body—because these notions of accountability, transparency, integrity, as well as the ideals of justice and social conscience, all evolve out of free public reasoning and the kind of discussion that resolves radically conflicting points of view. And *that* is the proper business of a governing board.

Ladies and gentlemen, you will witness that I have not done any literature review, as academics are wont to do. Sometimes, there is too much of a distance between scholars and what I would loosely describe as the reading

public—a gap so wide that there appears to be a disconnection between the two worlds. I have tried to carry out this conversation, hopefully in a language that is easily intelligible in the two worlds.

THANK YOU.