

From Bad Faith to Authenticity: A Sartrean Framework for Corporate Moral Responsibility in Global Supply Chains



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Preface

Studying international business and philosophy encouraged me to challenge the idea of the global corporate world. When reading Sartre's existentialist philosophy, I personally found his view on freedom and our lack of predetermined essence as deeply liberating: we have the choice to define ourselves. Yet, why would multinational corporations who have gained significant power over the last decades not embrace this freedom? It raises many interesting questions starting with the possibility of freedom in corporations. As this thesis aims to apply Sartrean ethics to multinationals, the goal is to reflect on the concrete impact that MNEs have on individuals, society, and the environment. As the need for business ethics is increasing, this research aims to find a way for corporations to exist while producing a positive social impact. I would like to extend my gratitude to my supervisor, Dr. K. Bauer, for her guidance in structuring and improving this thesis. Her feedback encouraged me to delve deeper into various aspects of this rich topic. I also thank my tutor Rolf Viervant as well as Fenna Deinum. As most of my classmates will enter the corporate world, I hope this research encourages them to recognize the moral agency of firms and resist the idea that businesses operate within a purely deterministic system.

Introduction

What is a Multinational Enterprise (MNE)? The first idea that comes to mind evokes a conventional representation of what a multinational is expected to be, shaped by prevailing social norms and expectations. However, given the variety of businesses, it seems impossible for all MNEs to correspond to one strict idea. I argue that – as the Parisian waiter in Sartre's famous example of bad faith – MNEs exaggerate this artificial identity and deceive themselves into a representation that is inaccurate. One organisation is becoming a multinational in the sense that it is conforming to this strict identity, in the same way the waiter becomes the role of a waiter, losing his individuality. This corresponds to Sartre's concept of bad faith which is the use of one's freedom to deny this freedom¹. This self-deception avoids the truth that MNEs are free to define themselves. To escape the existential anxiety coming from this freedom, MNEs become trapped in a fixed identity driven by profit generation and global competitiveness.

When a multinational denies its responsibility, who is actually responsible? To argue that the organisation as an entity acts in bad faith, this research will follow Peter French's definition of the corporation as a moral agent with intentionality and thus moral responsibility². An organisation is a collective entity that brings together people, knowledge, skills, resources, but also countries and

¹ Jean-Paul Sartre, *Existentialism Is a Humanism*, trans. Philip Mairet, Marxists Internet Archive, 1996, <https://www.marxists.org/reference/archive/sartre/works/exist/sartre.htm>

² Peter A. French, "The Corporation as a Moral Person," *American Philosophical Quarterly* 16, no. 3 (1979): 207–215.

cultures, and becomes a moral agent itself. It would be reductive to consider multinationals as the strict addition of its stakeholders given that this precise addition creates something new that evolves. Katsuhito Iwai argues that corporations can be thought of as rational agents free to choose ethical ends in spite of shareholders' pursuit of profits³. Philip Pettit adds that a "*corporation has a voice of its own, distinct if not different from those of its members*"⁴. An MNE is therefore a multitude that constitutes itself and develops through the interactions of all its stakeholders.

The Rana Plaza (RP) factory collapse in 2013 which resulted in 1,134 deaths serves as a striking example of corporate bad faith. This factory was used by many firms in the fast fashion industry such as Primark or Zara who all denied their responsibility in this tragedy, claiming that they ignored the dangerous working conditions. As multinationals gain unprecedented power, the Rana Plaza collapse reveals the need for corporate ethical scrutiny. This thesis focuses on moral responsibility — rooted in Sartrean ethics and existential freedom — which will be distinguished from legal accountability.

Through the lens of the RP case, this research aims to critique the systemic use of bad faith in MNEs. We will explore the following research question: how does Sartre's concept of bad faith apply to MNEs as collective entities and why is it crucial for organisations to transition towards authenticity?

However, while Sartre's concept of bad faith concerns individuals, applying this framework to MNEs introduces a new layer of complexity. This raises questions not only about the possibility of Corporate Moral Responsibility (CMR) but also the potential of consciousness for an MNE. Another crucial question concerns the limits of existential psychology and the possibility for a corporation to feel or suffer from existential anxiety — which is the cause leading to bad faith. These questions set the stage for a deeper analysis into the application of Sartre's framework to multinationals. The first chapter begins by exploring the precondition for bad faith in MNEs which is the preceding of essence by existence. Then, we will analyse the evasion of responsibilities in multinationals by understanding how the concept of bad faith applies to organisations. Finally, we will examine the possibility of reaching a corporate authenticity. Through the case study, the application of bad faith will be limited to multinationals.

³ Katsuhito Iwai, quoted in N. Craig Smith, "*The Moral Responsibility of Firms: For or Against?*" INSEAD Knowledge, March 21, 2014, <https://knowledge.insead.edu/responsibility/moral-responsibility-firms-or-against>.

⁴ Philip Pettit, quoted in N. Craig Smith, "*The Moral Responsibility of Firms: For or Against?*" INSEAD Knowledge, March 21, 2014, <https://knowledge.insead.edu/responsibility/moral-responsibility-firms-or-against>.

Chapter I – Existence Precedes Essence for Multinationals

For multinationals to be accused of bad faith, it must first be established that — just as with individuals — their existence precedes their essence. This section argues that this condition indeed applies to MNEs, and that it necessarily entails their responsibility.

1.1 Argument – Existence preceding essence

Sartre defines the basis of existentialism to be that “existence precedes essence”⁵. This is opposed to viewing the world from a technical standpoint⁶. When an artisan creates a book, he is inspired by the concept of a book. Before creating it, the artisan already knows the purpose the book will serve. The essence of the book – which is “*the sum of the formulae and the qualities which made its production and its definition possible*”⁷ – precedes its existence. We know the purpose and use of the book before it exists in our hands. However, Sartre claims that for human beings, existence precedes essence⁸. We appear in the world before defining ourselves. Hence, there can be no human nature as man is how he conceives himself to be. Existentialism stresses that man exists and then throws himself into his own future⁹. This reveals our subjectivity and freedom of choices as – unlike the book – we do not have a predetermined nature. I argue that multinational corporations also follow this principle as they come to existence before their essence is properly and completely defined. An MNE is constituted of a plurality of people who continuously choose to define themselves. It would therefore appear impossible for the organisation to match a fixed predetermined essence when the people constituting it follow their own choices. Additionally, the stakeholders of the MNE embody the MNE itself which thus evolves with them. Our definition of an organisation has the premise that today’s stakeholders within the company – such as a CEO or a prominent shareholder – together define the essence of this organisation. It is therefore evident that an MNE’s essence evolves and constitutes itself far after it comes to existence. Today’s CEO might not even have been in this position when the company was created, and if he did, he is not the same person he was given that, with time, he has defined himself further. All stakeholders embody the organization as they are part of the whole that is this corporation and take part in defining its essence through their own decisions, actions, choices, and more. The organization as a collective entity therefore cannot have a predetermined essence before its existence as the stakeholders constituting this essence were not present at its existence. Following this reasoning, the essence of an MNE is ever-evolving with the diverse web of actors constituting it.

⁵ Sartre, *Existentialism Is a Humanism*.

⁶ Sartre, *Existentialism Is a Humanism*.

⁷ Sartre, *Existentialism Is a Humanism*.

⁸ Sartre, *Existentialism Is a Humanism*.

⁹ Sartre, *Existentialism Is a Humanism*.

Furthermore, an MNE's goal is to create value for stakeholders and to grow within a competitive market¹⁰. Growth is necessary as competitors and new entrants in the industry will attempt to gain advantage on market shares. This characterises the evolution of the company, and specifically of its essence. Throughout the years, an MNE's essence is further defined as they grow and evolve within their environment. Through strategic decisions, acquisitions, divestments, multinational corporations continuously redefine themselves. As multinationals must be proactive and adapt to contextual challenges such as shifts in politics or consumer preferences, they cannot have a predetermined fixed essence. Political institutions or consumers are part of the wide network of stakeholders which influence the MNE's strategy. The company thus evolves and sometimes completely changes its strategy to adapt to the stakeholders' choices. An example would be many MNEs rebranding themselves as 'green' following the changes in consumers' needs and the change in political and economic landscapes which penalizes environmentally harmful production practices through taxation. This reveals the lack of predetermined essence in MNEs as their actions are aimed at redefining their core identity.

While some can argue that before coming to existence, the companies already had a purpose with the products it would sell or the consumer segment it would target, I claim that while this might have been the case for local businesses before globalisation, it does not apply for MNEs. The dynamic competitive environment in which companies now operate has driven them away from this initial fixed essence. To survive, they must continuously adapt to the environment through their actions which are a result of their choices. These actions define their essence which is evolving with time. Thus, an MNE also conceives of itself as it chooses. Amazon is an example of a multinational whose essence has been refined over the decades as it began as an online bookstore in 1994 with a narrow purpose and consumer segment¹¹. However, Amazon adapted to a hyper-competitive environment where its key strengths became to provide any product quickly anywhere in the world, and became one of the largest MNEs involved in e-commerce, cloud computing, AI, and more¹². Its essence now goes beyond reading and the idea of books is not even associated with Amazon anymore. Amazon has survived and is now dominating the ecommerce industry because of its flexibility, and market and consumer focused responsiveness. Through its strategic choices, Amazon has defined its essence as we know it today, which was unforeseeable in 1994. In contrast, a local bread store in a small town will probably survive by only selling the same bread. Consumers' needs are less likely to change and it does not need to adapt to the internationally competitive and dynamic environment that MNEs operate in.

¹⁰ S. T. Cavusgil et al., *International Business*, 3rd ed. (Pearson, 2020).

¹¹ Adolfo M. Carreno, "Analyzing Amazon's Evolution from an Online Bookstore to a Global Tech Giant," *ResearchGate*, December 2, 2024, https://www.researchgate.net/publication/386340486_Analyzing_Amazon%27s_Evolution_from_an_Online_Bookstore_to_a_Global_Tech_Giant.

¹² Carreno, "Analyzing Amazon's Evolution."

Additionally a multinational has a specific way of working and survives within a system which includes hierarchical structures, policy plans, rules and regulations. These formal and informal norms of how to conduct business constitute the essence of an organisation and change as it adapts to its environment. Peter French offers an account for corporate intentionality which is located in its corporate internal decision (CID) structure¹³. CID consists of a company's flowcharts, policies and procedural rules¹⁴. French argued that the corporation's policies provide reasons for pursuing an act¹⁵. Hence – following French's reasoning – Sepinwall concludes that corporations possess intentionality: “*since an entity can act for its own reasons is an intentional agent, [...] corporations are intentional actors*”¹⁶.

1.2 Subjectivity: MNE as a project throwing itself into the future

Sartre defines *subjectivity* as the idea that “man is nothing else but that which he makes of himself”¹⁷. Following the premises of existentialism, a multinational corporation is a project which possesses a subjective life. An MNE is before all else, the project to serve a need. The organisation exists and propels itself towards an uncertain future within the business world. As the MNE first exists and then proceeds to define itself, it is at first nothing more than a thrown project into a future.

Here, subjectivism does not mean the freedom of the individual subject but rather the fact that the MNE cannot pass beyond its own subjectivity as there is no higher, external moral authority or essence that determines what it means to be an MNE¹⁸. Sartre adds a universal feature to subjectivity as he states that subjectivity is not man choosing himself but rather “*in choosing for himself he chooses for all men*”¹⁹. Every action and decision of an organisation represents what it believes is best for all in the sense that it is what an MNE ought to be. In the way man contributes to humanity by creating himself, a multinational which further defines its essence also contributes to all multinationals. Every corporate decision is a moral expression of what the company considers to be right. When the fast-fashion companies chose to subcontract to the Rana Plaza factory in Bangladesh – whether knowingly or through deliberate ignorance of the poor safety standards – it is not merely the pursuit of economic efficiency: it is proposing a model of how humans should treat each other within global corporate structures. Corporate actions are universal as they reflect what every interaction in global commerce should be.

¹³French, “The Corporation as a Moral Person”.

¹⁴ Sepinwall, “Corporate Moral Responsibility”, 6-7.

¹⁵ French, “The Corporation as a Moral Person”.

¹⁶ Amy Sepinwall, “Corporate Moral Responsibility,” *Stanford Encyclopedia of Philosophy*, Fall 2023 Edition, ed. Edward N. Zalta and Uri Nodelman, <https://plato.stanford.edu/entries/corporate-responsibility/>, 7.

¹⁷ Sartre, *Existentialism Is a Humanism*.

¹⁸ Sartre, *Existentialism Is a Humanism*.

¹⁹ Sartre, *Existentialism Is a Humanism*.

This subjectivity comes from the MNE's own awareness that it is at first, something which propels itself towards a future. A corporation's awareness of itself can be very practical by reading its annual reports which include its purpose – that is the purpose of its project– as well as its short to long-term strategy. These reveal companies' reflective consciousness of themselves as entities throwing themselves into a future that they try to control. The very fact that a company scaled up to become a multinational was part of throwing itself towards a future within an uncertain environment. Through organisational choices – that is, choices at the level of the organisation as a collective entity – the project evolves so that the MNE defines itself. MNEs are continuously defining themselves and have the freedom to choose their essence.

1.3 Multinationals carry the responsibility of their essence

After establishing that man's existence precedes essence, Sartre adds: "if, however, it is true that existence is prior to essence, man is responsible for what he is." ²⁰. As we have established that, for organisations it is also the case that existence precedes essence, then the necessary conclusion is that the organisation itself is responsible. The lack of a predetermined essence entails the responsibility for the MNE to choose and define itself. This responsibility lies within its choices, decisions, actions. While the debate on CMR is ongoing among scholars, the establishment of sartrean precondition for bad faith becomes an argument for the recognition of corporate moral responsibility. Sepinwall argues that the central issue is not defining corporations, but rather determining what capacities moral agency requires²¹. Such capacities would include for instance intentionality, autonomy, or self-awareness. As an organisation appears to be making choices and to define its own essence – independently of the individual constituting it – and possess intentionality²², it follows that the entity of the MNE has such moral capacities. Additionally, the structural, communicative, and existential features of MNEs that were discussed previously support the claim that they possess the minimal capacities required for moral agency. Despite not having a biological consciousness, it is functionally existential. Thus, this precondition contradicts CMR opponents' views that corporations have neither free will nor consciousness.

Then, another key argument in differentiating human and organisational responsibility comes from the psychological dimension. Amy Sepinwall argues that a capacity for emotion is necessary for knowing the difference between right and wrong, thus arguing that corporations are not persons²³. However, while emotional capacity may distinguish individual human experiences of ethics, Sartre's existentialism grounds moral responsibility in freedom, choice, and the project of defining one's essence. Whether one acts authentically or in bad faith is independent of one's feelings. MNEs – like

²⁰ Sartre, *Existentialism Is a Humanism*.

²¹ Amy Sepinwall, "Moral Responsibility: Are Firms For or Against?", *INSEAD Knowledge*, April 1, 2021, <https://knowledge.insead.edu/responsibility/moral-responsibility-firms-or-against>.

²² French, "The Corporation as a Moral Person".

²³ Sepinwall, "Moral Responsibility."

individuals— face the risk of being seen and judged by others depending on their choices. Like persons, their actions impact their survival and they also endure both reputational risk and ethical scrutiny. Hence, moral responsibility is not about whether MNEs can feel what is right or wrong, it is about facing their condition as the result of their choices or denying their responsibility.

However, beyond being responsible for their own existence, MNEs' responsibility is expandable to society. In the same way man is not responsible only for its strict individuality but for all men²⁴, multinationals are responsible for society in its entirety. This follows the universal feature of subjectivity discussed above: as the MNEs' decisions are representative of what an MNE ought to be, they carry the responsibility for all MNEs. The organisation's responsibility thus expands beyond itself and other organisations, but encompasses society, the stakeholders of the company, the environment, and also future generations.

Recent evolutions in the field of sustainable finance consider the value of a firm to be the sum of its financial, social, and environmental value²⁵. This reflects a shift in the consideration of the responsibility of a firm. As organisations used to only consider their financial value as a determinant for any decisions or actions, they were only considering the responsibility towards themselves. When considering the social and environmental value in the firm value, all stakeholders that are affected by the company beyond financial impacts are included²⁶. This holistic approach to finance acts as an application of Sartrean responsibility to multinational organizations. It represents the responsibility of the firm that extends beyond itself. This shift towards a holistic view on finance is a consequence of the need to consider the overall materiality of a company – that is the direct impact it has on society and environment²⁷. When deciding on an investment, firms must consider the impact on the environment of their project as neglecting it will result in higher costs in the future. For example, a company that invests in a highly polluting project must consider that regulations and taxes for this pollution might arise in the coming years and would therefore result in extremely high long-term cost that could be avoided by considering future materiality today. Hence, this evolving conception of the multinational is reflected in the rise of sustainable finance which defines the global responsibility beyond financial value. Multinationals are responsible not only for themselves but for all. As they define their essence, they play a role in a wide network that impacts many stakeholders. This responsibility comes from the freedom to define themselves.

²⁴ Sartre, *Existentialism Is a Humanism*.

²⁵ KPMG International, "Defining Sustainable Finance," 2023, <https://kpmg.com/us/en/articles/2023/defining-sustainable-finance.html>.

²⁶ Dr. Benjamin Lynch, "Lecture 1: Introduction to Sustainable Finance," Trinity Business School, Trinity College Dublin, September 2024.

²⁷ Lynch, "Introduction to Sustainable Finance."

Chapter II – The Act of Bad Faith in Multinationals

2.1 Escaping the responsibility through the denial of freedom

A global responsibility

Acknowledging our freedom comes with the heavy burden of the responsibility for our actions. Hence, we tend to escape this responsibility through self-deception. By pretending that we are not free, we create an excuse to deny our responsibility. For instance, someone might say, "I had no choice" to escape accepting the consequences of their actions. This self-deception which consists in using our fundamental freedom to deny it in order to avoid acknowledging our responsibility is what Sartre calls bad faith:

Bad faith then has in appearance the structure of falsehood. Only what changes everything is the fact that in bad faith it is from myself that I am hiding the truth... One does not undergo his bad faith; one is not infected with it; it is not a state. But consciousness affects itself with bad faith.²⁸

Multinationals are constituted of a complex system of interdependent networks. When faced with its freedom and the complex multitude of its being – that is, everything that makes the MNE what it is – the multinational tends to shift responsibility elsewhere. While a corporation differs from individuals in the fact that it cannot feel or suffer from such a burden, it still aims to avoid it because of other costs. Unethical actions of MNEs carry a legal accountability or moral costs borne by the individuals involved. The burden here could also be a negative public opinion resulting in a loss of customers for example. Hence, the costs of embracing one's responsibility cannot be dismissed merely because the MNE does not experience emotional distress.

As the MNE is a project constituted of a multitude of stakeholders, the responsibility is that of the MNE, which differs from the responsibility of individual stakeholders. While one may point to others in an act of bad faith, genuine responsibility emerges with the convergence of multiple stakeholders who collectively constitute the organization's identity. This notion is supported by Peter French who argues that: "*Corporations are not merely collections of people, but have their own decision-making structures and thus can be properly treated as moral persons.*"²⁹ This convergence of stakeholder in this entity guided by its own norms generates a moral agency that differs from that of its members.

While Sepinwall is more skeptical regarding CMR, she does highlight the diffusion of responsibility within the firm: "*Corporate structure can impede moral perception by diffusing*

²⁸ Jean-Paul Sartre, *Being and Nothingness: An Essay on Phenomenological Ontology*, trans. Hazel E. Barnes (New York: Washington Square Press, 1956), 50.

²⁹ French, "The Corporation as a Moral Person", 207.

responsibility and permitting individuals to see themselves as merely cogs in the machine."³⁰. Hence, bad faith in MNEs consists in denying that the organisation can be held responsible by shifting this responsibility to another party. When possible, companies will blame outside of the organisation such as a supplier. That is precisely what happened in the Rana Plaza case. Production at the factory was carried out for various firms and it was not the dedicated site of a single company. As a result, denying one's responsibility was easy: many companies, such as Walmart, blamed their suppliers, claiming ignorance of local production conditions. Multinationals publicly claimed to be "devastated" and "concerned", as though they were victims of the collapse³¹. Though the question of ultimate responsibility is debatable, our concern lies with the MNEs' denial of any accountability. Some of these companies' production was traced to the Rana Plaza factory. Even if final assembly occurred elsewhere, it was the conscious and free decision of the MNEs—driven by a cost-efficiency strategy—that led to workers being placed in these unsafe conditions. This singular choice, made in freedom, is constitutive of their responsibility. Not overseeing their production conditions was a free choice. By choosing suppliers without ensuring safety, companies actively contributed to the structural conditions that endangered lives. Because they had the freedom to produce in the Rana Plaza factory, they had a responsibility. Despite many incentives from NGOs, most organisations claimed ignorance and thus denied their responsibility. The factory owner's actions are a direct consequence of MNEs' deliberate lack of awareness as well as their willful abandonment of their supervisory responsibilities. Here, corporate bad faith appears in two ways: blaming another party and claiming ignorance. While individual stakeholders point to others in an act of bad faith, genuine moral responsibility arises when the collective will and agency of the organization are recognized—what French would call the corporate moral person³².

A denial of freedom

The contradiction between companies' public representation and their actions is another application of bad faith and reveals the active denial of their radical freedom. In summer 2013, western brands involved in this case study were communicating extensively on the improvements demanded of their Bangladeshi suppliers. However, at the same time these brands were pressuring suppliers to reduce order prices³³. Additionally, following this tragedy, the companies threatened to relocate their production as the minimum wage increase was introduced in Bangladesh³⁴. Even after the collapse had

³⁰ Amy J. Sepinwall, "Responsibility for the Corporation and Its Actions: Moral Responsibility, Problematic Responsibility, and Collective Responsibility," *Journal of Law and Policy* 22 (2014): 173.

³¹ Matthieu Guinebault, translated by Cassidy Stephens, "Rana Plaza Ten Years Later: Has the Fashion Industry Learned Its Lesson?," *FashionNetwork*, April 21, 2023, <https://www.fashionnetwork.com/news/Rana-plaza-ten-years-later-has-the-fashion-industry-learned-its-less-on-1506162.html>.

³² French, "The Corporation as a Moral Person".

³³ Shafiul Islam, quoted in Matthieu Guinebault, "*Rana Plaza: Ten Years Later, Has the Fashion Industry Learned Its Lesson?*" trans. Cassidy Stephens, *Fashion Network*, April 21, 2023.

³⁴ Guinebault, "*Rana Plaza: Ten Years Later.*".

confronted them with the consequences of their failed responsibility, and after having publicly announced their support to the victims, MNEs increased their pressure for low costs of production. Here, it is evident that multinationals do not consider the labour conditions as their responsibility. This contradiction with their public representation is a manifestation of bad faith – as these brands deliberately choose to deny their responsibility.

We see yet another facet of MNEs’ bad faith —evident in the dissonance between their public image and their actual practices. This act of denial is however in plain sight and many parties are actively rejecting this stance. In 2020, the head of the BGMEA (Bangladeshi textile and clothing federation) argued that the situation had “gotten worse” as brands were still avoiding their responsibilities to suppliers³⁵. This denial in plain sight is only possible given the global power of MNEs which stems from their freedom. Here freedom is crucial as it is the cause of responsibility: “*Man is condemned to be free; because once thrown into the world, he is responsible for everything he does.*”³⁶. The MNE was created without any predetermined essence and is therefore free to define itself. But this means that it is a thrown project to be defined through choices. Hence, this freedom to determine its own essence necessarily entails responsibility for every action. MNEs are as free to publicly blame the factory owner than they were to protect these 1134 workers from these dangerous labour conditions. In freedom, they chose to neglect safety measures. In freedom, they chose to favour low production costs. But they then use their freedom to claim that they had no freedom to act differently. By doing so, they publicly act in bad faith.

The self-deception – that is the denial that existence precedes essence – involves avoiding the realisation that we are radically free to make our own choices and define ourselves³⁷. Organisations deceive themselves into thinking that they are determined by circumstances, roles, societal expectations rather than accepting that they have the freedom to act differently. When they claim ignorance about the situation at the Rana Plaza factory, it is a denial of their freedom because their choices led these workers to be threatened to work on their clothing pieces. However, accepting an MNE’s freedom entails embracing a global responsibility, far beyond the individual. MNEs using the Rana Plaza factory are responsible beyond their headquarters to account for their entire supply chain as those actions reflect the MNEs expression of their freedom. Thus, an MNE becomes accountable for all its actions and this necessarily includes the behaviour of its contractors towards employees.

³⁵ Rubana Huq, quoted in Matthieu Guinebault, “*Rana Plaza: Ten Years Later, Has the Fashion Industry Learned Its Lesson?*” trans. Cassidy Stephens, *Fashion Network*, April 21, 2023, <https://www.fashionnetwork.com/news/Rana-plaza-ten-years-later-has-the-fashion-industry-learned-its-lesson.1513779.html>.

³⁶ Sartre, *Existentialism Is a Humanism*.

³⁷ Sartre, *Existentialism Is a Humanism*.

Beyond legal responsibility

By appealing to legal definitions and corporate structures, MNEs benefit from a perceived and instrumental unaccountability. Multinationals can invoke formal legal boundaries such as the independent legal status of suppliers, to limit their accountability even when their moral and operational responsibility is evident. David Kinley talks about “*law as a shield*” that companies use to deny their responsibility by invoking legal distance.³⁸ The legal system – and especially the gaps in international corporate jurisdiction – acts as the demarcation line for one’s accountability. However, the responsibility of MNEs must go beyond this system. While legal frameworks outline formal duties, these are only external constructs — and thus not sufficient to capture moral accountability. With the use of bad faith, MNEs do not only hide behind roles, rules, and structures but also behind an advantageous legal system. Hiding behind law to deny its responsibility for subcontractors’ actions is an act of self-deception.

2.2 Bad faith in labour conditions

Plurality of stakeholders together contributing to the dehumanisation of workers

One clear manifestation of corporate bad faith is found in the treatment of workers which is particularly highlighted in the Rana Plaza case. On 23 April 2013, large structural cracks were discovered in the Rana Plaza building. As a result, the shops on the lower floors immediately closed. However, despite warnings not to use the building³⁹, Sohel Rana – the factory owner – ordered workers to return to work and threatened them with reduced pay and violence. This order resulted in 1134 deaths and many injuries⁴⁰. The profit-driven business decision came before ethical concerns. Because of his negligence and exploitative reputation, Sohel Rana was the first stakeholder to be held accountable by the Bangladeshi government and public opinion.

However, despite Sohel Rana’s evident responsibility, the factory also faced sharp practices from MNEs such as delaying payments or cancelling orders without notice⁴¹. Factory owners, like Sohel Rana, are deeply integrated within an interdependent global system which financially rewards

³⁸ David Kinley and Junko Tadaki, “From Talk to Walk: The Emergence of Human Rights Responsibilities for Corporations at International Law,” *Virginia Journal of International Law* 44, no. 4 (2004): 931.

³⁹ Clean Clothes Campaign, “*Rana Plaza*,” accessed February 20, 2025, <https://cleanclothes.org/campaigns/past/rana-plaza>.

⁴⁰ Clean Clothes Campaign, “*Rana Plaza*.”

⁴¹ Annie Kelly, “‘We Are Still Scared’: A Decade after Rana Plaza, Has Anything Changed for Garment Workers?” *The Guardian*, April 24, 2023, <https://www.theguardian.com/world/2023/apr/24/10-years-on-bangladesh-rana-plaza-disaster-safety-garment-workers-rights-pay>.

worker exploitation, due to ever-increasing supply chain pressures⁴². This “race to the bottom”⁴³ market structure leaves little room for factory owners to make measurable changes to labour conditions, due to the little profit they themselves receive. The workers are therefore in the middle of interdependent networks in a global supply chain, each pressuring each other. Each part of this network contributed to and are responsible for neglecting the workers of the Rana Plaza factory.

Responsibility for a long-built social construct of workers

Regarding the question of the responsible party, one could agree that this tragedy is a result of the negligence and dehumanisation of workers as means to an end: they are seen as a workforce to increase production with low costs. The constructed image of low-wage workers has evolved into a social narrative that erases their individuality. This social construct has developed over decades, shaped by the growing influence of global supply chains. To grasp the responsibility behind the collapse, we must first examine who sustains and reinforces this construct.

As soon as news of the collapse was published, everyone pointed to the factory owner as the main responsible for the tragedy. It is however crucial that Sohel Rana “*does not become a scapegoat*”⁴⁴ for the disaster, since other stakeholders, such as government bodies and multinational corporations, have substantial influence over such behaviour. Employees of the Rana Plaza factory have been deprived of their identity by only being perceived as a means of production. Like machines, they must be productive. Hence, the perception of workers through this fixed group identity – regardless of their individuality – is what led to them being forced to work on that day despite the dangerous conditions. While the factory owner appears as the one who *pulled the trigger*, MNEs have played an important role leading to this one action. They took part in building this identity by constantly pressuring suppliers for lower costs and more productivity. The rise of a globalised economic order in which production is dispersed across distant geographies to meet the demands of a global consumer base, has shaped a utilitarian view on workers fostering their perception as anonymous instruments rather than situated moral agents. It is this structural logic of globalised production and responsibility evasion that ultimately led to the moment when Sohel Rana forced his workers to return to a dangerous facility.

⁴² Iris Marion Young, “From Guilt to Solidarity: Sweatshops and Political Responsibility,” *Dissent*, Spring 2003, 39–44, quoted in Charlie Wanstall, “Responsibility and Collapse: How Does Responsibility of the Rana Plaza Collapse Spatially Evolve 2013–2020?” *Routes* 3, no. 3 (2023): 178–187, <https://routesjournal.org/2023/08/29/r2139/>.

⁴³ John Allen, *Claiming Connections: A Distant World of Sweatshops*, in *Geographies of Globalization* (Los Angeles: Sage Publications, 2008), 26.

⁴⁴ Joshua Greenberg and Graham Knight, “Framing Sweatshops: Nike, Global Production, and the American News Media,” *Communication and Critical/Cultural Studies* 1, no. 2 (2004): 151–175, quoted in Charlie Wanstall, “Responsibility and Collapse: How Does Responsibility of the Rana Plaza Collapse Spatially Evolve 2013–2020?” *Routes* 3, no. 3 (2023): 178–187, <https://routesjournal.org/2023/08/29/r2139/>.

In his paper "Bad Faith and Antiracism," Lewis R. Gordon argues that bad faith allows for individuals to avoid confronting the moral responsibilities that come with recognizing the freedom and humanity of individuals⁴⁵. While his argument focuses on antiracism which involves a self-deceptive choice to perceive Black people as inferior and less than fully human⁴⁶, it is possible to apply this theory to workers in low-wage countries. It is indeed easier for factory owners and top management teams to fix an identity of inferiority on factory workers. To affirm the workers' subjectivity is also to accept MNEs' accountability for the structures and choices that determine their treatment. Once again, acknowledging fundamental freedom means facing the responsibility coming with it. Low-wage workers are dehumanised in a way that enables MNEs to evade their responsibility. Following Gordon's reasoning⁴⁷, the act of dehumanizing Bangladeshi factory workers is not only a denial of their humanity but also a form of self-denial: by refusing to acknowledge the freedom of others, individuals in bad faith simultaneously undermine their own freedom and humanity. It would thus follow that bad faith results in MNEs undermining their own humanity. However, can MNEs – as collective entities – dehumanise themselves? For corporations, this would not be an emotional but rather a systemic and structural dehumanisation. Through the normalisation of labour exploitation, the identity of the MNE is diminished to its economic function. When dehumanising workers in the supply chain, MNEs compromise their own capacity and recognition for ethical actions. Consequently, the dehumanization of low-wage workers is not merely a tool for evading responsibility but also a force that damages the moral legitimacy of the multinational itself.

2.3 Escaping the existential anxiety through a fixed identity

Analogy with the Café waiter in Paris

To escape the anxiety of lacking predetermined essence, multinationals construct fixed identities. Through their strategy, brand image, or production processes, multinationals present themselves as belonging to this group of multinational corporations.

In *Being and Nothingness*, Sartre presents the example of the Parisian Café waiter to illustrate bad faith, showing how individuals overly identify with a social role, acting as if that role defines their essence⁴⁸. Sartre argues that the individual is performing the role of the waiter. He is playing a game trying to imitate a waiter's gesture, voice, walk, so much that it appears as mechanical. He even plays this role too perfectly – making his movements “a little too precise, a little too rapid”⁴⁹ as if he were an automaton. The individual is thus “playing at being the waiter in a Café”⁵⁰. With this example,

⁴⁵ Lewis R. Gordon, *Bad Faith and Antiracism* (Atlantic Highlands, NJ: Humanities Press, 1995), accessed via Internet Archive, <https://archive.org/details/badfaithantirac0000gord>.

⁴⁶ Gordon, *Bad Faith and Antiracism*.

⁴⁷ Gordon, *Bad Faith and Antiracism*.

⁴⁸ Jean-Paul Sartre, *Being and Nothingness: An Essay on Phenomenological Ontology*, trans. Hazel E. Barnes (London: Routledge, 2003), Part I, chap. 2.

⁴⁹ Sartre, *Being and Nothingness*. Part I, chap. 2, 59.

⁵⁰ Sartre, *Being and Nothingness*. Part I, chap. 2, 59.

Sartre distinguishes the *being-in-itself* (être en soi) from the *being-for-itself* (être pour soi)⁵¹. The latter corresponds to the individual being a waiter, it is the way human beings exist as conscious, self-aware beings who are continuously becoming. However, *being-in-itself* relates to the way a thing exists as fixed and complete with no consciousness or freedom. Hence, an individual being a waiter cannot be the mode of being-in-itself. One cannot exist as a waiter but rather represent itself as one: “*I cannot be him, I can only play at being him*”⁵². The individual only fulfills the functions of the waiter in the same way an actor *is* not Hamlet but only plays the role of the character. As a result, the waiter engages in bad faith as he is acting as if being a waiter defines his essence. Nonetheless, given that we are free beings defining our own essence, we cannot be predetermined by fixed identities. We are thereupon more than our roles.

As the waiter in Sartre’s example⁵³, MNEs exaggerate this artificial identity and deceive themselves into a representation that is inaccurate. A multinational corporation is not a being-in-itself. Being an MNE is not an essence but a role. In the same way the waiter becomes the role of a waiter and loses his individuality, an organisation becomes a multinational in the sense that conforms to the strict identity given to it. MNEs are playing a game that aims at imitating the typical mechanisms of an MNE. They also play the role of the MNE too perfectly, leading us to think that it is a fixed identity. For multinationals, playing this role can mean acting as if maximising shareholder value or outsourcing to reduce costs were the only possible modes of existence. However, as free entities, corporations can reflect on and redefine their role. MNEs are not reducible to their social function which is not a mode of being-for-itself.

However, rather than embracing this freedom of choice, organisations remain in bad faith by hiding behind economic inevitabilities, legal definitions, or supply chain structures. This idea of what a multinational should be is but a social construct of strategies that are replicated, together creating the artificial identity of a successful multinational. In the case of the RP factory especially, the identity of the MNE is centered around price competitiveness. Because the organisations are inhabiting the role of an MNE that is leading the global market in terms of price competitiveness, it has no regard for social and environmental considerations. It defines itself only through this corporate strategy that becomes determinants of its identity. Multinationals’ responsibility in the Rana Plaza case can be seen in the instrumentalisation of the dependence of Bangladeshi suppliers on their own orders. Their threats to relocate production and pressure on lower costs are all carried out under the assumed identity of a price-competitive multinational – as if this role were an unchangeable essence rather than a freely adopted position, thereby excusing them from moral responsibility. However, following our definition of a multinational enterprise, an MNE is a being-for-itself and has the freedom to self-reflect: it is not doomed to a fixed identity of the social construct of what an MNE should be.

⁵¹ Sartre, *Being and Nothingness*. Conclusion, 617.

⁵² Sartre, *Being and Nothingness*. Part I, chap. 2, 59.

⁵³ Sartre, *Being and Nothingness*. Part I, chap. 2.

However, companies actively choose to adopt the identity of a multinational enterprise, a choice rooted in their freedom. Yet, by identifying with this role and acting as if it were their essence, they deny that very freedom. To escape the existential anxiety, MNEs become trapped in a fixed identity of what they are supposed to be. The issue extends beyond the multinational's denial of its own freedom; in doing so, it also evades its ethical responsibilities toward others. This double denial — of both freedom and responsibility — reveals the deeper danger of bad faith in MNEs, as it permits harm under the guise of role-playing. When the MNE reduces itself to the role of “market actor” or “legally non-liable entity,” it flees from its capacity to act otherwise. This evasion of freedom is bad faith at the institutional level. However, some companies do look beyond such fixed identity defined by market forces and attempt to redefine themselves – which again proves their self-awareness and capacity to define their essence. The past decade has seen the rise of environmental concern which has been associated with a growing awareness in companies' role in the climate crisis. Patagonia is an example of MNE that defines itself as more than a profit-driven multinational but as an actor for the environment and social justice⁵⁴. The company's branding reveals this evolving identity as its mission is “*We're in business to save our home planet*”⁵⁵. This identity goes beyond a mission statement as they commit to fair labour practices and use sustainable materials in their production⁵⁶. Patagonia is an example among many MNEs who are realising the need to reject the narrow price-competitiveness identity for a mission-driven identity that they themselves choose to define.

Chapter III – Positive Existentialism: from Bad Faith towards Authenticity

According to Sartre, there is always the possibility for the coward not to be a coward anymore as there is for the hero to become a coward⁵⁷. However, this cannot be done through one particular action like the implementation of one SDG, but through “*un engagement total*”⁵⁸. Multinationals can choose to define themselves differently.

⁵⁴ Yvon Chouinard, *Let My People Go Surfing: The Education of a Reluctant Businessman* (New York: Penguin Books, 2005), <https://www.patagonia.com/let-my-people-go-surfing.html>.

⁵⁵ Patagonia, *Annual Benefit Corporation Report 2023–2024*, accessed June 9, 2025, <https://www.patagonia.com/on/demandware.static/-/Library-Sites-PatagoniaShared/default/dw2f8292a3/PDF-US/Patagonia-2023-2024-BCorp-Report.pdf>, 3

⁵⁶ Patagonia, *Annual Benefit Corporation Report 2023–2024*.

⁵⁷ Sartre, *Existentialism Is a Humanism*.

⁵⁸ Jean-Paul Sartre, *L'existentialisme est un humanisme*, ed. Arlette Elkaim-Sartre (Paris: Gallimard, 1996), 56

3.1 Freedom as a call to action

Embracing indeterminism

While Chapter II revealed how MNEs engage in bad faith, this part offers the philosophical tools for authenticity. Sartre defines action as the projection of the for-itself towards what it is not⁵⁹. First, an act is a projection towards a possibility. It is aiming at a future. Then, the direction of this projection is from the for-itself – that is the free human consciousness – to *what it is not*. Sartre distinguishes *what is* which corresponds to one's current facticity – the role, body, or context – from *what is not* which is the not yet real future towards which the for-itself is aiming⁶⁰. Hence, the *what is* which corresponds to MNEs' current structure, strategy, or budget does not limit freedom. It is through actions that multinationals can go beyond their facticity towards a new possibility. Like individuals, MNEs are not determined by what they are as they can act towards what is not, which corresponds to what they actively choose to become. Hence, the first step out of bad faith is for MNEs to embrace the freedom of their undetermined essence. However, companies producing at the Rana Plaza factory hide behind a fixed identity of price competitive companies. These MNEs could choose to project their being towards a new possibility of themselves as actors of social and environmental justice. The way out of bad faith with the acknowledgement of their responsibility is therefore possible through action.

Nihilation

It is not enough for MNEs to realise that their essence is not predetermined: projection requires MNEs to take a step back from their present state of being. To judge and choose, corporations must actively distance themselves from what is in order to project themselves towards possibilities. Sartre defines nothingness as the gap between what is and what is not⁶¹. The for-itself projects itself towards what is not, thus creating nothingness. Because MNEs are not determined by their facticity, it is the not-being that determines the possibility. The capacity that MNEs have to negate themselves – that is, the capacity to say what they are not and thus to introduce nothingness into their being – is what Sartre calls *néantisation* translated as nihilation⁶². Through this withdrawal in relation to their facticity, MNEs can reflect on themselves and choose to project their being. Every corporate decision is a nihilation of what is in favour of what could be.

Thus, MNEs can become authentic by negating their current norms. The decision to stop outsourcing production to factories where labour is exploited is an example of nihilation. Companies' for-itself separate from what is and choose to project themselves towards another possibility of action. Hence, fast-fashion companies must do more than passively realise that they are not only price

⁵⁹ Sartre, *Being and Nothingness*, Part IV, chap. 1, 437.

⁶⁰ Sartre, *Being and Nothingness*, xxii.

⁶¹ Sartre, *Being and Nothingness*, Part I, chap. 1, 6-46.

⁶² Sartre, *Being and Nothingness*, Part I, chap. 1, 6-12.

competitive machines. The path towards authenticity requires the commitment to an action that reflects the self-awareness gained through nihilation.

The role of freedom

This negation – which depends on the freedom of the agent to transcend its *what is* – is what makes nothingness appear into the world⁶³. Sartre emphasises that “*the indispensable and fundamental condition for all action is the freedom of the acting being*”⁶⁴. As a result, freedom is a condition for the appearance of nothingness into the world. Nothingness appears with negation, but this negation is only possible for a free agent. It is freedom that enables the MNE to take this distance to transcend the given. Had we defined MNEs as purely passive entities such as a stone, it could never self-reflect. However, its actions, choices, and undetermined essence enable it to negate itself. Freedom is not merely the power to reflect, it is the burden to choose which becomes a responsibility. Authenticity requires MNEs to go beyond self-awareness and to be free actors of a new possibility towards which they project themselves. For instance, companies can project a new ethical mode of being which is defined by the support of fair labour practices.

Overall Sartre's metaphysical foundations enable us to build a practical implication for MNEs: freedom is a call for action and a way out of bad faith. Embracing freedom is key as it calls the agent to go beyond self-awareness and negation towards action.

3.2 Authenticity through universal responsibility

Definition of responsibility

More than embracing their freedom towards action, authenticity requires MNEs to comprehend the universality of their responsibility. Sartre defines responsibility as the “*consciousness (of) being the incontestable author of an event or of an object*”⁶⁵. It entails that the for-itself must “*assume the situation with the proud consciousness of being the author of it*”⁶⁶. This responsibility is not a resignation but “*it is simply the logical requirement of our freedom*”⁶⁷. Authenticity is thus about accepting the weight of this freedom from which complete responsibility is derived.

Thrownness and universal responsibility

As MNEs' essence precede existence, they are a thrown project with the freedom to define themselves. While they do not choose to be multinationals, they choose what to make of it. Sartre describes responsibility as total⁶⁸: because they are free, MNEs are responsible not just for themselves, but for the world. For example, when deciding to marry and have children, an individual is

⁶³ Sartre, *Being and Nothingness*, Part I, chap. 1, 41

⁶⁴ Sartre, *Being and Nothingness*, Part IV, chap. 1, 436.

⁶⁵ Sartre, *Being and Nothingness*, Part IV, chap. 1, 553.

⁶⁶ Sartre, *Being and Nothingness*, Part IV, chap. 1, 554.

⁶⁷ Sartre, *Being and Nothingness*, Part IV, chap. 1, 554.

⁶⁸ Sartre, *Existentialism Is a Humanism*.

“committing not only myself but humanity as a whole to the practice of monogamy”⁶⁹. Following this reasoning, by neglecting the exploitation of labour at the Rana Plaza factory, fast fashion brands are committing all MNEs to unethical production practices. Therefore, each MNE’s action commits all MNEs to a certain mode-of-being. The Rana Plaza disaster falls under MNEs’ responsibility precisely because it is the image of their free choice of themselves. These decisions are not private errors but ethical stances affecting the entire corporate world. As a result of circumstances being a reflection of free choices, excuses are incompatible with authenticity. Even the soldier enrolled in war chooses the war. He always has the choice to get out by either suicide or desertion but, by staying he chooses war⁷⁰. By outsourcing production to the RP factory, MNEs choose unethical labour.

Authenticity requires embracing this responsibility

Like men, MNEs are thus responsible for the world and for themselves as a way of being.

The one who realizes in anguish his condition as being thrown into a responsibility which extends to his very abandonment has no longer either remorse or regret or excuse; he is no longer anything but a freedom which perfectly reveals itself and whose being resides in this very revelation⁷¹.

Yet, rather than realising their thrownness, MNEs tend to ignore the universality of the responsibility. Realising oneself as a thrown project results in dismissing the possibility for excuses. Hence, authenticity requires MNEs to recognise that every act and choice is the public representation of a moral stance. Additionally, multinationals must acknowledge themselves as the actors of their choices – including the unethical behaviour of their suppliers. Hiding behind the high competitiveness of the industry or consumer pressure to cut costs is choosing to remain in bad faith. Authentic behaviour would be for the MNE to decide to change its production processes despite losing money. Otherwise, the companies should admit that they are choosing exploitation of labour. MNEs must conceive of themselves as more than passive economic actors but as moral agents affecting an entire ecosystem through their choices. Authenticity requires embracing this universal responsibility.

3.3 The role of the Other

The revealing of the Look

Yet existential authenticity does not occur in isolation. As multinationals operate within a broad economic, social and political context, their moral identity is often revealed through the gaze of others. After the RP collapse, most companies involved have been publicly exposed by NGOs and media. This was followed by public pressure to obtain compensation for the victims⁷². This public exposure is the result of MNEs being looked at by the world. Suddenly, these companies are being seen in their

⁶⁹ Sartre, *Existentialism Is a Humanism*.

⁷⁰ Sartre, *Being and Nothingness*, Part IV, chap. 1, 554.

⁷¹ Sartre, *Being and Nothingness*, Part IV, chap. 1, 556.

⁷² Clean Clothes Campaign, “Rana Plaza.”

mode-of-being that prioritises cost-efficiency. This is the Look which makes one aware of how we appear to others⁷³. The MNE becomes the object of the Other's being-as-a-subject: it is the object of the Other's gaze. Hence, multinationals suddenly became conscious of being looked at. Here, the Other corresponds to NGOs, other businesses, and public opinion. Being seen forces confrontation with one's own being. It creates an awareness of what we are for the Other's⁷⁴. Therefore, the Look reveals the multinational's mode-of-being centered on instrumental efficiency and self-interest. Then, the consequence of the Look goes beyond the possibility of self-reflection through the revealing of the MNE, as it also creates either shame or pride. Sartre writes: "*It is the shame or pride which reveals to me the Other's look and myself at the end of that look*"⁷⁵. With regards to CMR, shame goes beyond the human feeling: it is about one's recognition of its facticity. When NGOs expose unethical practices that contradict MNEs' public commitments, organisations experience shame, triggering a sudden need to justify themselves and reshape their narrative – often through intense communication and rebranding. Being revealed as the object of the Other's Look leads to the realisation of what the MNE is and for what it is responsible. Through the eyes of the Other, they are confronted with their own being: "*Shame [...] is the recognition of the fact that I am indeed that object which the Other is looking at and judging.*"⁷⁶.

Using the revelation of the Look for authenticity

However, this shame is also a confession through which one can later use bad faith to hide it from himself⁷⁷. Therefore, as these companies have been publicly looked at and judged, they had a choice between using this revealing of their being as a moral awakening or to hide from their own being with bad faith. Facing the Look of the Other entails assuming our being-for-others which can be uncomfortable. Instead of owing to what they could see of themselves in the Other's gaze, many MNEs chose to hide in bad faith. Just like someone spying on others in the keyhole of a door is caught by the Other's Look and is confronted with his own bad faith, the MNEs producing at the Rana Plaza factory have been caught in the act. Rather than refusing to see themselves through this being-for-others, MNEs should accept the Other's gaze as revealing of their being and take their responsibility through conscious, public ethical commitments not for image, but as expressions of their freedom and accountability. With the Rana Plaza example, the path towards authenticity becomes evident. It requires self-reflection on the mode-of-being that is the object of that look. It requires facing rather than denying their being-for-others. In this case, the companies should have done more than publicly sympathising for the victims; they should have used this public exposure for reflection and acknowledged their responsibility in the collapse. The Look reveals MNEs to themselves,

⁷³ Sartre, *Being and Nothingness*, Part III, chap. 2, 252-302.

⁷⁴ Sartre, *Being and Nothingness*, Part III, chap. 2, 253.

⁷⁵ Sartre, *Being and Nothingness*, Part III, chap. 2, 261.

⁷⁶ Sartre, *Being and Nothingness*, Part III, chap. 2, 261.

⁷⁷ Sartre, *Being and Nothingness*, Part III, chap. 2, 261.

potentially ending bad faith. Even if the Look reveals an uncomfortable truth, an authentic corporation confronts it and responds accordingly.

This Look has indeed provoked change as some companies acknowledged their role in the tragedy and took proactive steps by signing the legally binding Accord on Fire and Building Safety in Bangladesh. H&M and Inditex were among the first brands to commit to the Accord, demonstrating their willingness to improve factory safety⁷⁸. Primark went beyond as the company also contributed to compensation funds for victims, thus showing accountability⁷⁹. Before the collapse, there was no Other looking at the production ethics of these brands. Suddenly, their being became the object of the world's stare and forced them to see what they truly are. Yet, not all multinationals involved used this revelation for reflection as companies such as Abercrombie & Fitch and Edinburgh Woollen Mill refused to sign the accords and thus did not claim any accountability in the event⁸⁰. These examples highlight the various responses of MNEs to the objectification of their being by the Other, reflecting the choice between authentic accountability and self-deception. Hence, being seen introduces a moral implication which is the choice between embracing authenticity or hiding behind bad faith. Authentic companies would turn the revealing of their mode-of-being into a commitment to free, responsible, forward-looking action.

Beyond the Look: the ethical demand of the Other

While this chapter has so far stressed the requirement for MNEs to embrace their freedom as the path out of bad faith, Simone de Beauvoir challenges a purely individualistic conception of freedom by emphasising its intersubjective demands⁸¹. She goes further than the Sartrean experience of the Look as revealing of the MNEs' mode-of-being as she claims that authenticity requires to go beyond acknowledging this revealing and taking action⁸². By introducing authenticity not as an isolated condition but as an engagement with the world and with others, she draws a crucial distinction between the adventurer from the genuine free individual, which can be applied to MNEs in Bad Faith and authentic MNEs.

The man we call an adventurer, [...] is one who remains indifferent to the content, that is, to the human meaning of his action, who thinks he can assert his own existence without taking into account that of others.⁸³

⁷⁸ Clean Clothes Campaign, "CCC welcomes H&M and Inditex decision to sign legally binding Accord on Fire and Building Safety in Bangladesh," *Business & Human Rights Resource Centre*, March 29, 2022, <https://www.business-humanrights.org>.

⁷⁹ Sarah Butler, "Primark to pay £6 m more to victims of Rana Plaza factory in Bangladesh," *The Guardian*, March 16, 2014, <https://www.theguardian.com>.

⁸⁰ David Evans, "Fashion Brand Slammed for Safety U-Turn," *News.com.au*, April 23, 2024, <https://www.news.com.au/finance/business/retail/actionaid-australia-slams-best-and-less-for-decision-not-to-sign-safety-accord/news-story/26f075e6374dfd28d5a0cda9b9ac55f9>.

⁸¹ Simone de Beauvoir, *The Ethics of Ambiguity*, 1947, trans. Bernard Frechtman, Marxists Internet Archive, accessed June 4, 2025, <https://www.marxists.org/reference/subject/ethics/de-beauvoir/ambiguity/ch02.htm>.

⁸² de Beauvoir, *Ethics of Ambiguity*.

⁸³ de Beauvoir, *Ethics of Ambiguity*, chap. 2.

The adventurer cares only for his own pleasure and glory. His relationship with others is characterised by treating “*them like instruments [...] But meanwhile he appears as an enemy in the eyes of others.*”⁸⁴. Therefore, he interacts with others by imposing his freedom and disregarding the Other’s freedom. While the adventurer embraces the freedom of action, his projects are self-serving for the sake of performance with no moral grounding.

In contrast, the free man is the one who: “*does not limit himself to asserting his existence in solitary fashion. He asserts it in relationship to other existences.*”⁸⁵. Here, what distinguishes bad faith from authenticity is the acknowledgement of the Other. It is not enough for MNEs to embrace their personal freedom as it could justify selfish actions. De Beauvoir's *free man*, and thus the authentic MNE, understands the universality of freedom and chooses actions that both affirm his own freedom and that of others. The authentic MNE acts with constant awareness of the Other. Companies in the Rana Plaza case should therefore have reflected on how their neglect of labour practices in this factory have impacted the freedom of workers. By pressuring the factory for lower costs, they have impacted the freedom of many stakeholders including the employees, the factory owner, but also the Bangladesh state. Authenticity requires awareness of the Other and of the world with purposeful actions that seek to affirm shared human dignity: “*He [the free man] is not afraid of engaging himself in a partial and finite undertaking, for he knows that the world is not a thing but a perpetual movement...*”⁸⁶.

Thus, in contrast to the adventurer’s detached pursuit of self-affirmation, an authentic MNE recognises that its freedom gains meaning through its active commitment to the freedom of others. de Beauvoir therefore extends Sartre’s notion of the Look by grounding it in an ethical imperative: authenticity emerges not simply in how MNEs are revealed by the Other, but in how they choose to act in relation to the freedom of those they affect.

Chapter IV - Discussion

4.1 Practical application of corporate authenticity

While this thesis has explored the theoretical and ethical foundations for corporate authenticity, we must now consider its limitations in practice. Can existential responsibility be meaningfully applied to real-world corporate structures? In 1970, Milton Friedman defined the primacy of shareholders in companies as follows:

In a free society there is one and only one social responsibility of business —to use its resources and engage in activities designed to increase its profits so long as it stays within the

⁸⁴ de Beauvoir, *Ethics of Ambiguity*, chap. 2.

⁸⁵ de Beauvoir, *Ethics of Ambiguity*, chap. 2.

⁸⁶ de Beauvoir, *Ethics of Ambiguity*, chap. 2.

rules of the game, which is to say, engages in open and free competition without deception or fraud⁸⁷.

In practice companies follow rules dictated by the market and such prominent theories of international business. Therefore, it might not seem feasible to suddenly change the rules of the game, which are embedded in corporate bad faith. However, it would be a mistake to claim that because the business world has been built around rules set by capitalism, it cannot change. On the contrary, globalisation has set new standards and the market is evolving continuously with the rise of global supply chain and new environmental regulations for instance. Yet, somehow CMR through authenticity still remains too great of a change. However, recent developments have led some MNEs to gradually embrace their freedom through small steps. First legal structures are evolving to incentivise towards the embracing of global responsibility. For instance, since July 2024, the Corporate Sustainability Due Diligence directive (CSDD) holds EU-based MNEs accountable for identifying, preventing, and mitigating human rights and environmental abuses along global supply chains⁸⁸. Then, more companies take individual initiatives to redefine their identity. Patagonia – as discussed above – has aligned its environmental mission with production ethics. This reveals the possibility for MNEs to choose an ethical identity rather than a default competitive one and still remain successful on the market⁸⁹. Therefore, corporate actions in the past decades associated with the rise in consumers' demand for ethical production⁹⁰ have been concrete steps towards corporate authenticity. However, true corporate authenticity requires more than individual actions as it is a mode-of-being-for-itself. With the acknowledgement of its freedom, a multinational can go beyond authentic actions by becoming itself entirely authentic.

4.2 Existential anxiety in MNEs

An important discussion point in this thesis is the possibility for MNEs to experience existential anxiety as it is the cause of bad faith. One hides behind bad faith because of the anxiety provoked by witnessing our radical freedom. Existential anxiety is therefore the realisation that our actions define us and that we are responsible. Anxiety comes from the awareness of the possibility. Yet if a multinational cannot feel, why would it hide from anxiety? Here, the anxiety is about the individuals in the company collectively witnessing the power of this freedom. MNEs especially are influential beyond the market as they can affect legislation and individual lives of many stakeholders. Sartre's

⁸⁷ Milton Friedman, "The Social Responsibility of Business Is to Increase Its Profits," *The New York Times Magazine*, September 13, 1970, <https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html>.

⁸⁸ European Commission, "Corporate Sustainability Due Diligence," accessed June 9, 2025, https://commission.europa.eu/business-economy-euro/doing-business-eu/sustainability-due-diligence-possible-business/corporate-sustainability-due-diligence_en.

⁸⁹ Patagonia, *Annual Benefit Corporation Report 2023–2024*.

⁹⁰ Abigail Steer, "The Myth of CSR," *Stanford Social Innovation Review*, accessed 2024, https://ssir.org/articles/entry/the_myth_of_csr.

existential anxiety is not just an emotional fear, it is a structural awareness of freedom and the possibility of moral failure. MNEs thus experience this anxiety when recognising the potential risks and high impacts of their decisions through risk management, legal departments, or public relations strategies. While it is expressed differently, the acknowledgement of one's thrownness and the weight of its implications does indeed apply to MNEs.

4.3 Remaining opposition to CMR

Finally, one remaining opposition to CMR is the argument that attributing responsibility to corporations may shield individuals from accountability or unjustly punish innocents⁹¹. I would first argue that corporate and individual responsibility are not exclusive. Many examples hold both the company and executives as responsible. CMR is crucial given that the MNE as a project shapes corporate actions beyond individual control. Yet individuals are responsible for the choices they took part in.

Then, corporate responsibility is absolutely not about punishing innocents. When the MNE is held accountable for the RP collapse, not every employee in the supply chain is responsible. It is the corporation as a collective project. Finally, a key objection to this criticism is that this concern itself is an act of bad faith. Both the individuals constituting the MNE and the MNE as a collective are radically free and responsible. Individuals who only define themselves as their role in the organisation and hide themselves behind corporate structures are denying their freedom of choice – as if working in an MNE entails losing one's moral freedom. In truth, through their actions, individuals co-create the essence of the MNE. Hence, individuals denying their own agency in the corporation are not “shielded”, they are self-deceived.

Conclusion

The presented paper examined CMR through the application of Sartrean ethics. MNEs act intentionally through structures and policies, and recognising them as moral agents is essential for holding them accountable ethically. By defining the multinational as a moral agent, we established that its existence precedes essence – it is not defined by legal status or market role, but by its choices. With this freedom comes a universal responsibility. Yet, mirroring the photography presented on the first page of this report, the higher MNEs rise in terms of power and influence, the more obscure their responsibility. MNEs deny their freedom and responsibility by hiding behind their facticity. Through the RP case, it appears that corporate bad faith manifests itself in different ways including the dehumanization of workers, rigid corporate identities, and moral outsourcing.

However, corporate authenticity is possible when MNEs embrace freedom through action.

⁹¹ Sepinwall, “Corporate Moral Responsibility”, 6-7.

Multinationals must self-reflect on their facticity and choose both freedom and responsibility as their mode-of-being. This self-awareness can be gained through the Other's Look which exposes the gap between image and action. Beauvoir extends this: when MNEs are seen, they see how their freedom impacts others. That recognition creates the conditions for ethical change.

Throughout this thesis, we have explored whether existentialist concepts apply to corporations. While MNEs do not feel like individuals, they enact values, make decisions, and sustain public identities. MNEs mirror existential traits: anxiety in public crises, shame in exposure, and denial when pretending not to have a choice. They often deny their own *humanity* by treating themselves as machines of production. Recognising these differences expands Sartre's framework to the collective level.

Overall, it is crucial to acknowledge MNEs as projects that are defining themselves – and not as entities determined by a fixed identity. It is essential that MNEs take the internal distance from their being to realise their thrownness and as a result, their freedom. Corporate authenticity is possible and becomes increasingly necessary given the tragic consequences corporate bad faith can have. Corporate authenticity can only be reached through free actions which require self-reflection. Achieving authenticity is the task of the MNE alone. It is up to them to define themselves, and thus to choose between bad faith and authenticity.

Finally, Sartre insists that good faith is never assured: authenticity must be chosen again and again, especially under market pressure. A single authentic act, such as choosing suppliers with fair labour practices, is not sufficient. Authenticity demands MNEs to resist the temptation to settle into identity-based excuses — and instead, choose responsibility in every decision. Corporate authenticity is a continuous task — a choice made daily, not a status achieved once.

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