

**CORPORATE GOVERNANCE &
ACCOUNTING ETHICS
(ACC 206) 2 UNITS
INTRODUCTION**

Lecturer: AKINYOMI, O. J.



Introduction

What morality requires from us is often seen as the core question that ethics has to answer. However, there are other questions of similar importance, such as: Why be moral? How moral can we be in a non-ideal world? Are we moral by nature? Are moral judgments true?

Ethics Defined

Ethics refers to well based standards of right and wrong that prescribe what humans ought to do, usually in terms of rights, obligations, benefits to society, fairness, or specific virtues.

Ethics Defined (Cont.)

Mackenzie defines ethics as “the study of what is right or good in human conduct” or the “science of the ideal involved in human life”.

Nature of Ethics

Ethics aims at systematic knowledge. So, ethics is a science. Every science is concerned with a particular sphere of nature. As a science, ethics has its own particular sphere; it deals with certain judgments that we make about human conduct. It deals with systematic explanation of rightness or wrongness in the light of the highest good of man.

Nature of Ethics (Cont.)

Ethics is a normative science. It is concerned with what ought to be done rather than what is the case. It differs from positive science. A positive science, natural science or descriptive science is concerned with what is. It deals with facts and explains them by their causes. In positive science there is no question of judging its objects in any way. But ethics does not deal with fact. Rather it deals with value. Therefore, it is clear that ethics is concerned with judgments of value, while positive science deals with judgments of facts.

Nature of Ethics (Cont.)

Ethics is not a practical science. Practical science deals with means for the realization of an end or ideal. It teaches us to know how to do. As for instance, medical science is a practical science. It concerns with the means in order to remove the causes of ailments or diseases. But ethics is not concerned with means in order to achieve moral ideal that is rightness or goodness. It does not teach us how to live a moral life. So, ethics cannot be regarded as a practical science.

Nature of Ethics (Cont.)

Ethics is not an art. Ethics does not teach us an art as to how to lead a moral life. Rather it helps us to justify rightness or goodness which can lead to the supreme goal of human life that is to realize the summum bonum of human life. So, ethics is not a means to the highest ideal of human life. But, like the practical science, art is also a means for obtaining a goal. So, ethics is neither a practical science nor an art.

Scope of Ethics

The scope of ethics indicates its subject matter. Ethics as normative science deals with moral ideal or the good in order to enquire the nature of our conduct. It enquires into the nature of the springs of actions, motives, intentions, voluntary actions and so on. It determines rightness or wrongness of human actions. It does not enquire into the origin and growth of human conduct. As a science of morality ethics discusses the contents of moral consciousness and the various problems of moral consciousness.

Ethics is concerned with the highest good or absolute good. It investigates the nature of its fundamental notions i.e. right, duty and good.

Moral judgments passed on our voluntary actions are also included within the scope of ethics. In discussing the moral judgment it has also to concern with the nature, object, faculty and standard of moral judgment. Moral sentiments and feelings are arising in our mind when we contemplate about the moral judgment and therefore, ethics has to discuss the nature of moral sentiments to moral judgment.

Scope of Ethics (Cont.)

The scope of ethics includes whatever has reference to free human acts, whether as principle or cause of action (law, conscience, virtue), or as effect or circumstance of action (merit, punishment, etc.) Ethics discusses the nature of human freedom. Ethics investigates what constitutes good or bad, just or unjust. It also inquires into what is virtue, law, conscience and duty? What obligations are common to all? What is the good in all good acts? These questions lie within the scope of ethics. The sense of duty, or moral obligation and the responsibility for actions are also included within the range of ethics.

Scope of Ethics (Cont.)

The particular aspect under which ethics considers free acts is that of their moral goodness or the rectitude of order involved in them as human acts. A man may be a good artist or orator and at the same time a morally bad man, or, conversely, a morally good man may be a poor artist or technician. Ethics has merely to do with the order which relates to man as man and which makes him a good man. Thus we find that although Ethics is not a guidebook of moral rules as a branch of philosophy, it seeks clarification of terms used in moral language.

Summary

If we ask this simple question: 'why do we have to study ethics?' The simplest answer is: It tells us how to act rightly. It has the value in guiding people in the practice of right conduct or the art of living the good life. By imparting the knowledge of the nature of the moral principles which can be applied in our practical life, ethics may help man to avoid bias and prejudice.