

Finance and the Formation of Persons: Governance Structures as Moral Ecology

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Abstract

This paper explores how corporate ownership and governance structures shape not only economic outcomes but also moral formation and institutional identity. Drawing on theology, philosophy, and finance, we argue that firms are not morally neutral but instead operate as moral ecologies, which we define as organizational environments that form or deform character over time. Through case studies of mutual vs. stock insurance companies, mutual fund governance, Cabela's post-IPO cultural shift, and private equity in nursing homes, we demonstrate how institutional form affects which goods can be pursued and how value is created. We frame these dynamics using the concept of "ontological inversion," where means (like money or models) are mistaken for ends, and call for a reorientation of finance toward human flourishing.