

Against Dualisms

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(in: *Journal of Business Ethics Education* 2006:3, pp. 75-82)

It is a commonly held view that philosophy can contribute little or nothing to the understanding of economic or business affairs. This often encountered opinion, held (sometimes rather privately) by a lot of colleagues I have talked to, comes in two variants. Either philosophy is regarded as too theoretical to be interesting to business people at all or, if philosophy is to be of value, its value lies in the logical and formal methods employed. In the latter case, the principal asset of a philosophy student is thought to be her ability to think and argue logically.

I think this is too humble a view of what philosophy, especially ethics, can teach. I believe business ethics holds some important lessons for students of business administration, economics and others. One of the most important lessons is the overcoming of some all-too-common *dualisms* found in everyday thinking. Among these are the strict confrontation of morality and self-interest, of ethics and economics, or of solidarity and competition. These dualisms lie at the heart of many mental blockages that hamper the development of modern societies. I would like to give an example of this.

In Germany, public discussions concerning ethical questions in business typically run into one of the following dead ends: One has to decide whether to opt for morality *or* for efficiency, whether to act from duty *or* from mere self-interest. If a company acts in a way that can be regarded as having beneficial consequences, yet also enhances its own reputation, the typical reaction is: The company has acted *merely* from self-interest, ergo not morally.

Currently, the health care and social services sector is coming under intense stress of competition. While the public (at least its vast majority) expects this sector to have a special moral responsibility towards its customers and therefore a 'higher' ethical attitude, officials from state-run or ecclesiastic health organisations are continually faced with demands for cost reduction and better services. Those managers therefore see their work continually and systematically questioned in public by morally sensitive people acting in all conscience. These critics commonly believe it is their moral duty to stop or at least to slow down the

processes of privatisation and increasing competition, which they see as stopping the erosion of morality in (hitherto or formerly) state-run sectors.

It is difficult to speculate about the reasons for these dualisms. It might be due to the influence of Kantian philosophy, or at least of some rather influential interpretations of Kant. It might also be traced back to the conditions of pre-modern societies, which played zero-sum games and thus offered a completely different social framework for business as well as for morality. The Christian tradition also springs to mind as a powerful influence in this regard.

Whatever the origins of these dualisms are, in view of them, business ethics faces an important task of public education. Those are very unfortunate types of discussion that lead people to put morality and self-interest, or ethics and economics up against one another. The necessary result is, of course, that ethics will have to carry the day, as no one in his right mind will seriously *argue* for the dominance of economics. What happens in practice, however, is that inevitable obstacles to 'moral' ways of acting are seen as practical constraints of a theoretically unambiguous situation. Morality should prevail in theory, however the world is not favourable to this. I am certainly exaggerating the problem a bit, but the tendency is clearly present. It can be perceived in all contemporary debates in Germany about the reform of the welfare state.

In more general terms, I also see it as my aim to promote a better understanding of the relations of economic affairs and ethics. This means that the old *ethical* lesson of "ought implies can" has to be remembered in business ethics. It is not the only important thing to give a full rational *justification* of a norm, but an ethical conception should also, right at its beginning, pose the question of how to *implement* that norm. I believe this is a crucial criterion for a good conception of business ethics: Does it address the problem of implementation thoroughly and systematically?

Taking this a step further, the conceptual consequence for philosophy is a different view of this discipline: Contrary to claims by many philosophers, philosophy is neither autonomous, nor can it be strictly separated from the sciences. I am convinced that the future of philosophy lies in its connected activities with other disciplines, ranging from natural to social sciences and economics, and I try to promote this view in Munich.

At the University of Munich, it has been feasible to overcome the usual Business School vs. Liberal Arts distinction. The Chair of Philosophy and Economics, established in 1999, is officially located in the philosophy department, however the students in our seminars come from philosophy and from business administration/economics to about equal shares. (There is an interesting mixture of styles of presentation as well as of discussion and of paper writing,

and there are always some inevitable conflicts, but this co-education has nevertheless proven quite fruitful here.) What I hope to achieve by teaching business ethics to these future managers and executives, is that relying on ethics in one respect or another is a necessity in modern, globalised business life. A manager who cannot use the resources ethics holds for her company is not an unethical or immoral person but just a bad manager. The dualism of private morality and business 'reason of state' vanishes. This lesson seems to sink in slowly, but, once understood, it is my impression that it lasts and that it offers valuable guidance to students during their entire professional life and career.