**Relational Economics and Organization Governance** 

Josef Wieland Stefan Linder Jessica Geraldo Schwengber Adrian Zicari *Editors* 

# Cooperation in Value-Creating Networks

Relational Perspectives on Governing Social and Economic Value Creation in the 21st Century



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### **Relationalizing Normative Economics: Some Insights from Africa**



Thaddeus Metz

Abstract In this chapter, I systematically distinguish a variety of ways to relationalize economics and focus on a certain approach to relationalizing normative economics in the light of communal values salient in the African philosophical tradition. I start by distinguishing four major ways to relationalize empirical economics, viz., in terms of its ontologies, methods, explanations, and predictions and also three major ways to relationalize normative economics, with regard to means taken towards ends, decision-procedures used to specify ends, and ends themselves. Then, in the remainder of the chapter, I address what would be involved in relationalizing the ends of economic choices, given ideals of communal relationship characteristically prized by sub-Saharan philosophers, particularly southern African adherents to ubuntu. I advance communal answers to the two large questions of what an economy should distribute and how to engage with stakeholders, and I suggest that the implications will be found plausible by many open-minded enquirers around the world. Although this chapter is a work of ethical philosophy, it is meant to be of broad interest to scholars in economics.

**Keywords** African ethics · Business ethics · Communalism · Governance · Economic justice · Normative economics · Relational values · Stakeholder theory

#### 1 Introducing Relationality in Economics

Over the past ten years or so, economics has become relationalized in a variety of ways. Scholars have invoked relationality to provide ontological analyses of economic factors, for instance, viewing a global economy as identical to transactional interactions or a firm as identical to a nexus of stakeholder interests and resources (Wieland, 2020; Biggiero et al., 2022a). They have maintained that certain facets of economic behaviour, such as commercial contracts, are substantially constituted by (even if are not identical to) long-term cooperation amongst repeat players (Cimino,

2015), particularly in developing societies (Macchiavello, 2022). They have claimed, in terms of epistemology or method, that one cannot fully understand how firms operate unless one grasps them in a broad context of economic, social, political, and legal relationships, and perhaps characteristically as networks (Biggiero et al., 2016; Wieland, 2020; and Biggiero et al., 2022a). They have appealed to relationality as a causal factor to explain events, for instance, to account for how firms and production systems are globally organized (Bathelt & Glückler, 2011), how economic transactions create value (Wieland, 2020; Biggiero et al., 2022a), when firms prosper in a global society (Rendtorff, 2021), or why economic agents make the choices they do (van Nes et al., 2022). They have suggested means-ends connections that agents might pursue in the future, or have made predictions of what would occur given certain choices, such as these: if caring activities were supported in certain ways, then long-term economic success would be more likely (Jochimsen, 2003); if there were greater cooperation and democratic decision-making, then productivity and well-being would be enhanced (Westall, 2011); if certain governance mechanisms were adopted, then transactions would likely become more efficient, effective, continual, or just (Wieland, 2014; Bovenberg, 2019); if trust were enhanced, then there would be greater economic development (Graafland, 2019).

Notice that none of these recent (and increasingly common) relational approaches to economics has been normative, in the sense of systematically considering what ought to be pursued for its own sake in an economy. They have principally sought to describe economic conditions, explaining what has happened, what exists, or what would happen, and hence have taken certain values for granted or left them open. In contrast, in this essay on normative economics, I prescribe what should happen, evaluating such things as the production, distribution, and consumption of goods and services.

The fundamental question of normative economics is 'What should an economy achieve for its own sake?' or 'Which final ends should an economy realize?'. Relational answers to these questions posit certain kinds of interaction as desirable in themselves, apart from what else they might bring about in terms of typically individualist values such as productivity, utility, profit, prosperity, entrepreneurialism, or the like. Although not nearly as prominent as the empirical relational approaches to economics outlined above, one can find some normative relational approaches in the literature. There are appeals to relational values that should orient an economy such as to Marxian community (Marx, 1844, 1857–1858; more recently see Fromm (1956), Cohen (2009); feminist care (van Staveren, 2001; Barker & Kuiper, 2003; van Osch, 2013; van Nes et al., 2022); Confucian harmony (Ip, 2009); and Christian agape (Schluter, 2010).

In contrast, in this chapter, I focus on articulating some facets of normative economics grounded on African communalism. Despite some overlaps with the other relational normative approaches, characteristically African values are distinct from them (see, e.g., Metz, 2013, 2017) and merit their own consideration. One reason for appealing to an Afro-relational value system to appraise an economy is a need to become familiar with a variety of cultures in a globalized world. Another reason is that one can sensibly expect any long-standing philosophical tradition to have some

insight into the human condition; one risks missing out on a comprehensive reckoning if one works with values from only a single tradition such as the modern Western or East Asian. Furthermore, I point out that the implications of African communalism will be found intuitively plausible by those from a variety of backgrounds, with one interesting implication of the view being that cooperation not merely creates value, but also should itself be deemed a major value for economic agents to create.

In addressing normative issues, I bracket, as much as possible, controversies about empirical ones. I do not suppose that any of the relational ontologies, methods, explanations, or predictions are necessarily correct, and suspect that the ethical analyses I present are, in fact, compatible with non-relational empirical approaches. It could be that a relational ethic coheres best with the bold ontological view that 'all being is relational' (Biggiero et al., 2022b: 12), but that is a contested claim that needs careful consideration elsewhere. For all I can tell at this stage of reflection, it is plausible to maintain that, even if firms are self-contained organizations, they ought to become more relational, and specifically communal, in the way they interact with other monadic agents and institutions.

In the following section, I do more to spell out what makes an ethic relational in the relevant sense (Sect. 2), after which I articulate one relational ethic largely inspired by the sub-Saharan communitarian tradition, particularly its ubuntu variant in southern Africa, that is prima facie plausible (Sect. 3). In the rest of the chapter, I apply the ethic to some controversies pertaining to economic justice, business ethics, and corporate leadership, providing answers to the two large questions of what an economy should distribute (Sect. 4) and how to engage with stakeholders (Sect. 5). For both questions, I suggest communal approaches that, while coming from Africa, are not obviously only for Africa and that instead will likely have broad appeal. I briefly conclude the chapter by raising some additional issues in normative economics that might be fruitfully addressed in other work (Sect. 6).

#### 2 Individualism and Relationality in Normative Economics

To begin to appreciate what makes a value system properly relational, consider the non-relational, and specifically individualist, ethics with which many Western readers are already familiar to some degree. At least since the publication of *Leviathan* by Thomas Hobbes in 1651, the dominant approaches to morality in the West, particularly as they have influenced economic thought, have placed ultimate value in something internal to the individual.

For Hobbes and many contemporary economists, including John Harsanyi (1975) and Gary Becker (1993), what morally matters at the bottom is the satisfaction of people's desires, whatever they happen to be (preference utility). For Jeremy Bentham, Adam Smith, John Stuart Mill, and more recently the behavioural economist Daniel Kahneman (1999), the final aim of public policy (and moral action in general) should be to give people pleasant experiences (hedonic utility). For Immanuel Kant and neo-Kantian theorists of economic justice such as John Rawls

(1971) and Ronald Dworkin (2000; see also White, 2011), we are right to focus on helping others achieve their ends or realize their conceptions of the good life, so far as they are consistent with those of others (autonomy). Finally, for the development economist Amartya Sen (1987, 1999), the non-instrumental goal of economic and political agents should be to ensure that people have the freedom to live in ways they have good reason to value (capabilities).

Desires, pleasures, ends, and freedoms, as characteristically construed, are 'open' in that they do not include essential reference to positive interaction between individuals. Although one might desire to relate to others, obtain pleasure from it, set it as an end, or value the freedom to do so, one might just as well not. In contrast, a relational ethic is 'closed' for specifying what would be good for a person or what should be provided to her in terms of specific ways of relating to others.

For an ethic to count as relational of the type I am interested in in this chapter, it is not enough for it to prescribe certain kinds of interaction as a mere means to bring about a goal as an effect afterwards. The views that cooperation would enhance productivity and that trust would reduce compliance costs are not relational in the relevant sense, since enhanced productivity and reduced costs are states valued for their own sake but are open, i.e., do not essentially include reference to a positive interaction between people. A relational ethic as I address in the rest of this chapter prescribes certain ways of relating as valuable for their own sake or to be pursued 'in themselves', i.e., for a non-instrumental reason and not merely because of what else they can cause.

In addition, to be relational in the way I intend, it is not enough for an ethic to prescribe collective choice as a mere means by which to ascertain the right way to act. For discourse ethicists, the moral course of action is what is (or would be) the object of consensus amongst interlocutors (Habermas, 1990), while others maintain that the economically just policy for a society is the one chosen by a democratic legislature (Sen, 2004). Here, what some might be tempted to describe as 'relational' is merely a decision-procedure that specifies which goals are to be pursued or which policies are to be adopted, where their content is left open. In contrast, a relational ethic as I construe it prescribes certain goals or policies as justified if and because they involve some positive interaction between individuals.

The relational ethic that is likely most familiar to Western readers is the ethic of care, particularly as expounded by feminist thinkers (founding texts include Gilligan, 1982; Noddings, 1984). I lack the space here to motivate the choice to set aside the ethic of care (and relational interpretations of Marxism, Confucianism, and Christianity) in favour of exploring the intellectual resources of communalism salient in Africa. My hope is that my exposition of it in the next section will be found attractive enough, in the absence of a thorough contrast with, and defence relative to, other relational ethics.

#### 3 A Communal Ethic

In this section, I expound one interpretation of African ethics that, eschewing appeals to metaphysical claims about imperceptible agents such as God and ancestors, can be appreciated by a multicultural audience. Characteristically African views about morality have their own logic and appeal independent of contested claims about a 'spiritual' realm of persons whom we cannot sense.¹ I work within a secular orientation and draw heavily on southern African proponents of ubuntu, the Nguni term for humanness (or personhood) often used to refer to indigenous sub-Saharan understandings of morality.

A maxim frequently used to sum up an ubuntu ethic is 'A person is a person through other persons'. Consider what a variety of South African intellectuals have said about it. From Reuel Khoza, a businessman in South Africa who has appealed to ubuntu when thinking about leadership:

One useful gateway to appreciating the depth or philosophical dimensions of the concept 'ubuntu' is to visit the age-old wisdom resident in African idiomatic expressions and proverbs. The following comes to mind: 'Umuntu ngumuntu ngabantu' (Nguni literally translated to: A person is a person through other persons.)....The essence of these axioms is that one's humanity (humanness), one's personhood is dependent upon one's relationship with others (1994, 3).

From Yvonne Mokgoro, a former Constitutional Court justice in South Africa who appealed to ubuntu when interpreting law:

(T)hus the notion umuntu ngumuntu ngabantu/motho ke motho ka batho ba bangwe (a person is a person through other persons—ed.) which also implies that during one's life-time, one is constantly challenged by others, practically, to achieve self-fulfilment through a set of collective social ideals (1998, 17).

From Desmond Tutu, the former Chair of South Africa's Truth and Reconciliation Commission who appealed to ubuntu when analysing transitional and restorative justice:

We say, 'a person is a person through other people'. It is not 'I think therefore I am'. It says rather: 'I am human because I belong'. I participate, I share (1999, 35).

For all three thinkers, and many others in the African tradition (on which see Nkulu-N'Sengha, 2009), the core idea is that an agent ought to develop her humanness or strive for full personhood, which is to be done by honouring certain ways of relating with other persons. Humanness or personhood is more or less equivalent to good character or moral virtue, with African philosophers typically maintaining that it is constituted by participating in relationships and is impossible to obtain without doing so.

The next question is naturally how to conceive those relationships, which are usually described as 'harmonious', 'communal', 'cohesive', or the like. Tutu

<sup>&</sup>lt;sup>1</sup> Or so I argue systematically in Metz (2022). For accounts of African ethics that are more traditional for making essential reference to ancestors and other imperceptible agents, see, e.g., Bujo (2005) and Murove (2016).

mentions participating with others and sharing with them, and these two broad kinds of interaction are echoed by others in the ubuntu tradition. For instance, Khoza speaks of 'a concept that conjures up images of supportiveness, cooperation, collaboration' and 'emphasizes the desirability of sharing' (1994, 12), while Mokgoro says that 'harmony is achieved through close and sympathetic social relations within the group' (1998, 17). Similarly, Gessler Nkondo, a South African public policy analyst, remarks, 'If you asked ubuntu advocates and philosophers: What principles inform and organize your life? ....the answers would express commitment to the good of the community in which their identities were formed, and a need to experience their lives as bound up in that of their community' (2007, 91), and two South African theologians speak of 'compassion and cooperation, which are really regarded as essential virtues for the survival of community' (Mnyaka & Motlhabi, 2005, 224).

In other work, I have systematized such characterizations of how to enter into a community and thereby manifest ubuntu into a clear and applicable principle, distinguishing between two ways of relating that ideally should be done together to become a real human being or person. On the one hand, there is participating, being close, collaborating, experiencing one's life as bound up with others, and cooperating, which I call 'identifying with' or 'sharing a way of life with' others. To identify with others, more specifically, means not isolating oneself from them, let alone subordinating them, but instead involves the two key conditions of participating on a cooperative basis and enjoying a sense of togetherness. On the other hand, there is sharing one's resources, sympathizing, being committed to others' good, and exhibiting compassion, which I call 'exhibiting solidarity with' or 'caring for the quality of life of' others. To exhibit solidarity with other people, to be more specific, means not being indifferent to their well-being, let alone harming them, but instead involves the two central elements of going out of one's way to benefit them, particularly by meeting their needs and helping them develop their talents, and doing so for their sake out of sympathy. Consider the following schema (Fig. 1).

Roughly speaking, the more of these ways of relating, the more ubuntu one has. Although all persons are in principle entitled to be treated in these ways,<sup>2</sup> for most interpretations of the African tradition, one has extra moral reason to favour those with whom one has already so related. 'Family first' and 'charity begins at home' are salient principles, with the present interpretation of them being that having related communally with people provides some (not necessarily conclusive) reason to continue doing so and indeed to do so all the more. Such an approach makes good sense of what we intuitively owe to family members, close friends, co-workers, and neighbours compared to strangers with comparable needs.

Although here is not the place to establish the claim, one can get a lot of mileage out of the combination of identity and solidarity when aiming to understand the salient values of indigenous African peoples (Metz, 2022). A number of practices that are recurrently (even if not universally) found amongst indigenous sub-Saharan peoples are plausibly captured by a prescription to realize communal relationship. Consider

<sup>&</sup>lt;sup>2</sup> Perhaps since they have a dignity precisely by virtue of their capacity to be party to such relationships as subjects (Metz, 2022).

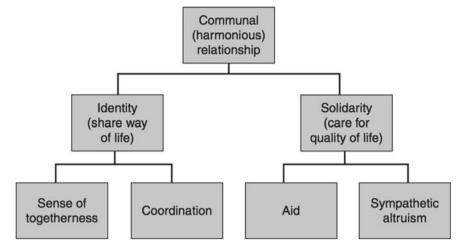


Fig. 1 Schematic representation of communal relationship

the plausibility of the idea that identity and solidarity, or something like them, are being sought when people seek to reconcile after a crime or other conflict, aim for consensus when resolving disputes, harvest collectively by everyone moving from plot to plot, ascribe some moral significance to participating in rituals and upholding traditions, and prize marriage and procreation, practices that are characteristic of (not essential to) many indigenous African peoples and often championed by their philosophical exponents.

Those who have not lived in African cultures might not appreciate these practices, but non-African thinkers can at least see the prima facie attractiveness of an underlying value of communality. The combination of identity and solidarity is more or less what English-speakers mean by friendliness. To be friendly, or at least much of what is valuable about being friendly, consists of enjoying a sense of togetherness, participating cooperatively in common activities, aiming to make each other better off and better people (including better friends), and doing so out of sympathy and for one another's sake. Placing friendliness (not friendship, a more intense relation), so construed, at the root of how to be a good person or what we owe to each other merits attention from moral philosophers, ethicists, policymakers, and the like from around the world.

From this perspective when it is said that 'in African societies, immorality is the word or deed which undermines fellowship' (Kasenene, 1998, 21), we can interpret the point normatively as the claim that wrong acts are roughly those that are unfriendly (more carefully, fail to honour friendliness). That is a plausible way to understand what is typically wrong with lying, kidnapping, enslaving, threatening, exploiting, making racial/ethnic slurs, and breaking contracts; they are well construed as actions that psychologically divide people, subordinate, reduce people's objective quality of life, and are indifferent towards others' good.

There are complications that a full statement and defence of the communal ethic would require addressing. For instance, must one exhibit identity and solidarity towards aggressors, or may one instead engage in the opposite, unfriendly behaviours towards them? Does the ethic have the unwelcome implication that civil servants are right to engage in nepotism? If a way of life has been long-standing and includes a certain sexual orientation, would it be wrong to exhibit a different one? These are important questions that deserve answers (cf. Metz, 2022), but fortunately, headway can be made regarding some major economic controversies in the absence of them.

#### 4 What an Economy Should Distribute

Above I noted that the overarching question for normative economics is 'Which final ends should an economy realize?'. Drawing on the communal ethic from the previous section, I provide some answers to that question in this and the next section of this chapter.<sup>3</sup>

One way to break the question down into smaller parts is to distinguish between two types of final ends. On the one hand, there are justificatory final ends, goals the attainment of which would justify the adoption of an institution or practice in the first place. For instance, health is an uncontroversial justificatory final end for a hospital. The aim of promoting health to a certain degree would be sufficient reason to set up and maintain a public hospital, that is, worth the costs involved.

On the other hand, there are attendant final ends, which are goals the attainment of which would not justify the adoption of an institution or practice in the first place but should be pursued once it is up and running for other reasons. Returning to the hospital case, aiming to facilitate meaningful interaction between doctors and their patients, even if that was not expected to maximize health outcomes, would be a plausible attendant final end for a hospital. A hospital might have good reason to enable doctors and patients to connect, but that would not itself be worth the costs of setting up a hospital and keeping it going.

The justificatory/attendant distinction is applicable to economic institutions. There can be ends the realization of which would make it reasonable to set up and maintain, say, a firm, a profession, or a large-scale market system, and other ends that would not be worth the costs of doing so but that should be pursued once up and running for other purposes. In this section, I draw on the communal ethic to address some justificatory final ends with respect to economics, saving attendant ones for the next section.

Consider the question of what an economy in general ideally ought to distribute to people. As is well known, the most common answer over the past 75 years or so from policymakers has been that an economy should allocate ever-increasing amounts of wealth. Nearly every country in the world has been striving to increase its gross

<sup>&</sup>lt;sup>3</sup> For recent collections on a large variety of ways that African values might plausibly bear on economic matters, see Ogunyemi et al. (2022a, 2022b).

domestic product (GDP), that is, to grow its total market value of all goods and services, or, equivalently, its national income.<sup>4</sup>

However, virtually no professional philosopher believes that an increase in GDP should ultimately be what an economy provides to people. Nearly all deny that economic growth of this sort is a justificatory final end of, say, a market system or a collection of public firms. One major reason for rejecting GDP is that it does not reliably track personal well-being (or something of comparable moral importance). Here are four intuitive respects in which an increase in GDP would not be correlated with an improvement in the quality of people's lives. An increase in GDP might come at the cost of pollution to the present generation and reduced ability to thrive on the part of future generations. An increase in GDP could mean that those who are already quite wealthy have pocketed still more wealth, where diminishing marginal utility (such that the more of a certain instrumental good such as wealth, the less good it does for a person at a certain point) means that the extra wealth brings little or no extra well-being. An increase in GDP can mean that essential goods, such as oil or food, simply cost more, not that people have more of these goods, let alone have flourished more from the use of them. An increase in GDP would not come from things such as the provision of more natural beauty, leisure time, or health.

Philosophical alternatives to GDP in the West have largely appealed to the non-relational ethics outlined above (in Sect. 2). Recall that philosophers of economics, theorists of economic justice, and the like have usually suggested that ultimately what an economy should provide to people are things such as the satisfaction of their desires, the reduction of pain and the production of pleasure, the ability to achieve a wide array of self-chosen goals, or the freedom to live in ways people have reason to value. These are much better proposals than GDP, since they involve a prima facie plausible conception of what makes a life go well or of what is morally important about us.

However, these accounts are all individualist in the sense of not making essential reference to a positive way of relating between human beings. In contrast, according to the ubuntu-inspired communal ethic (from Sect. 3), the overall aim of an economy should roughly be to bring people closer together, and, more specifically, to facilitate relationships of identity and solidarity between firms and citizens and between citizens themselves. What follows is some of what that might look like.

With respect to what a firm should do for those who buy or otherwise obtain products from it, to relate communally with customers, the products it offers them should in the first instance be neither induced nor harmful. Above all, a firm should not sell what would both take advantage of people's vulnerabilities and reduce their quality of life, objectively construed, as that would be inconsistent with both values of identifying with others and exhibiting solidarity with them. Addictive goods such as tobacco products and slot machines are plausible examples. For these sorts of goods, the harms to consumers are very likely and, in many cases, quite substantial,

<sup>&</sup>lt;sup>4</sup> One notable exception is the Royal Government of Bhutan, which for about 50 years has instead used Gross National Happiness as its metric (on which see Centre for Bhutan Studies and GNH, 2017).

while they are also difficult to avoid because of a craving, which, if not habitually satisfied, causes pain and reduces a person's self-control.

Similarly, firms such as Facebook and TikTok should take certain steps to relate communally with their consumers by adjusting social media so that they do not produce addiction or similar effects. On the one hand, they should structure their platforms so that risks of addictive behaviours are minimized. On the other hand, the content provided should not tend to prompt, say, reduced self-esteem or false beliefs that could lead to harmful choices such as committing suicide in order to go to Heaven or storming a capital to prevent the inauguration of a fairly elected President. At least one technique these firms might sensibly use is a nudge (Thaler & Sunstein, 2008), where consumers are notified that they have been watching for a certain length of time or that what they are watching could be bad for them and are asked whether they are sure they want to continue.

Pollution that comes in the wake of producing and selling certain goods also flouts both identity and solidarity. Smog, acid rain, chemical runoffs, carbon emissions, and the like obviously do harm to the present generation and future ones too, while those subjected to the harm did not knowingly bring it on themselves and cannot easily avoid it. Avoiding substantial pollution and ensuring sustainability should also be priorities for a firm relating communally with other people.

What if a product risked harm, either from the production process or its consumption, but consumers were not induced to purchase the product and citizens could avoid the harm from its production? Would that be permissible? For example, consider a business that sells food with trans fats, where we suppose there is scientific evidence suggesting a linear relationship between the amount of trans fats consumed and the degree of damage done to a body. One might suggest that a warning label would be sufficient to make it permissible for a firm to sell such items (while any polluting harm to third parties could be avoided).

However, while a warning label could, if done properly, enable a firm to avoid taking advantage of consumer ignorance, and not flout the value of identifying with others, it would still fail to avoid contributing to ill-health and so would flout the value of exhibiting solidarity with them. A business should sell not whichever food will rake in the most profit regardless of the foreseeable harm to human health but rather what will be nutritious, taste good, and sell enough to make a satisfactory amount of profit.

So far, I have focused on how a firm might exhibit identity and solidarity with consumers, by offering goods and services that are purchased consequent to a free and informed decision and avoid causing harm to consumers or third parties. Turn, now, to the idea that a communal firm would also sell products that do not seriously risk eroding ties of identity and solidarity between consumers themselves and ideally that instead bolster such ties.

In the first instance, that would mean not bringing to market items that would likely make families weaker. Drugs and alcohol are particularly well known for disturbing family ties (e.g., Vaillant, 2012: 198–201), and so firms should either avoid selling them (if they are even legal) or should do so in a way that would avoid one person being able to access too much of them. The latter might be done by

nudging those recorded to have made a certain number of purchases in a certain timeframe or by placing limits on how much a given person or household may buy in one go. Prostitution and pornography (again, where legal) are also unlikely to be good for families, neither for producers nor consumers. Spending too much time on so-called 'social media' keeps family members isolated from each other, where a default (but overridable) position of switching off during supper time would be one way of prompting sociality. For a final example, jobs with long hours or with little to no time off to look after those who are sick or suffering bereavement are hardly good for spousal, parental, or extended family bonds.

In contrast, an economy supportive of families, one of the potentially most intense realizations of communal relationship, would allow for substantial leisure time, perhaps by moving to six-hour workdays or a four-day working week. It would ensure a certain floor of income for those who work, are unemployed but looking for work, or have children, so that people need not take on two or more jobs or risk marital conflict over a lack of money. It would facilitate affordable childcare, couples counseling, and parenting advice. It would enable families to play games, make music, and enjoy outings together.

Ties of identity and solidarity are possible and desirable amongst citizens of different families, where an economy ideally would not inhibit them and instead would promote them. Richard W. Miller has thoughtfully articulated a variety of ways in which an economy might impair communal relationships beyond the home:

People of diverse walks of life do not routinely encounter one another (except as servers and served) in shared centres of public activity, because of the passing of downtowns/High Streets where they might have come together to shop and enjoy public facilities. People live in neighbourhoods with others who are at about the same rank in the hierarchy of responsibility, authority, and skill...They drive to work, rather than taking public transportation. Public schools languish in comparison with private schools and charter schools.... (E)mployers have broad prerogatives to fire for legitimate economic reasons, reducing the scope for long-term, non-competitive relations on the job and mutual empathy among supervisors and supervisees....The vigorously productive economy....leaves most people little energy and time for shared enjoyment and active empathy outside of their immediate families. Most people are attached to life goals requiring lots of individual material consumption for basic success, at a level that grows with technological progress, making it risky to give much to help meet strangers' needs (2010, 250–251).

Many readers will find Miller's descriptions to be not merely hypothetical. Drawing on our daily lives, we could readily add to them, for instance, by noting how: social media algorithms steer people towards those with similar beliefs; people avoid crossing racial/ethnic boundaries and tend to view others through stereotypes; long commutes and traffic congestion keep people isolated for hours each day; and consumers queue for long periods of time to speak to a customer service representative or make a purchase. It is, I suggest, worth being able to avoid these lifestyles that exhibit little sense of togetherness, cooperative participation, mutual aid, and sympathy; economies should instead distribute goods and services in ways that bring people closer together.

Above, I tended to speak of the moral obligations of firms, or those who lead them, to address a lack of communality, but, when it comes to more than the way a particular business interacts with consumers, large-scale and systematic interventions are plausibly needed. There is of course the brute force of restrictive law to consider, where the state would punish a firm or its leaders for doing what is likely to impair identity and solidarity in its territory. However, in many cases, other techniques would work well enough, if not better, with less coercion and censure, and should be tried out before resorting to criminalization.

For some examples, the state might start off by articulating a way to measure social progress in ways other than GDP. The Organization for Economic Co-operation and Development (OECD), a group of some 40 (largely European) countries, works with a Better Life Index that differs from GDP. However, a national metric would probably motivate firms more, while this particular metric unfortunately reduces what it labels 'social connections' to whether people have friends or relatives to help them if they get into trouble (OECD, 2013, 6). That criterion hardly addresses the lack of identity and solidarity in many 'modern' societies. Bhutan's Gross National Happiness metric is therefore more promising in these respects, with the state measuring 'community vitality' (amongst several other values) as including family, reciprocity, trust, and kinship density (Centre for Bhutan Studies and GNH, 2017, 347–353). Adopting non-GDP, and specifically communal, public criteria for evaluating a nation's economy would presumably encourage a number of firms to move in the desired direction.

However, the state could and probably must also incentivize firms to do so. For instance, it might impose a variant of a sin tax on products that threaten familial bonds. Alternately, the state could give tax breaks to the more communal firms, ones that include their impact on relations of identity and solidarity in their annual reports, or it could accord them preferential status when awarding state contracts. Or the state might create a public bank that it uses to offer low-interest rates to firms willing to produce in ways likely to enhance communality.

Where private industry is, despite incentives, not disposed to create enough of a pertinent item in its territory, the state could regulate corporate boards in ways that would give voice to communal concerns, e.g., by requiring them to include a consumer advocate or a local community representative. Finally, the state could always create a government-owned business or para-statal organization that produces the desired sorts of goods and services, beyond adopting zoning laws that, say, create large public spaces free from cars.

#### 5 How to Engage with Stakeholders

The previous section addressed the question of what an economy should provide to people, that is, what its non-instrumental aims should be that would be worth the time, effort, and expense of setting up a business, a profession, or a large-scale structure such as a consumer market. Broadly speaking, the communal ethic based on ideas salient in the African tradition prescribes an economy of cohesion or friendliness, not only in the ways firms treat consumers but also in how citizens come to interact with one another. Protecting and enriching ties of identity and solidarity are, I submit, a

plausible justificatory final end for an economic institution. In contrast, in this section I address attendant final ends for an economic institution, that is, some aims that it ought to have but that would not be so weighty as to justify creating it in the first place. In particular, I draw on the communal ethic to consider who properly counts as a stakeholder that a firm should aid, how strong stakeholder interests are relative to one another, and how to make it likely a firm will in fact satisfy their interests.

By a business 'stakeholder' note that I mean essentially neither a person or group of people that a firm has contracted with, nor a person or group of people that a firm influences, and not even a person or group of people that cares about how the firm operates. Instead, I mean a party that a firm should go out of its way to help, perhaps with a Corporate Social Responsibility (CSR) programme, and potentially at some expected cost to long-term profit. A stakeholder, for my purposes here, is an individual or group in whose interests a firm ought to act, even if doing so would pro tanto conflict with the aim of maximizing shareholder returns.

Not all stakeholder interests are intuitively weighty enough to make their satisfaction a justificatory final end of a firm. Helping a certain party can be a reason for a firm to act but not to create a firm in the first place. Such is plausibly true of the animals a firm is in a position to aid at little cost to itself. By the communal ethic, a firm should not merely seek sustainability and hence avoid pollution and related damage to the environment insofar as it would harm the long-term interests of human beings. In addition, it should give some moral consideration to animals for their own sake. Many of them, too, can be the object of communal relations with us, that is, we can in principle enjoy a sense of togetherness with them, do what would advance their goals, make them better off, and do so out of sympathy, even if to a lesser extent than we can with human beings. Although it would be unreasonable to think that firms typically should be created merely to advance animal interests, it is not to suppose that, once created, they can have reason to go out of their way for the sake of them.

For example, a firm could promote a 'meat-free' day or two in the week at the cafeteria. It could treat animals well in its production process with the aim of setting an example and encouraging other firms to follow suit. It could direct its CSR department to make donations to conservation groups who are working to expand the habitats of, say, elephants or gorillas or to protect a given species that is at risk of dying out, even if the firm was not responsible for its decline.

It is unusual to think of animals as a sort of stakeholder. They do not show up on typical charts that lay out a firm's stakeholders, where consumers, workers, investors, suppliers, governments, and communities are the familiar groups (e.g., CFI Team, 2023). However, if a stakeholder is a party with an interest in the way the firm operates or that has interests a firm has some reason to satisfy, then, by the communal ethic, animals count, insofar as they are beings with which we could identify and exhibit solidarity. (How much they count is another matter, addressed below.)

Another implication of the communal ethic is that it is not just any communities that are stakeholders, but rather, in the first instance, local ones (Mofuoa, 2014, 233–234), by which I mean societies in which the firm and its outposts have been set. It is intuitive, for instance, that wealthy tech firms in Silicon Valley have particular moral

reasons to help people in that area as opposed to in Johannesburg. Of course, part of the reason might be that those firms have reduced people's quality of life in Silicon Valley, say, by having made housing unaffordable for those not in at least the upper middle class. However, many hold that a firm ought to go out of its way for those in its community beyond compensating the individuals whom it has harmed. For instance, it ought to help with developing infrastructure or funding higher education in the area, even if doing so might cost it some long-term profit.

It is difficult for the more familiar, individualist ethics to make sense of this point, as they are characteristically construed not to include unchosen partial obligations. Utilitarians would straightforwardly say that a firm should help those suffering the most, who might be anywhere in the world, including in Johannesburg. Kantians would normally say that one must aid those whose agency is most impaired, focus on living up to contracts with others, or leave it to the discretion of the moral agent whom to aid, all of whom might be anywhere in the world, including in Johannesburg. I do not want to deny that a firm has some reason to help the worst off wherever they might live, and, instead, my point is that a firm also has some reason to help those in its locale, even if they are not the worst off on the planet.

In contrast, a relational ethic typically includes a partial dimension, such that those in relation to an agent are owed a greater share of the agent's time, money, and other resources, apart from any contract made and even if they are not the neediest. Recall the point above (in Sect. 3) about 'charity begins at home'; we have strong reason to aid those with whom we have related communally simply by virtue of having done so, and regardless of whether we have promised to provide aid. That is plausibly why we, all things being equal, owe members of our families and departments more than we owe members of other families and departments, even if our members are not in the most need. Now, the point also applies to members of our communities. Although ties to neighbours are weaker than to families and co-workers, if there has been cooperation and mutual aid between a firm and the community where it is located, the firm has some moral reason to go out of its way for that community.

Similar reasoning grounds the communal ethic's explanation of why the other usual suspects, viz., consumers, workers, and suppliers, count as stakeholders: a firm has related communally with them. Contractual relationships are a form of identity and solidarity; they are one way in which a firm cooperates and aids another agent and the agent does so with the firm. Such ties bind to some degree.<sup>5</sup> For instance, if a firm has had a long-standing communal relationship with a particular supplier, the firm's managers would have some moral reason to continue to contract with the latter, even if a new supplier would be marginally less expensive. The reason is merely pro tanto and not invariably conclusive, i.e., the firm need not continue to contract with a supplier regardless of how expensive its goods or how shoddy its services become. The claim is that there would usually be some moral cost to dumping a supplier with whom there has been cooperation and mutual aid for many years.

<sup>&</sup>lt;sup>5</sup> The rest of this paragraph borrows from Metz (2022: 222).

In sum, according to the communal ethic, it is not merely those who own a company who are owed consideration. Instead, firms, or at least those in control of them, are obligated to give some weight to the interests of many others that are or could be party to relations of identity and solidarity with them. In fact, there are a variety of stakeholders for a particular firm to consider, by dint of the communal ethic: consumers, workers, suppliers, governments, local communities, future generations, the worst off people, and animals.

Since the interests of these stakeholders cannot all be maximally satisfied by any given CSR decision, and trade-offs have to be made, how should a firm proceed? This question is a moral one, as opposed to a self-interested one. A firm will naturally be tempted to provide the most help to whichever stakeholder is likely to benefit it most in the long run. However, according to the communal ethic, those particularly owed help or whom there is strong reason to help need not be those that would bring in the most profit for a firm through contractual arrangements (Woermann & Engelbrecht, 2019).

I do not provide a complete answer to the question of how morally to prioritize amongst stakeholders but do suggest some principles that fall out of the communal ethic and appear plausible. One is that people's urgent interests should come before those of animals, if they cannot all be satisfied. Although both persons and animals could be objects of communal relation with a firm, only the former have a dignity, giving them a stronger claim in cases of unavoidable conflict.

Another principle is that the longer and stronger the communal tie between the firm and a party, the weightier the moral reason for the firm to aid it. That explains why we owe so much of our attention, time, and finances to family members, and, applied to stakeholders, it follows that, after shareholders, workers should often come first. They are the ones who will have been around for many years and with whom a firm would have interacted on a daily basis.

For a final aspect of how to engage with stakeholders, so far I have mentioned the duties of a firm in respect to them, but one might be interested in how to make it likely that a firm lives up to these duties. One way would be to have a board include a representative for each kind of stakeholder. So, there would be someone to represent animals and future generations, someone else to represent consumer interests, someone from the local community, and so on. Such representativity could be made law, but, in the absence of that, a firm might independently adopt a policy of ensuring that major decisions affecting the operations of a firm are steered by those who represent all its stakeholders.

A further question is how the votes of board members should be weighted. One idea would be to apportion the number of votes to moral importance, so that, say, the representative for workers has more votes than that for animals. Another, quite different idea would be to require all stakeholders to come to a unanimous agreement, with a majority vote being insufficient to ratify a decision. That approach would effectively apportion each stakeholder an equal share of influence over the decision. Many in the African tradition would prescribe this approach as an effective way to ensure that all stakeholders are included, thereby avoiding minorities who would feel

<sup>&</sup>lt;sup>6</sup> Perhaps because of their greater capacity to relate communally, as subjects.

disaffected, lack influence, and be insufficiently aided (e.g., Gyekye, 1992; Wiredu, 2000). I am afraid I cannot say more here about this important and fascinating issue of how to allocate power on a board.

#### 6 Conclusion

What to take away from this essay will differ, depending on the reader's prior commitments. Some will have found attractive the exposition (in Sect. 3) of a relational ethic informed by beliefs and practices salient in the African ubuntu tradition. From this perspective, much of the sort of value that an economy should create should include cooperation and mutual aid between a varieties of parties. For readers who find this communalism appealing, if I have applied the ethic rigorously, then they have reason to accept the appraisals of the normative controversies regarding what to distribute in an economy and how to engage with stakeholders (in Sects. 4 and 5) and should strive to change the status quo accordingly. In contrast, others might have found the appraisals of these normative controversies attractive, in which case they have reason to accept the communal ethic that grounds them and to forsake more individualist economic ethics that probably do not.

There will naturally be some others who have not found anything particularly attractive as yet, neither the ethic nor its implications. One way forward to address these readers would be to apply the communal ethic to several more controversies and to point out that it entails intuitive positions. Additional major topics in normative economics to explore in future work include what a prescription to honour relationships of identity and solidarity means for: how much wealth each person should have; how opportunities such as education and jobs should be allocated; whether there should be a right to work analogous to a right to education; and which kinds of globalization are appropriate. I submit that it would be worthwhile answering such questions in communal terms, not merely with an eye to providing reason to doubt more individualist ethical economics, which have been so influential in the West, but also to broaden reflection about these substantive matters. There is much potentially to learn from the neglected African tradition.

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