CORPORATE ROLES, PERSONAL VIRTUES: AN ARISTOTELEAN APPROACH TO BUSINESS ETHICS

Robert C. Solomon

Each of us is ultimately lonely, In the end, it's up to each of us and each of us alone to figure out who we are and who we are not, and to act more or less consistently on those conclusions.

We are gratefully past that embarrassing period when the very title of a lecture on “business ethics” invited—no, required—those malapert responses, “sounds like an oxymoron” or “must be a very short lecture.” Today, business ethics is well-established not only in the standard curriculum in philosophy in most departments but, more impressively, it is recommended or required in most of the leading business schools in North America, and it is even catching on in Europe (one of the too rare instances of intellectual commerce in that direction). Studies in business ethics have now reached what Tom Donaldson has called “the third wave,” beyond the hurried-together and overly-philosophical introductory textbooks and collections of too-obvious concrete case studies, too serious engagement in the business world. Conferences filled half-and-half with business executives and academics are common, and in-depth studies based on immersion in the corporate world, e.g. Robert Jackall’s powerful Moral Mazes, have replaced more simple-minded and detached glosses on “capitalism” and “social responsibility.” Business ethics has moved beyond vulgar “business as poker” arguments to an arena where serious ethical theory is no longer out-of-place but seriously sought out and much in demand.

The problem with business ethics now is not vulgar ignorance but a far more sophisticated confusion concerning exactly what the subject is supposed to do and how (to employ a much overworked contrast) the theory applies to the practice of business. Indeed, a large part of the problem is that it is by no means clear what a theory in business ethics is supposed to look like or whether there is, as such, any such theoretical enterprise. It has been standard practice in many business ethics courses and—whether cause or effect—most standard textbooks, to begin with a survey of ethical theory. This means, inevitably, a brief summary of Kant and deontological ethics, a brief survey of utilitarianism with a note or two about John Stuart Mill and a distinction or two between act and rule, pleasure versus preference utilitarianism and some replay of the much-rehearsed contest between the two

sorts of theories. Given the business context, libertarianism or some form of contractualism is often included as a third contender. "Justice" is a natural introductory section, and John Locke on natural property rights is an appropriate inclusion too. But is this the theory of business ethics? Not only is the application to concrete business situations in question—and then the message to students is too often an unabashed relativism ("if you are a utilitarian, you'll do this, if you're a Kantian, you'll do that")—but it is not even clear whether there is, then, anything distinctive about business ethics. There is just ethics, or rather ethical theory, whatever that may be. Indeed, one is almost tempted to retreat to the tongue in cheek advice of Robert Townsend, former CEO of Avis and author of Up the Organization, that if a company needs a corporate code of ethics, it should tack up the Ten Commandments. And so with its success assured, at least for the time being, business ethics faces both a crisis of theory and a pragmatic challenge, that is, what is to count as a theory in business ethics and how that theory applies and can be used by flesh-and-blood managers in concrete, real life ethically-charged situations.

One possibility, of course, is that the theory of business ethics is really the philosophy of economics, that is, economics as ethics, social-political philosophy with an emphasis on economic justice. Thus the theoretical questions of business ethics are those raised by John Rawls in his Theory of Justice in 1971 and by his colleague Robert Nozick in Anarchy, State and Utopia in 1974. The questions of business ethics are those posed repeatedly by Amartya Sen and Jon Elster in their various books and articles and in a more informal way by John Kenneth Galbraith and Lester Thurow in the pages of the New York Review. This, of course, is rich and promising territory. The theories are well developed and, though they may take Kant, Locke, and Mill as their precursors, they raise concerns that are particular to economic concerns and ask, with regard to the system as a whole as well as particular practices within it, whether the free-market is indeed a just and fair mechanism for the distribution of goods in a grossly inegalitarian world. The theories here are well-developed and impressively formalized—in the sophisticated techniques of game theory, social choice theory and all of those other accoutrements that make theories look like theory, in other words, adequate for publication in the most serious professional journals and conducive to a positive tenure decision.

Such theorizing is, however, utterly inaccessible to the people for whom we supposedly do business ethics, our students and the executives and corporations we talk to and write for. Here, especially, the pragmatic problem comes back to haunt us; how do these grand theories of property rights and distribution mechanisms, these visionary pronouncements on the current economy apply to people on the job? Of course, one could argue that this is the case in any science,—and not just in the sciences either. The hard part of any academic teaching is taking very sophisticated theoretical material and "watering it down" for the hoi poloi, or more modestly, making it accessible in not overly over-simplified terminology. But quite apart from
the offensive patronizing presumed by this view—especially in the so-called liberal arts, it is inadequate for a more theoretical reason as well. The grand theories of the philosophy of economics, however intriguing they may be in their own right, are not adequate for business ethics, and for many of the same reasons that the classic theories of Kant, Locke and Mill are inadequate. The theories themselves are incomplete, oblivious to the concrete business context and indifferent to the very particular roles that people play in business. Their inaccessibility and/or inapplicability to the ordinary manager in the office or on the shop floor is not just a pragmatic problem but a failure of theory as well. At any rate, that is what I would like to argue here. Business ethicists (like some country folk singers) have been looking for theory in the wrong place and, consequently, they have been finding and developing the wrong theories.

The Aristotelean Approach to Business Ethics

Economists and economic theorists naturally tend to look at systems and theories about systems, while ethicists tend to look at individual behavior, its motives and consequences. Neither of these approaches is suitable for business ethics. One of the problems in business ethics, accordingly, is the scope and focus of the disciplines and the proper unit of study and discourse. Much of the work in business ethics courses and seminars centers around “case studies,” which almost always involve one or several particular people within the realm of a particular corporation in a particular industry facing some particular crisis or dilemma. Individual ethical values are, of course, relevant here, but they are rarely the focus of attention. Economics, of course, is essential to the discussion—since the realm of the corporation is, after all, a business, but the desire to show a profit is virtually taken for granted while our attention is drawn to other values. Insofar as business ethics theories tend to be drawn from either individualistic ethics or economics they remain remote from the case study method which often seems so inadequate with regard to more general implications and conclusions in business and why business ethics theory lags so far behind theory in both ethics and economics. In this paper, I want to begin to develop a more appropriate focus for business ethics theory, one that centers on the individual within the corporation. For reasons that should be evident to anyone who has had the standard Philosophy 102 History of Ethics course, I call this the Aristotelean Approach to Business Ethics.

In a book It's Good Business, I once distinguished between macro-, micro-, and molar ethics, and within this limited dichotomy it should be evident that I am going to argue for the neglected importance of micro-business ethics—the concepts and values that define individual responsibilities and role behavior as opposed to the already well-developed theories of macro-business ethics—the principles and policies that govern or should govern our overall system of (re-)distribution and reward. (In ethics as such, one might argue, the neglect has taken the opposite twist, ignoring the larger social anthropo-
logical setting in favor of individual autonomy, rights and well-being.) The distinction between micro and macro is borrowed from and intended to be parallel to a similar dichotomy in economics. (I have elsewhere argued that economics is a branch of ethics, but that is another story.)¹ That distinction, however, is left over from the ancient days of Lord Keynes and is also inadequate. The integral or “molar” unit of commerce today is neither the individual entrepreneur or consumer nor the all-embracing system that still goes by the antiquated nineteenth century name “capitalism.” It is the corporation, a type of entity barely mentioned by Adam Smith in a few dismissive sentences (and of minimal interest even to Keynes). While I will continue to hold that the existential unit of responsibility and concern is and remains the individual, the individual in today’s business world does not operate in a social vacuum. He or she is more likely than not an employee—whether in the stockroom or as Chief Financial Officer—and our basic unit of understanding has to be the company whose perceived primary purpose is “to make money.” Theory in business ethics thus becomes the theory—that is, description and contemplation about—individuals in (and out) of business roles as well as the role of business and businesses in society. People in business are ultimately responsible as individuals, but they are responsible as individuals in a corporate setting where their responsibilities are at least in part defined by their roles and duties in the company and, of course, by “the bottom line,” businesses in turn are defined by their role(s) and responsibilities in the larger community, where the bottom line is only an internal concern (if the business is to stay in business and the shareholders are to hold onto their shares) but for everyone else may be a minimal consideration.

A different way of putting this central point is to point out that much of business ethics today focusses on questions of policy—those large questions about government regulation and the propriety of government intervention, e.g. in failing industries and affirmative action programs, and in very general business practices and problems, e.g. pollution control, opacity and lying in advertising, employee due process and the social responsibilities of companies to their surrounding communities. All of this, of course, is perfectly proper for philosophers and other social observers who have the luxury of standing outside of the pressures of the business world to survey to the larger scenery, and I am not for a minute suggesting that we abandon our interest in policy questions in favor of an atomistic and perhaps narcissistic concern for person integrity. But I do think that we have employed policy talk as an exclusionary practice in our effort to provide impersonal solutions to large and seemingly impersonal questions. To this end, traditional theories of ethics—especially Kantian deontology and utilitarianism have been called in to support one or another concern beyond or contrary to the bottom line. (Where business profits and public policy agree, of course, there’s not much call for debate.²) But what gets left out of these well-plumbed studies and arguments is an adequate sense of personal values and involvement. Too much of our emphasis in our courses on business ethics is on policy disputes and the grand theories that support one position or an-
other. But the practical problem with such policy disputes is that few people in the business world and even fewer of our students have any real sense of what to do with them, except to argue about them and, perhaps, become aware of the possibility that they may well become the victims of one policy or another. The Chairman of the Board may have a very real and tangible interest in discussing and resolving policy issues, and so too the members of this or that governmental commission. But policy disputes don't have very much to say to the ordinary manager, or for that matter, the ordinary executive, much less the ordinary business student. What is missing from much of business ethics is an adequate account of the personal dimension in ethics. Accordingly, I want to defend business ethics as a more personally oriented ethics, not just as public policy, "applied" abstract philosophy or a byproduct of the social sciences. But business ethics so conceived is not "personal" in the sense of "private" or "subjective"; it is rather self-awareness writ large, a sense of oneself as an intimate (but not inseparable) part of the business world with a keen sense of the virtues and values of that world. This is an ethics that involves not personal values as such but rather one's values as a member of a possibly humongous organization to which one has pledged one's loyalty and in which one's honor as well as one's potential for success is at stake. It is an Aristotelean ethics precisely because it is membership in a community, a community with collective goals and a stated mission—to produce quality goods and/or services and make a profit for the stockholders.

Aristotle is the philosopher who is best known for this emphasis on the cultivation of the virtues. But isn't it inappropriate if not perverse to couple Aristotle and business ethics? True, he was the first economist. He had much to say about the ethics of exchange and so might well be called the first (known) business ethicist as well. But Aristotle distinguished two different senses of what I call economics, one of them "oeconomicus" or household trading, which he approved of and thought essential to the working of any even modestly complex society, and "chrematiseike," which is trade for profit. Aristotle declared that latter activity wholly devoid of virtue and called those who engaged in such purely selfish practices "parasites." All trade, he believed, was a kind of exploitation. Such was his view of what I call "business." Indeed, Aristotle's attack on the unsavory and unproductive practice of "usury" and the personal vice of avarice held force virtually until the seventeenth century. Only outsiders at the fringe of society, not respectable citizens, engaged in such practices. (Shakespeare's Shylock, in The Merchant of Venice, was such an outsider and a usurer, though his idea of a forfeit was a bit unusual.) It can be argued that Aristotle had too little sense of the importance of production and based his views wholly on the aristocratically proper urge for acquisition, thus introducing an unwarranted zerosum thinking into his economics. And, of course, it can be charged that Aristotle, like his teacher Plato, was too much the spokesman for the aristocratic class and quite unfair to the commerce and livelihoods of foreigners and commoners. It is Aristotle who initiates so much of the history of
business ethics as the wholesale attack on business and its practices. Aristotelean prejudices underlie much of business criticism and the contempt for finance that preoccupies so much of Christian ethics even to this day, avaricious evangelicals not withstanding. Even defenders of business often end up presupposing Aristotelean prejudices in such Pyrrhonian arguments as "business is akin to poker and apart from the ethics of everyday life" (Alfred Carr) and "the [only] social responsibility of business is to increase its profits" (Milton Friedman).⁶ But if it is just this schism between business and the rest of life that so infuriated Aristotle, for whom life was supposed to fit together in a coherent whole, it is the same holistic idea—that business people and corporations are first of all part of a larger community, that derives business ethics today. I can no longer accept the amoral idea that "business is business" (not a tautology but an excuse for insensitivity). According to Aristotle, one has to think of oneself as a member of the larger community, the Polis, and strive to excel, to bring out what was best in ourselves and our shared enterprise. What is best in us—our virtues—are in turn defined by that larger community, and there is therefore no ultimate split of antagonism between individual self-interest and the greater public good. Of course, there were no corporations in those days, but Aristotle would certainly know what I mean when I say that most people in business now identify themselves—if tenuously—in terms of their companies, and corporate policies, much less corporate codes of ethics, are not by themselves enough to constitute an ethics. But corporations are not isolated city-states, not even the biggest and most powerful of the multi-nationals (contrast the image of "the sovereign state of ITT"). They are part and parcel of a larger global community. The people that work for them are thus citizens of two communities at once, and one might think of business ethics as getting straight about that dual citizenship. What I need to cultivate is a certain way of thinking about ourselves in and out of the corporate context, and this is the aim of ethical theory in business, as I understand it. It is not, I insist, anti-individualistic in any sense of "individualism" that is worth defending. The Aristotelean approach to business ethics rather begins with the idea that it is individual virtue and integrity that counts: good corporate and social policy will follow: good corporate and social policy are both the preconditions and the result of careful cultivation and encouragement.

With what is this Aristotelean approach to be contrasted? First of all, I want to contrast it with the emphasis on public policy that has preoccupied our subject. In Texas, to take one provincial example, the business school can't quite give itself over to the idea of a business ethics course, and my own business ethics course in philosophy was (until this year) cross listed with the management department as a public and social policy course. There is nothing wrong with policy studies, of course, and I don't for a moment suggest that they be replaced or discarded. But policy decisions aren't usually made by folks like us. We rarely even get to vote or speak for them. For the ordinary line manager, or even most executives, policy questions are, for the most part, something to debate over lunch, usually by way of reaction to
some *fait accompli*. And there is something missing from policy decisions that is absolutely central to ethics on virtually any account, and that is, personal responsibility. The ethical problems that the average manager faces on the job are personnel and routine administrative decision-making problems, not policy problems. Some of those problems have to do with temptations—an attractive competing offer, a convenient kick-back, personal relationship or prejudice against an employee. Some have to do with conflicts of duties, mixed messages, crossed loyalties. Business ethics begins, for most of us, in some conflict of roles within an organization, implementing policies or decisions not of our own making and often against our better judgment. Whatever else business ethics may involve and however sophisticated its theories may become, it means knowing that even such decisions (and their consequences) are nevertheless one’s own to live with. Ethics is not just a subject for executive boards, planning committees and government overseers but for all of us, in the details as well as the larger dramas of our everyday lives.

The Aristotelean approach is also to be contrasted with that two hundred or so year old obsession in ethics that takes everything of significance to be a matter of *rational principles*, “morality” as the strict Kantian sense of duty to the moral law. This is not to say, of course, that Aristotelean ethics dispenses with rationality, or for that matter with principles or the notion of duty. But Aristotle is quite clear about the fact that it is cultivation of character that counts, long before we begin to “rationalize” our actions, and the formulation of general principles (in what he famously but confusingly calls his “practical syllogism”) is not an explicit step in correct and virtuous behavior as such but rather a philosopher’s formulation about what it means to act rationally. And, most important for our purposes here, duties too are defined by our roles in a community, e.g. a corporation, and not by means of any abstract ratiocination, principle of contradiction or *a priori* formulations of the categorical imperative. Kant, magnificent as he was a thinker, has proved to be a kind of disease in ethics. It’s all very elegant, even brilliant, until one walks into the seminar room with a dozen or so bright, restless corporate managers, waiting to hear what’s new and what’s relevant to them on the business ethics scene. And then we tell them: don’t lie, don’t steal, don’t cheat—elaborated and supported by the most gothic non-economic construction ever allowed in a company training center. But it’s not just its impracticality and the fact that we don’t actually do ethics that way; the problem is that the Kantian approach shifts our attention away from just what I would call the “inspirational” matters of business ethics (its “incentives”) and the emphasis on “excellence” (a buzz-word for Aristotle as well as Tom Peters and his millions of readers). It shifts the critical focus from oneself as a full-blooded person occupying a significant role in a productive organization to an abstract role-transcendent morality that necessarily finds itself empty-handed when it comes to most of the matters and many of the motives that we hear so much about in any corporate setting.

The Aristotelean approach is also to be contrasted with that rival ethical
theory that goes by the name of “utilitarianism.” I have considerably more to say about utilitarianism, its continued vulgarization and its forgotten humanistic focus in John Stuart Mill, but not here. For now, I just want to point out that utilitarianism shares with Kant that special appeal to anal compulsives in its doting over principles and rationalization (in crass calculation) and its neglect of individual responsibility and the cultivation of character. (John Stuart Mill exempted himself from much of this charge in the last chapter of *Utilitarianism,* but I promised not to talk about that here.) But I can imagine a good existentialist complaining quite rightly that the point of all such “decision procedures” in ethics is precisely to neutralize the annoyance of personal responsibility altogether, appealing every decision to “the procedure” rather than taking responsibility oneself. Of course, I am not denying the importance of concern for the public good or the centrality of worrying, in any major policy decision, about the number of people helped and hurt. But I take very seriously the problems of measurement and incommensurability that have been standard criticisms of utilitarianism ever since Bentham, and there are considerations that often are more basic than public utility—if only because, in most of our actions, the impact on public utility is so small in contrast to the significance for our personal sense of integrity and “doing the right thing” that it becomes a negligible factor in our deliberations.

I would also distinguish the Aristotelean approach to business ethics from all of those approaches that primarily emphasize rights, whether the rights of free enterprise as such, the rights of the employee, the customer or the community and even civil rights. Again, I have no wish to deny the relevance of rights to ethics or the centrality of civil rights, but I think that we should remind ourselves that talk about rights was never intended to eclipse talk about responsibilities and I think the emphasis in business ethics should move from *having* rights oneself to *recognizing* the rights of others, but then, I’m not at all sure that all of this couldn’t just as well or better be expressed by saying that there are all sorts of things that a virtuous person should or shouldn’t do to others.\(^8\) Of course, Aristotle’s defense of slavery in his *Politics* should be more than enough to convince us that we would still need the language of rights even with a fully-developed language of the virtues. The problem with virtue ethics is that it tends to be provincial and ethnocentric. It thereby requires the language of rights and some general sense of utility as a corrective.

It will be evident to most of you that I am arguing—or about to argue—for a version of what has recently been called “virtue ethics,” but I do want to distance myself from much of what has been defended recently under that title. First of all, I want to reject those versions of ethics that view the virtues as no more than particular instantiations of the abstract principles of morality. This is an analysis that has been argued at some length, for instance, by William Frankena and Kurt Baier, both distinguished defenders of “the moral point of view.”\(^9\) But if, for example, being an honest man or woman is nothing other than obeying the general Kantian-type principle “do not
lie," if being respectful is a conscientious application of the "ends" formulation of the categorical imperative (not even Kant held this), if one's sense of public service is an expression of the utilitarian principle, then it is emphatically not what I have in mind, nor did Aristotle. To be witty or magnificent (two Aristotelean virtues not taken seriously enough by our contemporaries) is surely not to express or apply certain principles, but neither is courage, temperance, nor even justice (contrary to Rawls and many of our finest social thinkers today). To imagine our good existentialist here again, one can hear him saying, presumably in French, that one's personal judgments precede rather than follow one's abstract ethical pronouncements. Of course, this isn't exactly Aristotelean (Aristotle was no existentialist), but modified it makes a good Aristotelean point: choice and character get cultivated first, philosophical ethics—if one is lucky enough to study in the right academy—afterwards. Theory in business ethics consists in part of just such reflection on the cultivation of the right virtues and their nature.

I also want to distance myself from some of the now-familiar features of what is being defended as virtue ethics, in particular the rather dangerous nostalgia for "tradition" and "community" that is expressed by Alasdair MacIntyre and Charles Taylor among others. Of course, the Aristotelean approach does presuppose something of sense of community that I particularly want to emphasize. But there is a difference between the more or less singular, seemingly homogeneous, autonomous (and very elite) community that Aristotle simply took for granted and the nostalgic (I think purely imaginary) communities described or alluded to by recent virtue ethicists, often defined by a naive religious solidarity and unrealistic expectation of communal consensus. No adequate theory of ethics today can ignore or wish away the pluralistic and culturally diverse populations that make up almost every actual community. Even the smallest corporation will be rent by professional and role-related differences as well as divided by cultural and personal distinctions. Corporate cultures like the larger culture(s) are defined by their differences and disagreements as well as by any shared purpose or outside antagonist or competition, and no defense of the concept of corporate culture can or should forget that corporations are always part of a larger culture and not whole cultures themselves. And yet, in place of the abstract nostalgia that defines much of the current fascination with "communities," many modern corporations would seem to represent just such community. They enjoy a shared sense of telos as many communities do not. They invoke an extraordinary, almost military emphasis on loyalty and, despite the competitive rhetoric, they first of all inspire and require teamwork and cooperation. Corporations are real communities, neither ideal nor idealized, and therefore the perfect place to start understanding the nature of the virtues.

There has been some suggestion in the literature that virtue ethics is a more "feminine" ethics than Kantian or utilitarian rule-bound ethics. I disagree. I thus want to distance myself from some recent feminist writings—
including the work of one of my own best students—who have drawn a sharp contrast between the good, warm, feminine virtues of caring and concern and the oppressive, impersonal, war-mongering masculine principles of justice and duty. I certainly agree with the shift in emphasis, from Kantian justice to compassion and caring, but it is not my intention to supply one more weapon in the perennial war between the sexes, and it seems to me that Aristotle—certainly no feminist—has much to say about the virtues that has little or nothing to do with the (admittedly not unimportant) fact that one is a male or female. It may be, as some writers have recently argued, that the increasingly numbers of women in significant executive positions will change the dominant ethic of corporate America. I do not yet see much evidence of this promising proposition, but I think the importance of emphasizing the virtues (including the so-called “feminine” virtues) should not be held captive to gender distinctions.

The Six Dimensions of Virtue Ethics

So what defines the Aristotelean approach to business ethics? What are its primary dimensions? There is a great deal of ground to be covered, from the general philosophical questions “what is a virtue?” and “what is the role of the virtues in ethics and the good life?” to quite specific questions about virtues and supposed virtues in business, such as loyalty, dependability, integrity, shrewdness and “toughness.” But I can only begin to answer these general questions or speak much of these particular virtues here, but what I want to do first is to very briefly circumscribe the discussion of the virtues in business ethics with a half dozen considerations not usually so highlighted in the more abstract and principle-bound discussions of ethics nor so personalized in the policy discussions that so dominate the field. Those six considerations make up the framework of virtue ethics in business, and for the sake of brevity I simply call them: community, excellence, role identity, holism, integrity, judgment.

Community

The Aristotelean approach and, I would argue, the leading question for business in the nineties begins with the idea that the corporation is first of all a community. We are all individuals, to be sure, but we find our identities and our meanings only within communities, and for most of us that means—at work in a company or an institution. The philosophical myth that has grown almost cancerous in many business circles, the neo-Hobbesian view that “it’s every man[sic] for himself” and the newer Darwinian view that “it’s all a jungle out there” are direct denials of the Aristotelean view that we are all first of all members of a community and our self-interest is for the most part identical to the larger interests of the group. Our individuality is socially constituted and socially situated. Furthermore, our seemingly all-important concept of competition presumes, it does not replace, an underlying assumption of mutual interest and cooperation. Whether we do
well, whether we like ourselves, whether we lead happy productive lives, depends to a large extent on the companies we choose. As the Greeks used to say, "to live the good life one must live in a great city." To my business students today, who are all too prone to choose a job on the basis of salary and start-up bonus alone, I always say, "to live a decent life choose the right company." In business ethics the corporation is one's community, which is not to deny, of course, that there is always a larger community—as diverse as it may be—that counts even more.

**Excellence**

The Greek "arete" is often translated either "virtue" or "excellence," as opposed to the rather modest and self-effacing notion of "virtue" that we inherited from our Victorian ancestors (indeed, even Kant used the term). The dual translation by itself makes a striking point. It is not enough to do no wrong. "Knowingly do no harm" (Primus non nocere) is not the end of business ethics (as Peter Drucker suggests\(^\text{12}\)). The hardly original slogan I sometimes use to sell what I do, "ethics and excellence" (the title of the book in which this essay finds its home) is not just a tag-along with Peters and Waterman. Virtue is doing one's best, excelling, and not merely "toeing the line" and "keeping one's nose clean." The virtues that constitute business ethics should not be conceived as purely ethical or moral virtues, as if (to come again) business ethics were nothing other than the general application of moral principles to one specific context (among others). Being a "tough negotiator" is a virtue in business but not in babysitting. It does not follow, however, that the virtues of business are therefore opposed to the ordinary virtues of civilized life—as Alfred Carr famously argued in his *Harvard Business Review* polemic of several years ago. The virtues of business ethics are business virtues but they are nonetheless virtues, and the exercise of these virtues is aimed at both "the bottom line" and ethics.

**Role Identity**

Much has been written, for example, by Norman Bowie in his good little book *Business Ethics*, on the importance of "role morality" and "My Position and its Duties."\(^\text{13}\) It is the situatedness of corporate roles that lends them their particular ethical poignancy, the fact that an employee or an executive is not just a person who happens to be in a place and is constrained by no more than the usual ethical prohibitions. To work for a company is to accept a set of particular obligations, to assume a prima facie loyalty to one's employer, to adopt a certain standard of excellence and conscientiousness that is largely defined by the job itself. There may be general ethical rules and guidelines that cut across most positions but as these get more general and more broadly applicable they also become all but useless in concrete ethical dilemmas. Robert Townsend's cute comment that "if a company needs an ethical code, use the Ten Commandments" is thus not only irreverent but irrelevant too.\(^\text{14}\) The Aristotelean approach to business ethics pre-
sumes concrete situations and particular people and their place in organizations. There is little point to an ethics that tries to transcend all such particularities and embrace the chairman of the board as well as a middle manager, a secretary and a factory worker. All ethics is contextual, and one of the problems with all of those grand theories is that they try to transcend context and end up with vacuity. The problem, of course, is that people in business inevitable play several roles ("wear several hats") at once, and these roles may clash with one another as they may clash with more personal roles based on family, friendship and personal obligation. This I will argue, is the pervasive problem in micro-business ethics, and it is the legitimacy of roles and their responsibilities, and the structures of the corporation that defines those roles and their responsibilities, that ought to occupy a good deal more of our time and attention.

**Integrity**

Integrity, accordingly, is the key to Aristotelean ethics, not, perhaps, as a virtue as such but rather as the linchpin of all of the virtues, the key to their unity or, in conflict and disunity, an anchor against personal disintegration. "Integrity" is a word, like "honor"—its close kin—that sometimes seems all but archaic in the modern business world. To all too many business executives, it suggests stubbornness and inflexibility, a refusal to be a "team player." But integrity seems to have at least two divergent meanings, one of them encouraging conformity, the other urging a belligerent independence. Both of these are extreme and potentially dangerous. The very word suggests "wholeness," but insofar as one's identity is not that of an isolated atom but rather the product of a larger social molecule, that wholeness includes—rather than excludes—other people and one's social roles. A person's integrity on the job typically requires him or her to follow the rules and practices that define that job, rather than allow oneself to be swayed by distractions and contrary temptations. And yet, critical encounters sometimes require a show of integrity that is indeed antithetical to one's assigned role and duties. At that point some virtues, notably moral courage, become definitive and others, e.g. loyalty, may be jettisoned. (In other cases, of course, it is loyalty that might require moral courage.) But in harmony or in conflict, integrity represents the integration of one's roles and responsibilities and the virtues defined by them.

**Judgment (phronesis)**

The fact that our roles conflict and there are often no singular principles to help us decide on an ethical course of action shifts the emphasis away from our calculative and ratiocinative faculties and back towards an older, often ignored faculty called "judgment." Against the view that ethics consists primarily of general principles that get applied to particular situations, Aristotle thought that it was "good judgment" or *phronesis* that was of the greatest importance in ethics. Good judgment (which centered on "percep-
tion" rather than the abstract formulation and interpretation of general principles) was the product of a good up-bringing, a proper education. It was always situated, perhaps something like Joseph Fletcher's still much referred-to notion of a “situation ethics,” and took into careful account the particularity of the persons and circumstances involved. But I think the real importance of phronesis is not just its priority to ethical deliberation and ratiocination; it has rather to do with the inevitable conflicts of both concerns and principles that define almost every ethical dilemma. Justice, for example, may sound (especially in some philosophers) as if it were a monolithic or hierarchically layered and almost mechanical process. But, as I have argued elsewhere, there are a dozen or more different considerations that enter into most deliberations about justice, including not only rights and prior obligations and the public good but questions of merit (which themselves break down into a variety of sometimes conflicting categories) and responsibility and risk. I won't go into this here but the point is that there is no (non-arbitrary) mechanical decision procedure for resolving most disputes about justice, and what is required, in each and every particular case, is the ability to balance and weigh competing concerns and come to a "fair" conclusion. But what's fair is not the outcome of one or several pre-ordained principles of justice; it is (as they say) a "judgment call," always disputable but nevertheless well or badly made. I have often thought that encouraging abstract ethical theory actually discourages and distracts us from the need to make judgments. I have actually heard one of my colleagues say (without qualms) that, since he's been studying ethical theory, he no longer has any sense of ethics. And if this sounds implausible, I urge you to remember your last department or faculty senate meeting, and the inverse relationship between high moral tone of the conversation and ridiculousness of the proposals and decisions that followed.

Holism

It more or less follows from what I've said above that one of the problems of traditional business thinking is our tendency to isolate our business or professional roles from the rest of our lives, a process that Marx following Schiller described as “alienation.” The good life may have many facets, but they are facets and not mere components, much less isolated aspects despite the tiresome emphasis on tasks, techniques and “objectives,” that a manager's primary and ultimate concern is people. It's gotten trite, but as I watch our more ambitious students and talk with more and more semi-successful but "trapped" middle managers and executives, I become more and more convinced that the tunnel-vision of business life encouraged by the too narrow business curriculum and the daily rhetoric of the corporate community is damaging and counter-productive. Good employees are good people, and to pretend that the virtues of business stand isolated from the virtues of the rest of our lives—and this is not for a moment to deny the particularity of either our business roles or our lives—is to set up that familiar tragedy in
which a pressured employee violates his or her “personal values” because, from a purely business point of view, he or she “didn’t really have any choice.” It is the integration of our roles—or at least their harmonization—that is our ideal here, and that integration should not be construed as either the personal yielding to the corporate or the corporate giving into the personal. The name of that integration is ethics, construed in an Aristotelean way.

Business and the Virtues

Business ethics is too often conceived as a set of impositions and constraints, obstacles to business behavior rather than the motivating force of that behavior. So conceived, it is no surprise that many people in business look upon ethics and ethicists with suspicion, as antagonistic if not antithetical to their enterprise. But properly understood, ethics does not and should not consist of a set of prohibitive principles or rules, and it is the virtue of an ethics of virtue to be rather an intrinsic part and the driving force of a successful life well-lived. Its motivation need not depend on elaborate soul-searching and deliberation but in the best companies moves along with the easy flow of interpersonal relations and a mutual sense of mission and accomplishment.

“The virtues” is a short-hand way of summarizing the ideals that define good character. There are a great many virtues that are relevant to business life, in fact, it would be a daunting task to try to even list them all. Just for a start, we have honestly, loyalty, sincerity, courage, reliability, trustworthiness, benevolence, sensitivity, helpfulness, cooperativeness, civility, decency, modesty, openness, cheerfulness, amiability, tolerance, reasonableness, tactfulness, wittiness, gracefulness, liveliness, magnanimity, persistence, prudence, resourcefulness, cool-headedness, warmth and hospitality.17 Each of these has subtle sub-traits and related virtues, and there are a great many virtues of strength, energy and skill as well as attractiveness, charm and aesthetic appeal that I have not yet mentioned. There are “negative” virtues, that is virtues that specify the absence of some annoying, inefficient or anti-social trait, such as non-negligence, non-vengefulness, non-vindictiveness and non-pretentiousness, and there are virtues of excess and superiority, such as super-conscientiousness and super-reliability. Then there are those virtues that seem peculiar (though not unique) to business, such as being shrewd and ruthless and “tough,” which may well be vices in other aspects of life.

From the variety of virtues, one of the most important conclusions to be drawn immediately is the impoverished nature of ethical language when it limits itself to such terms as “good” and “bad,” “right” and “wrong.” To be sure, most of the virtues are “good” and lead to “right” action, and most of the contrary vices are “bad” and lead to “wrong”-doing. But not only does such ethical language lead us to ignore most of what is significant and subtle in our ordinary ethical judgments, it tends to lead us away from just that
focus on personal character that is most essential to most of our interpersonal decisions, whether it is to trust a colleague, make a new friend, hire or fire a new assistant, respect a superior or invite the boss over to the house for dinner. Ethics is not the study of right and wrong, anymore than art and aesthetics are the study of beauty and ugliness.\textsuperscript{18} Ethics (like art and aesthetics) is a colorful, multifaceted appreciation and engagement with other people in the world. In business ethics, it is only the extreme and sinister misdeed that we label simply “wrong;” more often, we invoke an artist’s palette of imaginative descriptions such as “sleazy” and “slimy.” Even the phrase “good character” (or “good person”) strikes us as uninteresting and vacuous; it is the details that count, not the gloss. And there are many, many details, any of which might become more or less significant in some particular situation.

A virtue, according to Aristotle, is an excellence. It is not, however, a very specialized skill or talent (like being good with numbers or a brilliant researcher) but an exemplary way of getting along with other people, a way of manifesting in one’s own thoughts, feelings and actions the ideals and aims of the entire community. Thus honesty is a virtue not because it is a skill necessary for any particular endeavor of because it is “the best policy” in most social situations but because it represents the ideal of straight dealing, fair play, common knowledge and open inquiry. What is public is probably approved of and what is hidden is probably dangerous. So, too, courage is a virtue not just because it requires a special talent or because “somebody’s got to do it” but because we all believe (with varying degrees of commitment) that a person should stand up for what he or she cares about and what he or she believes in. But not all virtues need be so serious or so central to our idea of integrity. Aristotle listed charm, wit and a good sense of humor as virtues, and with corporate life in particular I think that we would probably agree. To be sure, the circumstances in which congeniality is a central virtue and in which courage becomes cardinal will be very different, but it is a troubled organization that requires the more heroic virtues all the time and does not have the relative security and leisure to enjoy those virtues that make life worthwhile rather than those that are necessary for mere survival. Indeed, part of the folly of the familiar military, machine and jungle metaphors in business is that they all make business life out to be something threatening and relentless. But the truth (even in the military and in the jungle) is that there are long and sometimes relaxed respites and a need for play and playfulness as well as diligence. There is welcome camaraderie and the virtues of “getting along” are just as important to group survival as the coordination needed for fighting together. There are reasons why we want to survive—apart from sheer Darwinian obstinacy—and the fact that we relish and enjoy the social harmony of our life and our jobs is one of them. One of the most powerful but most ignored arguments against hostile takeovers and unfriendly mergers is the desire on the part of the members of a corporate community to maintain that community, and this is not the same as executives “fighting to keep their jobs.”
The fact that many of the virtues are social virtues of congeniality suggests that we should not insist on virtue as a particularly "moral" category, nor is it obvious that we should draw a sharp distinction between moral virtues (such as honesty) and non-moral virtues (such as wit). Many virtues (e.g. loyalty and generosity) seem to be ambiguous in terms of morality, and the very notion of "morality" has been so distorted by a century or two of conflation with a very specialized and overly principled conception of morals and confusion with very narrow questions of behavior (particularly sexual behavior) that it is, perhaps, no longer a useful term for understanding the subtleties of social harmony. What is important is rather the place of a virtue (along with other virtues) in the living of a meaningful, fulfilling life, and what is important for a business virtue is its place in a productive, meaningful life in business. And this does not simply mean, "how does it contribute to the bottom line?" but rather, does it contribute to the social harmony of the organization? Does it manifest the best ideals of the organization? Does it render an employee or manager "whole" or does it tear a person to pieces, walling off one aspect of a personality from another and leaving one part to apologize or feel ashamed before the other?

We might speculate that the more "moral" virtues are those which, when violated, put one in a position of "disgrace" in the eyes of his or her peers. (Having a lousy sense of humor, on the other hand, is certainly undesirable but hardly a disgrace.) But this is largely negative characterization of character, and note that the very word "dis-grace" suggests the religious origins of much of our conception of morality. Nevertheless, disgrace is not an adequate test even for the moral virtues however essential it may be to the moral life. It would be probably better to emphasize the importance of the virtues rather than their violation. Despite the insistence of many moralists to the contrary, it would seem that the congenial virtues are just as essential to corporate well-being as the more moral virtues. We typically forgive a certain amount of exaggeration and fictionalization for the sake of humor, and we recognize in Shakespeare's Falstaff, for instance, the convincing principle that a display of humor can sometimes take priority over valor. We tend to be overly absolutist about certain moral principles and the cost of that absolutism is the neglect of the congenial virtues and a consequent dreariness in both social life and ethical discourse.

If business life was like the brutal and heroic world of Homer's Iliad, corporations in mortal conflict with one another, we would expect the business virtues to be those warrior virtues most closely associated with combat, not only strength and prowess but courage, imperviousness to pain or pity, frightfulness (that is, causing fright in others, not being frightened oneself). We would expect the warrior to have an appropriately insensitive personality, rather clumsy social habits, and an enormous ego. Not surprising, these are precisely the virtues often praised and attributed to top business executives, summarized (badly) in the single word, "toughness." But, of course, warrior metaphors depend on a war-like situation, but business ethicists have taken considerable pains to dismiss that picture of corporate business
life as pathological and misleading. Most CEOs, however "tough," do not fit this picture at all. Consider, instead, a very different and usually more representative picture of the corporation, the corporation as a wealthy and prosperous "polis," a free and sophisticated city-state with considerable pride in its products, philosophy, and corporate culture. There will still be external threats and an occasional battle, but this is not the day-to-day concern of the community. Courage might still be an important virtue, but most of the other warrior virtues and the typical characteristics of the warrior personality will seem boorish and bullish, inappropriate in most social settings and downright embarrassing in some. The virtues, in such a society, will tend to be the genteel, congenial virtues, those which lubricate a rich, pleasant social life. And these will be just as applicable to the CEO as to the boy at the loading dock or the teller at the check-out window.

Aristotle, who lived in a military society, nevertheless lived a long time after the heroic times depicted by Homer. Aristotle’s list of virtues, accordingly, does not include the military virtues, except for courage, which he describes as an occasionally necessary virtue but hardly the central one. Far more important is the virtue of justice—which in the warrior mentality means simply "to the victor go the spoils" but in genteel society involves complicated deliberations about merit, need, status, equality and fairness. Of paramount importance too is honor, which is not so much a virtue in its own right as it is the sum of the virtues, one’s character as a virtuous person. To be sure, a warrior might fight for his honor, but we usually take this to mean some challenge to his fighting ability or his willingness or readiness to fight. Honor for Aristotle has much more to do with one’s status in society, being recognized as a just and generous and not a miserly man, for example, and not humiliating oneself with lewd displays or excess of food, song, or drink. Taken as a description not of the Greek city-state but of the corporation, we can recognize here too many of the virtues ascribed to the best executives, who are moderate and often surprisingly modest, generous with their time and money, concerned first and foremost with their and the company’s reputation (honor) and loathe to risk any action that might be humiliating. So, too, such virtues as charm, wit, and friendliness are recognized as extremely important. Probably no one has reached the executive floor by wit alone, but few have succeeded without it. It is necessary to lead and to lead effectively, of course, but it is more important to lead not as an Achilles or an Agamemnon charging ahead on his own through the scattering Trojans but as an admirable, inspiring human being. Best-selling books to the contrary, Ghengis Cahn and Attila the Hun would not be successful corporate leaders today, nor would the successful executive find that much to learn from Machiavelli. Tom Watson, Lee Iacocca and James Burke are much more the model, and in their very different ways exemplify the Aristotellean society, of course, and the corporation is not simply a polis. The Homeric world of the warrior is over three thousand years old, and the world of Aristotle well over two thousand. Since then, a great deal has happened in the world, and as social circumstances have changed, so has our concep-
tion of the virtues. And what has happened, to condense millions of events and pages into a phrase or two, is the domination of Christianity and the rise of the individual. Put these two together (in fact our concept of the “individual” largely originated in the Christian conception of the individual soul) and one finds, among many other aspects of the modern world, John Calvin’s conception of individual salvation and its manifestations in worldly success and Adam Smith’s revolutionary notion of individual enterprise serving the social good. Calvin incorporated in his philosophy a good many of the traditional Christian virtues, even as he altered the world-view of that religion to make ample room for business. Adam Smith, of course, was a good Christian too. At the foundation of his free enterprise model lay a conception of human nature that was deeply social and sympathetic, and he too was much concerned with the Christian virtues and how they might be made to fit into the rapidly expanding economy of the eighteenth century. But these virtues, although appropriately genteel for a gentlemanly Scottish bourgeoisie, were no longer Aristotelian virtues. The warrior virtues had all but disappeared (courage was now strictly a domestic virtue, and one given more lip-service than attention), the congenial virtues were demoted to a kind of second place, and what we now call the moral virtues had become primary.

Aristotle used the word “moral” simply to mean “practical.” But with the Judao-Christian tradition the words “moral,” “morals” and “morality” came to take on weighty, even cosmic meanings. Morality was that code given to us (or imposed on us) by God. Morality referred not to the things that make life pleasant or congenial but to a small set of essentials, rule that are not to be broken under any circumstances. Morality was cut off from its social base, the polis presumed by Aristotle, and became more and more a concern of God and the individual, only secondarily of society. Thus the virtues came to be identified with individual morality and, by the end of the eighteenth century, increasingly with the abstract rules of reason that dictated universal morality, a nature development of the ethics of the Ten Commandments. And like the Ten Commandments, the virtues came to be more concerned with abstinence than excellence and more concerned with “being a good person” than congeniality. A good person, depending on the severity of one’s moral and religious upbringing, doesn’t lie, doesn’t cheat, doesn’t do anything dishonest, doesn’t drink or eat to excess—not only to avoid social humiliation but to avoid displaying that lack of control or self-indulgence that is the sure sign of a weak or corrupted personality. And here too, we see the virtues upon which a great many of the chief executives of our largest corporations pride themselves.

One might insist, just to waylay the argument I seem to be developing here, that warrior virtues, congeniality (Aristotelian) virtues and moral virtues are in fact quite compatible, and there is no reason why a James Burke or a Warren Buffett, for example, can’t display warrior toughness, Aristotelian gentility and Christian righteousness. And indeed, this is the case. But my argument is not that these three sets of virtues are incompatible
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as such, but rather that they present us with three quite distinct contexts and three different ethical frameworks, and to understand business ethics is to understand the confluence, the priorities and the potential conflicts between these. Excessive attention paid to a corporation may become a screaming alliance of desperation and one's personal sense of integrity can be threatened or fatally damaged. Excessive attention to the congenial virtues may in fact "soften" a company so that it becomes less competitive, and an exaggerated sense of righteousness to the detriment of congeniality and competitiveness may well cause a company to shatter into a thousand rigid little moralists, incapable of working together. But the Aristotelean framework tells us that it is cooperation and not an isolated individual sense of self-worth that defines the most important virtues, in which the warrior virtues play an essential but diminished role, in which the well-being of the community goes hand in hand with individual excellence, not by virtue of any "invisible hand" but precisely because of the social consciousness and public spirit of each and every individual.

Almost all of Aristotle's virtues are recognizable as business virtues, and this is, of course, not surprising. Business is, above all, a social activity, involving dealing with other people in both stressful and friendly situations (and trying to make the former into the latter). Despite our emphasis on hard-headedness and the bottom line, we do not praise and often despise tight-fistedness and we do praise great-souled generosity ("magnificence"). But such virtues may be misleading for us. We would not praise and executive who "gave away the store;" we would rather think that executive mentally unhinged. But the virtues for Aristotle do not involve radical demands on our behavior, and the sort of fanaticism praised if not preached in many religions ("give away all of your worldly goods") is completely foreign to Aristotle's insistence on "moderation." Thus the generous or "magnificent" person gives away only as much of wealth as will increase his or her status in the community. Here we would encounter the familiar charge that such giving is not true generosity, for it involves no personal sacrifice and includes a "selfish" motive, the quest for self-aggrandizement. But Aristotle would refuse to recognize this opposition between enlightened self-interest and virtue, and we continue to enforce it at our peril. The argument here, of course, is exactly the skeptical argument leveled against generous corporations when they give to the arts, to education, to social welfare programs: "They're only doing it for the P. R." But here executives (and everyone else) would be wise to follow Aristotle and reject the notion that "true" generosity is self-sacrifice and self-benefiting generosity is only "P. R." There are occasions that call for self-sacrifice, but to insist that such extreme action is essential to the virtues is to deny the virtues their relevance to business (and most of) life.

This brings us to the perhaps most misunderstood virtue in business life, the virtue of toughness. The word "tough" is typically used by way of admiration, though often coupled with a shake of the head and an expression of frustration. Sometimes, it is used as a euphemism, in place of or in
conjunction with various synonyms for a nasty or odious human being. Not infrequently, it simply means stubborn, impossible or mean-spirited. But toughness is generally and genuinely perceived as virtue, albeit a virtue that is often misplaced and misconceived. Insofar as business consists of bargaining and dealing with other people, toughness is essential, and its opposite is not so much weakness as incompetence. But much of what is called toughness is neither a virtue nor a vice. It is not a character trait so much as it is a skill, whether cultivated or "natural." In certain central business practices, notably negotiating, toughness is not so much a personal virtue as it is a technique or set of techniques, an acquired manner and an accomplished strategy, "knowing when to hole 'em, knowing when to fold 'em." Toughness includes knowing how to bluff and when to keep silent, when to be cooperative and when not to be. But such a skill is not, contra Carr, unethical or divorced from ordinary morals; it is a legitimate part of a certain kind of obviously legitimate activity. Yet, as a specific skill or set of skills, being a tough negotiator is not sufficiently personal or general to count as a virtue, which is not to say, of course, that it is not therefore admirable or necessary.

Very often, what toughness means is simply "smart," that is, knowing the business, knowing one's competitors and dealings, knowing how to get things done. Again, this is an admirable and necessary set of business qualifications, but not as such a virtue. But toughness also means perseverance, which is a personal as well as a business virtue. As always, Aristotle's standard of moderation comes into play here, for there is such a thing as too much perseverance, which then becomes mere obstinacy or stubbornness. Of course, what seemed like obstinacy to those of little faith may well turn out to be richly rewarded by the results, and what was indeed healthy perseverance may nevertheless turn to failure in the vicissitudes of the market. But too little "stick-to-it-iveness" makes success virtually impossible and makes life intolerable for those investors, employees, and other stockholders who naturally depend on a full-blooded effort rather than a half-hearted try. Toughness as perseverance means nothing other than having an goal and a purpose, seeing its worthiness and pursuing it to the end. What makes it "tough" is facing up to set-backs and obstacles that would discourage lesser beings; indeed, it is only in the face of failure that such toughness is truly tested, for it is no virtue to "persevere" when the market is handing you nothing but success.

Toughness in an executive also has an ethically painful element. Sometimes it is necessary to do something wrong in order to do what is right. Powerful politicians, of course, face such dilemmas all of the time, giving rise to a substantial literature on the controversial virtues of toughness and "ruthlessness" and the allegedly opposed domains of public and private morality. Sometimes, to reach a higher goal, one must do what one otherwise would not and should not even consider. For example, in the face of debts or deficiencies that will very likely capsize the company, a chairman may need to let go perfectly qualified, hard-working loyal employees.
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Viewed as an action isolated from the circumstances, letting people go for no reason whatever, that is, for no fault of their own, would be the height of injustice. But if it is a matter of saving the company, then this otherwise unjust act may nevertheless be necessary. Toughness is being able and willing to undertake such measures. This is not to say, however—and this cannot be emphasized enough—that such decisions can or should be made without guilt or pain or bad feelings. It does not mean that what one has done is not, despite its necessity, wrong. The chief executive of a large corporation once told me that “down-sizing” his company was the most painful thing he had ever had to do. His toughness lay not in callousness or indifference but in his willingness to do what was necessary and in his insistence on doing it as humanely as possible. Indeed, callousness and indifference are not themselves signs of toughness but the very opposite, indications of that form of weakness that can face moral issues only by denying them. Toughness is a virtue, but callousness and indifference are not, and the two should never be confused.

In politics, toughness, is the phenomenon that is sometimes called “dirty hands.” It is the need to do what is painful or awful, even (in a smaller frame of reference) immoral in order to do what is right or necessary. One chief executive was asked pointblank by an elderly stockholder if his holdings in the company were safe and secure. The CEO, knowing full well that a slash in the dividend would be announced later that week, could not help but tell a lie, or at least, seriously circumnavigate the truth. Again, his personal pain and guilt were considerable, but prevarication was unavoidable. Of course, profits alone are not sufficient as an excuse, and one might thus understand the popularity and indignation surrounding Michael Moore’s movie Roger and Me, about the closing of the Flint, Michigan GM plants, If the reasons were company survival, combined with some well-publicized cut-backs in executive positions, perks and salaries, such closings would have hardly made a movie. But when profits and perks are the motivation, toughness is not a virtue or, alternatively, this isn’t toughness but callousness.

Like almost all of the virtues, toughness is not simply self-interested, but neither can it be considered an altruistic or self-sacrificing trait of character. Toughness is ultimately having a vision and persevering in the long term plans and strategies necessary to achieve that vision. It means not being dissuaded by threats and temptations. But it does not mean an easy willingness to step on other people or violate the basic rules of morality or sacrifice the other basic virtues of business. Like all virtues, toughness has its place in the constellation of virtues, and sometimes toughness needs to yield to compassion or generosity, to trust or fairness. Again, this is no defense of naivete, but what toughness certainly does not mean—and is far too often taken to mean—is mean-spiritedness and indifference, lack of care and concern for others. Toughness is a true business virtue, and in tough business it may even emerge as the primary business virtue, but it is not opposed to integrity. Toughness is a proper sense of purpose, insulated against greed.
as well as weakness. As such, much of what is call toughness might better be called moral courage.

The Bottom Line (Conclusion)

The bottom line of the Aristotelean approach to business ethics is that we have to get away from both traditional individualistic ethics and "bottom line" thinking. This does not in any way imply that the individual "checks his or her values at the office door" nor does it suggest that, except in the unusual and unfortunate case, there will be any thorough-going disharmony or incompatibility between one's personal and professional values. Quite to the contrary, the point of what I am arguing is that we are, as Aristotle famously insisted, social creatures who get our identity from our communities and measure our worth accordingly. And as much as many employees may feel the need to divorce themselves from their work and pretend that what they "do" is not indicative of their true selves, the truth is that most adults spend literally half of their waking adult life on the job, in the office, in the role or position that defines them as a citizen of the corporation. The Aristotelean approach to business ethics ultimately comes down to the idea that, while business life has its specific goals and distinctive practices and people in business have their particular concerns, loyalties, roles and responsibilities, there is no "business world" apart from the people who work in business and the integrity of those people determines the integrity of the organization as well as vice versa. The Aristotelean approach to business ethics is, perhaps, just another way of saying that people come before profits.

Notes

1Earlier versions of this essay were presented at a number of conferences, the Ruffin conference at the University of Virginia, the Applied Ethics conference at the University of British Columbia and (with Nick Imparato) the International Association of Business and Society conference in Sundance, Utah, the Center of Ethics conference at the University of Melbourne. Some parts of this essay have been published in some of the proceedings of those conferences and I have benefitted from comments and criticism from my colleagues there, most notably, from Patricia Werhane, Peter French, Ed Freeman and Tony Coady. Parts of this essay will also appear in my book, Ethics and Excellence (Oxford: Oxford University Press, 1992).


2Indeed, the most serious single problem that we find in the teaching of business ethics is the insistence on a false antagonism between profits and social responsibility, perhaps (on the part of philosophers) in order to keep the debate going. A far more productive route would be the search for profit-making solutions, but this would require a major step down from the abstractions of theory into the messy world of details, technology, marketing and politics. It is the same old problem of egoism in ethics (as in Hobbes and Butler three centuries ago) revised on the corporate level. It presupposes an artificial opposition between the self-interest
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and shared interest and then finds it impossible to locate the motivation for mutually interested action.


4Manuel Velasquez, comment on Joanne Ciulla, Ruffin lectures, 1989.


7This has been the topic of considerable debate. See, notably, G. E. M. Anscombe, Intentionality, and John Cooper, Reason and Human Good in Aristotle (Cambridge, 1975).

8Elizabeth Wol gast, A Grammar of Justice (Cornell, 1989).


14Peter Townsend, Up the Organization.

15Lynne McFall, “Integrity,” in Ethics (October 1987).


17A complex taxonomy of the virtues is in Edmund Pincoffs, Quandries and Virtues (Kansas, 1986), p. 84.


19Aristotle does give us an elaborate discussion of the “quasi-virtue” of shame. The point is not that it is desirable to be ashamed, of course, but rather that the capacity to be shamed is essential to having a virtuous character in the first place. As the Ethiopian proverb goes, “where there is no shame, there is no honor.” The difference between shame and disgrace, however, is significant here. Disgrace suggests dishonor before God. Shame is secular and suggests rather a “letting down” of your colleagues and others who trusted or depended on you.

