

# PHILOSOPHY OF SOCIETY AND BUSINESS ETHICS: WHEN BUSINESS PROFESSIONALS HAVE TO DEAL WITH SOCIAL CONTEXT

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**Abstract:** *In the last times corporations have put emphasis in certain areas such as corporate reputation, social responsibility and new human resources policies. This is something quite relevant considering the current crisis that is affecting many institutions, also business. However, it is not common to include in business theory subjects related to citizenship, public ethics or social behaviour, what is key if corporations need to dialogue (and understand) each and every stakeholder. We believe that we do not need merely technical approach but a wider one that includes several areas from Social Sciences, because a corporation cannot be understood by itself but in connection with its social environment and the social agents around.*

**Keywords:** *Business environment, Social agents, Richard Sennet, Stefano Zamagni.*

## Introduction

After nearly a decade teaching Business Ethics in both undergraduate and graduate studies, and after more than ten years participating in the permanent seminar of the Department of Economic and Business Ethics of ICADE together with other academics, social responsibility heads and entrepreneurs, I have witnessed the change in the perception that is operating in the business world since the end of the last century.

The feeling after hundreds of hours of shared seminars, lectures, symposiums and articles is that there is an area of both worlds, academic and professional, fully conscious of the importance of expanding a comprehensive view of the company. Even considering themselves *rara avis*, there are professionals and academics willing to justify that the company is a social agent (with all that it means), and that only with a comprehensive look it can be understood correctly what the company is and how it should act.

A stimulus for us has been the notoriety that reached the work *I am an economist and I apologize (J'ai fait HEC et je m'en excuse)*, by Florence Noiville<sup>2</sup>

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who denounced the low (if not null and, even, counterproductive) presence of Ethics studies in major business schools, even claiming that, in business schools, talent is turned into greed. The impact of the work was such that some of the most important business schools in the world intoned the *mea culpa* as being co-responsible for the current financial crisis, considering that much of the ruling class which today manages public and private resources have been trained in their classrooms. Thus many international business schools have encouraged new humanist projects and subjects in their curricula.

We also highlight in this Introduction the example of the former CEO of Havas, David Jones, who for the last five years has been promoting the model *Social Business Idea* among future social leaders (as founder of *One Young World*) and among business and financial sector professionals (as the author of *Who cares wins*). Jones<sup>3</sup> has dedicated his efforts to break away from the classic schemes and to argue that it is possible to make money doing good, and to recognise that multinationals have such power of social transformation that corporate responsibility policies are not an option, but a moral obligation. His discourse is accompanied by the analysis of good business practices of brands such as *Unilever*, *General Electrics*, *Marks & Spencer*, *Patagonia* and many others that show that other business behaviour is possible.

The examples and arguments put forward by Noiville and Jones, among others, make us think that it is not only necessary, but possible, to generate a more comprehensive discourse on the company, where Social Philosophy (among other areas), has much to say. It something that we've been sharing for the last decade with both professionals and MBA's students and what inspires this article.

### **1. Starting from the business reality: the business environment and the interactions with economic agents**

When anyone deals for the first time with Business Science, the first thing they learn is, and seems reasonable, a definition of "company." What is a company? Depending on the manual of reference used there will be nuances but, generally, the company is defined as "the instrument universally used to produce and bring to the public the majority of goods

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<sup>2</sup> F. Noiville, 2011. *Soy economista y os pido disculpas*. Bilbao: Deusto.

<sup>3</sup> D. Jones, 2012. *Who cares wins*, United Kingdom: Financial Times-Pearson.

and services that exist in the economy"<sup>4</sup>; or "a voluntary institution characterized by contracting freedom. Companies arise and exist as a way to achieve economic coordination with the lowest possible cost [costs deriving from recruitment, transaction, negotiation, resource management ...]"<sup>5</sup>. Or, maybe, they will be told that the economic function of the company consists of combining resources to produce goods and services demanded by consumers: success will depend on knowing how to efficiently meet those demands<sup>6</sup>.

Then, it will be explained that the company performs its activity in connection with various agents, and that such connection depends on the fulfilment of its objectives, so that "the company obtains from the environment the factors used in the production [and] defines its relationships with agents with regards to its objectives, which are mainly of an economic nature"<sup>7</sup>.

The company, therefore, is not explained by itself, but in relation to the immediate environment, which is economical, and a mediate one, social, where there are a number of agents upon whom it depends the achievement of its objectives. This means that the company will have to worry about understanding, on the one hand, the network of existing contractual relationships between the different agents (the entrepreneur becomes a conciliator of interests); and, on the other hand, the system that the company is part of, which is the market system: "In a market economy system, the private company (...) takes the fundamental productive role. The company is the economic unit of production in charge of combining the factors or productive resources, labour, capital and natural resources, to produce goods and services that are then sold in the market"<sup>8</sup>.

Only then we can delve into other issues of a technical character, such as the type of companies (collective, anonymous, of public utility, of limited liability), theories of organization (negotiation, decision-making, control mechanisms), the production function (the ratio of required production factors - work - capital - land and resources - entrepreneurship) and

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<sup>4</sup> F. Mochón, 1994. *Economía. Teoría y política*. Madrid: McGrawHill., p. 125.

<sup>5</sup> R. H. Coase, 1937. "The Nature of the Firm" in *Economica*, vol. 4, p. 386.

<sup>6</sup> B. Ekelund, F. Hebert, 2005. *Historia de la Teoría Económica y su método*, Madrid: McGrawHill.

<sup>7</sup> F. Mochón, 1994. op. cit., p. 126.

<sup>8</sup> *Ibidem*, p. 127.

production methods (short or long term), economic efficiency and market structure (which determines the behaviour of the companies in a given market.)

It is evident, therefore, that the company is an agent immersed in a complex and differentiated environment where the interaction with many different players seems essential to achieve its objectives. We can then say that the interdependence between economic agents (companies, households and public sector), determine the variables which describe the evolution of the economic activity (relationships between employees and managers, the distribution of resources and the setting of prices.)

### 1.1 The interaction with agents: employees and unions

We start from a premise quite evident, as is the division of labour, which involves a series of consequences that we will detail in a cursory way.

The market economy, as we know, is based on the division of labour (activities associated with the diverse skills and talents), and this leads to specialization, which contributes to increased production and promotes teamwork. Teamwork, in turn, has its advantages and disadvantages, since the interrelationships between agents are sometimes conflicting, which requires the monitoring of the behaviour of both workers as well as instructors and managers. From there, it will emerge a system of incentives, sanctions and rewards aimed at increasing productivity, as the division of labour is linked with the control and evaluation of the performance<sup>9</sup>.

The reference to a system of incentives, sanctions and rewards refers to the awarding of wages, on the one hand, to the protection of the rights of the employees, on the other, and to the consideration of the working conditions. Are the wages adequate? With regards to which measures are the wages offered? What is the role of the wage for the employee and why its amount matters? Is the worker satisfied with his/her working conditions?

We know that wages move between two limits, a lower one (to allow the subsistence of the employee) and an upper one (not to jeopardise the business investment), being in the space between where the benefits are negotiated. But beyond a technical issue (the salary understood from the cost of production), the employee's remuneration has to consider certain

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<sup>9</sup> A. Alchian, H. Demsetz, 1992. "Production, Information Costs and Economic Organization" in *American Economic Review*, vol. 62: 777-795.

socio-economic and personal factors. The salary must always be higher than the cost of production of labour as it must be considered, as a whole, the physical and mental capacity of the worker and the fact that wages must allow the employee to face a triple type of expenditure: that of the strictly necessary goods-physical maintenance, such as food, shelter and clothing-, that of the conventional needs -not of subsistence, but social- and that of the usual amenities<sup>10</sup>.

Precisely for these type of needs is why unions appear: "If beyond the amount actually spent in wages in a given time, there is an indefinite margin of wealth that workers can conquer through prudent association, then it is clear that unionism has much room ahead, and workers will look, in a natural and convenient way, to this agency to improve their condition"<sup>11</sup>. It is not just a question of corporatist associations but to face, among other things, the irremediable market imperfections which, sometimes, prevents workers from receiving the full value of the marginal products.

Thus, it is presented to the employer a difficult task of organisation, evaluation and compensation which requires the understanding of not only technical but also social and personal realities: the performance evaluation, the conditions for the development of the required work, the fair wage distribution, the establishment of a system of appropriate incentives and sanctions, the dialogue with workers and unions, the mastering of employment law and negotiation skills ... It is claimed from the entrepreneur, then, interpersonal skills, to know the intricacies of the labour market and meet the legal-economic spectrum where these relationships are resolved, which leads us to the next section.

## **1.2 The interaction with the agents: the State and the regulation of the economy**

In addition to defending the active syndication, Wieser<sup>12</sup> also demands a greater role of the State in the promotion of the spirit of the social economy. Why? Because, in his opinion, market imperfections generate inequalities, so it is necessary to provide mechanisms to protect the weaker, without this

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<sup>10</sup> B. Ekelund, F. Hebert, 2005, op. cit., p. 435.

<sup>11</sup> J. F. Cairnes, 1874. *Some leading principles of Political Economy newly expounded*. Londres, p. 214.

<sup>12</sup> F. Wieser, 1967. *Natural value*. New York: A.M. Kelley Publishers, pp. 377-378.

involving the violation of the private spirit of the social economy. A good example of this type of situation would be the State intervention in cases of imperfectly competitive firms, or the public administration of the so-called social or public interest goods (management of certain projects which, despite producing a small value in terms of marginal change, produce a great total utility, as it is the case with public transportation.)

State intervention? This premise leads to a debate that exceeds the proper scope of the company, although it affects it directly because the business activity complies with the economic and legal framework within which it is framed.

This debate is not only technical, but it is linked to a series of value judgements on the economic-political we see already in the classical authors. Xenophon, for example, saw the profit as something positive, characteristic of good administrators, who should have freedom of initiative as long as they do not commit excesses (only then it would be required the appropriate administrative controls.) It seems, therefore, that Xenophon would advocate, in today's slang, for a liberal model. Plato, however, considered the benefit and interest as something potentially destructive and, therefore, necessarily controlled by the State. It would seem, then, that Plato could be considered an interventionist. Protagoras, meanwhile, as he was fearful of the excesses that the State could perpetrate, promoted a democratic model whereby citizens were free to decide what constitutes social welfare and how to achieve it<sup>13</sup>. This economic debate, as we can see, is closely linked to ethical and anthropological postulates.

From that time until today, the debate on the regulation of the economy has been and remains alive: in mercantilists such as Sir William Petty ("we must consider, in general, that, as wiser physicians do not intervene excessively in treating their patients, but rather observe and conform to the movements of nature, without antagonising her with violent administrations out of its own initiative, the same must be done in Politics and Economics "<sup>14</sup>); equilibrium theorists like Pareto who, like Adam Smith, thought that a freely competitive system leads to optimal level of social welfare; in Marxist thought and its intention to steer the economy towards a model of state ownership of the means of production, as in communism,

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<sup>13</sup> Ekelund and Hebert, 2005, op. cit., pp. 19-20.

<sup>14</sup> W. Petty, 1963. *The Economic Writings of Sir William Petty*. New York: C. H. Hull Editores, p. 60.

supposedly, private property and self-estrangement of man is exceeded; Keynes, who argued that governments should use their powers to tax and to spend, in order to exert their influence on the business cycle; or Friedman and the Chicago School, arguing that the independent monetary authority should be replaced by a set of automatic rules<sup>15</sup>.

Regardless of the opinion that the entrepreneur has about these discussions and its personal assessment, it is clear that there is an ethical-legal-economic sphere he/she is subjected to and where he/she has to know how to handle himself/herself. The macro and micro economic constraints, the current legislation and the updates of the rules, tax obligations, the exercise of good manners ... If he/she is foreign to these issues or, worse, infringe them, the stability of the company will be questioned and, thereby, the relationships with the environment and with other agents will be faltered.

We understand, therefore, that an entrepreneurial education that does not involve Economics, Law and Social Philosophy, would be a poor education which would generate disoriented and without judgment professionals with regards to some basic issues that directly affect their profession.

But still there would be something lacking, something which naturally arises from reflection on Law and Social Philosophy: no regulation is self-referenced, but refers to a set of principles, postulates and social norms that are beyond the scope of the Law, Economics or Politics. It consists of the culture of the society where any company, economy, or state is confined, the framework of ideas, values and beliefs of the society. And so, in training in Business Sciences, we should approach such reality.

### **1.3 The interaction with agents: consumers, their preferences and values**

A final issue that seems necessary to clarify is that the company, which is defined by the production of goods and services, exists due to the fact that these goods and services are demanded by a whole cluster of agents that we call "consumers" (public or private, individual or communal, local or global.)

When offering goods and services, they must be considered aspects such as the quality of the product or service offered or the costs associated with the production. But also others such as the psychology of consumption and

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<sup>15</sup> Ekelund and Hebert, op. cit., pp. 583-584.

the order of preferences of the consumers. Surely all sales, advertising and marketing professional is aware of the importance of addressing, beyond technical issues, the emotional, affective, even moral domain of the consumer aimed at business success.

What accounts for these preferences? A series of values such as utility, happiness, well-being or pleasure. Many authors, in fact, accept that maximizing pleasure is the object of the economy ("procure as much of what is desirable, at the expense of the least amount of which is undesirable"<sup>16</sup>), and from there the values are analysed and how they affect consumption: the utility function of Walras, the calculation of pleasure and pain of Jevons, the function and propensity to consume in Keynes, the paradox of value of Adam Smith...

For Jevons, for example, the utility function is the relationship between the goods an individual consumes and an act of individual assessment, which means that the degree of utility is different from the "total utility." This idea, however, clashes with the classic paradox of the value of the water and the value of the diamond of Smith... And this is where it is considered that Neoclassical Economics is inaugurated: in considering that the utility is not an intrinsic quality to things, but the utility only makes sense in the act of valuation. As Cantillon would say: "it often happens that many things currently endowed with certain intrinsic value, are not sold in the market according to that value: it depends on the mood and fantasy of men and on the consumption that is made of such products"<sup>17</sup>. And on the same line is Wieser when he states that "the formation of value is not a neutral fact"<sup>18</sup>.

Thus, we enter in the field of subjective assessments, of expectations, of psychological mechanisms, of moral judgments, of desires ... Are these concepts belonging to Social Sciences? Not really. The science that systematically approaches and investigates these realities is the Philosophy (Ethics, Anthropology, Epistemology ...) and that's why, knowing its place, the Philosophy must be present in the entrepreneurial education of our students, considering that from the consideration of the company itself

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<sup>16</sup> *Ibidem*, p. 378.

<sup>17</sup> Cantillon, R. 1996. *Ensayo sobre la naturaleza del comercio en general*, México: Fondo de Cultura Económica, p. 28.

<sup>18</sup> Wieser, F. 1967. *Natural value*, p. 58.

very diverse and deep controversies that go beyond the proper scope of the Business Sciences are threshed.

#### **1.4 The interaction with agents: the entrepreneur**

Schumpeter argued that "we call company the completion of new combinations and entrepreneurs the individuals responsible for leading such completion"<sup>19</sup>. It is true that the entrepreneur (and likewise the executive and the manager of organizations) faces a complex web of personal, organizational, economic and moral realities that, in our view, demand an interdisciplinary look, that is, a comprehensive education.

The environment in which the entrepreneur carries out its work is clearly complex. In the words of Röpke: "To an extraordinary differentiation of the economic process it is opposed the lack of a central, deliberate and methodical direction of that tremendously complicated machinery. Our economic system is a construction equipped with the highest and most subtle differentiation within a fundamental anarchy. And yet [...], while political anarchy leads inevitably to chaos, we ascertain with astonishment that the economic anarchy that characterizes our economic system is so far from the chaos that we could almost speak of a cosmos. Our economic system is anarchic, but not chaotic"<sup>20</sup>.

We agree with Karen Vaughn when she says that "trying to synthesize all this information in a system of simultaneous equations would be, at best, quixotic"<sup>21</sup>. But it is not about trying to explain all this from equations, but to broaden the perspective and to propose a comprehensive education where Philosophy, in relation to other sciences, accompanies the formative process of today's students and tomorrow's entrepreneurs.

## **2. The contribution of Philosophy of Society to a wider vision about the Company**

It was enough to approach briefly the business literature, to see how they emerge slowly concepts such as utility, good, happiness, welfare, environment, interaction, pleasure, profit, interest, risk, culture, regulation

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<sup>19</sup> Schumpeter, J. A. 1963. *Teoría del desenvolvimiento económico*. México: FCE, p. 84.

<sup>20</sup> Röpke, W. 1989. *La teoría de la economía*. Madrid: Unión Editorial, p. 11.

<sup>21</sup> Vaughn, K. I. 1980. "Economic calculation under Socialism: the Austrian contribution" en *Economic Inquiry*, vol. 18, p. 546.

... All of them concepts that, far from being strange to Philosophy, are grounded in philosophical thought.

The company would not make sense (or staying power) without the relationship with companies (suppliers, competitors, financial institutions, etc.), with the market (the company as we conceive it is only possible in a market economy), with the State (which establishes a framework of principles within which it develops, promotes and enables economic activity) and, of course, with the society of which they are a part (which has a given culture -understanding of reality, feelings, principles, values-) and persons who comprise it (workers, consumers, citizens, families...)

Economics, Law, Political Science, Sociology and Philosophy, among other sciences, have much to contribute to the consideration of the company. Resource management, setting of standards, monitoring of economic and business activity, social movements, value systems and anthropological conceptions undoubtedly affect the business activity.

### **2.1 Company and Human Resources: happiness at work as a requirement**

Since in this text we cannot provide a full development over this issue, we have decided to focus on one of the business issues which, today, generates more literature, such as management and Human Resources management.

For years they have been presenting many new models of personnel management where the personal satisfaction, employee happiness, spatial conditions of the workspaces or the need to address the emotional needs of workers are spoken about. To this are added policies regarding family and personal conciliation, incentive systems and promotion or offers for the training of the personnel.

It is somewhat disturbing that in most cases, a reference to terms such as personal satisfaction, without defining, is made, new organization charts are proposed without consulting workers about their usefulness, or flexibility is claimed, without assessing how that affects the employees. It is no wonder, given this situation, that lately it has been an explosion of studies on happiness at work, as we now proceed to point out.

The founder of the *Harvard / McLean Institute of Coaching*, Susan David, reflects on the UN decision to establish March the 20th as the International Day of Happiness, and how this is a challenge for companies, which have to wonder about whether they contribute or not to the happiness of their

employees<sup>22</sup>. Do the employees enjoy the working environment? Do the managers allow the employees to enhance their skills? Is the mission of the company known, shared and talked about? Do the employees feel part of something valuable?

It is not only about asking the questions, but to establish mechanisms to ascertain the views of the workers and to establish policies that meet their needs. For this, the psychologist Jennifer Aaker designed the "Designing (for) Happiness" course supported by different multinationals, aiming to develop business policies that respond to this demand. But, why does it matter to companies to collaborate in the development of these models? According to Aaker, because the idea that something will make you happy is a strong generator of decision making<sup>23</sup>.

In those terms speaks Arthur C. Brooks, president of the *American Enterprise Institute*: If you can discern what your personal project is and find out your true currency exchange, your worth, you would have achieved success; you would have discovered the secret of happiness through your work<sup>24</sup>.

Entrepreneurs are increasingly concerned about knowing the experience and satisfaction of their workers in their working environment. There are many organizations, auditing firms, public bodies, that are responsible for making measurements on the working environment. In all of them are analysed aspects such as workers' confidence, pride of ownership, employee benefits, efficiency of processes... In other words, certain issues considered essential when speaking of satisfaction and happiness. And there are many entrepreneurs who are determined to address this issue in depth. But, can it be resolved without resorting to Anthropology? Personally, I do not think so. And, in this sense, I would like to highlight the contribution of Richard Sennett and Stefano Zamagni in this regard.

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<sup>22</sup> S. David, 2013. "How Happy is your organization?", *Harvard Business Review Blog Network*. <https://hbr.org/2013/03/how-happy-is-your-organization>.

<sup>23</sup> E. Johnson, 2012 "Formula for happiness", *The Stanford Daily*. <https://stanforddaily.com/2012/02/15/formula-for-happiness/>.

<sup>24</sup> A.C. Brooks, 2013. "A Formula for Happiness", *The New York Times*. <https://www.nytimes.com/2013/12/15/opinion/sunday/a-formula-for-happiness.html>.

## 2.2 Enterprise systems and the corrosion of character: flexibility, routine, illegibility

The appearance in 1998 of *The Corrosion of Character*<sup>25</sup>, work of the renowned sociologist and holder of the Europe Award of Sociology, Richard Sennett, supposed an interesting look on working models and organizational culture at the turn of the century. Sennett, in our view, follows a line of reflection and critique on our social system that it is maintained for decades. In the first third of the twentieth century, Freud already claimed that "civilization becomes neurotic under the pressures of certain civilizing tendencies"<sup>26</sup>; Eric Fromm, from humanist-Marxist postulates, said in mid-century that "the mentality of today's world is sicker than in the past"<sup>27</sup>; or Robert Edwards Lane wondered at the turn of the century: "Can a market economy maximize welfare? Perhaps there is something intrinsic to market economies that limits the ability of its participants to achieve a state of grace"<sup>28</sup>.

Sennett emphasizes this critique with regards to the personal consequences of work in the business models of the so-called new capitalism. The American sociologist expresses a deep concern for the emotional stability of workers: we all seek in some way or another to be satisfied with our lives, and work is a great part of it. However, in a society focused on the immediate and based on the short-termism as our economy is, many workers feel the lack of a clear, solid narrative, which allows to order, clarify, understand the profession in harmony with personal scale of values.

The current capitalism is characterized by a new dimension of change where time organization is not clearly sorted out: the fixation with flexibility leads companies to constantly redefine themselves; activities and departments are interlinked with new non-pyramidal structures, true, but they make processes more complex without making more distinct the workers' tasks; the need to adapt to constant changes makes people more vulnerable and disposable; the links become weak...

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<sup>25</sup> R. Sennet, 2010. *La corrosión del carácter*. Barcelona: Anagrama.

<sup>26</sup> S. Freud, 1930. *Civilization and his Discontents*. London: Hogat, London, 1930, p.141.

<sup>27</sup> E. Fromm, 1955. *The Sane Society*. New York: Rinehart, New York, p. 102.

<sup>28</sup> E. Lane, 2000. *The Loss of Happiness in Market Democracies*, Yale: Yale University, p.141.

Why this constant change? It seems that the new capitalism falls into activism and in a state of continuous restructuring to escape from routine. After all, nobody likes the feeling that your life is routine and the work repetitive and lacking challenges, but is routine essentially negative?

Perhaps ultimately there is a grim understanding of the routine<sup>29</sup> from which everyone would want to run away, and which is associated with the concern showed by Adam Smith in *The Wealth of Nations* with regards to certain excesses correlative to production lines characteristic of industrialism. As if he was a visionary, Smith anticipated what was to come with *Fordism*, which promoted the worker to be focussed on a work based on the hierarchical separation of tasks, without being distracted in trying to understand the complexity of the company.

This radical division of labour has negative consequences: appeases values, suppresses spontaneous outbursts and expressions of solidarity, kills creativity and, once established, stifles entrepreneurship (on an assembly line, the worker gets depressed and even reduces his/her productivity.) That being so, certainly the routine has to be broken (which at one point can become self-destructive) to develop character.

Now, does all routine stifle the character and degenerate into a kind of alienating work? Not really. Diderot presented in the *Encyclopaedia* another way to see the routine (not without some romanticism.) According to the encyclopaedists, there is a connection or virtuous circle in the elements order - routine - repetition - rhythm - improvement. The routine allows the mastering of work and generates a sense of security, stability of spirit, of a meaningful existence and not chaotic.

Considering both views, we can say that, certainly, the routine misunderstood prevents a broad vision of the future and of the society. But we must take care not to generate, by reaction, a system where a dictatorship of "change for change" that destroys the character is imposed. Labour mobility is, in a contemporary society, a process often illegible. And regarding the worker, can rational decisions be taken in an organization that is in a continuous flow of change? And how does that affect his/her emotional balance and vital projection?

All this leads us to ask basic questions about ethics at work. Traditionally, the work ethic had to do with self-discipline, regular

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<sup>29</sup> R. Sennet, 2010. *La corrosión del carácter*. Barcelona: Anagrama, pp. 33-47.

dedication and moderate improvement of the processes, and the result of all that was a more or less known gratification as an increase of wages and/or responsibilities. However, in the current system based on change, says Sennett, this way of understanding professional ethics is meaningless.

This does not mean that we should go back to certain traditional quasi repressive working models which did not guarantee the worker's safety, but certainly, the life stories that structured the work of Sennett (the cases of Rico -which faces the drama of separating the flexible work experience and the personal static ethics, the bakers of Boston -whose superficial work prevents them from an understanding of their own value and affects their commitment-, or of Rose -to whom the hyper-dynamic leads her to a state constant self-questioning) lead us to recognize the failures of the new capitalism, especially with regards to that which affects the organization of personal time, as they generate emotional instability in workers. Thus, there is a problem of job satisfaction which affects the life satisfaction, to feel fulfilled in life; to be happy, in short.

### 2.3 Happiness and work: definition, dedication, craftsmanship

To talk about happiness is not easy. It is something that may sound ethereal, ambivalent, since it is a reality that has to do largely with beliefs, moods, personal convictions, particular circumstances and a host of elements that make us, even to ourselves, not be sure about what we mean when we use that word. So we use it carefully.

We will not stop to systematically analyse happiness, but that is one of the big issues not only of the Philosophy but also of the Psychology, Economics or Politics since Aristotle<sup>30</sup> ("the common people and enlightened people call this supreme good, "happiness." But where opinion is divided is on the nature and essence of happiness: for some are things visible, for others are states of mind, and according to the material and spiritual states, such consideration may change in the same individual") to Comte-Sponville<sup>31</sup> ("to be happy is to enjoy and rejoice, and may it last, last, last... "), through Avicenna ("joy is a kind of pleasure"), Thomas Aquinas<sup>32</sup> ("the voluptuous happiness, for being false and contrary to reason, is

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<sup>30</sup> Aristóteles, 2003. *Ética a Nicómaco*. Madrid: Austral, c.1n.2.

<sup>31</sup> A. Comte-Sponville, 2011. *El placer de vivir*. Madrid: Paidós, p. 141.

<sup>32</sup> Tomás de Aquino, 2011. *Summa Theologicae, vol. II*. Madrid: Biblioteca de Autores Cristianos, c69, a3.

impediment of future bliss. Instead, the happiness of active life provides for future bliss. And the contemplative happiness, if perfect, constitutes essentially the same future bliss and, if imperfect, is a certain beginning of it"), Montaigne<sup>33</sup> ("Or a life without regret, or a happy death. / It is beautiful to die when life is painful. / It is better not to live than to live in pain"), Balmes<sup>34</sup> ("happiness is the reward of virtue") or Russell<sup>35</sup> ("Happy is the man who does not feel the failure of any unit, one whose personality is not cleaved against himself or rises against the world"), and many other authors and schools such as hedonistic, utilitarian, existentialists or psychoanalytic theorists, among others.

What we could all agree on is that: "«to be happy "is not a type of action, but things are done to ultimately be happy, to feel "fulfilled" in all our dimensions and facets"<sup>36</sup>.

Therefore, we feel happy when we have done good to someone else, when we sacrifice ourselves and obtain a good personal return or when someone recognises that we have done a good job. Well, as workers we also want to "feel fulfilled" in our workplace and "continue to fulfil ourselves." But, how?

For Jevons, work is the "painful effort of mind and spirit totally or partially experienced in view of a future good"<sup>37</sup>, and although we disagree with the idea of conceiving the work as something painful on itself, it is still true that, depending on the conditions, work can become so. Thus, Sennett makes an allegation which should be a priority in a work environment: the recognition of the work performed<sup>38</sup>.

This need for recognition could vaguely recall the concept of "alienation" of Marxism, although Sennett does not address his analysis of the work from Marxist categories, but through updating the concept of "craft".

As a disciple of Hannah Arendt, the author reflects on the concepts of *animal laborens* and *homo ludens* and, in what looks like a correction to his teacher, he intends to recover them and emphasise its value in our time. It

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<sup>33</sup> M. Montaigne, 2007. *Los ensayos*. Barcelona: Acantilado, p. 297.

<sup>34</sup> J. Balmes, 1940. *Filosofia Fundamental vol. II*. Valladolid: Ediciones Hispánicas, p.547.

<sup>35</sup> B. Russell, 1964. *La conquista de la felicidad*. Madrid: Austral, p. 149.

<sup>36</sup> J.A. Agejas, J.L. Parada, I. Oliver, 2007. *La tarea de ser mejor*. Madrid: Universidad Francisco de Vitoria, p. 235.

<sup>37</sup> Ekelund and Hebert, 2005, op. cit., p. 383.

<sup>38</sup> R. Sennet, 2009, *El artesano*. Barcelona: Anagrama.

is, in short, about the recovering of the material culture, and to do so through the recognition of the values associated with crafts<sup>39</sup>. However, it is not about returning to handicrafts, but to rescue in our work the taste for things well done, the pleasure of worrying about the details.

But, what moves someone to aspire to *savoir faire*? Sennett analyses different organizational models and how to encourage the involvement of the employees. Is it about working well based on a moral judgment? For competitiveness, perhaps? Or, maybe, the involvement goes through cooperative models?

Sennett warns that we are in a working and productive system that hinders this attention to detail, and in a social system that does not promote a constructive and friendly narrative about the meaning of work. It seems normal for work to be understood as a livelihood, which hardly promotes commitment and dedication beyond the minimum required. The work of the craftsman is different, because he/she cares about doing things right, with no other purpose. But the reality is, according to Sennett, that whoever works in such a way is doomed to frustration, or at least to misunderstanding, if we consider the current dictatorship of short-termism.

#### **2.4 To regain the "we": an underlying anthropological question**

It is, therefore, important to change the working structures of the new capitalism and to build a more constructive environment of relationships, to generate an "us" in front of atomised models.

In order to be able to build an authentic "we", it is required an adequate view of the other, avoiding common and unfortunate ideas such as social parasitism (those who are dependent seem to parasite from those individuals who are indeed productive) or feelings of shame for being considered dependent (which hardly creates strong links.) Instead, an environment of partnership that is based on mutual recognition must be built from which to establish real bonds of trust.

It is not about actually working on communication skills, or about courses on conflict management, or teamwork techniques. Generally, these tools are superficial and do not pose a fundamental change in the way we work and, above all, in the commitment of workers. What really matters is to generate a group awareness with a shared mission and clear objectives,

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<sup>39</sup> *Ibidem*, pp. 17-21.

with a system of recognition of merit and efficient communication mechanisms (horizontal and vertical.) And, above all, a strong, not corroded character is needed.

Now, is it possible to build this "we" without an adequate anthropological model? It would be a chimera to aspire to it from individualistic anthropological conceptions, from dialectical models or, at the other end, from a "do-goodism" and "emotionalism" empty of content and lacking anthropological foundation that, unfortunately, permeates much of the current literature on business leadership. What it is really needed is an anthropology which opens a real possibility for the encounter and the cooperation.

That is the concern of Stefano Zamagni, who in his later works advocates for the recovering of the idea of relatedness and reciprocity as a way to save two current trends that have been proven insufficient and problematic: the neostatalism and neoliberalism that have advocated a hypertrophic growth of the State and of the private market respectively.

The question for Zamagni, lies in not merely take note of the existence of the social sphere, which seems obvious, but in delving into the nature of social relationships, asking himself, what does it mean to understand the economic and business activity as a conglomerate of subjective interactions? "We must continue asking these questions to find ways to combine personal identity and relationship. If we conceptualize these two dimensions as two different entities, as the social sciences continue to do, we will never stop to go from the vision of a unique individual, in which the other is more or less useful instrument for the affirmation of the self, to the opposed view, which asserts the primacy of the group, of the social class and of some organic whole, as certain community regurgitations suggest today"<sup>40</sup>.

Zamagni advocates a civil economy whereby there is no opposition between identity (being for itself) and relationship (being for another) and where the interest is not the only link between people.. He does not blame the market itself, but the market reduced to the exchange of equivalents which separates economics and ethics, whose anthropological foundation is that the self precedes the relationship.

Against this, Zamagni intends to recover the true meaning of brotherhood, which is not exhausted in the vicinity, that is, it is not mere

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<sup>40</sup> S. Zamagni, 2012. *Por una economía del Bien Común*. Madrid: Ciudad Nueva, p. 73.

philanthropy (proximity to the other), but has to do with the sentence from Ricoeur: "If I were alone with the Other, I would owe him all. But there is a Third one [...]. The Third one is another regarding others, but he is at the same time a neighbour to the other and not just my fellow man"<sup>41</sup>.

Only this way can be understood the deep sense of the common good and what it means for those who want to conquer it. It means that "one's interest is reached *together* with that of others and not *against* (as it happens with the private good) nor *ignoring* the interests of others (as with the public good.) In this sense *common* is the opposite of *own*, as *public* is the opposite of *private*. Common is what neither is *only* personal nor is *of everyone* indistinctively"<sup>42</sup>.

Therefore, the exchange, which is based on equivalence, should be overcome with reciprocity, which is based on proportionality. Nor could we otherwise really aspire to such "we" who Sennett claims and, between us, it seems a moral requirement.

## Conclusion

Some have argued that economic science is a technical science and morally neutral and, therefore, requires no dialogue with any other science, as it is self-sufficient. But this is hardly defensible taking into account what was explained so far. Starting from the same business theory, it is observed that the company is a social actor which can only be understood in relation to the environment where it is located. There appear a huge number of actors who it should know how to detect and to dialogue with, from customers to local communities, through employees, unions, governments, financial institutions, interest groups, suppliers, competitors, public opinion and, of course, consumers.

Each of these groups has its own mentality and culture, a characteristic system of values, an imaginary and expectations. There appear elements such as values, norms and customs of a very different condition, which could be structured as follows: economic dimension - legal and political dimension - social dimension - anthropological dimension.

After all, behind all social, legal and economic model there is an anthropological model, and Anthropology is an object of study for

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<sup>41</sup> P. Ricoeur, 1994. *Persona, comunitá e istituzioni*. Firenze: Cultura della Pace, p. 21.

<sup>42</sup> S. Zamagni, 2012. *Por una economía del Bien Común*, pp. 245-246.

Sociology and Philosophy. Therefore, we think that new Business narrative should aspire to a synthesis of economic, legal, social and anthropological structure, trying to avoid certain reductionisms and partial views about the company too present even today.

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