

Is There Such a Thing as Business Ethics?
Applying and Reinterpreting MacIntyre's
Virtue Ethics in the Modern Workplace

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Introduction

The field of business ethics is one of the most relevant fields of ethical discourse to the lives of the vast majority of people in modern society. Other areas, such as the ethics of stem cell research, or abortion, certainly pose deep and profound ethical challenges for those who elect to concern themselves with them; however, in modern society, we all have to work to earn a living, and therefore the question of business ethics permeates everyday life. It is this topic that I will explore and analyze, in an attempt to answer the question posed in its title: is there such a thing as business ethics? The answer, if it is in the negative, could have profound implications for the vast majority of society that works every day in the modern workforce. Could it be that billions of people simply toil away in a moral and ethical wilderness, where a form of cultural relativism has eroded any objective standard of right and wrong? And, if this is not the case, and the concept of business ethics is as sound and robust as is claimed by the subscribers to the idea that there is ethics in business, why is it that the newspaper headlines have to constantly report on companies whose behaviour borders pathologically unethical? This paper will, through its analysis and discussion, attempt to provide answers to these questions.

In approaching this broad field of study, I will use the modern virtue ethics theory developed by its most relevant modern expositor, Alasdair MacIntyre. MacIntyre's *magnum opus*, *After Virtue: A Study in Moral Theory*, will be the main pillar of my approach; however, due to the breadth of both his sweeping critique, as well as the ethical theory he develops, only the most relevant points to the topic at hand will be utilized. As will be discussed in detail later, MacIntyre's critique and theory appear, *prima facie*, strongly to indicate that the question posed in this paper's title must be answered in the negative. Indeed, much of modern scholarship would agree with this reading of MacIntyre. However, this could be changing with some of the

more recent scholarly developments and interpretations of his work. This paper will explore MacIntyre's critique and theory, as well as these recent developments, in an attempt to clarify if and how modern business ethics can be approached. Having established the case to be made for interpreting MacIntyre's theory as not necessarily anti-business, other scholars will be consulted for their critical, and differing, perspectives on MacIntyre. After having explored the arguments on all sides of this debate, using MacIntyre as the basis, I will attempt to draw conclusions regarding the efficacy and robustness of MacIntyre in the light of his critics, and the competing hypotheses that they have developed.

This paper will adopt two main research hypotheses: firstly, that business ethics, as a product of modernity, and as conceived of under the rubric of modern approaches adopted by firms, is incoherent when viewed through the lens of MacIntyre's critique. Secondly, that MacIntyre's theory of virtue ethics, despite ostensibly being anti-business, and after development by a few key modern scholars, actually provides the framework for a robust theory, whereby an ethical approach can be adopted by modern business. Ultimately, I will conclude that the first hypothesis is proven, but that the second one is not—the alternative interpretations of MacIntyre simply do not withstand rigorous criticism.

In the modern workplace, ethics has become a hot button issue. Scandals such as Enron, Worldcom, and Bre-X have brought business ethics to the forefront of public discourse, where it has remained. One need only open a newspaper on any given day to find evidence of organizations and business conducting themselves in an ethically questionable fashion. These recent, highly publicized scandals, followed by wide-spread public outcry, have forced modern businesses to face the problem of business ethics head on. There are many for whom the term "business ethics" is an oxymoron, or possibly just a term adopted by capitalist industry to

legitimize its own practices in the eyes of the public, who are often dismayed by what they perceive as greedy, egoistic entities focused only on their own profit (Shaw 566). The suspicion of the free market's effects upon civic virtues is an old trope. Indeed, it is as old as capitalism itself. Common allegations are that it: releases self-interest from moral restraints; erodes social ties and replaces them with economic ones; promotes a preoccupation with individual self-interest; favours materialist/hedonistic values (Maitland 18). One cannot engage in a critical analysis of ethics in modern capitalist business for long without inevitably bumping into Marx. One of the main precepts of this critique comes in the form of the impossibility thesis, which essentially postulated that capitalism itself is antithetical to the concept of ethics because it forces actors within it, if they want to be successful, to cut corners, cheat or otherwise bend/break the rules in the service of their own "enlightened" self-interest (Shaw 567). This theory arrives at similar conclusions to that of MacIntyre's theory, however from an economics based approach, rather than an ethical one. From Marx himself, down through innumerable subsequent Marxist scholars, this idea has been developed and expanded upon. As the industrial revolution set in, and concepts such as Fordism became commonplace across all industries, Marxist scholarship tended to focus on the idea of routine and compartmentalization, in conjunction with alienation and exploitation, as having a corrosive effect on the human character of the labourers who were on the front lines of production (Sennett 32-45). Marxist thought, by its very nature, focuses on materiality, touching on concepts of ethics as a function of this primary consideration. There is one modern ethicist, however, who synthesizes the two fields of study—Marxism and ethics—into a comprehensive and penetrating critique: Alasdair MacIntyre. Because he started out scholarly life as a fervent Marxist, much of MacIntyre's later works, including his *After Virtue*, resonates deeply with, and betrays a profound indebtedness to,

Marxism (Ballard 55-61). Although intellectually rooted in Marxism, MacIntyre has also developed his own ethical theory significantly and to a point where it is also now highly critical of Marxism, and its many failings. This will be further discussed in more detail later on.

The concept of business ethics has become ubiquitous in the modern zeitgeist. Every reputable business school now includes a heavy emphasis on ethics, and the vast majority of businesses and corporations not only subscribe to the notion that business ethics is a viable concept, but have training programs and ‘codes of ethics’ that are designed to reinforce the expectations of employees to be ethical actors within their organization (Ladd 583). As outlined above, the question that this paper will attempt to answer is contained within its title: is business ethics a viable and coherent concept? Because the business world firmly adheres to the idea that it is, this paper will not spend much time making the case in favour of this argument; rather, it will outline the basic concept, and then subject it to the scrutiny of MacIntyre’s theory, which will then in turn be re-examined in light of recent developments in the field. Business ethics is usually presented by business school and firms conducting employee-training programs as some form of stakeholder theory, or Corporate Social Responsibility (CSR). This theory holds that managers should view their organizations as one part of a larger network of groups such as employees, customers, environment advocates and other interest groups (Fleming and Jones 50). When making decisions or conducting business, managers, if they take this broader more holistic view of their organization, will be more likely to act in the interests of the greater good, rather than simply for the benefit of their own bottom line. There are innumerable variations and iterations of this theory. Whereas Abrams holds that a firm’s primary responsibility in this regard is to establish and maintain an equitable basis between the various stakeholders—employees, customers etc. (Okpara and Idowu 4), the World Business Council for Sustainable

Development defines CSR as “the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life for the workers and their families as well as the local community and society at large” (WBCSD 2012). Regardless of the particularities, all these theory are based on a common premise: that there is more to business than merely turning a profit; to be considered ethical, a corporation must have some recognition of the needs of others. This theory is purported to be in direct contradiction with Milton Friedman’s contention that the sole ethical responsibility of a corporation is to maximize profit for its shareholders (Friedman). The implications of Friedman’s theory are that “all other considerations relating to ethics, morality, negative externalities or the welfare of weaker groups in society were outside the purview of business management” (Fleming and Jones 50). Since Friedman wrote his famous essay on this topic, a debate had been occurring in the mainstream business discourse about which school is correct: Friedman or the theory of Corporate Social Responsibility. At its heart, the ethics taught at modern business schools is essentially principle-based ethics, usually taking the form of either Kant or Mill (Horvath 501). The problem, as we will see when MacIntyre is analyzed, is that there is a mutual incompatibility between utilitarianism and deontology. One is left with the exact same problems that are introduced on the first day of any introductory ethics class: if deontologists hold that lying is always wrong, and consequentialists hold that white lies in the service of the greater good are right, how does one decide between them? Both appears justifiable, if one accepts their respective methodological premises. It is here that we must turn to MacIntyre.

Alasdair MacIntyre

MacIntyre holds that the debate between adherents to the various modern ethical theories is intractable. He refers to this ambivalence as the “morass” of modern ethical discourse

(MacIntyre, *After Virtue* 6-22). Before tackling the issue of his critique of business ethics, it is necessary to establish some other important elements of his general theory of virtue ethics.

MacIntyre is a complex and wide-ranging thinker. He covers a wide breadth of topics, from sociology, to political economy, to religion, but all generally rooted in his general theory of virtue ethics. The focus of this paper is strictly on the ethics of business, and I will therefore endeavour to remain restricted only to those elements of MacIntyre's theory that are relevant to this topic. However, in order to present MacIntyre's take on the ethics of modern business, the groundwork of his overall philosophy must first be laid, in order to make any sense of the rest.

MacIntyre is a contemporary virtue ethicist, and is counted with Anscombe and others as being a leader in the recent revitalization trend of Aristotelian virtue ethics (McPherson 283).

The main thesis of his book *After Virtue* is essentially as follows: the occurrence of the enlightenment resulted in the abandonment of the Aristotelian concept of *teleology* in ethical thought; once this occurred, ethical discourse became incoherent, and all subsequent theories of ethics are merely different versions of an emotivist way of thinking (MacIntyre, *After Virtue* 51-61). The preceding statement requires significant unpacking for it to make sense, a task that I will endeavour to do as precisely as possible. To begin with, MacIntyre's theory depends heavily on the concept of emotivism, which he defines as "the doctrine that all evaluative judgement and more specifically, all moral judgements, are nothing but expressions of preference or attitude or feeling insofar as they are moral or evaluative in character" (MacIntyre, *After Virtue* 11). Essentially, anytime someone makes a judgement or pronouncement about anything's moral rightness or wrongness, he or she is simply expressing his or her emotional reaction to whatever that may be—not predicated on any rational or coherent basis. For MacIntyre, all modern ethical discourse has drifted past the idea of relativism—the idea that

certain groups of people have differing ideas of right and wrong that make sense to them—and into this realm of emotivism (Horvath 511). Modern theories of ethics, be they utilitarianism or formalism (deontology), are simply veneers, disguising the underlying theory that informs them: emotivism (Horvath 513). All discussions about ethics that utilize these modern theories are locked in an interminable debate where both sides are merely arguing that their feelings towards a matter are somehow more correct than the others’ (MacIntyre, *After Virtue* 11). To make this point succinctly and eloquently, it is worth quoting the author himself:

[There is] conceptual incommensurability of the rival argument ... Each premise employs some quite different normative or evaluative concept from the others ... From our rival conclusions we can argue back to our rival premises; but when we do arrive at our premises arguments cease and the invocation of one premise against another becomes a matter of pure assertion and counter-assertion ..

A second ... characteristic of these arguments is that they do none the less purport to be *impersonal* rational arguments ... even if the surface appearance of argument is only a masquerade ... Does this not suggest that the practice of moral argument in our culture is at least an aspiration to become rational in this area of our lives? (MacIntyre, *After Virtue* 8-10)

To fully understand MacIntyre’s theory, one must appreciate that his critique is not of one aspect of modern ethical discourse, but rather of modernity as a whole, more specifically, of liberalism, in the Lockean sense. That is, the freedom of the individual to pursue his own goals without interference, except where such actions interfere with others’ liberties. MacIntyre’s critique is that this understanding of liberal individualism “represents a misleading and impoverished view of the self and society” (Ballard 43). To clarify how MacIntyre arrives at this understanding, it is necessary to note his connection to Aristotle, and the ancient concept of *telos*. A full exposition of Aristotle is beyond the scope of this paper, and so a preliminary familiarity on the part of the reader will be assumed. Therefore, only the points of his philosophy that are relevant to understand MacIntyre will be discussed. In the Aristotelian tradition, the *telos*, or end/Final Cause of Man is happiness, which is understood in the sense of “human flourishing”

(Fuller 7). Any action undertaken in the pursuit of this *telos* is, by definition, ethical, in that it is taken in the pursuit of the good life (Taylor 43). MacIntyre defends the Aristotelian tradition, but differs with in on several important points. As will be discussed later, while MacIntyre develops an alternate interpretation of human *telos*, he still recognizes the abstract concept of *telos* as being vital to an understanding of nature. An important thing to note about this conception of human beings—held by Aristotle and latter antiquity—is that to achieve this *telos*, which is done through the exercise of virtue, or excellence, one must obtain “those qualities necessary to sustain a household and community” (MacIntyre, *After Virtue* 122). This flows directly from Aristotle’s fundamental view of human beings as “political animals,” who can only develop fully and naturally in a city or community (Aristotle, *Politics* 1253a2). It is here that we find the root of MacIntyre’s break with the enlightenment conception of liberal individualism. For Aristotle, moral excellence is achieved through what is called the “cooperative virtues,” such as justice and temperance, as opposed to the “competitive virtues,” such as wealth and success in battle, that so much characterizes Homeric thought (Lutz 110).

For MacIntyre, virtue is inexorably bound to the concept of the narrative character of human life. He explains it thusly,

If human life is understood as a progress through harms and dangers, moral and physical ... the virtues will find their place as those qualities the possession and exercise of which generally tend to success in this enterprise and the vices likewise as qualities which likewise tend to failure. (MacIntyre, *After Virtue* 144)

It is here that we can identify MacIntyre’s break from Aristotle. Whereas for Aristotle, *telos* is very much linked to biological ‘flourishing’, for Macintyre flourishing is understood as being internal to specific communities and cultural traditions (Bruni and Sugden 144). To understand something’s *telos*, we are therefore implored to understand its function as a practice within a certain tradition, and the group of practitioners operating within that tradition. As

Michael Sandel interprets this, “we identify the norms appropriate to social practices by trying to grasp the characteristic end, or purpose of those practices” (Sandel 98). Intimately connected with this cultural and traditional understanding of flourishing is his conception of “practice.” MacIntyre offers the following definition of virtue: “an acquired human quality the possession and exercise of which tends to enable us to achieve those goods which are internal to practices and the lack of which effectively prevents us from achieving any such goods (MacIntyre, *After Virtue* 191). Obviously, from this definition, a key term for MacIntyre is “practice,” because it is the term by which virtue is defined. MacIntyre defines a practice thusly,

Any coherent and complex form of socially established cooperative human activity through which goods internal to that form of activity are realized in the course of trying to achieve those standards of excellence which are appropriate to, and partially definitive of, that form of activity, with the result that human powers to achieve excellence and human conceptions of the ends and goods involved, are systematically extended. (MacIntyre, *After Virtue* 187)

Obviously, this definition demands one more terminological clarification: “goods.” This is a term that MacIntyre actually does not alter much from its original Aristotelian conception. Aristotle distinguished between an activity united with its *telos* and one performed for a cause external to that thing (Lutz 116). Specifically, Aristotle writes, “the life of money-making is one undertaken under compulsion, and wealth is evidently not the good we are seeking; for it is merely useful and for the sake of something else” (Aristotle Book 1). This leads to what is, perhaps, the most important part of MacIntyre’s theory, as it relates to business: the distinction between internal goods, associated with practices, and external goods, associated with institutions. Due to the importance of this distinction, it is worth quoting the author at length here,

Institutions are characteristically and necessarily concerned with... external good. They are involved in acquiring money and other material goods; they are structured in terms of power and status, and they distribute money, power and status as rewards. Nor could

they do otherwise if they are to sustain not only themselves, but also the practices of which they are the bearers. For no practices can survive for any length of time unsustained by institutions. Indeed so intimate is the relationship of practices to institutions—and consequently of the goods external to the goods internal to the practices in question—that institutions and practices characteristically form a single causal order in which the ideals and the creativity of the practice are always vulnerable to the acquisitiveness of the institution, in which the cooperative care for common goods of the practice is always vulnerable to the competitiveness of the institution. In this context the essential feature of the virtue is clear. Without them, without justice, courage and truthfulness, practices could not resist the corrupting power of institutions. (MacIntyre, *After Virtue* 194)

One oft cited example of the distinction between performing an action in accordance with an internal good or an external good is the difference between ‘going for a walk’ and ‘walking to the store.’ The former is an example of a thing done for its own sake, while the latter is a thing done for the sake of something else. In explaining the importance of this point, MacIntyre identifies one of the more illustrative passages of the book: the parable of the chess player. If a clever child learns to play chess because doing so will get him a reward, say, candy, then he will be incentivized to cheat, if so doing would increase his effectiveness of reaching that goal. However, if he learns to play chess for the sake of the excellence of the game, the act of cheating then become counter-productive, whether he gets candy or not (Lutz 119). Using this important distinction, we now turn to the critique mounted by MacIntyre of modern business.

As discussed, MacIntyre proffers a sweeping critique of post-enlightenment modernity as a whole. He contends that the abandonment of *teleological* considerations has left the modern ethical discourse in a state of incoherence. These enlightenment conceptions form the antecedents to many of our modern social institutions, of which business counts as an important one. Indeed, MacIntyre does not simply allow business to be dealt with solely as a function of this general critique, but actually devotes a significant portion of this book to analyzing the institution of modern business specifically. Obviously, MacIntyre perceives that business ethics

hold the same weaknesses in common with utilitarianism or other principle-based theories (Horvath 514). Like these other theories, business needed to find a base presumption upon which to build its theory. Whereas utilitarianism has the presumption that maximizing utility is the guiding principle, business adopted the concept of effectiveness. In other words, “as long as one is effective at accomplishing one’s goal, one is good.... Effectiveness involves a focus on the means to realize a goal, not on the value of the goal itself” (Horvath 512). It is in this concept of material acquisition as the main principle that we see the roots of MacIntyre’s Marxian past shining through.

Marx and MacIntyre

It is beyond question that MacIntyre’s critique owes a great deal to Marx. Indeed, MacIntyre himself began his academic career as a Marxist scholar (Trenery 6-21) (D’Andrea 87). Early on in his academic career, MacIntyre became disillusioned with Marxism, and sought to develop his moral philosophy into a coherent replacement. Addressing this issue, MacIntyre claimed he wrote two of his earlier works, *A Short History of Ethics*, and *The Unconscious*, “partly motivated by my increasing recognition of the gross inadequacies of Marxism in these areas” (Knight 69). Despite his early adherence to this ideology, his subsequent development of virtue philosophy transcends the materiality of Marx. He does this by applying the Aristotelian concept of virtue and good to this fundamentally Marxian analysis. Before this is addressed, a word ought to be said on the break that MacIntyre makes with Marxism. For many, a cursory reading of MacIntyre would seem to indicate he retains a strong allegiance to the Marxist precepts. However, in *After Virtue*, he mounts a critique of Marxian thought almost as incisive as his critique of modernity. This is not an accident, because MacIntyre views Marx as being a product of modernity, to some degree. Specifically, MacIntyre makes the following criticisms: Marxism fails as a social science; its prescription for power manipulation mirrors bureaucratic

and managerial structures; its use of principle-based theories such as Kantianism; its focus on radical individualism; the optimism of building socialism out of capitalism; and, the lack of basis for the ultimate goal of a communist society on workers (Ballard 56). Ultimately, the differences between MacIntyre and Marx can be summarized thusly: Marx does not have any time to spend on theories that explain the social forces of repression that do not also contain a mechanism or scheme for the liberation of the oppressed element; for MacIntyre, returning coherence to the fragmented ethical discourse, and a return to a community-based ethic is of paramount concern—Marx’s main problem of liberation is not a question that demands an immediate solution (ibid). We will see, then, that this shifted focus leads MacIntyre to the Aristotelian concept of virtues as opposed to the Marxist concept of proletarian revolution.

MacIntyre uses the internal versus external distinction to inform his practice versus institution dichotomy. Whereas, as we saw, practices are activities to develop and foster internal goods, institutions are driven primarily by considerations of external goods, such as money or prestige. While, during the course of business, workers may engage in practices incidentally, these will always be subordinated to external institutional goods, and thereby be undermined, in the long-run. For MacIntyre, “the market motivation of creating goods for exchange conflicts with the idea that activities, or the goods that they realize, are goods in themselves” (Bruni and Sugden 145). This is highlighted by MacIntyre in his famous example of the virtuous fishing crew. Here, the practice of fishing is distinguished from the institution of a business that engages in fishing for profit. Speaking to the practice aspect, MacIntyre writes “the aim internal to such productive crafts, when they are in good order, is never only to catch fish, or to produce beef or milk, or to build houses. It is to do so in a manner consonant with the excellences of the craft, so that not only is there a good product, but the craftsperson is perfected through and in her or his

activity” (MacIntyre, Response to my Critics 284). In this regard, it is not simply that business and practice are incongruous, it is that business is antithetical to practice. MacIntyre addresses this directly in his analysis of the aforementioned example of the modern fishing business.

A fishing crew may be organized as a purely technical and economic means to a productive end, whose aim is only or overriding to satisfy as profitably as possible some market’s demand for fish. Just as those managing its organization aim at a high level of profits, so also the individual crew members aim at a high level of reward. .. When however the level of reward is insufficiently high, then the individual whose motivation and values are of this kind will have from her or his point of view the best reasons for leaving this particular crew or even taking to another trade... Management will from its point of view have no good reason not to fire crew members, and owners will have no good reason not to invest their money elsewhere. (MacIntyre, Response to my Critics 285)

Here we see the fundamental roots of MacIntyre’s critique of modern business. As long as profit remains the motivator of action for businesses, the internal goods of a practice will be subordinated to, and undermined by, the external good of efficiency. Because the first fishing crew has no reason to stay together if the profits are not sufficiently high, MacIntyre views this as being fundamentally corrosive to the whole concept of community. As we discussed, community is a fundamental component for virtue, according to MacIntyre’s definition. MacIntyre’s critique is not exhausted here. Seeing business as a key institution in modernity as he does, he devotes deeper analysis to it, even considering the character of the *Manager* one of his three modern social archetypical characters.

Characters

In MacIntyre’s theory, modernity has led to the creation of certain stock characters. These characters arise out of the amalgamation between manipulative and non-manipulative social relations (Ballard 8). This concept is directly connected with MacIntyre’s previously mentioned narrative conception of a human life, and the phenomenon he identifies as “compartmentalization” (MacIntyre, Problems of Business 357-358). To make his argument in

this regard, MacIntyre devotes an entire chapter of *After Virtue* to exploring the derivation of this concept, and its implications (23-35). As previously mentioned, the confluence of manipulative and non-manipulative social relations leads to these characters, with different characters arising in different situations. Specifically, MacIntyre uses the distinction between Kant's philosophy and emotivism to make this argument. He writes,

For Kant... the difference between a human relationship uninformed by morality and one so informed is the difference between one in which each person treats the other as a means to his or her ends and one in which each treats the other as an end. To treat someone else as an end is to offer them what I take to be good reasons for acting in one way rather than another, but to leave it to them to evaluate those reasons. It is to be unwilling to influence another except by reasons which that other he or she judges to be good. It is to appeal to impersonal criteria the validity of which each rational agent must be his or her own judge." (MacIntyre, *After Virtue* 23-24)

However, if MacIntyre's contention that emotivism is now the predominant form of moral reasoning, this is an artificial distinction. As he argues, "the general form of the answer to this question [of what the emotivist theory would evince in this regard] is now clear, but the social detail depends on the nature of particular social contexts" (MacIntyre, *After Virtue* 24). In developing this particular line of reasoning, MacIntyre recognizes that he is engaging more directly with sociology than ethical philosophy, and therefore relies heavily on one of the most recognizable authorities in the field, Max Weber. Throughout his detailed development of this idea, he identifies three main "stock" characters, each of whom have become integral to our modern social paradigm: the Rich Aesthete, the Therapist, and the Manager (MacIntyre, *After Virtue* 30).

Because bureaucratic structures, such as businesses or organizations, define so much of what we do in modern society, the character of the Manager rules the greatest part of our waking lives. It is his responsibility to direct the organization's resources as effectively as possible towards whatever ends the organization deems fit (MacIntyre, *After Virtue* 25). As discussed,

the social concept of these characters arise as a result of the amalgamation of manipulative and non-manipulative social relations; the distinguishing aspects is that each simply occur in different elements of society. Whereas the therapist represents this “obliteration in the personal life” (MacIntyre, *After Virtue* 30), the manager represents the same phenomenon in the social realm (ibid). Elucidating the distinction between these two roles further, MacIntyre writes,

The manager treats ends as given, as outside his scope; his concern is with technique, with effectiveness in transforming raw materials into final products, unskilled labour into skilled labour, investments into profits. The therapist also treats ends as given, as outside his scope; his concern also is with technique, with effectiveness in transforming neurotic symptoms into directed energy, maladjusted individuals into well-adjusted ones. (MacIntyre, *After Virtue* 30)

Here, we can see the poignancy of MacIntyre’s reference to Kant’s theory, as it relates to emotivism. As MacIntyre summarized, Kant’s imperative requires that people be treated as ends in themselves, and not to be manipulated or influenced unless they deem the reasons for doing so as good. This is incompatible with the roles of the modern manager or therapist, whose job it is to manipulate people to achieve a desired end. In many ways, this manager character is a direct derivation of the subordination of internal goods to external ones. The primacy of efficiency, as a means of increasing the external good of profitability, is what makes the character of the manager so important. MacIntyre does not hold that this means that a person who is a manager during the day cannot be virtuous at the end of the day, or when he is not at work. He must simply adopt a sort of moral schizophrenia, whereby he becomes a different person at different times. Citing an example of power company managers unable to consider a reduction in overall levels of consumption, even though as a parent he might hold this to be desirable, “the executive shifts from the sphere of the family to that of the corporation, he or she must necessarily shift moral perspectives” (MacIntyre, *Corporate Modernity* 179). The outcome is the fabrication of distinct characters, and the creation of more than one self (Moore, *Humanizing Business* 242).

When this phenomenon is integrated into MacIntyre's narrative understanding of character and virtue, it is not difficult to see conflict arising. In fact, it results in a compartmentalized person's life being "inconsistent and episodic," unable to consider "practical questions in terms of any overarching, integrated common good" (Lutz 123). MacIntyre addresses this conflict head on, writing on the topic of personal integrity, "to have integrity is to refuse to be... one kind of person in one social context and quite another in other contexts. It is to have set limits to one's adaptability to the roles that one may be called upon to play... to exhibit the same moral character in different social contexts" (MacIntyre, *Social Structures* 317-318).

As will be discussed in the ensuing section, for MacIntyre, and indeed for Aristotle, the concept of a human life being viewed as a single coherent narrative is elemental to the good life. It is in this concept of the unified narrative of a human life that MacIntyre presents a second-level definition of virtue. MacIntyre writes,

The virtues therefore are to be understood as those dispositions which will not only sustain practices and enable us to achieve the goods internal to practices, but which will also sustain us in the relevant kind of quest for the goods, by enabling us to overcome the harms, dangers, temptations, and distractions which we encounter, and which will furnish us with increasing self-knowledge and increasing knowledge of the good. (MacIntyre, *After Virtue* 219)

Here, we can see MacIntyre extending the definition of virtue to incorporate the concept of narrative. With his first level definition, which we saw referred to qualities that help us to achieve goods internal to a practice, the question could then be posed: what about the successful and committed torturer?—could he not be seen as virtuous under this definition? Such an act would be revealed to be a vice with respect to the agent's shattered conscience impeding the attainments of a whole and good life (Lutz 125). To address this point more fully, we must consider another key aspect of the theory.

Tradition

The last key concept that informs MacIntyre's conception of virtue and the narrative interpretation of self is the concept of tradition. We saw above how the situation of practice within a social tradition informs the *teleology* of the practice, but tradition also plays a prominent role in the conception of narrative. Instead of situating a practice within its social tradition, this refers to situating a person's narrative within that of their cultural tradition and heritage. This is MacIntyre's final repudiation of the modern liberal individualist conception of the self. As he writes, "I am born with a past; and to try to cut myself off from that past, in the individualist mode, is to deform my present relationship" (MacIntyre, *After Virtue* 221). Here, one example might be of the debt owed by American society to the African American community, or the Germans to the Jews. A liberal individualist might assert that now that the race laws in the US have been abolished, and the Germans are no longer persecuting and committing genocide on the Jews, lingering racial disparities in the US and the legacy of cultural destruction in European Jewry is no longer of importance. This is the cultural equivalent of character compartmentalization, and it has the same stultifying effects on the communal character as on the individual one. This concept of tradition "provides one's moral starting point in this historical sense and what one owes because of the history into which one has been born" (Lutz 126). Geoff Moore, in his thought-provoking re-development and analysis of MacIntyre's arguments, personalizes the way narrative and tradition are connected in the following passage,

Men and women are narrative animals—that is, life is lived inside a story of which the individual is the subject, but also in which there are interlocking narratives with others. This is to say that my story began before I was born (and will continue after I die) and that I entered life as part of a continuing narrative. It is only within the context of this continuing and communal narrative that I can make sense of myself and that I can begin to make some sense of my *telos*. (Moore, *Humanizing Business* 246).

The importance ascribed by MacIntyre to tradition leaves him open to a fairly obvious charge: that of relativism. Different traditions will inform different narratives. Indeed, as MacIntyre himself phrases the challenge, "... if there is a multiplicity of rival traditions, each with its own characteristic modes of rational justification internal to it, then that very fact entails that no one tradition can offer those outside it good reasons for excluding theses of its rival." (MacIntyre, *Whose Justice?* 352). Because this charge of relativism appears, at first blush, to be apropos, MacIntyre, along with other adherents to his philosophy, spends considerable time addressing it. In his work on this subject, Michael Krausz identifies the problem with using such an ambivalent term to begin with. "Defining relativism... is not an easy matter, since there seems to be no clear and well established usage to which one might appeal" (Krausz 398). In *After Virtue*, MacIntyre develops his own interpretation of the term 'relativism,' which is both relevant and apt to the analysis he uses in his work.

The sophistic conclusion is that in each particular city the virtues are what they are taken to be in that city. There is no such thing as justice-as-such, but only justice-as-understood-in-Athens and justice-as-understood-in-Thebes and justice-as-understood-in-Sparta. This relativism... involves its adherents in a number of related difficulties. (MacIntyre, *After Virtue* 139)

MacIntyre directly repudiates this sort of relativistic claim, and uses his invocation of rationality to do so. While he concedes that the rationality of our judgements about human excellence is culturally dependant, to some extent, his broader argument is that the truth about human excellence is independent of these subjective considerations (Lutz 67). MacIntyre's other main work, besides *After Virtue*, *Whose Justice, Which Rationality?*, actually poses the problem presented by relativism in its title, and is the work in which MacIntyre most directly deals with this controversial subject matter. For MacIntyre, the answer to the charge of relativism lies in the objective nature of rationality, and more broadly in *teleology*. However, rationality is not

automatically an objective measure, because it is necessarily informed by the tradition from whence the person making the judgement comes. A person's rationality, if it is informed by the tradition that they are analyzing using that rationality, cannot, in that sense, be irrespective of that tradition.

... if the only available standards of rationality are those made available within traditions, then no issue between contending traditions is rationally decidable. To assert or to conclude this rather than that can be rational relative to the standards of some particular tradition, but not rational as such. There can be no rationality as such. Every set of standards, every tradition incorporating a set of standards, has as much and as little claim to our allegiance as any other. (MacIntyre, *Whose Justice?* 352)

People's individual rationality is dependent on their presuppositions, which can vary, depending on particular circumstance (Lutz 68). Hence, the question posed in MacIntyre's title: *whose rationality?* Ultimately, to make his argument in this regard, MacIntyre relies on the foundational concept of virtue ethics: *telos*. He draws an equivalency between moral inquiry and the ancient concept of a quest (Lutz 72). MacIntyre's argument in this regard is summarized concisely by Lutz, who writes, "...by comparing moral inquiry to a quest, MacIntyre affirms that the *telos* of moral enquiry is real. Every quest has a *telos*, which those involved in the quest actively pursue, even if their knowledge is incomplete. The truth about the good life for man is the *telos* of moral enquiry. The theories that guide our characterizations of that truth comprise our rationality" (Lutz 72). While these theories may be subject to a measure of relativist influence, this has no impact on the real end of the pursuit itself. Those interested in the good life, or in the nature of morality of man, have embarked on this quest, whether they know it or not. The fact that they might not know it, or have "incomplete knowledge," does not make the end of the quest, or the *telos*, any less real.

As we can see, MacIntyre's critique of business—and modernity in general—appears to make a strong case that ethics in modern business is a nonsensical notion. Many scholars have

affirmed this interpretation, and analyzed its implications (Dobson, Response to Wicks). This view can be succinctly summarized in the interpretation of Andrew Wicks, who concludes that:

MacIntyre's views would effectively rule out any conception of business that is remotely similar to capitalism as we know it. MacIntyre's thesis would appear to require transformation of the economic realm... towards something fundamentally different than what we could call 'business'. (Wicks 133)

The fact that MacIntyre comments that “we should therefore expect that, if in a particular society the pursuit of external goods were to become dominant, the concept of the virtues might suffer first attrition and then perhaps total effacement” (MacIntyre, *After Virtue* 195) has lead Dobson to concluded that, under MacIntyre's theory, a “virtuous firm” would “rapidly perish” (Dobson, Response to Wicks 130). MacIntyre himself writes, “the tradition of virtues is at variance with central features of the modern economic order” (MacIntyre, *After Virtue* 254). However, after *After Virtue*, subsequent scholarship has developed and interpreted MacIntyre's theory, and drawn this conclusion into question. We will now examine some of this work, and reconsider some of MacIntyre's conclusions.

As we can see, MacIntyre's theory, at first blush, appears to leave very little doubt that modern business ethics is an incoherent idea. Having conducted an examination of MacIntyre's theory, and its ramifications on the modern conception of business ethics, I will now turn to a couple modern scholars who have a less pessimistic interpretation of MacIntyre's theory.

Moore

The scholar who might have the biggest impact on the subsequent development of MacIntyre's thought is Geoff Moore. It is in Moore that we find the strongest arguments that the initial impression of MacIntyre—that he is opposed to the very concept of ethics in business—is inaccurate, or at least underdeveloped. Central to Moore's development is the concept of business-as-practice. Moore proffers the following situation for analysis: an executive in a

modern company executes a marketing plan, and in so doing, not only confers benefit on the corporation, but also derives for himself intellectual stimulation, development of practical skills, and stimulation from healthy competition (Moore, Practice-Institution Distinction 21). Such a person doing such an activity would appear to meet MacIntyre's definition of a practice. In support of the idea of business-as-practice, it is important to note the idea's limitations. Moore is not arguing that all aspects of business, if productive and enjoyed by the executor, constitute a practice. Indeed, he clarifies that functions such as human resource management, production, and finance are not, in themselves, practices; nor are other aspects of the management-employment relationship. This is based on MacIntyre's later clarifications on his conception of internal goods,

The aim internal to such productive crafts, when they are in good order, is never only to catch a fish, or to produce beef or milk, or to build houses. It is to do so in a manner consonant with the excellences of this craft, so that there is not only a good product, but the craftsman is perfected through and in her or his activity. (MacIntyre, Response to my Critics 284)

For Moore, each different type of business, be it farming, retailing or providing financial advice, will have its own particular form of excellence. Since they are all 'coherent and complex forms of socially acceptable human activity'—as in MacIntyre's definition of practice—they would all have internal goods, related to the activity, that can be realized and attained by the practitioner (Moore, Practice-Institution Distinction 23). In addressing the issue of employment, MacIntyre has clarified that his usage of the terms 'practice' and 'institution' are such that "employment can only be a feature of the institutions, since institutions determine and enforce the division of labour and employment policies and activities are part of this determination and enforcement" (Moore, Practice-Institution Distinction 24). Ultimately, Moore's argument related to business-as-practice is that "an organization that is so focused on external goods, such

as profit and shareholder value, that it fails to nurture the practice it sustains—specific business practice of retailing—will eventually find itself without the skills and resources it requires to sustain the practice. It will, in effect, kill itself from the inside” (Moore, Practice-Institution Distinction 28). This is Moore’s development of the micro level of MacIntyre’s analysis. Individual actors—whether a corporation, or persons within a corporation—can be virtuous. He also devotes some study to the macro issue of the market’s impact on character in general, that is relevant to his analysis of MacIntyre. Prior to presenting these macro-level considerations, a point must be made about the preceding line of argumentation.

While I will save the final analysis of the efficacy of this re-interpretation of MacIntyre’s theory to the final section of this paper, after all the arguments and counter argument have been presented in their entirety, I would offer a commentary on this particular aspect of Moore’s argument. The conclusion of Moore’s line of reasoning, that if practice is eroded away in business, until the institution subvert all internal-goods to external one, the business will “kill itself from the inside,” does not logically flow from the argument’s premise. The fact that the internal-goods of practice are rendered unobtainable by modern business simply means that employees are unable to achieve excellence in virtue, and are likely to remain unfulfilled as human beings; it is unclear how this fact relates to the success or failure of the business organization of which they are a part. In fact, neither MacIntyre, nor Marx, would hold this to be true. Both would argue that such a system could continue in perpetuity, with the workers/employees who labour under it simply relegated to being cogs in the machine, rather than fulfilled rational beings. This is, in many ways, the point of the theory, and is the reason that Marx famously holds that the only solution for the exploited workers is revolution.

Moore's analysis of the macro ethical issues of modern business is outlined in an article in which he explores whether or not there is a "tendency to avarice" in modern capitalistic business organizations (Moore). This exploration is contextualized by MacIntyre's apparent position that capitalism institutionalizes injustice and therefore, "provides systematic incentives to develop a type of character that has a propensity to injustice" (MacIntyre, *Marxism and Christianity XIV*). One of Moore's main points is that MacIntyre's conclusion, while based on sound reasoning, goes too far in its pessimistic appraisal of the modern system. He [Moore] proposes that the evidence does not support MacIntyre's contention that *pleonexia*—defined by MacIntyre as the drive to have more and more—"has not become the central virtue or that the virtues in general have become almost effaced" (Moore, *Humanizing Business* 241). To support this contention, Moore highlights the example set by companies such as Applied Energy Systems and Levi Strauss that have resisted the urge to relinquish control over their practices in exchange for institutional excellence (240). In the case of AES, this manifested as a resistance to go public in 1991, and in the case of Levi Strauss, actually entailed taking itself from a public company to a private one by way of a large leveraged buyout (Waterman 143). Another point on which Moore finds fault with MacIntyre is that "much modern industrial productive service work is organized so as to exclude the features distinctive of a practice," and that this economic activity "is at once alien and antagonistic to practices" (MacIntyre, *Response to my Critics* 286). Moore writes that this analysis is too pessimistic, focusing on MacIntyre's use of words such as 'exclude' and 'alien' as descriptors (Moore, *Humanizing Business* 241). Beyond the practice-institution dichotomy issue, Moore addresses the previously mentioned issue of the creation of distinct moral characters, which MacIntyre identifies as being an inevitable result of agents

operating within the capitalist system. Moore criticizes MacIntyre for, again, being too pessimistic in his appraisal.

Besides his main argument of business-as-practice, Moore makes a secondary point, related to craftsmanship. Essentially, Moore's contention is that a rediscovery of craftsmanship within business is what is required to assuage MacIntyre's pessimistic and dire appraisal of modern business (Moore, *Humanizing Business* 247-252). The evocation of this medieval terminology of craftsmanship is a direct outgrowth of MacIntyre's theorizing related to practice. Indeed, the notion all but appears in MacIntyre's work, when he discusses the 'productive crafts' related to catching fish or producing milk (MacIntyre 284). While Moore calls for a rediscovery of craftsmanship within the business setting as a means of recovering the virtuous traits that MacIntyre so laments the loss of, he fails to provide any coherent scheme by which such a process might occur; indeed, he openly recognizes that the "conceptualization of craftwork within contemporary business organizations is not unproblematic" (Moore, *Humanizing Business* 249).

Dobson

A critical scholar who affords perhaps the fairest treatment to MacIntyre is John Dobson. While many business ethicists have a tendency to dismiss MacIntyre as simply being anti-business, others, like Dobson, attempt to take a broader interpretation of MacIntyre, including looking at other works, besides *After Virtue*, to get a more holistic understanding of his views (Dobson, *Aristotelian Business Ethics*). It is for this reason that Dobson is being represented in the paper as offering a constructive redevelopment of MacIntyre, as opposed to a complete rebuttal. Dobson does not, as many others do, repudiate MacIntyre entirely; rather, he accepts the validity of the critique, but to varying degrees. He writes that MacIntyre tends to paint all

businesses and corporate actors with the same brush, when in reality this is unfair. Ultimately, Dobson's contention is that MacIntyre's view is too narrow (Dobson, *Aristotelian Business Ethics* 46). Dobson's position, similarly to Sugden and Bruni, is that there is a disconnect between the purely theoretical realm in which MacIntyre, and other philosophers operate, and the real world of everyday life. In support of this perspective, Dobson draws upon the work of scholars who, while not explicitly researching the topic of business ethics, incidentally addressed some of the concerns MacIntyre raises. For example, Dobson references the work of John Roberts who, in his work *The Modern Firm: Organizational Design for Performance and Growth*, coincidentally uses real data surveys collected from companies to address MacIntyre's concerns regarding managerial compartmentalization and the primacy of a cost-benefit-analysis-based decision making model. Quoting Roberts, "firms are institutions created to serve human needs... to provide meaningful experiences, and this cannot be achieved by only applying explicit evaluative criteria such as cost-benefit analysis. Evaluative criteria, such as corporate culture is just as important" (Dobson, *Aristotelian Business Ethics* 47). Roberts goes on to explore the data he collected when conducting case studies of companies such as GM, Sony, Nokia and Toyota, which indicated that, contrary to MacIntyre's assertions, the management did not take ends as given (Roberts 18). Writing in reference to his case study on Nokia, Roberts states "people were simply expected to do their best and were trusted to act in the best interests of the company... employees throughout the firm were motivated by the desire to save the company. The success they collectively achieved was a source of real pride" (Roberts 174, 276). Dobson points out that much of Robert's writings seem to strongly imply activities within the businesses that meet MacIntyre's definition of practice and workers' attempts to realize goals were in fact attempts to realize internal goods. Another scholar to whom Dobson refers is

Michael Jensen who, like Roberts, uses information from actual companies to inadvertently make arguments against MacIntyre. Jensen writes, “Value maximization is not a vision or a strategy or even a purpose; ... people... must be turned on by the vision or the strategy in the sense that it taps into some human desire to build the world’s best automobile or to create a film or play that will move people for centuries” (Jensen 16). It is Dobson who makes the connection between Jensen and MacIntyre, writing that he is actually drawing a distinction analogous to the internal and external goods that MacIntyre holds to be the key to understanding virtue (Dobson, *Aristotelian Business Ethics* 47). When Jensen extends this line of argumentation to posit that “we must give managers a structure that will help them resist the temptation to maximize short-term financial performance ... short-term profit maximization at the expense of long-term values creation is a sure way to destroy value” (16), Dobson trumpets that this “belies MacIntyre’s claim that capitalism necessarily promotes myopia” (Dobson, *Aristotelian Business Ethics* 48). In his concluding remarks, Dobson summarizes his argument thusly

This is not to say that the modern firm, embraced by capitalism, is perfect in the sense of always nurturing internal goods within practices. But it at least has provided unparalleled material wealth as a foundation for practices. Capitalism is also flexible and continually evolving. MacIntyre’s critique might be better used as a source of direction for this evolutionary process, rather than—as MacIntyre himself tends to use it—as a “call-to-arms for capitalism’s destruction.” (Dobson, *Aristotelian Business Ethics* 49)

This interpretation and redevelopment of MacIntyre’s theory is compelling. A more thorough treatment and evaluation of it will be conducted later in the paper, as I formulate conclusions regarding my hypotheses.

McPherson

An article by a scholar named David McPherson entitled *Vocational Virtue Ethics: Prospects for a Virtue Ethics Approach to Business* does not engage with MacIntyre’s theory directly, but rather uses it to build a slightly different concept of virtue ethics in business that addresses the

question posed in this paper's subtitle, and is therefore worth briefly exploring here. In the article, McPherson lays out his theory for a vocational virtue ethics approach to business. This theory is based upon certain elements of the theories of both MacIntyre and Aristotle. His article argues three main points: firstly, that any exercise of the virtues, to have any meaning or relevance, must be done so for the sake of a person's life as a unitary whole; secondly, they must be exercised for the common good of the community; and thirdly, the only way for this concept of virtue to be meaningfully applied to business is to view one's role in an organization as a "vocation" or "calling," and thereby integral to the unitary conception of one's life (McPherson 283).

McPherson takes certain key elements of MacIntyre's theory—narrative understanding of one's life as a unitary whole, the detriments to virtue of compartmentalization, and the primacy of the virtues of integrity and constancy—and formulates a hybrid theory of virtue ethics and Stakeholder Theory. This essentially means using the ethical virtues as a means of ensuring that all stakeholders are treated with justice, fairness, etc. This can be seen as a macro-level consideration, involving the ways in which a business deals with other groups and organizations. On the micro-level, McPherson postulates that to achieve the good life, all a worker needs to do is ensure that the roles that he assumes within the company accord with the roles he assumes outside of it—ie parent, citizen, friend, member of a religious community (McPherson 292). This way, the conditions of living one's life as a unitary whole can be satisfied.

McPherson's virtue ethics theory is not dissimilar to Robert's Solomon's—who will be covered later in this paper, and who is far more critical of MacIntyre than McPherson—in that it takes particular elements of MacIntyre, and formulates a hybrid theory that can have real world application for modern businesses. McPherson engages MacIntyre's, and, to a large extent,

Aristotle's, conception of the unitary whole life, and recognizes the lack of integrity that is inherent in the practice of compartmentalization—being a different person at work than at home. However, he fails to engage with the foundational premise of MacIntyre's theory which, as we saw, relates to the concept of practice. It is from this concept that MacIntyre derives his formulation of virtue, as being distinct from the biologically-based *eudaimonia* of Aristotle. McPherson does not clarify from whence he derives his understanding of virtue. If it is, as much of the rest of his article is, based on MacIntyre, it is unclear how he side-steps MacIntyre's logical conclusion that the capitalistic system of modern business is antithetical to the realization of the internal goods of a practice.

The reason that McPherson fails to draw MacIntyre's argument to its logical conclusion is likely that to do so raises fundamental questions about whether ethics in business is even a coherent concept. This tends to be a very academic discussion, one that is thoroughly explored by MacIntyre himself. Rather than do this, McPherson, like Solomon, attempts to transmute the concepts of this academic theory into a serviceable and usable approach to business ethics that corporations can utilize in the real world. By taking the general concept of virtue, without delving into the deep recesses of its derivation, a practical alternative to the ambiguous post-enlightenment formulas of situational reasoning can be attempted. Valuable as this may be, I would, however, offer one final critique of McPherson's conclusion, which is intended for practical application in the business world.

In McPherson's final section, *Confronting Challenges*, he addresses the most pressing question raised by his line of argumentation throughout the article: how can anyone actually implement this theory of aligning the various role one assumes in one's life into a unitary whole? Here, McPherson concedes that this lofty goal is made significantly more difficult by the post-

industrial system of wage labour capitalism, a system in which obtaining this ideal is entirely dependent on working for a company who shares this objective (McPherson 292). Such an objective would be far more readily achievable in a pre-industrial system of independent craftsman and free-labourers. There is also a striking point of commonality between this argument and that one Moore presents about the rediscovery of craftsmanship being the remedy for the ailment MacIntyre finds in modern business ethics. It is a curious similarity between MacIntyre and McPherson that both adopt the very reactionary approach of venerating by-gone eras as being the foundational basis of ethics; in McPherson's case, it is the pre-industrial age; in MacIntyre's, it is pre-enlightenment. This is likely symptomatic of one of the foundational elements that they both rely upon to build their arguments: the important role that tradition plays in defining the parameters of practice. The solution McPherson proffers for the problem of how to align one's personal goals with that of one's company is, through the mechanism of employee input, to create a mission statement for the organization that aligns the community's values with those of the workers (McPherson 293). Simplistic though this may sound, it does not address the underlying discrepancy, which, for MacIntyre, problematizes the idea of any such system; a corporation operating within the capitalist system will always have profit as its overriding priority, and will be unlikely to hold helping workers achieve a virtuous, unitary and holistic life as an important consideration. This leads the discussion again back to Moore's conception of the "tendency towards avarice" that all corporations have (Moore, *Humanizing Business* 237), as well as MacIntyre's fundamental critique, in general. On this crucial point, McPherson does not proffer a convincing or robust argument or rebuttal. Rather, like Solomon and Dobson, he appears to simply dismiss MacIntyre as being too extreme in his sweeping critique, and cites example of corporations, such as *Better World Book*, that engage in pro-social activities, and that

do not appear to be engaged in any form of hyper-competitive, profit-driven business model. This is not unlike the argument we saw Moore making related to Levi Strauss, and a few other companies who have acted in similar ways. This line of reasoning is attractive for those attempting to practically apply a virtue ethics approach to modern business, without repudiating the capitalist system as a whole; however, those approaching MacIntyre's theory from an academic point of view are obligated to recognize the coherence and force of his critique, when taken to its logical conclusions, and therefore arguments that there are some exceptions to the general rule are unconvincing and inadequate explanations.

Critics of MacIntyre

Critics of MacIntyre are ardent and numerous. In fact, a book called *After MacIntyre*, which has already been referred to multiple times in this paper, and which features a final essay by MacIntyre himself entitled *A Partial Response to My Critics*, was produced on the subject. The layout of this book—presenting MacIntyre's theory, the various critics that have responded to it, and then MacIntyre's repost—is not entire dissimilar to the layout of this paper. Since some of the more mainstream critical opinions are thoroughly covered in this book, I have endeavoured to restrict those I present in this paper to a few less well known, but still highly compelling, scholars.

Sugden and Bruni

The other scholars who most significantly contributed to the macro side of the argument are Sugden and Bruni. In their collaborative writings, these two argue that the virtue ethics critique of markets, in general, fails. On the issue of whether capitalist markets necessarily fundamentally undermine virtue by subordinating internal goods to external ones, as MacIntyre contends, they argue that the market itself is a producer of character traits that are virtuous, even

according to MacIntyre's definition. They pose the question: what is the *telos* of the market?—and, more importantly, does it have any goods that are internal to itself, thereby fulfilling MacIntyre's definition of a practice. They conclude that it is a coherent and complex form of socially established cooperative human activity, that does have such internal goods (Bruni and Sugden 151). The goods they identify are universality, enterprise and alertness, respect for the tastes of one's trading partners, trust and trustworthiness, acceptance of competition, self-help, non-rivalry, and stoicism about reward (Bruni and Sugden 154-160).

The critique I would mount of the argument made by Bruni and Sugden is this: the main criticism they make of MacIntyre, that his conception of market economics is divorced from reality and doesn't bear semblance to the way things are in the real world (Bruni and Sugden 148), is one to which they themselves are susceptible. Their conception of market economics is one in which entrepreneurs and capitalists comport themselves with the overarching principle of mutual respect and benefit, and work together for the advancement of everyone's interests. I would argue that this conception is about as divorced from reality as it is possible to be. It would only make sense if one were to completely discount the notions of warfare capitalism and the fierce, cutthroat competition that is the hallmark of our modern capitalist economy. Michel Sandel addresses this point directly when he talks about companies raising the prices of basic necessities in disaster torn areas, like in the aftermath of Hurricane Charley in Florida in 2004 (Sandel 7). For Sandel, from his virtue ethics perspective, such firms were acting out of the vice of greed. This leaves something of a "chicken or the egg" problem: do markets foster such behaviours because participants are greedy?—or, are participants greedy because they are made so by participation in the market? Either way, the virtue ethics critique would still be relevant.

Writing on the subject of virtue ethics in business, Robert Solomon necessarily addresses MacIntyre's critique and general theory. Solomon is a strong supporter of virtue as being key to an ethical understanding of business; however, he is highly critical of MacIntyre's particular theory, going so far as referring to his nostalgia for tradition and community as "dangerous" (Solomon, Corporate Role 325). For Solomon, corporations are analogous to the Aristotelian *polis*, in which individual members are bound together by loyalty, and cultivate the virtues of teamwork and cooperation to strive towards a common *telos*. He postulates that individuals operating within this community will also necessarily develop their own personal virtues, specifically the virtues of community, excellence, role identity, holism, integrity, and judgement (Solomon, Corporate Role 326). However, this point does not address the macro level aspects of MacIntyre's argument, as well as the question that is the subject of this paper: can a business, as an entity, be virtuous? Solomon's argument fails to account for the fact that the nature of competitive economics necessarily focuses on external goods as a matter of survival. As MacIntyre writes, "possession of the virtues may perfectly well hinder us in achieving external goods... we should therefore expect that, if in a particular society the pursuit of external goods were to become dominant, the concept of virtues might suffer at first attrition and then perhaps something near total effacement" (MacIntyre, After Virtue 196).

Solomon

Robert Solomon is an American academic who has contributed significantly to the field of virtue ethics in modern business. In many ways, he shares MacIntyre's critique of a conception of ethics that is devoid of virtue considerations, but is much less pessimistic about the chances of this being rectified. Like MacIntyre, he scornfully regards the post-enlightenment theories of Kant, Mill and Locke as being inadequately incomplete visions of a full and applicable ethic (Solomon, Corporate Role 319). Solomon's primary disagreement with

MacIntyre appears to be in the historical development of the Aristotelian tradition, and less with the relevance or centrality of the Aristotelian tradition in business ethics (Horvath 505). In a lengthy piece on the subject, Solomon proposes an Aristotelian approach to business ethics be adopted to add coherence to the discourse (Solomon, Corporate Role). His idea can be summarized as a two-pronged approach in which “individual virtue and integrity are what counts, but good corporate and social policy encourage and nourish individual virtue and integrity” (Solomon, Business Organizations 1023). In the tradition of Aristotle, and like MacIntyre, Solomon ascribes more importance to the notion of community than to individualism. However, it is important to note that individualism does not simply disappear; indeed, it is only in a communal context that true individualism can materialize (ibid). Solomon expressly holds that the individual “continues to hold the existential unit of responsibility” (Solomon, Corporate Role 320). Relying heavily on Aristotle’s conception of *eudaimonia* as the teleological foundation of the good life, Solomon associates what one does for a living with the overall goal of flourishing and doing well (Solomon, Business Organizations 1024). This is extremely intuitive. Since most people spend such a significant amount of their lives at work, it would be impossible to subscribe to a holistic understanding of a person’s life without lending significant weight to what they do at work. This would seem to fly in the face of those who believe that work is just work—a way to make money to pursue one’s real interests, passions, and goals. For Solomon, it is precisely this dichotomy between work life and personal life, between self and society, that “gives rise to these wrong-headed conceptions,” which are “in themselves problems, and the cause of so much unhappiness and dissatisfaction” (Solomon, Business Organizations 1025). The logical extension of this dichotomy is the artificial distinction between profits and social-responsibility. By shifting the perspective, adopting the Aristotelian approach to viewing

life holistically, and understanding an individual as engaged in a life long journey towards *eudaimonia*, Solomon effectively side steps the intractable debate that holds business ethicists in limbo between Milton Friedman's contention that corporations have no social responsibility (Friedman), and the majority of the business community, who content that business ethics is inconceivable without the idea of social responsibility. For Solomon, this distinction is both unnecessary and false.

Interestingly, Solomon's work even makes commentary, if unintentionally, upon the assertion made by Horvath that a modern day corporation can be viewed analogously to a Greek city-state, *polis*, and could therefore be recognizable by Aristotle as a mechanism for fostering virtue. We saw in a previous section that Horvath proffers this idea in reply to MacIntyre's general critique. While Solomon recognizes the premise, he refutes the comparison, writing, "but corporations are not isolated city-states, not even the biggest and most powerful of the multinationals... they are part and parcel of a larger global community. The people who work for them are thus citizens of (at least) two communities at once, and one might think of business ethics as getting straight about that dual citizenship" (Solomon, *Business Organizations* 1023). We can see that Solomon does not reject the idea outright; rather, he sees it as being incomplete, and neglecting the broader social context of which the corporation is a part. The important thing, for Solomon, is to recognize that businesses themselves are individual actors within a broader corporate community, and to think otherwise is to make, on the macro level, the same mistake that liberal individualists make on the micro level. While Solomon does not accept the *polis* comparison, he does recognize the broader implication of Horvath's argument. Traditionally, the *polis* provided the social stability required for human beings to fully actualize their potential and lead fulfilling lives. Of the modern corporate structure, Solomon writes "in place of the brutally

competitive and disruptive imagery and narrowly “bottom-line”-oriented thinking that is so pervasive these days, I want to underline the supreme importance of stability in the organization, to encourage a sense of community, which the best corporations already recognize (at least in their public relations) and reinforce the importance of integrity in the individual” (Solomon, Corporate Role 20).

Similarly to his inadvertent addressing of Horvath’s argument, Solomon also circuitously comments on MacIntyre’s contention that the fact of external profit motivation critically undermines the possibility of meaningful exercise of practice. This comes when Solomon discusses the actual motivation of workers. His view is that workers are not motivated by profit in any obvious sense. Rather, they are motivated by a desire to do a good job, earn the respect of others, impress their employer, and, of course, earn a paycheck (Solomon, Business Organizations 1030). This appraisal would appear to leave the door wide open for the exercise of practice as being a distinct possibility, if not a main driving force for the worker. These comments by Solomon are not intended specifically as a response to MacIntyre’s theory on the undermining effect of capitalism on practice. It must be recognized that, while Solomon’s theory on the motivating forces for workers is interesting, it is not a compelling critique of MacIntyre. For MacIntyre, it is not the employee earning the paycheck so much as it is the market forces that drive the demands on the industry, and the specific behaviours of the workers in relation to the activities.

Conclusion

This research project has explored the idea of ethics in modern business and attempted to answer a simple question: is there such a thing as business ethics? The primary basis of this exploration was the work of Alasdair MacIntyre. My exploration of this topic was conducted

relative to my two main research hypotheses: first, that as a product of modernity, business ethics, as it is conceived under the rubric of corporate social responsibility, is incoherent when viewed through the lens of MacIntyre's critique; second, that MacIntyre's theory of modern virtue ethics, despite being ostensibly anti-business, and after development and reinterpretation by subsequent scholars like Moore and Dobson, actually provides the framework for a robust theory, whereby an ethical approach can be adopted by modern business. The methodology of the paper was essentially to present MacIntyre's critique and theory, which, as we saw, tends to indicate that business ethics is not a coherent concept. Next, subsequent scholarly developments of MacIntyre, done by Moore and Dobson, were presented which purport to re-examine MacIntyre's theory and conclude that business ethics is a viable concept. In Moore's case, this takes the form of the idea of 'business as practice,' and the ability of the market to facilitate a rediscovery of craftsmanship. For Dobson, MacIntyre's critique, while being partially valid, is simply too narrow, and discounts the possibility that a corporation might be able to foster certain virtues in its employees, much like a *polis* would do in a citizen. Next, I presented a few of MacIntyre's critics, of whom there are many, to attempt to scrutinize its efficacy. We saw Sugden and Bruni contend that MacIntyre's theory has no practical basis in reality, and provide reasons why this was so, and also Robert Solomon, himself an ardent proponent for virtue ethics in business, who criticized MacIntyre for being too pessimistic. Interestingly, despite agreeing with many of MacIntyre's perspectives about the failures of modernity, he ultimately concluded that much of the theory falls into the category of dangerous nostalgia.

The first hypothesis was proven correct. The first part of this paper sought to explore MacIntyre's theory, not just as presented in *After Virtue*, but also as expanded upon in various other pieces, where MacIntyre has offered response to some of his critics. The logic of

MacIntyre's theory is irrefutable, and its conclusion bears out the incoherence of a modern conception of ethics. At issue with many of those who disagree with him are the premises of the arguments that he uses. His critics do not refute his logical reasoning so much as the principles upon which he bases them. Concepts like *teleology* being a foundational concept of ethics, ideas of *practice, tradition, and narrative* informing notions of virtue, and the corrosive effect of external goods on internal ones. If we accept each of these components as MacIntyre does, the logical conclusion can only be that which is drawn by MacIntyre himself, and which support this paper's first hypothesis statement.

The veracity of the second hypothesis is far more contentious, and was the focus of the latter half of this paper. It was here that the developments of Moore were subjected to the wave of criticism that has been spurred by the reaction against MacIntyre's radical critique. As we saw, critics tend to fall into two camps: those who repudiate MacIntyre outright as being too radical, and those who concede that his approach and analysis are not without merit, however they go too far in their sweeping condemnation of modernity. Scholars such as Moore point to instances in modern business where certain aspects of a corporation could meet MacIntyre's definition of practice, and therefore meet the standard of virtue. It is undoubtable that Moore makes a compelling argument here with his exploration of business-as-practice. However, I would contend that the instances in which this could happen are so circumscribed as to make them impossible to hold up as being a viable means of redemption for the institution of business as a whole from MacIntyre's broader, more incisive critique. As for the work of Solomon, who, like Moore, attempts to apply virtue ethics to business, and who postulates the corporation as a form of *polis*, inside which employees like citizens can achieve excellence, I concluded that it likewise fails. The reason for Solomon's failure is that, despite developing this compelling

alternative viewpoint of the corporation, he has not addressed MacIntyre's fundamental point about the corrosive effects of external considerations—i.e. profit—on internal goods of practice. A corporation may be akin to a *polis* in some sense, but it would have to be a *polis* whose overarching goal is always to increase production and become more profitable. This is where the analogy breaks down, because the employee, unlike the citizen of the *polis*, is not free to pursue individual fulfillment through the exercise of practice. In whatever sense practices are attainable within the corporation [see Moore's work], they would always be, at some level, subjected to the external consideration of profitability. If workers were engaged in the exercise of practice, a mere shift in market conditions, or change in corporate priorities or direction, could radically alter the activity, and destroy any semblance it had to its form of practice. To call this state of affairs conducive to the cultivation and exercise of virtues under MacIntyre's theory is to grossly misunderstand its concepts. While they do present appealing alternatives, as long as we are using MacIntyre's theoretical approach, they do not represent a viable alternative in which one could conceive of business ethics in any coherent manner.

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