ETHICS AND THE VIRTUES

If you study the moral and ethical beliefs demonstrated by business executives in conversations about finance, companies and work, two predominant and relatively coherent groups of ethical arguments emerge. The common denominator for one of these groups is emphasis on human credibility and for the other stress on excellence or individual competence.¹ (Gustafsson, 1981, 1988)

“Credibility ethics” centre on the possibility of maintaining social, interpersonal credibility, on the possibility of being able to believe statements and assurances. Companies can be seen to a great extent as well-developed and sophisticated forms of organised social interaction. This requires scope for reliable communication and also the possibility of predictable interaction. Here companies do not differ from other forms of social intercourse and aspects of society except in degree. Credibility therefore involves truth and mendacity and also promises, contracts and loyalty. These moral categories are so “generally human” that I shall not devote any further interest to them here.

“Excellence ethics” in their turn comprise moral beliefs and feelings about diligence, efficiency and rationality. Diligence, and its associated work ethic, is considered an active virtue, which is demonstrated in hard and assiduous industriousness. This kind of morality – the protestant work ethic

is considered by Max Weber\(^2\) to offer a central explanation for the rise of capitalism and modern industrialised societies.

What I shall pay particular attention to here is, that executives – although they are admittedly not alone in this – find support for their moral discussion in arguments based on efficiency and rationality. The obligation to be efficient, rational and diligent, for everyone in their undertaking to strive towards these goals, is not for them merely a trivial existential necessity. It has become a dominant moral imperative – in modern society efficiency and rationality have become values in themselves.

Interviews and discussions with executives on issues relating to business ethics quickly reveal that virtually all of their ethical discourse is borne up by a strong moral feeling that it is not just hard work but – and above all – effective hard work that is an ethical requirement. A good human being, the modern hero – as opposed to the classical hero – is characterised mainly by the virtues of rationality, efficiency and diligence. As a group, executives are in thrall to this feeling that efficiency is categorical imperative. And their desire for efficiency cannot be explained by crudely depicting them in the colours of the avaricious merchant. Even if business executives – like workers, doctors and philosophers – are interested in attaining their own personal financial prosperity, the moral value they attach to efficiency is not linked to any appreciable extent with their own financial advantage. This has been clearly demonstrated by decades of research on business managers. They react with the same moral indignation – the ethical litmus test – to all forms of inefficiency, albeit with some degree of Schadenfreude when they encounter it in their competitors. This moral imperative is, moreover, so powerful, so self-evident, that they are seldom capable of questioning it – indeed they do not even understand the question.

Now it is possible to envisage someone rejoicing that acting efficiently cannot constitute a moral value as the endeavour to be efficient is a pragmatic existential trifle: “Why should anyone ever want to be inefficient – obviously efficiency will always be preferred to inefficiency!” I would like to advise those who concur in this opinion to test the word “efficient” in contexts involving family life, play or love. Expressions like “the efficient father”, “the efficient lover”, “efficient love” or “efficient friendship” have an odd ring to them. On the whole they have no meaning. It is even more difficult to understand what could be referred to by the phrase “efficient play” – “Now let’s play as quickly as possible, to get the whole thing over”. The concept of “efficient pastime” is in itself a contradiction. Expressing it in financial terms with the synonym “profitable” hardly improves the effect.

Efficiency acquires its meaning in situations that involve inconvenience, sacrifice, i.e. in what we can refer to as cost/benefit-situations. When in order to attain some of the good things in life – money, pleasure, power – we are forced to sacrifice something – money, pleasure, time and energy – obviously we want to sacrifice as little as possible in relation to what we can attain. In these situations – of cost/benefit, of give and take – then efficiency is admittedly a mere triviality. In modern societies, work and companies are typical life situations that are characterised by the logic of barter, of give and take.

In the rest of our lives, which moreover we could well consider real life, on closer reflection the concept of efficiency does not apply very well.

What has happened, however, is that modern culture has created new virtues, new moral obligations, which have to some extent replaced the classical ones. The self-evident status of the efficiency ethic is slowly spreading to cover reality – even to areas that, as my examples above suggest, cannot easily be dealt with in terms of efficiency. In the neo-liberal world all social

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occurrences and processes are to be seen from the perspective of efficiency and profitability. It is no accident that today science and philosophy are to be subject to management by results – "some form of efficiency has to be required!" It is becoming for each and every one of us more and more difficult to challenge the moral imperative of efficiency. Even play is slowly becoming grist to its mill. I happen to possess the "monthly plan" for a day-care centre in Stockholm. In the true spirit of business studies this has been structured in terms of objectives and methods. It may not be very sophisticated but the dauntless intention is clear:

- "Daily objectives: Play"
- "Methods to attain them: Play."

This is repeated for each day, with minor variations. Page after page after page.

This is by no means unique. I can recall a recent conversation in my home town. I was on my way to work, late as usual so that it was nearly ten o’clock. In the street I met one of the women I work with who had just left her little daughter Sofia at the day-care centre. The conversation went like this:

"Ah, there you are, a bit late like me. I see you must have dropped Sofia off at the day-care centre. Well, it’s nice to be able to leave her there more or less when it suits you."

"That’s what you think. They always get so irritated when children arrive too late. The other day for instance when I was an hour late with her, the teacher was not at all pleased and said ‘Now Sofia will have to play quickly to catch up with the others!’"

Now that is “efficient play”.

It is interesting that as an intellectual instrument, competence, i.e. the conception of efficiency and rationality, has shifted from once having been a form of practical necessity in certain situations in life to be transformed in modern society into a powerful moral feeling, into a “excellence ethic”. People today, and in particular business executives, obviously have the spontaneous and unreflecting feeling that it is correct and morally necessary to act efficiently and rationally. The language of modern culture also makes it virtually impossible to argue against efficiency and rationality. As examples of what is good they have such a self-evident status that they justify their imperative predominance as soon as the words have been uttered. This is something that they share with all the other central ethical and moral categories. Why should one be good, honest, brave and just? Most people do not feel any overwhelming spontaneous need to justify ethical principles of this kind; they speak for themselves. Those who challenge central ethical concepts are perceived instead as deviants – provocateurs, sophists, agitators, left-wing fanatics, stupid or, possibly, philosophers.

It is not difficult, in other words, to show that reality demonstrates how efficiency and rationality have developed into ethical and moral drives given that the arguments based on efficiency and rationality figure greatly in both business studies and in discussions with business executives on morality and ethics.

The culturally relativistic perspective adopted here is of course morally relativistic as well. Moral values are not seen in this light as extra-human, absolute – as "carved in stone" – but as the products of culture and dependent on culture, as social intentionality. How these social values arise can be understood to some extent against the background of the memetic dynamics discussed above, but the question may also prompt closer examination.

The question of how such trivial, self-evident dimensions of practical life can develop to provide the moral basis of our actions turns out to offer a key to understand-

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3 The "plan" was shown to me by Bengt Jacobsson at Stockholm School of Economics.
ing the link between morals/ethics and culture and to insights into how cultural phenomena and processes influence and alter or moral conceptions. Here I shall refer to another aspect of moral philosophy, older and long forgotten, which in recent years has acquired newfound relevance – descriptions of heroes as embodiments of human virtues.

It is inarguable that one of the most central areas of interest in business studies research has focused on “senior executives”. Innumerable studies have been undertaken to determine what characteristics they should possess, what forms of managerial behaviour are appropriate, what kind of personality they should have. This interest is not in itself new. As Anders Ehnmark remarks, Niccolo Machiavelli’s “The Prince” is an example of a “mirror for princes”, one of many works intended both to eulogise the reigning prince and also to educate future rulers. In many ways “The Prince” can be seen as an early manual on management, written by an author who considers the problems of leadership and the exercise of power clear-sightedly and with a cold, reflective intellect.

Surprisingly little enduring knowledge has emanated from research into the qualities of leaders, types of leadership and leadership behaviour. A mere list of the leader types that have been reported to exist – dualities, triads, four-way contrasts, etc. that offer us “jungle warriors” and “ambassadors”, “process-focused” and “individual-focused” leaders, “feeling” leaders and “thinking” leaders, “intuitive” and “planning” leaders etc. – would probably fill a whole volume. But hardly any lasting insights, apart from the simple fact that leaders should be able both to lead others – be “individual-focused” – and have some idea of how to set about things – be “process-focused” – can be observed. The lack of enduring and relevant results can be seen among both researchers and practitioners.

Where the first are concerned, we can observe unquenched concern, an unceasing search for some tenable answer. And in the latter, we can see sequences of fashions – one leadership theory is followed by the next, tried out for some time, found inadequate and forgotten. This lack of success is, as has already been noted, not exceptional in business studies.

But in my opinion leadership studies do, however, have some interest even though they provide no empirical support for the belief that there are a few discrete human characteristics that either exhaustively or even satisfactorily explain personal success or – as here – can be used to distinguish good leaders from bad ones, as had already been shown by R.M. Stogdill. It is possible that the entire issue can be regarded as a linguistic misunderstanding – as confusion of the linguistic expression with what the words are intended to denote. There are obviously a large number of conceivable positive and negative leadership qualities. Thus, a relatively limited study in which 60 students were asked to name the qualities that in their opinion characterised a good leader yielded 178 leadership features. In addition, extending the empirical material to other groups of students and business executives revealed that the number of qualities grows as the number of respondents increases. A study in the English-speaking world provided about 13,000 “trait names”. Human characteristics are admit-

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8 Allport, G.W., and H.S. Odbert, Trait-names: A psycho-lexical study, Psychological Monographs 1936, 47, nr 211.
tedly a patent reality – but language, understanding and appraisal are also involved.

A cursory examination of the various leadership types or qualities that have been proposed reveals striking parallels with the different descriptions of heroes and hero types offered not only in literature and myths but also by all the descriptions of kings, warriors and other eminent historical figures. Leadership qualities are quite simply the same as those that have been ascribed to heroes throughout the ages in tale after tale.

The remarkable thing about leadership qualities is that on the whole they could just as easily have served to describe the heroes in Greek mythology or the Icelandic sagas. This may appear somewhat paltry – is leadership research unable to provide any knowledge that the ancient Greek and Vikings did not possess? But if we turn this round, the results are instead rather inspiring. We can obviously see in today’s interest in leadership qualities a continuation of a very long tradition: interest in the ideal human being or, more precisely, the ideal man. The ideal female figure is called a “heroine”. The typical qualities of a heroine differ from those of a hero, as is shown by the many studies in which respondents persist in ascribing totally different groups of qualities to men and women – both when asked what men and women are like and what they should be like. The heroic myth can therefore be seen as a culturally determined description of the ideal man. Any cultural displacement that leaves business executives representing the physical manifestations of the heroic myth in modern society obviously has far-reaching implications for gender discrimination.

This is tantamount to asserting that interest in leadership in business studies can be regarded as an extension or a new version of the heroic myth. The term is not being used here to refer to a more or less reliable account of the feats of some individual – Odysseus or the festschrift for the 60th birthday of a Director General, for instance. Instead it serves as a more or less cultural anthropological or semiotic collective term to denote humanity’s eternal tendency to tell stories about heroes, discuss heroes, describe heroes.9 What is especially interesting here is Vladimir Propp’s10 famous analysis of Russian folk tales in which he shows that they can all be reduced to a drama with a standardised cast of actors in which the “hero” is the central axis around which the story is constructed. This structure has then been adopted and revised in semiotics to provide an instrument to enable analysis and understanding of narratives. This could be expressed simply by saying that narratives about human actions and human interaction are invariably structured, explicitly or covertly, around Kenneth Burke’s11 pentad of “act, scene, agent, agency, purpose”. Most social narratives involve not just one single actor but a whole group, although one among them them will be the protagonist, will be given the role of hero. His “role” is to play the ideal character.

In order to understand the heroic myth we should see it as the inexorable structuralistic effect of the continuous discussion of individual values that takes place day by day throughout history and culture – small talk, gossip, slander, narratives, tales, epic poems – about people, society, actions and existential situations. This inevitably results, in any given culture, in the more or less explicit formulation of concepts of which human characteristics are “good” or “bad”. At the same time the range and breadth of culture and the discussions so engendered result in the wide variety referred to above of conceived – discussed – human qualities.

It is obvious that people learn through discussion. On the whole, as has already


been maintained, this learning process is probably unconscious, pre-intellectual and assimilative. Talk is quite simply a major aspect of every individual’s immediate environment: it provides the environment, it describes the environment, it interprets the environment. In this way, moral discussion will, through its application in practical situations and culture, continually mould and modify people’s concepts of good and evil, of right and wrong. The actions and moral judgements of individuals can be expected in their turn to influence and alter the focus and content of ethical theories and debates. This completes the circle of memetic replication. When the art of writing eventually emerges, some of that talk will take on written form to give us myths such as Gilgamesh, the Iliad and the Odyssey, the Icelandic sagas, Finland’s Kalevala. Other versions of the discussion will be refined into what we call philosophy and ethics. And some will turn into into the leadership studies of the social scientists.

The aggregation or combination of the features considered good in a given society or a given culture will take shape as the prevailing heroic type. We could see the heroic myth, the tendency to create images of ideal figures, as a structure, like a Christmas tree in which currently fashionable decorations – meme features – are hung. Some families hang gingerbread ornaments, flags and fairy lights, others opt for apples or icicles of glass and, spurning fairy lights, choose candles instead. What they all have in common, however, is a Christmas tree, even though each one is decorated with what they consider to be beautiful, homely, traditional and stylish ornaments. “Everyone knows what an attractive Christmas tree should look like.”

In our modern society perhaps the most predominant hero, ideal figure, is the successful chief executive in a large company. The leadership qualities we practitioners of business studies seek so eagerly are our – and possibly our readers’ – Christmas tree ornaments. And like everyone else we believe in our modernistic souls that it is actually possible to decide which ornaments are best.

So what characterises a hero? The classical hero is brave and intrepid, wise, foresighted, honourable, loyal, patient etc. On closer inspection these characteristics turn out, quite naturally, to be the same as the masculine virtues. Great interest was displayed in the human virtues for many eras. More recently, however, the virtues have been relegated to the curiosity chamber of obsolete conceptions. In the language of today they are linked more readily with concepts about being good, modes and prudish. It is, however, worth remembering that the word “virtue” derives from Latin’s “virtus” – manliness, courage, capacity. In his book “After Virtue” Alasdair MacIntyre12 aroused new interest in the virtues and the role they play in ethical discourse and general understanding of human actions. He poses the question of what the virtues really are, where they come from and how they change. His analysis of the conceptions of virtue from ancient Greece – Homer, Aristotle, etc. – up to the list of virtues that Benjamin Franklin drew up for himself and published in his autobiography13 discloses that the virtues are changeable but that the changes follow a pattern.

The virtues, MacIntyre asserts, are a kind of concentrated definition of what it means to be a good human being, to live a good life. (In what follows we should bear in mind that in ancient Greece “human being” is synonymous with “man”.) According to MacIntyre the classical heroic epics are based on three central inter-related elements: a portrayal of the demands made by the social role each individual occupies, a conception of virtues and of excellence in the form of the qualities that enable each individual to

fulfil this role, and finally the belief in a human condition that is constantly threatened by the vagaries of fate and by death.

On the basis of the conception of internal benefit – the internal good that a given practice can lead to – it is possible to discern the idea of MacIntyre’s conception of virtue. In every society, every culture, we can find various forms of socially significant practices. They may involve defence against external enemies, they may apply to the management of public concerns, they may apply to the survival and betterment of the individual’s family. Living and completing a good life, being a genuine human being, quite simply means dealing with these forms of practice as well as possible. The various existing forms of “practice” constitute a central element in the complex meme entities that shape a given culture.

MacIntyre’s illustration of “practice”, how playing chess is transformed from being a mere means to acquiring its own value, can be considered from the mentic perspective delineated above, in particular with regard to the mentic dynamics. What the child learns first are the rules of chess, “how to play chess”. The child learns the form but its content is related to “winning at chess earns sweets”. Through playing assiduously the child eventually becomes interested in the finesses of the game. Internal cognitive and emotional processes mean that links develop between the form of the meme that was originally replicated imitatively and other internal structures of understanding, memes, so that the game acquires a new content. The new understanding, the new meme entity, turns “chess” into an independent entity with a value of its own. The child grows up and will, herself, eventually attempt to lure other children to learn the game by offering them sweets. Without the replicative oscillation between form and content that leads to alteration of the content and its transformation into “practice” the idea of playing chess would obviously die out. If “children” are to be lured into playing chess for sweets, there must be “adults” who are willing to trade sweets in exchange for games of chess. The same logic applies to all parents who compel their children to learn to play the violin in the hope that at some utterly remote time in the future (from the child’s point of view) they will be able as adults to experience the pleasure of playing Beethoven’s Violin Concertos.

In the same way, MacIntyre asserts, bravery and martial skills, often necessary for survival in antiquity, will be transformed into practices, activities, states and qualities, with values in themselves. A similar transformation occurs for loyal comradeship – united we stand, divided we fall. In the same way, rectitude, an absolute requirement for long-term social cohesion in relatively small social groups, becomes a quality and a pattern of action with a value of its own.

The discussions described above relating to evaluation of individuals and their actions can also be given another name – “moralising”. This is a term with a negative ring to it, the province of the petit bourgeois and crabbed old age – making people toe the line. Other people are criticised; gossip belittles our fellow-beings.

At the same time it may be interesting to consider the word and what the activity involves more closely. What, in fact, does one do when one moralises? An appraisal is made in terms of moral values of the actions of an individual or group in a specific context in which they could choose a number of alternative courses of action. Moralising is situation specific, action specific and based on the individuals. “You shouldn’t have done that …. (if you want people to think you are a good person).” “It was (morally) wrong of him to act like that …”.

The tacit reason (given here in parenthesis) is the other aspect of moralising. It refers to an accepted system of moral rules, to a system of norms that is taken for granted and expected to lay down how the individual criticised ought to have acted.

In other words, moralising involves the practical application of an (accepted) system of fixed ethical norms. Moralising is the same as applied ethics. While the ethical arguments of moral philosophy may appear to be abstract, hypothetical ethics, moralis-
ing therefore provides the living social and cultural-ethical process, which unites, shapes and adapts morality and ethics.

From this perspective, moralising becomes a considerably more interesting object of study than either individual morality or ethics. Moralising is obviously a frequent everyday activity. When people chat about social subjects virtually always some element of moralising, evaluation of individuals, is involved, either explicitly or implicitly. If we regard moralising from a socio-cultural perspective, it can be seen as an unceasing discussion about the qualities of individuals that takes place all over the globe from one century to the next and which everyone is taking part in, listening to and is influenced by.

Moral discussions – moralising – are of central significance from the perspective of moral theory. In modern society moralising does not only take place at an unstructured, spontaneous level. The passionate interest in moralising discussion has created totally new elements in the moralising process. Here I am thinking mainly of moralising in the mass media. A large, perhaps predominant, element of the content of news and current affairs in the press, radio and television consists of professional moralisation. Attention is focused on individuals, groups and organisations, societies and nations, and their actions are observed and discussed in morally evaluative terms. Fiction, both literary works and popular fiction, is rooted in the general interest in moralising – hypothetically and on the basis of actual cases. It is easy to underestimate the potential for moral and cultural change in the moralistic discourse of the mass media.

The socially significant forms of practices are of course identical with those on which this socially evaluative “chat” centres – the focus of moralising. And conversely the forms of practices that predominate in these chats therefore become those that are socially significant. (This latter can be seen as partly explaining the social positions enjoyed by film stars, rock musicians and eminent athletes.) Chat rarely works without some kind of value judgement. Indeed, one of its central points is the way in which it deals with various forms of competence – “excellence” – displayed in individual practices. This chat engenders, develops and alters the virtues.

Here it is important to recognise that those who chat are also involved as actors. This means that the virtues that are shaped, discussed and adapted in moralising chat are internalised, often without any reflection whatsoever, as fundamental basic values, definitions of the good life and the good or excellent individual. Or, as MacIntyre\(^\text{14}\) formulates his general definition of the virtues:

“A virtue is 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 such goods.”

At a pre-intellectual level the virtues shape our social thinking. Moralistic chat, moralising, obviously deals with the good life and good human beings in a subjective, selective way. Those who are characterised by virtues, by the sum total of their positive social values, and who consistently and consistently meet social and cultural expectations in their practices will be seen in a positive light. In this way fulfilment of the potential for virtue, the attempt to attain excellence in the appropriate forms of practices will acquire cultural value in its own right; it will become a natural aim. For this reason, the virtues that have been drummed into us through the drawn-out process of acculturation are often subconscious in the sense that they are never challenged. It is quite simply good to be brave, foresighted, honourable, but bad to be cowardly, improvident and dishonest. The virtues are obviously imperious on the whole to arguments based on reason. Changing cultural features is usually as slow a process as creating them. The virtues therefore constitute goals – “internal goods” – not means. Excellence is sought as

\(^{14}\) MacIntyre, Aladair, 1985, p. 191
much for its internal value as in order to attain other values.

Only to a small extent do the virtues possess any intellectual or rational content. They are characterised by the emotions rather than the intellect. Chat, conversation, moralising, constitute the cultural context, the culturally dependent background noise that at a pre-conscious stage shapes the self-evident basis for human values:

“Virtues are dispositions not only to act in particular ways, but also to feel in particular ways. To act virtuously is not, . . . , to act against inclination; it is to act from inclination formed by the cultivation of the virtues. Moral education is ‘éducatio sentimentale’.”

For modern westerners in times of peace, defiance of death is not on the whole a relevant virtue – even if at a deeper level many beliefs about boldness and courage have survived in sagas, folk tales and history. The modern chief executive is not expected to die for his company. Courage in the form of preparedness to take risk and tolerance of uncertainty is, however, relevant in financial contexts and its importance as a leadership quality has been reiterated ad nauseam. On the whole, however, other virtues have usurped and replaced the classical ones.

MacIntyre notes the differences between the virtues of the classical heroes on the one hand – courage, loyalty, probity – and on the other those listed in Benjamin Franklin’s catalogue. Franklin is interesting in many ways. He belongs to his era of pragmatic, rational enlightenment – to such an extent that in striving for rationality he tabulates morality in a way that could be seen as a predecessor to the schematic presentations that characterise business studies thinking. After careful scrutiny, Franklin lays down a list of thirteen valid and important virtues – temperance, silence, order, resolution, frugality, industry, sincerity, justice, moderation, cleanliness, tranquillity, chastity, humility – which he then attempts to attain according to plan. He constructs a table in which he ticks off these virtues for each day of the week. He then turns to indicating his shortcomings, urging himself to deal with one virtue at a time.

Each row in this list represents one of the virtues, each column one day of the week. By entering a cross for each moral infringement Franklin gains some impression of his lack of virtue. He then concentrates on keeping one row clear for a complete week. When he succeeds, he moves on to the next.

From our point of view Franklin is also interesting in another way. His practical, instrumental thinking can to a large extent be viewed as the fundamental American approach to life, which was later, via F.W. Taylor and others, to take the guise

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15 Ibid., p. 149
16 Franklin, Benjamin, 2008, p. 108.
of what we call business studies. Franklin must quite simply be considered as one of the central progenitors of business studies and this to a much greater extent than the more or less contemporary European philosophers, rationalists and social utopians – a spectrum from Adam Smith to Charles Fourier – who are regarded as the fundamental thinkers in the social sciences.

MacIntyre notes the major differences between the classical virtues and those Franklin espouses. The former are more dramatic martial virtues – courage and boldness, resourcefulness, loyalty until death and so on. The latter seem rather to be paltry, petit bourgeois practicalities – temperance, silence, order, resolution, frugality, industry, sincerity, justice, moderation, cleanliness, tranquillity, chastity, humility. “Not much of a man” is what Odysseus would probably have said to Achilles, “may make a good servant”.

In Franklin’s catalogue of virtues we can see modern man emerging. Benjamin Franklin does not belong to a tribe of warriors, rather one of craftsmen and merchants. The life situation of the individuals Franklin represents is quite simply different from the one that gave rise to the classical virtues. As a result of modern reality and the demands it makes, chat has taken on new forms, which means that the significant forms of practices alter. What should one set about doing, we can imagine Franklin asking himself, in order to live a complete life, if one wants to strive for personal fulfilment and happiness? That this is what one should and wants to do is something he takes for granted – as did the ancient Greeks and as we do. “Well,” he says, “to achieve happiness and success in life – excellence – the following have to be considered …” and then his list of the central virtues provides the answer.

It is also in this light that we can see the central ethical structures in modern companies. The credibility ethic is important, as a company must maintain its credibility in the long run if it is to function effectively both internally and externally. This also involves the requirement of truthfulness. If we cannot rely on the messages addressed to us by others, the form of highly effective sophisticated collaboration we refer to as a company soon becomes totally impossible. Collaboration demands communication and communication demands agreement between the message and the reality it depicts. If we lose the possibility of reliably relating the message to reality, language is nullified and with it the possibility to communicate. The same applies to possibly an even greater degree to the other aspect of credibility, promises, agreements, loyalty. However, the credibility ethic is not something that applies especially to companies or to modern culture. All catalogues of virtues, from classical times and onwards, include an element of credibility. Quite the contrary, one could say, loyal comradeship and fidelity are stressed even more in the classical lists of virtues than is the case today. The idea of someone laying down his life to save a friend in need was not foreign to the classical discourse on the virtues. In today’s culture it would be extremely unexpected and almost repugnant – a sign of lack of judgement.

Excellence ethics are obviously much more recent than credibility ethics. Here Franklin may serve to symbolise the cultural rift that marks the beginning of the advance of excellence ethics in the form we know them today. The work ethic, the moral imperative of diligence, evolves in the wake of protestantism. However, diligence should probably not only be linked to religious belief. We see here as well the conceptual world of the ordinary man. Eventually it will become possible for ordinary men to create their own prosperity through hard work and common sense. This is particularly prominent in early America, where there were no seigneurs to confiscate what little wealth ordinary citizens could create. Whereas previous discussions of ethics focused strongly on the excellence of a warrior elite, here the moralising of practical craftsmen and merchants grows in significance. Talk and discussion of the possibilities of a good life shift quite simply downwards to farmers, craftsmen and tradesmen and conjure up a new image of excellence, of ideal practices.
In the same way, the importance of practical instrumental reason grows, as the world is perceived to be susceptible to instrumental management. In this context the importance of scientific progress should not be underestimated. As the Hobbesian world – one in which all contend with each other – wanes in importance, at least intellectually, the belief emerges that it is possible, through labour and reason, for men to act to improve their lot.

As an idea, efficiency is a refinement of the concepts of labour and reason. Men should, morally speaking, work but reason requires it to be done efficiently and not wastefully. In the modern world, and particularly in the world of the modern executive, that will therefore circle to a great extent around efficiency, around actions that denote intellectual competence. The existence of a company is based on labour and reason – in this context efficiency is a truism. And just as other, earlier, virtues developed in the consciousness of the speakers and the listeners, so shop talk – moralising and discussion about motivation, reason and efficient actions – leads to the formation of a new human (masculine?) virtue, a way of striving for human excellence. Without reflection or problematisation, at a pre-conscious level, modern individuals know and feel that efficiency is good per se. On the whole this awareness is not consciously articulated. It appears rather to prevail as a form of the “tacit knowledge” that Michail Polanyi\(^\text{17}\) (Polanyi, 1967) describes – the unarticulated and tacit knowledge that shapes feelings but does easily find expression in explicit terms.

Here business executives offer a particularly clearly defined manifestation of modern man. However efficiency is not an ethical principle that is restricted in modern society to the world of business. On the contrary, efficiency-focused moralising is increasingly spreading to other sectors of the community. For instance we can see efficiency ethics making inroads into organisations in the public sector and in moralising about social policy – sometime to such an extent that citizens are appraised as more or less useful for in terms of social efficiency. In the sphere of private life as well efficiency ethics are gaining a footing. This applies not least to the Swedish conception of the welfare state as manifest by the Nobel Prize winners Alva and Gunnar Myrdal.\(^\text{18}\) According to these modern social engineers, “ordinary life” is managed inefficiently. It cannot be allowed to remain so loose and unorganised. People should learn to live efficiently, eat efficiently, love efficiently and raise their children efficiently.

What we witness here, in my opinion, is a ritualisation and extremisation of the imperative in the concept of efficiency. As a practice, as a morally desirable activity and state, efficiency has acquired a social value of its own. Not being efficient in one’s actions and, even worse, not displaying an “efficient personality” is embarrassing and gives rise to feelings of shame. Talk of efficiency is based on externally observable form, which for others implies a correct and legitimate content. It also becomes, as in connection with the “risky shift” phenomenon, difficult to counter demands for efficiency made by others. Better to play along. In this way “risky shift” gives rise in emotionally charged contexts to an even more far-reaching moral shift.

Comparison of the virtues that are called for by the reality of everyday real-life situations on the one hand and the virtues stressed in programmes in business studies on the other reveals an interesting difference. The images of the actions of business executives and companies provided by the majority of text books in business studies focus overwhelmingly on rationality, com-


bined with a strong emphasis on assuming and discharging responsibilities. Certain elements of humanism and empathy can at times be glimpsed but these too are mainly from a controlling, manipulative perspective. “You should” – obviously within the bounds of reasonable cost – “treat all employees well as then you will get more out of them”. The central elements of the reading lists lay stress, however, on calculating rationalism coupled with prudence, combined with subservience to clients. The image that takes form in the business studies reading lists is of a conscientious, cautious and hardworking official. In this way, as an educational discipline business studies embodies to a very great extent Benjamin Franklin’s ideal virtues. What, on the other hand, we rarely encounter, if at all, are the Odyssean virtues – guile, cunning, audacity, recklessness. As a hero Odysseus stands out among his contemporaries like Achilles and Hector mainly for his guile, his almost compulsive mendacity. After the treacherous deception of the wooden horse at Troy, he travels for ten years around the Mediterranean and saves himself every time he ends up – like all daredevils – in trouble through cunning and lies and by using a false identity. He is even in disguise when he surreptitiously returns home. Odysseus is not presented, however, in the Odyssey as dishonest or weak. On the contrary, guile is one of the fundamental heroic qualities; it is a virtue. In a world of dangers, threats and sudden violent death, this is understandable. In this world, as Machiavelli later sees, only victory and survival count.

In modern society this virtue is obviously, however, not totally acceptable. It survives beneath the surface but we do not talk about it. Guile, recklessness and pragmatic economy with the truth are not referred to in the textbooks, reading lists or lectures, although they almost certainly come up in shop talk and moralising at grassroots level. The “dramatic heroes” whose presence can always be felt in the business studies jungle telegraph, speculators and profiteers who take enormous risks and succeed – but who sometimes come off badly, go bankrupt – are more or less taboo in the public normative discourse of business studies. The explanation for this discrepancy can possibly be found in the great dependence of modern companies on their surrounding communities and the social morality that prevails within them. The institutional framework in which companies exist and operate contains strong moral elements, which do not permit the open confession of classical virtues such as guile, audacity and ruthlessness. They lack moral legitimacy, they are in conflict with prevailing social concepts of rationality and so any public expression of them is spontaneously suppressed.

This does not mean however that these virtues and mythological heroic features have ceased to exist. On the contrary they constitute meme structures that continue to possess a great capacity for replication. They survive in all boys and in the subconscious of all adult men. They are replicated in everyday discourse, in the expectations of young people and students, in boasting and shop talk between friends. They are also replicated in fiction and on the silver screen – in sagas, adventure stories and romantic descriptions of heroes.

These ideals are not always so well concealed, either. Insofar as oscillations of the surrounding culture permit these virtues can also find room within the bounds of public discourse. This was obviously what happened in the 1980s when it became possible to join Ivan Boesky is declaring openly that “greed is good”. The ideals re-emerged from the romantic mist and business executives began to see themselves as knights in armour and paintball warriors in noble conflict with each other.19

19 In this context is may be interesting to note the memoirs published by Christoffer Wegelius, the former chief executive of Sparbankernas Centralak-tiebank (SKOP), based on his diaries. This bank accounted for the largest financial catastrophe ever known in Finland. Wegelius’ descriptions of the events that were to lead to the final catastrophe teem with words like “struggle”, “battle”, “conquest” and “triumph”. The bold knight enters the stage but the result is financial catastrophe.
If we want to understand the dramatic shift in business ethics and strategic thinking in the 1980s, one of the explanations is to be found here. Shifts in the surrounding culture made these covert ideals acceptable and gave them legitimacy and credibility, both in companies and outside them. The increase in moralising discourse about these aspects of leadership resulted in a new priorities in conceptions of virtue, the idealisation of cunning, audacity and ruthlessness. These romantic heroic ethics came to naught, as we now know, in the complex reality of modern economics.

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