

BUSINESS ETHICS :: Virtue Ethics

- Introduction
- The Emergence of Modern Virtue Theory
- From the Beginning
- Some Criticisms
- Practical Application: Ethical Statements

Introduction

We have discussed the advantages and disadvantages of utilitarian and Kantian ethics in previous lectures. When comparing the two, most people in the class felt that they would not consider themselves Kantian deontologists or utilitarians, but possibly both depending on the circumstances.

Today we are going to look at virtue ethics. This may offer a more adequate ethical framework for those who were not happy with strict Kantianism or utilitarianism. Virtue theory is a very old concept (existing since the time of Aristotle, 384BC, at least) and there are a variety of theories that fall under the category of 'virtue theory'.

It is the last of the normative theories we will be looking at during the course (normative theories being those theories that aim to give us guidance on ethical behaviour). As was pointed out in the introductory lecture, virtue theory is a little different to the other major normative theories because it is not primarily concerned with ethical action/behaviour but with embodying the 'virtues' or an ethical character. Whereas the other normative theories attempt to answer the question of 'the right action' (or ethical behaviour), virtue theory is more concerned with answering the question of how to live a good life, or how to be a good person. Virtue theory aims to offer an account of the characteristics one must have to be considered 'virtuous'.

It is important to understand what is meant by virtue - it is a slightly old-fashioned term. What virtue theorists are referring to when they talk about the virtues is certain traits or personal characteristics.

The Emergence of Modern Virtue Theory

Virtue theory went out of favour with the advent of Kantianism and utilitarianism. However, it re-emerged in 1958 with the publication of a paper entitled "Modern Moral Philosophy" by Elizabeth Anscombe. In the essay, Anscombe harshly criticised normative theories' pre-occupation with legalistic morality (emphasis on obligation and duty). The rigid and inflexible codes of ethical behaviour viewed as universally applicable laws that were entailed in utilitarianism and Kantianism were condemned as counterproductive. The notion of obligation was evaluated as meaningless as it assumed an all-powerful law-giver (God) which was not presumed in the modern Anglo-American tradition, to which Anscombe belonged. The most significant feature of

Anscombe's paper was her call for a return to concepts such as virtue, character and eudaimon/flourishing. Following the publication of the paper, many philosophers did just that. The resulting body of philosophy became known as virtue ethics.

Virtue ethics remained largely a reaction to deontology and utilitarianism for some time and seemed to be more an attack on normative theories than a constructive theory in itself. But when Alisdair MacIntyre began publishing works on virtue theory he not only discussed the deficiencies of previous ethical theories but attempted to provide an account of virtue itself. By looking at the many manifestations of virtue theory throughout history he found that the concept of virtue requires an understanding of the society in which it operates. Virtue always operates so as to achieve goods internal to common social practices.

From the Beginning

As has already been said, virtue theory is an umbrella term for a number of theories. One of the oldest influential theories was Aristotle's theory of eudaemonia. Most virtue theories owe a lot to Aristotle and his conception of ethics based on the virtues and modern virtue theory is notably Aristotelian in its nature. It would be difficult to explain modern virtue theory without briefly looking at its origins in Ancient Greek philosophy. Aristotle's most famous ethical work is *The Nichomachean Ethics*. In this book Aristotle describes virtue as a practice or habit - something that is learned through doing.

There are three important concepts in Aristotle's ethics: *arête* (excellence or virtue), *phronesis* (practical or moral wisdom) and *eudaemonia* (flourishing or happiness). Aristotle claimed that all human action must aim at something - he believed this to be *eudaimon*. *Eudaimon* is sometimes translated as happiness but this is somewhat misleading as Aristotle really meant was a state of flourishing, or leading a worthwhile life. In order to reach this state of flourishing one must possess the relevant *arête* or virtues. Aristotle called these virtues, excellences. To lead a fulfilling life, one must exercise these excellent character traits. The longer you practice the more virtuous you will become according to Aristotle's concept of practical/moral wisdom, *phronesis*. Being virtuous involves possessing the virtues and *acting according to them*. In this way we learn how to be a good person, and by being a good person we flourish.

For Aristotle a moral virtue was the balance between two vices, calculated by the *Golden Mean*. The doctrine of the mean refers not to a statistical average but the appropriate amount of a particular virtue in a given set of circumstances. For example courage is the balance between cowardice and foolhardiness. Courage is not the lack of fear but having an amount of fear that is appropriate to the circumstances.

This indicates a linguistic problem in virtue ethics - many of the terms used to describe the virtues are in common and broad use in everyday language. One could easily say that a five year old is perfectly virtuous because they are honest, brave, kind and compassionate. This is an example of possessing proto-

virtues or 'natural virtues'. These virtues in a child show that they are naturally inclined to behave that way. If a child wishes to act kindly towards someone they exemplify good intention but they could easily act in such a way that appears contrary to their intentions because they lack practical wisdom (*phronesis*). Life experience teaches us how to go about achieving the right action. Virtue requires practice, as stated earlier, and through doing young people learn what is virtuous and how to do the virtuous thing. All of us continue to learn throughout our lives.

Aristotelian virtue ethics shows virtue to be developed through virtuous action so that the virtues are reliable, consistent characteristics. It is not that all human beings are inherently virtuous - we are all born with a variety of good and bad tendencies. The habituation of virtuous action as described above (doing to learn virtue) enhances the good tendencies and discourages the negative tendencies within us. Nor is this habituation a mechanism for 'brainwashing' us to behave well. It is a method for developing moral character so that the moral agent can reflect upon and choose the virtuous action *knowingly* and *for its own sake*. It is not sufficient to act justly by accident, or because it is standard practice, we must act justly because that is the right/virtuous way to behave.

Two more aspects of virtue ethics are important: the role of emotion and the atomistic approach to ethical action. The role of emotion is important because in virtue ethics virtuous action is a combination of the right reason (rational choice about what is virtuous course of action) and the right desire (emotion/feeling) in balance. The virtuous agent acts in accordance with both - it is not virtuous to act for the right reason while at the same time not desiring to do so. The atomistic approach to ethical action is necessary based on the doctrine of the mean, discussed above, whereby one acts NOT according to a strict principle or maxim (which applies universally) but according to the circumstances and other agents involved using reasoned choice to establish the right action in the specific case with which one is faced. This takes account of the complexity of moral dilemmas that occur in everyday life.

It is very difficult to be perfectly virtuous - in fact, this is what we aim at but may never fully achieve - many virtue ethicists describe 'continence' (strength of will) as important. Few people could always act kindly, honestly, justly, courageously etc without some occasional reluctance. There are people that usually act in a consistently virtuous fashion but must sometimes fight the inclination to avoid the virtuous action. The fully virtuous never have to fight their desires in order to do the right action. The continent sometimes have to struggle against negative desires. We are reminded of the Kantian prescription that an action done against one's desires simply because it is the right thing to do makes it morally admirable. The virtue ethicist claims that this holds in certain circumstances. It is not the case where the agent's desires are contrary to the right reason because of a flaw in their character. If what makes the right action difficult is personal circumstance then it is admirable to do the right action particularly admirable. An example of this would be the homeless woman who returns a dropped (and heavy) wallet to its owner even though she could improve her circumstances by keeping the wallet.

The following formula sums up the basic idea of virtue ethics:

1. An action is right if, and *only* if, it is what a virtuous agent would do in the circumstances
2. A virtuous agent is one who exercises the virtues
3. A virtue is a character trait that human beings need to flourish

Some Criticisms

There have been a few major objections to virtue ethics:

ONE: Some suggest that morality is about interaction and how we treat others but virtue ethics is about the self, developing personal character and flourishing. Such a focus is seen as self-regarding and self-centred, and contrary to morality itself. We are supposed to act kindly, bravely and honestly in order to achieve happiness/well-being for ourselves, and this fails to look at others as ends in themselves. However, this criticism does not take account of the true nature of the virtues. The virtues themselves are other-regarding, that is to say they are concerned with behaviour towards others. It is meaningless to always think virtuously, one must act in a virtuous manner towards others.

TWO: Some critics question whether or not well-being/flourishing can in fact be viewed as an absolute (or supreme) value. An absolute value is something at which all other acts should aim. In virtue ethics, acting always in a virtuous way leads to us achieving a sense of well-being. The critics often suggest that personal flourishing/well-being is simply self-interest, not a value at all. But it is argued by the virtue ethicists that the good of the moral agent and others are combined in virtue ethics as in order for the moral agent to flourish they must behave virtuously to others.

THREE: It has been suggested that virtue ethics is too reliant on contingencies (the variable circumstances of situations) and so fails to give concrete guidance as to how one should behave when faced with practical problems. This means that virtue ethics fails to be action-guiding. Virtue ethics is defended on the basis that practical problems are so variable that a theory which is flexible and situation-sensitive is superior to one which provides rigid uncompromising rules. Virtue ethics emphasises the development of ethical judgment over time so that an individual agent does not need to blindly follow a rule but can decide on the right action by themselves.

FOUR: The problem of moral luck is not taken into account in virtue ethics. There are many things beyond the agent's control, and this can affect their actions negatively. While encouraging positive natural tendencies will lead to the development of virtue, it is equally possible that certain external influences can lead to development of negative natural tendencies into vice. The lucky agent will have good role models to follow, reinforcement of virtuous behaviour. Why should such an agent be praised for their virtuous behaviour and others blamed for their vice (non-virtuous behaviour) when it is the result of external forces?

Virtue ethics recognises just how easily one can be unlucky and develop vices and that is why they value the virtues and flourishing so highly.

Practical Application: Statement of Values

It is not unusual to see virtue ethics applied to the world of business, IT, or the professions generally. One of the most common manifestations of virtue ethics is a business's 'statement of values'. In contrast there is a 'code of conduct' or a 'code of ethics' which is more deontological - though values are alluded to, there is generally a greater focus on complying with rules, regulations and general principles. The BSc(IT) is accredited by the Institution of Engineers in Ireland, and every student in final year should be familiar with the IEI Code of Ethics to which many of you will be bound if you become members of the IEI. In the case of organisations such as the IEI, virtues/values are established for the profession of engineering generally, but more important are the rules and guidelines which reflect these values, and rules prohibiting behaviour which would give a bad reputation to the profession. Other codes place more emphasis on the individual traits of staff and personal development as well as benefiting the other stakeholders (shareholders, management, employees, consumers, suppliers and local community).

Deontological codes are often divided into sections (clusters) dealing with different areas of responsibility. The areas of responsibility will often be categorised in the following way: shareholders, employees, customers, suppliers, and local/national community. Often the code is written based on the principles of the CEO and other senior management executives. This is problematic as it does not always reflect the values and standards of all stakeholders in the company. It is also possible that employees in particular would like certain areas of ethical conduct to be covered or expanded on in the code. To have a workable code, all stakeholders must contribute to the structure, content, development and implementation of the code of ethics. Codes are often legalistic - the guidelines either take the form of rules or reflect actual legal obligations/prohibitions. This is the case when discussing political contributions, corporate entertainment, health and safety in the workplace and human rights. Mostly these types of 'guidelines' are to ensure that employees do not harm the company (legally or otherwise). Statements of values tend to establish the core values of the company and can be expanded upon to show what kind of responsibilities follow from them - for all involved (including management).

This is not to say that codes of ethics cannot be beneficial (or have a virtue ethics approach), only that it is rarely the case. Below are some examples of ethical statements/codes:

Internet America:

Internet America's employees and officers will conduct themselves at all times under these decision rules:

1. Treat every customer as if she/he were our last.
2. Speak and act professionally at all times.

3. Be completely honest in every communication.

4. Insure that your ethics are above reproach

This is the entire statement as cited on <http://ethics.iit.edu/codes/business.html>

See also the company's website: <http://www.internetamerica.com/>

Levi Strauss & Co.:

Our values are fundamental to our success. They are the foundation of our company, define who we are and set us apart from the competition. They underlie our vision of the future, our business strategies and our decisions, actions and behaviors. We live by them. They endure.

Four core values are at the heart of Levi Strauss & Co.: Empathy, Originality, Integrity and Courage. These four values are linked. As we look at our history, we see a story of how our core values work together and are the source of our success.

Empathy begins with listening ... paying close attention to the world around us ... understanding, appreciating and meeting the needs of those we serve, including consumers, retail customers, shareholders and each other as employees.

Innovation is the hallmark of our history. It started with Levi's® jeans, but that pioneering spirit permeates all aspects of our business — innovation in product and marketing, workplace practices and corporate citizenship. Creating trends. Setting new standards. Continuously improving through change.

Integrity includes a willingness to do the right thing for our employees, brands, the company and society as a whole, even when personal, professional and social risks or economic pressures confront us. This principle of responsible commercial success is embedded in the company's experience.

Courage is the willingness to challenge hierarchy, accepted practices and conventional wisdom. Courage includes truth telling and acting resolutely on our beliefs. It means standing by our convictions.

These values guide our foundation's giving programs, the support we provide to communities where we have a business presence, our employee community-involvement programs, and our code of ethical conduct for manufacturing and finishing contractors working with the company.

Founded in 1968, Community Involvement Teams are company-sponsored and employee-led groups that partner with local charitable organizations to identify needs, plan activities, and create volunteer and donation opportunities for LS&CO. employees and retirees. They also help to raise awareness among employees about important issues in their communities. To encourage volunteerism, LS&CO. offers full-time U.S. employees up to five hours per month paid time off to volunteer at a charitable organization of their choice. The Levi Strauss Foundation matches employee contributions to charitable organizations and provides grants to organizations where they volunteer.

Our Global Sourcing and Operating Guidelines help us to select business partners who follow workplace standards and business practices that are consistent with our company's values. These requirements are applied to every contractor who manufactures or finishes products for Levi Strauss & Co. Trained

inspectors closely audit and monitor compliance among approximately 600 cutting, sewing, and finishing contractors in more than 60 countries.

This is an excerpted synopsis, for more see:

<http://www.levistrauss.com/responsibility/employee.htm>

How could we develop a code that was dedicated to embodying virtuous behaviour, the development of virtue in stakeholders and the ultimate aim of well-being for all concerned? What kind of structure would be necessary? Would a statement of values be more suitable/effective? It has been said that statements of values or ethics, and even codes of ethics, are more aspirational (idealistic) than practical. Can you think of ways that would make these devices more effectual?