

Human dignity and the business of business

Claus Dierksmeier*

Global Ethic Institute, University of Tübingen, Tübingen, Germany

Abstract. A paradigm change from mechanistic to humanistic management theories and practices is underway, exemplified in a shift from an economics oriented at the fictional *homo oeconomicus* towards novel models oriented at the real *conditio humana*. This methodological turn brings about both the opportunity and the necessity of re-orienting management theory as well as business education to the idea of human dignity, as was common in the long-tradition of moral economics from Plato up to Adam Smith. In order to contribute to this theoretical move, in its first part, this paper surveys important conceptions of dignity throughout the ages, and then, in the second part, discusses their implications for a future humanistic business education.

Keywords: Economics, homo oeconomicus, moral values, human freedom, humanistic management education, global ethic

Recent economic crises further fueled the debate over the social impact of economics and management education. Former fixtures of the conventional wisdom of the economics discipline – such as the macroeconomic quest for ever more growth and the microeconomic pursuit of profit – are held responsible for the many social, ecological, and moral failings of the present economic system. Behind this critique and propelled by it, a deeper shift in economic thought is underway. After about 200 years of imitating the methods of the natural sciences and their positivistic approach, and after decades of relegating any and all normative considerations to the margins of business theory, now, arguably, we are about to witness a thoroughgoing paradigm shift. Management education, having inched away from the *homo oeconomicus*-model for several years now, is arguably about to cut loose fully from its old positivist moorings. Instead of depictions of human behavior as merely a rational pursuit of utility-maximization, new courses are being chartered all around the globe. More and more economists and management scholars declare for a broader set of normative objectives and vie to present their theories as amenable to demands for social, ecological, and moral sustainability. We are seeing, in short, a return of ethics to economics.

There is much to be said in favor of these developments. Why indeed would economics, as a discipline dealing with human behavior, work preferably with mental models gleaned from the study of inanimate objects instead of orientating its methods towards interpreting the lively interactions of free subjects? Recent advances in behavioral economics, empirical game theory, and neuro-economics as well as in various fields of psychological and sociological research on economic agency suggest that economics does indeed need to pay more heed to the findings of the social sciences and the humanities. Economic action, after all, stems from human agents acting from human concerns. The subjects that drive the economy are not animated maximization-algorithms but beings in deep and manifold relations with their socio-cultural contexts. Hence the mechanistic anthropology of neoclassical economics must finally yield to a renewed concern for the interconnected dimensions of human life in relation with nature, society, and culture, with the historicity of human existence and the uncertainty and fluidity of human knowledge.

Once, however, we replace the reductionist model of the fictional *homo oeconomicus* with an economics based on the relational nature of the real *conditio humana*, we shall see that values and virtues are not marginal to economic action (operating at best as side constraints to a maximization logic) but that instead they proffer the orientation of the human actors behind

*Corresponding author: Prof. Dr. Claus Dierksmeier, Global Ethic Institute, University of Tübingen, Hintere Grabenstraße 26, 72070 Tübingen, Germany. Tel.: +49 7071 5494 030; Fax: +49 7071 54940 40; E-mail: dierksmeier@weltethos-institut.org.

economic action (and are thus as central as they are foundational for questions of strategy). Yet with that realization, too, comes a renewed focus on what for centuries has been seen as the supreme moral value of all: human dignity. For centuries, human ideals and pursuits were inspired and organized by the idea of dignity, as it provided an anthropological framework and thus an overarching conceptual unity for the variegated normative goals of business and the economy. Insofar as it truly organizes the moral quest of humanity into a cohesive whole, any call for a paradigm shift towards humanistic management practices must go hand in hand with an advancement of management theories informed by this very idea of human dignity. That is the thesis I wish to defend in this paper.

I hold that in order to capture human economic agency adequately we must understand the inherent normativity of the human mind. *Descriptions* of economic behavior match reality only when they are also observant of the moral *prescriptions* that inform such behavior. Not incidentally, therefore, reflections on human nature and values have been at the forefront of economic thinking for more than two thousand years, from ancient times up to the late 18th century. This wisdom of the ages we should re-appropriate. In the first half of this paper (I), I will argue how to make an informed and selective use of past theoretical contributions from the philosophies of antiquity (I.a), the middle ages (I.b), and modernity (I.c). In the second half of the paper (II), I shall then ponder pedagogical consequences for a future humanistic management education. From a view to our present tasks (II.a) and our contemporary postmodern challenges (II.b), I propose some conclusions on the possible contributions of a humanistic pedagogy for the reorientation of business education (II.c).

1. Philosophical theories of dignity

For most economic philosophers throughout the ages, a normative approach to business was predominant, centered on ideas about human nature and its inherent needs. The majority of economic authors throughout the ages pondered how conditions favorable to social welfare, personal wellbeing and moral betterment could be advanced by business and the economy. In this context, the essential promise of the idea of human dignity was that in light of its supreme value subaltern goods could be ranked hierarchically according to their respective superiority or inferiority so that,

eventually, all of them could be pursued together in a systematically ordered fashion.

Thinkers from different times and cultural backgrounds have, however, seen human nature and thus human dignity in diverging ways. Their contrasting understandings may easily lead us into confusion or allow for too vacuous or arbitrary an interpretation of the idea of human dignity to be operational in business contexts and in management education. The conceptual core of the idea of human dignity must hence be given clear contours, lest an excessively wide scope of meanings that render us unable to identify certain policies as either in accord or in contrast with the idea of human dignity.

Yet how can human beings from different cultural backgrounds come to an agreement at all about the meaning and the content of the idea of human dignity; an agreement trenchant enough to facilitate concrete advice for managerial practice? Is there an overlapping consensus on human dignity capable of bridging all cultural divides? In order to answer these questions, I demonstrate now first how ancient philosophers established the idea of human dignity on a *metaphysical* basis (I.a), and how medieval thinkers then transformed their theories thereafter from a *theological* perspective (I.b). Then, I show how modern philosophers tried to rid themselves of both the theological and metaphysical premises, in search of positions based on *critical self-analysis* (I.c). This reconstruction will expound how the attribution of dignity changed over time; from antiquity, when only some humans were seen as dignified, via the medieval theologies that ascribed dignity to all humans as a result of their divine creation, to, ultimately, the era of modernity, which attaches dignity to the individual freedom of each.

1.1. Antique conceptions of dignity

The conception of human nature, and the tension between its internal dignity and its external vulnerability, is unfolded in various metaphysical systems in Antiquity and the Middle Ages. Common to these positions is the effort to mark out the value intrinsic to human life by reflecting on what makes the human being special and how human capabilities differ from those of other life forms.

Plato and Aristotle, for example, saw in human rationality the hallmark of humanity. Whereas even highly developed animals are ordered about by their instincts, the human being alone seems to be able to transcend desires through deliberate decisions based upon

ratiocination. Humans, thanks to the faculty of reason, can act against forces that dictate the life of animals. Human life also seems characterized by an ability to design and pursue a course of life different from the trajectory suggested by past existence, custom, and circumstance. Said ability even allows humans to cancel out the basic drive for survival, defending their rationally construed conceptions of the good life, if need be, by martyrdom or suicide. Therein, i.e. in the power to think and act otherwise than both contextually and instinctively suggested human beings draw on an intellectual realm of reality functioning by its own laws. This separate intellectual realm – is it the source of human dignity and its values?

Plato (427–347 BCE), in his theory of the ideas/forms, held that the human being participated intellectually to a higher or lesser degree in certain self-standing ideas or forms of thought that defined the nature of being and yielded a deeper knowledge about life than the physical shapes and objects grasped by our senses. While the latter were only describing outside appearances (*phenomena*), the eye of the mind could penetrate further into their inner nature (*noumena*), into their essential qualities. Instead of empirical observation, intellectual participation (*methexis*) in the pure notional ideas/forms brings us closest to the true nature of the things that surround us, Plato concluded. One acts the better, consequently, the deeper one understands the nature of both oneself and of the objects one has to deal with [1]. A perfectly good action depends on perfectly good knowledge, and hence the moral value of a human being is strongly related to his or her epistemic achievements.

The dignity of the human being in general is based upon its ability to live in the principled cognizance of ideas/forms; specific human beings attain their respective dignity to the extent that they live up to this ideal of a theoretical as well as practical excellence [2]. People, who fail to establish this elevated and stable form of knowledge (*episteme*), are governed not by their own insight but by an ever changing opinion (*doxa*) about the world, based all too often upon the likewise inadequate opinions of others. Theirs then is a life of uncontrollable vicissitudes, since the well from which they draw their orientation is poisoned by epistemic insecurity. Only through surrendering to the superior knowledge of wise authorities can they lead lives without harm to themselves and others. The moral value of their existence depends on leadership through others. Without such guidance their existence lacks proper orientation and, consequently, dignity.

Different as to the premises but similar in regard to the hierarchical outcome (i.e. in the distinction between lesser and better men) Aristotle argued (384–322 BCE). For him, true and sustainable happiness (*eudaimonia*), which he declared the ultimate objective (*telos*) of all beings, can only be attained through a well-ordered life, premised upon a correct employment of practical wisdom (*phronesis*). The task of reason in pursuing the good life is, other than in Plato, less to advance towards perfect knowledge via absolute ideas but rather to interpret adequately the kind of imperfect information that we typically have to deal with in the contexts of human interaction [3]. Human rationality realizes itself therefore less through transcending empirical reality and more by making legible its inherent structures and objectives (*teloi*). The prevalent goal is practical orientation for the right conduct of one's life, here and now. The dignity of the human being lies, consequently, in situation-adequate self-mastery; in light of constantly fluctuating circumstances it is advanced by an appropriate understanding of the inherent purpose of its own existence and of the intrinsic propensities of the manifold beings around it [4].

What sets the human being apart from the animal kingdom is the ability to use this worldly understanding to establish a relative independence from outward influences (*autarchia*) and to live in accord with one's inward orientation. While animals are slaves to both their instincts and environments, humans can transform their outward surroundings just as well as both their personal habits and inward desires, if consistently guided by sound ratiocination. Or, can they? Many human beings, argues Aristotle, lack this capacity of purposive reasoning and rational self-mastery; women in general and men of inferior talents are to him “natural slaves” to those of higher developed faculties (NE 1149a5-12, Pol. 1254b5-1255a2, 1278b33-37, 1285a18-24). Their dignity is lesser than (and hence subject to) that of their natural masters [5].

In Plato as in Aristotle, human dignity is thus predicated on the *actual* use human beings make of their rational capacities. Although the differences between Plato's intellectualistic theory and Aristotle's predilection for practical wisdom make for overall diverging ethics, both thinkers converge decidedly in their dim view of the intellectual talents (and thus the dignity) of the masses. Rational self-mastery was, in their eyes, an option only for very few individuals; most people need outwardly enforced discipline in their lives in order to lead a dignified life. The wise has to lead the unwise; if need be, against the latter's will.

This decidedly anti-universal version of the pursuit of the good life changed markedly with the Roman promulgators of stoicism. Stoic philosophers fused Plato's theory of *methexis* and Aristotle's *teleological* approach into a comprehensive theory of *natural law*. According to the teachings of the Stoa, universal laws permeate the world that are pre-structuring each and all events in the universe. Just as physical occurrences in the outer world are dependent on natural laws, laws of their respective nature determine decisions in the inner world of animals and human beings. As little as one can escape the laws of gravity, could one escape the laws of one's self. Yet we can use both the laws of gravitation as well as the laws of the human psyche for our own purposes. We cannot, that is, work *against* but we can and should work *with* nature. To the Stoics, therefore, a life correctly lived unfolds in harmony with cosmic laws that find reflections in the laws of nature and (the well-ordered) society. Reason serves humanity as the ultimate guide in pursuit of said harmony, and the requisite triumph of provident reason over imprudent passions is held out as possible for anyone, man or woman, Roman or foreigner. Therein lies an important *universalistic* trait. Stoic philosophy advocates a cosmopolitan humanism, open, at least theoretically, to everyone [6].

From a life based upon reason, consistently pursued, results also the dignity of the individual, – seen by the Stoics as the necessary correlate of societal approval, earned by conduct conforming to reasonable principles. In order to free one's mind to the extent necessary for rational self-governance, individuals have to avail themselves of an education wide and deep enough to overcome the biases and passions of their surroundings. In other words, the cultural preconditions to acquire dignity through a truly Stoic existence are quite demanding. Especially in the works of Cicero (106–43 BCE), it becomes clear: dignity is thus not easily attained at all. As a function of social respect, earned through honorable living according to the strictures of reason, human dignity, though theoretically *available* to all, is practically *attained* only by those with access to a formidable education and exquisite material as well as intellectual resources [7].

Herein we grasp a common thread in the Greek and Roman theories on dignity: its *conditional* nature. While the Stoics broadened the scope of the term of dignity to include *principally* everyone, they agreed with Plato and Aristotle in its narrow *factual* application: dignity still had to be earned. Whereas dignity, as a potential, lay within the nature of the human being as

such, its actualization was seen as owed to contingent subjective achievements.

1.2. Medieval dignity conceptions

The conditional aspect of the notion of human dignity was superseded by medieval theology, in Judaism as well as in Christianity and Islam.¹ According to biblical revelation (e.g., Gen 1, 26; Div. 83, 54.4 & 74), every man and every woman is created in the image of God (*imago dei*), and thus *unconditionally* affirmed by their creator. Amended by Church Fathers and ultimately canonized in the works of Thomas Aquinas (1225–1274), this conception became the bedrock for a conception of human dignity that encompassed every person, regardless of their worldly achievements.

For example, in the *Monologion* of Anselm of Canterbury (1033–1109), the argument for unconditional human dignity runs as follows. Every created being partakes in lesser or higher degrees in God's nature. The more developed certain beings are, the higher rank the essential attributes they share with God, and the loftier is their position in the hierarchy of creation (*gradus essentiae dignitatisque*). Human rationality, irrespective of its actual use, thus differentiates humans from animals clearly – through shared commonalities with God – in order to mark out for humanity an elevated status [10]. The human being *as such* is hence bestowed with a form of dignity that neither stems from, nor is dependent on human actions.

Describing the human being as a creature reflecting the image of God leads, in short, to the ascription of *unconditional* dignity as well as to the prescription of social behavior reflecting respect for said dignity. Society must consequently be organized in support and defense of the human dignity of all.

While scholastic authors affirmed Greek and Roman conceptions of dignity as concomitant to human rationality and the capacity it bestows on individuals to lead a life beyond reproach, they differed, however, in that said capacities were now expressly seen as bestowed upon all human beings by their Creator. And this proved to be a rather important change of emphasis. Upon encountering the New World, for instance, some scholars of the

¹Due to focus of my past research, I shall reconstruct here only the Christian tradition. Very similar conceptions of an unconditional dignity, embracing each and every human being, one finds in Jewish philosophy as well as in Muslim theology, see [8] H. Küng, *Das Judentum. Die religiöse Situation der Zeit*, München, Piper, 1991. and [9] H. Küng, *Der Islam: Geschichte, Gegenwart, Zukunft*, München; Zürich, Piper, 2004, 891 S. p.

early 16th century aimed to justify the subordination of its native inhabitants by Western nations, arguing these “savages” might well be considered “natural slaves” in the Aristotelian sense. While fully aligned with the vested interests of the time, this view did, in fact, not prevail. Too strong proved the countervailing force of the better argument advanced by their opponents Francisco de Vitoria (ca. 1483–1546) and Bartolomé de las Casas (ca. 1484–1566). They argued that since these natives were endowed with reason they had to be treated with the self-same dignity the Christians demanded for themselves [11]. While often paternalistic in its practical application, this theoretical approach for the first time extended the attribution of human dignity both *universally* and *unconditionally*.

The significant gain of this position, i.e. the unconditional ascription of dignity to all, came at a cost, however. Whereas preceding positions often arrived at their notions about the uniqueness of human dignity by comparison with the (observable) features of animals, the Christian conception comes to its conclusions rather through a comparison of man with the (invisible) Creator. Hence, the Christian approach makes human dignity derivative of God’s nature and thus dependent on theological premises that one may or may not share. Consequently the edifice stands and falls with the firmness of its premises; for today’s postmodern and pluralistic societies comprised of non-believers as well as a believers such a foundation is not sufficient.

1.3. Modern positions on dignity

An attempt to arrive at a more independent foundation of human dignity was advanced by the Renaissance thinker Giovanni Pico della Mirandola (1463–1494). In his famous speech on the dignity of man (*Oratio de hominis dignitate*), he argued for the dignity of the human being neither through comparisons with animal life, nor with God. Instead he aimed to arrive at the ascription of dignity by describing attributes germane to human life itself [12]. For Pico della Mirandola, the very feature that defined the nature of man lies in the fundamental *self-definition* of human existence. Willingly or not, each human is the former and maker (*plastes et factor*) of itself. By the choices they make or avoid, human beings define who they become.

Later, existentialist philosopher Jean-Paul Sartre (1905–1980) expressed a similar viewpoint. Human beings cannot live without a (normative) self-image; and from describing the humanity thus results ascribing to it the ability to pursue their own prescriptive ideals.

Sartre expressed this notion through the formula that *existence precedes essence*, meaning that nothing but the actuality of the lived existence can define the essence of the nature of any one human being [13]. This turn from an allegedly predetermined, given nature to the self-determined freedom of human life, is typical for the dignity debate in the modern era; and it has *prima facie* plausibility. No matter the use people make of their faculty to redesign themselves, the sheer fact that their very existence is at least in part a realization of such designs does indeed bestow upon the human being a unique status.

The advantage of taking *freedom* as the foundation for human dignity is patent: its self-standing, independent foundation in the factuality of human autonomy. Yet when all human beings are predicated with dignity based upon freedom, without regard for its use for better or worse, does that not unduly restrict our intuitive judgment that there are persons of higher and lesser dignity? Does an endorsement of freedom as the root of human dignity commit us to value all individuals alike?

Immanuel Kant (1724–1804) addressed this problem by discerning between the *relative* value of human persons according to their moral worthiness and the *absolute* dignity of the human being as such. Kant started by rejecting the common notion that one is free first – and then, later, submits (or not) to moral laws. The crucial but at first somewhat counterintuitive point of this argumentation is that Kant explains human freedom itself from the ability to realize moral commands, not *vice versa*. If the human being were only (negatively) *free from* natural impulses but not also (positively) *free to* realize a higher, i.e. the moral law, then human freedom would appear merely as an erratic deviation from an otherwise regular (i.e. naturally determined) behavior. Free actions would therefore be wholly unpredictable and we could neither impute them in any meaningful way to their actors, nor assign moral responsibility [14a].

Human freedom, however, is not a chaotic deviation from the determining agency of natural causes. Rather, freedom realizes itself quite orderly, holds Kant, through an alignment of natural causes according to supervening (moral) concepts. It is the call of the moral law, which liberates us from natural inclination by making us free to steer a course towards moral ends. At the same time, the moral law holds us accountable, when we decide otherwise and allow ourselves to be ruled by determining factors of an immoral sort. In other words, through our ability to be moral, we gain freedom – both to be moral, and also, derivatively, to be

immoral [15]. Hence not arbitrary freedom of choice but our capacity for moral freedom must be seen as the true source of the unique status of the human being and its dignity.

According to Kant, it is not factual moral obedience to the moral command that (conditionally) accounts for our dignity but rather the (unconditional) ability to said obedience, even when it does not materialize into moral actions. Every human being has dignity (*Würde*) – through being able to be moral – but only those who do, in fact, lead moral lives also deserve the praise of personal ethical value (*Wert*). Consequently, we can and should distinguish between human beings who make an appropriate and an inappropriate use of their dignity, resulting in a more or less praiseworthy character. This twofold distinction enables us to reconcile the otherwise conflicting intuitions that, while we must respect the dignity of each, we should reserve qualified praise for those who lead lives beyond reproach.

Once this crucial distinction is made, we can proclaim that everyone should always be treated with dignity, while some may, in addition, deserve heightened esteem for particular moral worthiness. Whereas to pay particular homage to the latter remains a discretionary duty of individual morality, general respect for human dignity can and should be organized in egalitarian forms, assured by legally sanctioned norms. Coercive laws, Kant argues, must safeguard human dignity against violations, as the respect we owe to human dignity attaches unconditionally to the human being; it is not conditioned upon the particular lives individuals lead. We need to respect and protect the dignity of human life even in those who, in our eyes, constantly make bad choices.

Kant demands: “So act as to treat humanity, whether in thine own person or in that of any other, in every case as an end withal, never as means only.” (AA IV, 429) [14b] We can thus treat others as means to our ends and in turn serve them as means to theirs, provided that in each of these relations all are regarded and respected as autonomous subjects – as an “end-in-themselves”, as Kant puts it. We must never objectify persons because

[...] that which constitutes the condition under which alone anything can be an end in itself, this has not merely a relative worth, i.e., value, but an intrinsic worth, that is, dignity. Now morality is the condition under which alone a rational being can be an end-in-himself, since by this alone is it possible that he should be a legislating member in the kingdom of ends. Thus morality, and humanity as capable of it, is that which alone has dignity. (AA IV, 433) [14c]

Respect for dignity means hence to protect the capacity of the human being to define its own ends, ideally but not always actually, in the pursuit of a moral life. Accordingly, with Kant we enter a genuinely modern phase of theorizing, where the values and virtues of business ethics are derived from the autonomy of the concerned subjects rather than from imposed metaphysical premises [16]. The pledge to respect human dignity thus demands a business ethics characterized by an egalitarian regard for the dignity of all stakeholders of business [17]. Howsoever today’s authors translate Kant’s ethics into clear ethical mandates for firms – e.g., rejecting the terminology of human capital or human resources [18] in favor of human relations and human capabilities [19] – a common feature of all these endeavors is to make dignity central to management, i.e. to treat dignity not as one value amongst many but as the overarching principle in light of which management should be taught and practiced.

2. Pedagogical consequences

How then could we advance a future humanistic management education in light of the idea of dignity? Already in the early 19th century, scholars posed themselves a similar question when discussing intensively the role and scope of humanistic education. Foremost among them were Friedrich Schiller (1759–1805), Friedrich Immanuel Niethammer (1766–1848), Karl Christian Friedrich Krause (1781–1832), Friedrich Schleiermacher (1768–1834) and Friedrich Wilhelm Josef Schelling (1775–1854). Their debate on the purpose and methods of higher education informed Wilhelm von Humboldt (1767–1835) and his design of the renowned university concept that to date carries his name [20].

These discussions departed from the distinction between a *humanistic* and *functionalistic* understanding of education [21]. Against conceiving of higher learning as a mere means to worldly success and thus reducing its value to its function for achieving material goals, the true value of education was placed on expressing human dignity, perfecting understanding, fostering empathy for and participation in the lives of others [22]. From this humanistic understanding of education followed the desire to integrate academic studies so that eventually each discipline would not only contribute to its own narrow field but also to the broader goal of forming better human beings and of improving society at large.

Each and every academic subject was therefore to honor the dignity of the free human mind by conveying to students the skills requisite for critical self-reflection and a moral comprehension of their respective subject [23]. Such intellectual penetration and evaluation of the contribution of their studies to the whole of human society demanded the development of critical reflective capacities. These, students could only hone, it was argued, when self-guided, independent research became a central part of their schedules; hence Humboldt's advocacy for the intrinsic unity of research and teaching [24, 25].

2.1. Present tasks of management education

Today again, demands for an education that combines breadth and depth and parses skills for autonomous, critical thinking as well as sensitivity for moral concerns are being advanced [26]. In management education, for instance, we face a pedagogical landscape that is often as negligent to its social obligations as it is oblivious to the deeper purposes of higher learning [27]. What follows?

Some scholars advocate for a thoroughgoing turn towards stakeholder-models in business based upon Kantian respect for human autonomy (Evan and Freeman 1998). They argue the best way to respect personal dignity is to involve people in the decisions that concern them. Those, who hold a stake in the dealings of a firm, should hence have a say in their decision-making. Yet beyond proclaiming stakeholder-democracy as requisite for the improvement of organizational behavior in the public realm as well as in the domains of business [28], we also need to assure the active participation and, where impossible, at least the passive representation of all concerned in questions of strategy and governance [29]. How organizations recruit and treat their employees or how corporations deal with customers and the public, hinges, however, in large part on their conceptions of their stakeholders, and hence on how business overall is being taught to future managers [30, 31]. As the intellectual realization of the importance of human dignity furthers or hinders its practical realization, a comprehensive re-orientation of management pedagogy towards qualitative and ethical considerations is needed in order to set into works the ethical turn in management education as, e.g., expressed in the *Principles for Responsible Management Education* (PRME).

In short, from their theoretical as well as practical role as passive objects, humans need to be reinstated

in the system of economic interactions as active subjects. Human beings must hence never be accounted for as mere cost factors or labor suppliers, i.e., secondary factors in an economy geared to primarily *quantitative* goals. Rather they need to be regarded as the primary *qualitative* objective of business. If, however, we rethink economic transactions fundamentally as human relations, we see how human beings are truly what the economy ought to be concerned with first and foremost; business must throughout serve the goals of humanity, not *vice versa* [32].

2.2. Contemporary challenges

Yet how can we make an inter-personally and inter-culturally valid use of ethical ideas such as the idea of unconditional human dignity in management education? In the present age of globalization, the multi-cultural premises of our social life demand academic theories capable of meeting postmodern and relativistic challenges to ethical rationales. How can this demand be answered? Which values can provide normative guidance for the normative orientation of business across national and cultural divides?

It is true that universalist conceptions on human rights and human dignity, when elaborating their philosophical foundations, often draw on conceptual means taken from the tradition of *Western* philosophy. To some, such a predominance of one tradition may seem to discredit from the outset the effort of establishing globally acceptable norms. How, the argument goes, can regional values justify universal postulates? Why should the philosophy of the West dominate the rest? Do we not thus betray in procedure what we affirm in substance, i.e. a truly global approach to ethics?

Such views confuse, however, the 'genesis' and the 'validity' of philosophical arguments. Whereas, admittedly, the past and present debate over human dignity is largely influenced by Western sources, notions of human dignity were and still are operative as well in African and Asian philosophies and religions [32], this does not *per se* restrict their universal validity. Rather, in appealing to human reason in general, philosophical positions from everywhere in the world aim for interpersonal plausibility across all cultural boundaries. In intent, at least, they are hence not Western but cosmopolitan.

One can reject, of course, the underlying idea that there is but *one* human reason operative in all human beings, to be accessed from each and everyone. Yet this rejection itself makes a claim for its respective

description of the nature of (a culturally fractured) human reason. The ensuing debate *which* conception of rationality – *pro* or *contra* the unity of human reason – merits our eventual approval then again takes place before the court of reason [33]. And there, either party may now fail to corroborate its claims with convincing arguments. Yet this point can only be assessed *after* a critical examination of the respective theory at hand, which in turn takes recourse to the self-critical potentials of human rationality. In short, there is no way to resolve the debate on the cultural relativity of rational standards other than through the employment of the very capacities of critical human reasoning, whose universal character the relativists so staunchly deny.

Ethical relativists, to avoid self-contradiction, can therefore coherently defend their position only by refraining from claiming interpersonal validity for their own arguments – which some, consistently, do. Their arguments, however, then carry no longer the potential to legitimate but only to explain their position. Hence nothing compels anyone else to follow the relativistic train of their thoughts rather than, say, rationality conceptions of a more comprehensive scope. By insulating against the winds of criticism, the relativists isolate themselves from the very oxygen they would need in order to spark fires elsewhere.

Moreover, since only some – neither all, nor most – non-Western philosophers reject universal principles, ethical relativism also does injustice to those thinkers, who explicitly wish to be part of the cosmopolitan project. Philosophers such as Amartya Sen demand that thinkers from non-Western countries be taken seriously when they argue against certain (restrictive) values of their own region and in favor of (more emancipating) global principles [18]. Their dissenting voices can be seen as a *de facto* contradiction to the assumption that different contexts necessarily breed diverging views. Cultural stereotypes must, that is to say, not let us overlook extraterritorial advocates of the idea of human dignity. Worse than the imperialistic imposition of rights to protect human dignity is, surely, a relativistic acquiescence in their oppression.

Since Western philosophy forever aimed to speak to all human beings, and did so in a continuous discourse reaching from Plato until today, we are well advised not to focus on the narrow geographical realm of its origins but rather on the broad scope of the ideas it tries to promulgate. The answers of Western philosophers to questions about the nature and meaning of human freedom, responsibility, and dignity need, of course, not uncritically be worshiped as ultimate

capstones of human wisdom. Yet they could be seen as important stepping-stones for a global debate about the values of human life. This qualified endorsement of human dignity translates into a *proceduralist* imperative for participative decision-making as both a normative touchstone and a pragmatic yardstick for any contemporary decision-making on values in business and society.

In light of these reflections, it cannot be overestimated that in 1948 the UN issued the *Universal Declaration of Human Rights*, based on a comprehensive consensus of peoples all over the globe. According to its preamble, the enumerated rights are anchored in the “recognition of the inherent dignity” of each and every human being. While itself not a legally binding declaration, most of its tenets have been taken up again in the *International Covenant on Civil and Political Rights*, which since 1976 does constitute legal obligations for all signatories. In this covenant, the international community spells out many practical implications of its affirmation of human rights, again expressly “recognizing that these rights derive from the inherent dignity of the human person.” Likewise, in 1997, the UN-based *Interaction Council* issued a Universal Declaration of Human Responsibilities, which in turn aimed to spell out responsibility for the positive promotion of human dignity.

Together, these and further such declarations make explicit the implicit assumption that indeed there is a sufficient consensus about the nature of human dignity, underlying otherwise diverging cultural and religious backgrounds, so as to tackle the global problems of humanity. They, in short, depart from a moral consensus of humanity that ought not to be suspected of ethical imperialism. As ample research by the Global Ethic Project, launched by Hans Küng in 1990 at the University of Tübingen, has shown, the central values affirmed in these documents overlap with a set of norms that can be derived from all spiritual and secular traditions of humanity as a truly “global ethic” [34].

Besides publishing comprehensive studies regarding the ethical and normative commonalities between Judaism [35], Christianity [36], Islam [37], Daoism and Confucianism [38] as well as the Indian traditions of Hinduism, Buddhism and Jainism [39], Hans Küng and his team of researchers have also investigated value convergence in the fields of intercultural literature [40] and philosophy [41, 42]. Despite regional and cultural variations: In the wisdom traditions and teachings of China and India, in the philosophies of Northern Europe and South America, as well as in the poetry and thought

of African cultures [43], we find a similar set of values centered on the dignity and inviolability of human life.

2.3. Conclusions

These findings leave us free to ponder the intricate question on how best to translate the abstract demands of a global ethic into concrete guidance for a future humanistic management practice and education. Since the criteria we elect in order to evaluate economic goals rest ultimately on the indispensable foundation of human freedom, we must stay clear of a *technocratic* understanding of economics that beclouds the choices implicit in economic reality. Instead, we ought to progress into a new era of *democratic* economics, where economic freedom becomes aware of itself and begins to make a self-reflective use of its capacity ever to suggest alternatives to the factual as well as epistemic *status quo* [44]. Only an open discourse about the qualitative aims of society can define the quantitative goals of economic politics. Hence we ought to provide management education with requisite normative tools that help students to employ quantitative methods in the service of qualitative evaluations arising from well-reasoned, circumspect, and balanced judgments on the pressing concerns of humanity [45].

We can no longer relegate ethical deliberations and business ethics courses to the margins of the curriculum. Only by allowing a paradigmatic transformation of the *entire* realm of business theory can a renewed management education truly effect the very social changes that so many today await from the impending era of humanistic management. The economy, after all, is not a normatively neutral field, governed by technical rationality alone. Since, instead, ethical concerns are of paramount interest for the everyday practice of management and corporate governance, they should also be adequately reflected in management education. For, once the elementary freedom of each economic actor (customer as well as manager, employer as well as employee, regulator as well as entrepreneur, shareholder as well as stakeholder) is realized theoretically, its practical realization can properly be thematized (investigated, deliberated, taught, and managed). In real-life settings, understanding ethical *prescriptions* is inevitable for the correct *description* of economic agency. Bereft of ethics, economic theory is therefore as incorrect as it is incomplete. As the *possibility* of humanistic management results from the human *reality* of business, hence by becoming more humane,

economics stands to become more realistic and relevant too.

Only by recognizing the eminent societal function of their instructions, can academic institutions appropriately take on the social responsibility concomitant to their function. It is high time to reorient business theory away from a fictional model of man and towards the real human being. Instead of describing human behavior, against all empirical evidence, along the *homo oeconomicus* model, determined by a narrow and fixed array of preferences, the wide scope of human interests and their dynamic change should be moved (back) into the center of management education. Management should again be oriented towards the moral nature of human freedom and its correlate: the postulates of a global ethic based on human dignity. It is, in sum, through centering education on human dignity that the dignity of management education can be restored.

Acknowledgments

I wish to thank Simon Walch for his help with formatting and further technical edits of this piece.

References

- [1] S.G. Salkever, *The Cambridge companion to ancient Greek political thought*, 1. publ. ed, Cambridge u.a., Cambridge Univ. Press, 2009, IX, p. 380S.
- [2] M.C. Nussbaum, *Plato's Republic: The good society and the deformation of desire*, 1998.
- [3] R. Kraut, *The Blackwell guide to Aristotle's Nicomachean ethics*, Malden, MA; Oxford, Blackwell Pub., 2006, viii, pp. 384.
- [4] C. Dierksmeier and M. Pirson, Oikonomia versus chrematistike: Learning from Aristotle about the future orientation of business management, *Journal of Business Ethics*, 2009,88(3):417-30.
- [5a] Aristotle, *Nicomachean Ethics*, quoted according to the globally used Stephanus Pagination.
- [5b] W.N. Ashley, *The theory of natural slavery according to Aristotle and St. Thomas* [Ph d], Notre Dame, Ind., University of Notre Dame, 1941.
- [6] M. Forschner, *Die stoische Ethik: über den Zusammenhang von Natur-, Sprach- und Moralphilosophie im altstoischen System* [Zugl. Erlangen, Nürnberg, Univ., Habil.-Schr., 1979 80], Stuttgart, Klett-Cotta, 1981.
- [7] C. Holloway, *Magnanimity and statesmanship*, Lexington Books, 2008.
- [8] H. Küng, *Das Judentum. Die religiöse Situation der Zeit*, München, Piper, 1991.
- [9] H. Küng, *Der Islam : Geschichte, Gegenwart, Zukunft*, München; Zürich, Piper, 2004, p. 891S.

- [10] R.A. Duffy and A. Gambatese, *Made in God's image: The Catholic vision of human dignity*, Paulist Press, 1999.
- [11] L. Hanke, *Aristotle and the American Indians; a study in race prejudice in the modern world*, Bloomington, Indiana University Press, 1970, pp. 164
- [12] C.E. Trinkaus, *Renaissance transformations of late medieval thought*, Aldershot, Hampshire, Brookfield, Vt., Ashgate, 1999.
- [13] W.L. McBride, *Existentialist ethics*, New York, Garland, 1997, xviii, pp. 382
- [14a] J. Timmermann, *Sittengesetz und Freiheit: Untersuchungen zu Immanuel Kants Theorie des freien Willens*, Berlin, New York, de Gruyter, 2008.
- [14b] I. Kant, Groundworks to the Metaphysics of Morals, quoted according to the globally used, 'Akademie-Ausgabe' of the Prussian Academy of Sciences.
- [14c] idem.
- [15] C. Dierksmeier, *Das Noumenon Religion: Eine Untersuchung zur Stellung der Religion im System der praktischen Philosophie Kants*, Berlin u.a., de Gruyter, Zugl.: Hamburg, 1998.
- [16] C. Dierksmeier, Kant on Virtue, *Journal of Business Ethics* 113(4) (2013), 597-609.
- [17] N.E. Bowie, *Business ethics: A Kantian perspective*, Malden, Mass., Blackwell Publishers, 1999, viii, pp. 184
- [18] A. Sen, *Commodities and capabilities*, Amsterdam, New York New York, N.Y., U.S.A., North-Holland, Sole distributors for the U.S.A. and Canada, Elsevier Science Pub. Co., 1985, pp. 130.
- [19] P. Boselie, *Strategic human resource management: A balanced approach*, London u.a., McGraw-Hill, 2010, XXII, pp. 317S.
- [20] U. Hübner, Wilhelm von Humboldt und die Bildungspolitik: Eine Untersuchung zum Humboldt-Bild als Prolegomena zu einer Theorie der historischen Pädagogik [Thesis (doctoral)], München, Profil Verlag, Universität München, 1983.
- [21] P. Weisz, *Beziehungserfahrung und Bildungstheorie: Die klassische Bildungstheorie im Lichte der Briefe Caroline und Wilhelm von Humboldts*, Frankfurt am Main, New York, P. Lang, 2005, pp. 336
- [22] F. Schiller, *Was heisst und zu welchem Ende studiert man Universalgeschichte?* 2. ed, Jena, In der Akademischen Buchhandlung, 1790, pp. 42
- [23] F.W.J.v. Schelling and H. Glockner, *Studium generale; Vorlesungen über die Methode des akademischen Studiums*, Stuttgart, A. Kröner, 1954, pp. 190
- [24] D. Spitta, *Menschenbildung und Staat: Das Bildungsideal Wilhelm von Humboldts angesichts der Kritik des Humanismus*, Stuttgart, Mayer, 2006, pp. 222
- [25] E. Wicke, W. Neuser, W. Schmied-Kowarzik and D. Benner, *Menschheit und Individualität: Zur Bildungstheorie und Philosophie Wilhelm von Humboldts*, Weinheim, Deutscher Studien Verlag, 1997, pp. 203
- [26] D. Benner, *Wilhelm von Humboldts Bildungstheorie: Eine problemgeschichtliche Studie zum Begründungszusammenhang neuzeitlicher Bildungsreform*, Weinheim, Juventa Verlag, 1990, pp. 232
- [27] W. Amann, *Business Schools under Fire: Humanistic Management Education as the Way Forward*, Houndmills, Basingstoke, Hampshire, Palgrave Macmillan, 2011, xxi, 472 p.
- [28] D.P. Ellerman, *Property and contract in economics: In case for economic democracy*, Cambridge, Mass., USA, Blackwell, 1992, xii, pp. 275
- [29] S. Turnbull, Stakeholder democracy: Redesigning the governance of firms and bureaucracies, *The Journal of Socio-Economics*, 23(3) (1994), 321-360.
- [30] M.R. Greenwood, Ethics and HRM: A review and conceptual analysis, *Journal of Business Ethics*, 2002,36(3):261-78.
- [31] P. MacLagan, Self-actualisation as a moral concept and the implications for motivation in organisations: A Kantian argument, *Business ethics0 A European review* 12(4) (2003), 334-342.
- [32] C. Dierksmeier, W. Amann, E. Von Kimakowitz, H. Spitzack and M. Pirson, *Humanistic ethics in the age of globality*, Palgrave Macmillan, 2011.
- [33] W. Welsch, *Unsere postmoderne Moderne*, 2., durchges. Aufl. ed, Weinheim, VCH, 1988, XII, p. 344S.
- [34] H. Küng, A Global Ethic in an Age of Globalization, *Business Ethics Quarterly* 7(3) (1997), 17-31.
- [35] H. Küng and J.S. Bowden, *Judaism*, S.C.M. P., 1992, pp. [784]
- [36] H. Küng and J. Bowden, *Christianity: Its essence and history*, 1st publ. ed, London, SCM Press, 1995, XXV, p. 936S.
- [37] H. Küng, *Islam: Past, present and future*, Oxford, Oneworld Publications, 2007, XXX, 767S. p.
- [38] H. Küng, *Tracing the way: Spiritual dimensions of the world religions*, London, Continuum, 2002, xv, 280 p., [8] p. of plates p.
- [39] S. Schlensog, *Der Hinduismus: Glaube, Geschichte, Ethos*, München, Piper, 2006.
- [40] K.-J. Kuschel, *Im Ringen um den wahren Ring: Lessings "Nathan der Weise" - eine Herausforderung der Religionen*, Überarb. Neuausg. ed, Ostfildern, Patmos, 2011, p. 232S.
- [41] H.-M. Schönherr-Mann, Globale Normen und individuelles Handeln die Idee des Weltethos aus emanzipatorischer Perspektive, Würzburg Königshausen & Neumann, 2010, Available from: <http://d-nb.info/999697897/04> Materials specified: Inhaltsverzeichnis File transfer mode: Text/html http://deposit.d-nb.de/cgi-bin/dokserv?id=3417569&prov=M&dok_var=1&dok_ext=htm Materials specified: Inhalt text File transfer mode: text/html <http://deposit.d-nb.de/cgi-bin/dokserv?id=3417569&prov=M&dok%5Fvar=1&dok%5Fext=htm> Materials specified: Inhaltstext http://bvbr.bib-bvb.de:8991/F?func=service&doc.library=BVB01&doc_number=020355207&line_number=0001&func_code=DB_RECORDS&service_type=MEDIA Note: Inhaltsverzeichnis.
- [42] H.-M.K.H. Schönherr-Mann, *Miteinander leben lernen: Die Philosophie und der Kampf der Kulturen*, München; Zürich, Piper, 2008.
- [43] C. Hasselmann, *Hans Kungs Projekt Weltethos interkulturell gelesen*, Nordhausen, Bautz, 2005, pp. 126
- [44] A.K. Sen, *Development as freedom*, 1. publ. ed, Oxford u.a., Oxford Univ. Press, 1999, XVI, p. 366S.
- [45] C. Dierksmeier and M. Pirson, The modern corporation and the idea of freedom, *Philosophy of Management* 9(3) (2010), 5-25.