

THE POSSIBILITY OF ETHICAL BUSINESS

Napoleon M. Mabaquiao, Jr.♦

Abstract: As the business activity is an integral part of our social life, building an ethical society must include, among others, ensuring the ethical conduct of this activity. The concept of ethical business, however, has always been controversial especially in light of the alleged incompatibility of the profit motive with the motive of benevolence. Accordingly, it is thought that the profit motive is essentially selfish which thereby contradicts the selfless motive of benevolence. A standard strategy for reconciling these two motives takes the profit motive as a means to perform benevolent acts, which, however, only separates the business act from the ethical one. This essay advances an alternative strategy in which said motives occur simultaneously as motives for performing the same act. After demonstrating its possibility through a case involving General Motors, the essay shows how this strategy can be ethically justified using the Kantian moral principle of respect for persons.

Keywords: benevolence, benevolent business, business ethics, ethical business, profit motive, responsible business.

1. Introduction

A major obstacle to the possibility of practicing ethical business is the alleged incompatibility of the profit motive with a basic ethical motive, namely benevolence. This incompatibility refers specifically to the apparent opposition between the selfish nature of the profit motive and the selfless nature of benevolence. The selfishness associated with the profit motive comes from the fact that the person pursuing it through his/her actions is primarily after some benefit that he/she can gain for himself/herself; whereas the selflessness

♦**Dr Napoleon M. Mabaquiao, Jr.** is a Full Professor of Philosophy at De La Salle University, Manila, Philippines. He is a former Chair and the current Coordinator of the Graduate Studies Program of the Department of Philosophy of the said university. Email: napoleon.mabaquiao@dlsu.edu.ph.

associated with benevolence comes from the fact that the person pursuing it through his/her actions is primarily after the benefit he/she can provide for other persons without any string attached—that is, without the condition that these persons must benefit him/her in return. It has been alleged that these two motives are mutually exclusive, which thereby renders ethical business an impossibility.

This essay offers a way of overcoming this obstacle. Its strategy, however, deviates from those that see the profit motive-benevolence relation as a kind of means-end relation, in which the proceeds of profit making are used to perform benevolent acts. These strategies, as shall be demonstrated later, are objectionable mainly for maintaining the separation of business acts from benevolent ones. As an alternative, the essay advances a strategy that regards the profit motive and benevolence as motives of the same act. The possibility of this strategy is demonstrated using a case involving General Motors and given an ethical grounding through the Kantian moral principle of respect for persons. The paper is divided into four sections. The first provides a brief background for the problem of reconciling business with ethics. The second discusses some standard strategies for resolving the alleged incompatibility between the profit motive and benevolence. The third presents an alternative strategy for resolving the same and shows how its possibility can be demonstrated in actual practice. The fourth shows how this strategy can be morally justified using the Kantian principle of respect for persons.

2. Doing Business with Ethics: The Problem

The application of ethics to business is a natural result of the fact that from the moral viewpoint acts done in the business context are no different from acts done in other contexts. That is, they basically have the same morally relevant features that subject other acts to moral evaluations. Business acts, accordingly: can be done *knowingly* and *freely* (which makes their agents morally accountable for such acts); can lead to serious human and nonhuman injuries (which makes them morally evaluable using consequentialist theories); may violate human rights such as those of employees and consumers (which makes them morally evaluable using deontological theories); may cultivate bad habits (which makes them morally evaluable using virtue ethical theories); may lead to environmental damages (which makes them morally evaluable using environmental ethical theories);

and may involve distributions of benefits and burdens (which makes them morally evaluable using theories of distributive justice). This being the case, this application, nonetheless, is being put into question due to certain considerations or views about the nature and actual conduct of business in relation to moral standards. Let us briefly examine contentions and weaknesses of these views.

First, there is the view, standardly associated with Adam Smith, which states that when players in the free-market system pursue their individual selfish economic interests, their actions would somehow harmonize (as if guided by an invisible hand) to produce the social or common good or what is most beneficial to everyone. This view, consequently, argues that there really is no need to apply ethical standards to the business activity since economic laws and forces are sufficient to ensure that the pursuit of profit, however selfish it may be, would eventually result in morally desirable outcomes. This argument, however, is only true when business limits itself to the essential needs of humans, which, obviously, does not happen in reality. Profitable business is made by selling products such as weapons, alcohol, harmful drugs, and others, which obviously does not result in the social or common good.

Second, there is the view that further reinforces the argument of the first view that moral principles are not necessary in business. It generally states that the laws of the government are sufficient to ensure that business activities will not result in unethical practices. Referring to governmental laws as "the rules of the game," the preeminent economist Milton Friedman famously articulates this view as follows: "there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game" (167). The idea is that business is already and sufficiently fulfilling its social responsibility (or moral responsibilities towards the various sectors of society) when it follows the laws of the government. In the area of environmental ethics, this view was articulated by Norman Bowie when he remarked: "[b]usiness does not have an obligation to protect the environment over and above what is required by law [...]" (89). The problem with this argument is that it falsely assumes that the content of laws always embodies moral principles and that they are always implemented in a fair manner.

The third view thinks of business as a game with its own set of rules, and in which business decisions are seen as decisions of strategy that maximize one's chances of winning. This view was implicit in Albert Carr's contention that bluffing in business, very much like in the case of the game of poker, is simply a game strategy. Carr remarks:

Poker's own brand of ethics is different from the ethical ideals of civilized human relationships. The game calls for distrust of the other fellow. It ignores the claim of friendship. Cunning deception and concealment of one's strength and intentions, not kindness and openheartedness, are vital in poker. No one thinks any the worse of poker on that account. And no one should think of any the worse of the game of business because its standards of right and wrong differ from the prevailing traditions of morality in our society (330).

What is wrong with this argument is that it fails to consider that business has more important aspects other than those captured by the game analogy, such as, as earlier noted, that business acts may lead to serious human injuries, violate certain moral rights, and engage in unfair distributions, among others. Furthermore, unlike in the case of normal games in which the participants join with their voluntary and informed consent, most people get to be involved in a business act without such consent, such as when children, who cannot yet distinguish between fantasy and reality and between the cheap and the expensive, and have no clear concept of money yet, become targets of manipulative advertisements (see Paine 607-628).

The fourth view, which we shall elaborate in the next section, argues that ethical business is simply not possible since their primary motives are incompatible. What differentiates this argument, which we may refer to as the "incompatibility argument," from the previous ones¹ is that the previous ones are merely claiming that we ought not to apply ethics to business because it is not necessary—the economic laws, governmental laws, or the internal rules of the business game allegedly will take care of the ethics of business. While, as we have argued, that these factors do not actually ensure that business will be done in an ethical way, they do not really claim that ethical business is impossible. The argument claiming that the motives of business and

¹The first, second, and third arguments may be referred to, respectively, as the *invisible-hand*, *legal*, and *game analogy* arguments.

ethics are incompatible, in contrast, does make this stronger claim—that business ethics is impossible. The refutation of this argument presents more challenging issues as it will require, among others, a conceptual analysis of concepts like selfishness and selflessness, demonstrating in actual practice how the profit motive of business can actually go hand in hand with the ethical motive of benevolence within the context of the same action, and showing why such an action would be considered morally good.

3. Reconciling Business with Ethics: The Strategies

In examining the different attempts to reconcile the profit motive and benevolence, let us use the analysis of Richard McCarty in his essay "Business and Benevolence." McCarty, accordingly, distinguishes between two general types of strategies for resolving the incompatibility argument: *conceptual* and *means-end*. The conceptual strategy claims that a careful analysis of the meaning of selfishness will reveal that business selfishness is not really incompatible with benevolence. The means-end strategy, on the other hand, claims that benevolent acts done using the proceeds of profit making suffice to morally justify business selfishness.

Proceeding with the conceptual strategy, McCarty first distinguishes between *being selfish* and *being self-interested*. Being self-interested is "seeking satisfaction of one's desires or attainment of one's goals" (41), while being selfish is "giving overriding importance to satisfying one's own desires or attaining one's own goals when doing so conflicts with proper desires and goals of others" (42). In light of the possibility that one can make it his/her own interest to promote the interests of other people, being self-interested need not lead to being selfish. Consequently, being selfish and being selfless can be regarded as mere ways of being self-interested.

McCarty then observes that being selfish does not necessarily lead to immoral actions. That is to say, giving overriding importance to satisfying one's own desires does not necessarily result in immoral actions. In this connection, McCarty distinguishes between two ways of being selfish, namely, the *non-vicious way* and the *vicious way*. The former is morally neutral while the latter is what necessarily leads to immoral acts—as this kind eventually turns to greed. Vicious selfishness "leads one to do wrong by violating others' legal and moral rights"; or precludes one from "acting on one's moral

obligations toward others, or prevents one from being virtuous" (McCarty 42). In contrast, the non-vicious selfishness does not lead to such actions. An example given by McCarthy for non-vicious selfishness is the kind of selfishness among players of casual games: "players pursue their own goals in opposition to the desires or goals of opponents" (42). The players want to win the game, but this does not necessarily lead them to do immoral acts to one another. Their selfishness does not necessarily lead them to do vicious acts.

Consequently, it can be said that is only when the selfishness of the profit motive is vicious that the profit motive is incompatible with benevolence. This means that in principle, on the conceptual level, profit motive and benevolence are not incompatible, or that ethical business is possible. The question in order is, when is the profit motive non-vicious? Here then is where the second strategy comes in. There are three versions of the means-end strategies that we shall examine, two of which are rejected by McCarty while the other is McCarty's own alternative strategy. Following McCarty, we shall call the first the *end-state* strategy, while we shall call the second and third ones, respectively, as the *philanthropic* and *co-temporal* strategies.

The end-state strategy is represented by the invisible hand argument of Adam Smith, which, as we have earlier discussed, claims that the selfish pursuit of profit of individuals eventually leads to the promotion of the common or social good, which, in effect, is a form of performing a benevolent act. "On this view, the way to be beneficent, to contribute to the good of others and the wider public good, is to be selfish," explains McCarty (43).

The philanthropic strategy, advocated by Andrew Carnegie, uses the acts of philanthropy of retired businesspeople as a model for benevolent business. On this model, a businessperson first tries to be very successful in his/her career by amassing great wealth, but when he/she retires from the business world, he/she then performs benevolent acts by donating part of his wealth to worthy causes (McCarty 45). This option, however, is open only to businesspeople who have amassed a great deal of wealth. Consequently, this strategy reconciles business with benevolence only in rare moments—as not all businesspeople retire as wealthy business tycoons.

McCarty (44-46) dismisses the end-state strategy using the standard argument that the needs that a profitable business satisfies are not necessarily those that are good for society. As regards the

philanthropic strategy, McCarty points out its cyclical coordination of business and benevolence in which one embarks on a business career for benevolent reasons, then one does business to make as much profit as possible, and then one performs benevolent acts of philanthropy after retiring from business. For McCarty, this does not really reconcile the profit motive with benevolence. First, it only separates the time for business and the time for ethics (46); and second, it has the danger of justifying "the most ruthless and unfair business practices" (47).

Before presenting his own alternative strategy, the co-temporal strategy, McCarty first clarifies that the way to synthesize the motives of business and ethics is for them to co-exist in the same consciousness of the businessperson; that is to say, as she engages in business with the profit motive in mind, she at the same time engages in ethics with the motive of benevolence in mind (47). And with this condition, McCarty formulates his strategy: as one deals selfishly with one person or group, one deals benevolently with another. As he explains:

This distinction between others with whom one deals selfishly and other with whom one is benevolent provides for the possibility of a synthesis of the profit motive and benevolence. To actualize the possibility, we need to show how one can, in the course of profit-seeking business dealings with the person or group, direct those dealings with good will in a manner beneficial to other persons or groups. In this way, gestures of good will can be carried out with selfish, profit-seeking motives (47).

To clarify his strategy, McCarty gives the following analogy: "If a man can borrow a new car with a good-faith promise, he may do so for the purpose of misrepresenting himself as the owner of the car to impress business associates. Similarly, one may selfishly seek profit from one person by acting benevolently toward another" (47). McCarty sees corporate charitable donations to worthy causes as good examples of benevolent acts that businesses can do (48). There is, however, doubt whether these donations are genuine, the no-strings-attached kind of benevolence. Milton Friedman, for instance, thinks that donations made in the name of corporate social responsibility are hypocritical for they are primarily done for tax deductions. Friedman writes: "given the laws about the deductibility of corporate charitable contributions, the stockholders can contribute more to charities they favor by having the corporation make the gift than by doing it themselves, since they can in that way contribute an amount that

would otherwise have been paid as corporate taxes" (163-164). In addition, corporations usually give to charities as a form of advertising, to improve their image in the community. For example, Philip Morris spent \$75 million for donations in 1999; it spent \$100 million for this act to be advertised (Cf. Porter and Kramer, 5-16).

McCarty responds to these objections by invoking the possibility that businesspeople can "consciously include occasional projects of benevolent business, even if on the whole somewhat less profitable than purely selfish business" (49). There are, in this regard, two types of businesspersons for McCarty: the type who "makes good-will gestures only when they secure maximum profits" (49); and the type who chooses "to include occasional benevolent projects in her business career, or as part of the goals of her business, even if such projects are not the most profitable use of resources" (49). With regard to the former, the businessperson has a pervasively selfish attitude towards business; and her selfishness is indeed incompatible with benevolence. Regarding the latter, if he/she does the benevolent projects because morality requires such beneficence (McCarty 49). In making this distinction, McCarty, in effect, is arguing that the objections only apply to the first type of businessperson.

McCarty's own strategy, on closer inspection, however, is also subject to the same criticisms that he levelled against the previous strategies. Just like in the case of the philanthropic strategy, in doing business with one person to perform a benevolent act to another, one can also be greedy and resort to ruthless means. It also does not resolve the opposition between business and benevolence, for it maintains the separation of the business act from the benevolent act. The benevolent act is still not the same act as the business one; for the profit motive is still regarded as a means to performing a benevolent act, just like the other strategies which McCarty rejects.

A relatively recent strategy which, in essence, is a variant of McCarty's strategy refers to the so-called *strategic philanthropy* advanced by Porter and Kramer. According to Porter and Kramer, business and ethics can go hand in hand when corporations do charitable donations that are both beneficial to them (like it will strengthen their competitive advantage) and society. As they explain: "Most corporate expenditures produce benefits only for the business, and charitable contributions unrelated to the business generate only social benefits. It is only where corporate expenditures produce

simultaneous social and economic gains that corporate philanthropy and shareholder interests converge [...]. It is here that philanthropy is truly strategic" (Porter and Kramer, 3). An example given by Porter and Kramer is donations given by a corporation to programs intended to increase the educational status of residents in a community where a corporation gets its employees. Unfortunately, this strategy is subject to the same criticisms as McCarty's. Aside from separating the business act and the ethical act, benevolence is done only when it satisfies the profit motive.

4. An Alternative Strategy and its Possibility

What a means-end strategy generally does is to separate the respect in which one pursues profit from the respect in which one performs benevolent acts, such as when one pursues profit now and performs a benevolent act later on, or as when one pursues profit in dealing with one person and acts benevolently towards another person. But this is not what we really mean by *ethical business*; what we mean, rather, is that one is being ethical in the very the same act of doing business.

If I were to be ethical in the practice of my profession as a professor, for instance, then I would have to observe ethical standards in the performance of my duties as a professor, like being fair in computing the grades of my students and attending well to my teaching duties. But if I use part of my earnings as a professor to perform benevolent acts outside of my profession, such as donating to a program that helps street children, I do this not anymore in my capacity as a professor. Similarly, if a doctor performs a benevolent act outside of her practice of medicine, say in her business activity (suppose that the doctor is also a businessperson) such an act properly falls under business ethics and not under medical ethics. In the same way, the benevolent act that is done using the proceeds of business but not part of the business activity is an ethical act done by the businessperson, but such an act is not a business act or an act done by a businessperson in the practice of her business profession.

McCarty got it right when he, in the course of arguing against the philanthropic strategy, remarked: "We cannot rely on the cyclical coordination of the profit motive and benevolence which preserves their opposition, we must dissolve that opposition by introducing benevolence into business activity, by finding ways for it to co-exist in the same consciousness as the selfish profit motive" (42). We have

shown, however, that McCarty's strategy to satisfy this condition does not work. His way of actualizing the condition that the profit motive and benevolence co-exist in the same consciousness is that a businessperson while pursuing the profit motive in relation to one group of people, engages in benevolent acts, like charitable work, in relation to another group of people. But here the business act is different from the benevolent act. The mere fact that the benevolent act is done by a businessperson does not make such an act business-like. The same charitable work possibly engaged in by a businessperson can very well be done by a doctor or a professor.

For our alternative, we conceive of this condition—that the motives of profit making and benevolence co-exist in the same consciousness—as properly actualized when these motives serve as motives for performing the same act. The advantage of this alternative is that it does not separate the business act from the benevolent one. The act that we call an ethical business act is one that has both features of being ethical and business-like. The question now is whether it is possible for both profit making and benevolence to both serve as motives for performing the same act. Using the following case (see Goodpaster 205-220; Mabaquiao 14-26), let me demonstrate it.

In 1980, the company General Motors (henceforth, GM) needed to replace their old assembly plants in Detroit, which employed 500 workers. They needed a site that was large enough to house the new set of equipment that they intended to buy for the company to regain its competitive position and profitability, in the face of intense foreign competition. Wherever this new plant will be built, it would cost GM \$500 million and would employ 6,150 workers. GM found two sites for their purpose: one in Poletown, in Detroit, and another one outside of Detroit. The site in Poletown was more expensive to prepare than the one outside Detroit. The Poletown site would cost GM an additional \$200 million (on top of the \$500 million) while the other site would only cost GM an additional \$85 million. Aside from the fact that GM would be able to save some money if they would choose the plant outside Detroit, another factor to consider was that Detroit during such time was a city with a black majority, a very high unemployment rate, a rising public debt, a budget deficit; and the closure of its old assembly plant would eliminate 500 jobs. This meant that choosing the Poletown site would greatly help the city of Detroit deal with its problems.

Based on the facts of the case, we can identify three possible options for GM. The first two is for GM to choose which site it would like to build its new assembly plants. Thus, we may say that the first option is for GM to build its new assembly plants at the site outside of Detroit (as this is the cheaper one). The second option is for GM to build its new assembly plants at Poletown. Or, GM may decide to no longer pursue its program of building new assembly plants and just stick to its old ones, which will then constitute their third option. There are surely a lot of factors that will come into play in choosing one option over another. But for our own purposes, let us limit our consideration to the interplay between the profit motive and benevolence, between business and ethics.

If GM would choose the third option just to maintain the 500 workers in the old assembly plants and to help the city of Detroit deal with its financial problems regardless of the fact that it will not be profitable for the company to do so, GM would be making a choice that is benevolent but not profitable. This is a case where purely ethical considerations have overridden business considerations. If GM would choose the first option because it would entail lesser costs for the corporation regardless of its adverse consequences on the community and state of Detroit, GM would be making a choice that is profitable but not benevolent (at least towards the people and state of Detroit). This then is a case where business considerations have overridden ethical considerations. But if GM would choose the second option because it wants to help the city and people of Detroit (the 500 workers in the old assembly plants could easily be accommodated in the new ones, and would employ some more) though the costs are greater compared to the first option, GM would be making a choice that is benevolent but also profitable to a certain degree--not as high as the first choice but still making the competitive (compared to the third choice). This then is a case where both business and ethical interests are considered in just one choice.

The reason why GM would prefer the second option to the third option is that it would like to do business. But the reason that GM would prefer the second option to the first one is that it would like to do ethics. So relative to the two other options, choosing the second option has two simultaneous motives: the profit motive and benevolence. One, however, may ask: But what if the situation were such that one could only make profit from a business undertaking if

one would violate certain moral rights? This is not really a choice between business and ethics, but between morality and immorality in the context of a business activity, which is no different from a case involving a choice between morality and immorality in other contexts like in the legal and teaching professions or in political contexts.

5. Ethical Business: A Kantian Justification

The compatibility of the profit motive and benevolence when used as motives to perform the same action at the same time is a necessary step in showing the possibility of ethical business. A question, however, arises concerning the moral worth of this action of action. It is given that a benevolent act is morally good, but what about if this same action has selfish interests at the same time? So far, we have just assumed that an act driven by both business and ethical motives is morally good. What is thus still needed is a moral grounding of this assumption. And I believe this moral grounding is best provided by the Kantian moral *principle of respect for persons*.

Kant gives several formulations of what he regards as the supreme principle of morality; but the two most fundamental of these formulations are the so-called *principles of universalizability* and *respect for persons* (see Atwell 144). These formulas, though different in their focus—the former on the relation of one's action with its maxim (the subjective law that one makes for oneself) while the latter on the relation of one's action to other persons—are the same in that they necessarily arrive at the same judgment concerning the morality of a certain act. Now, as our point will only concern the principle of respect for persons, let us then focus our discussion on this principle.

The principle of respect for persons states that one's act is morally good if it does not use persons merely as means but also treats them as ends at the same time. In Kant's own words: "So act to treat humanity, whether in your own person or in that of any other, in every case as an end itself, never merely only as means" (*Ethics*, 155). Here, treating persons as ends is tantamount to respecting their personhood—for here one considers the interests, freedom, and rationality of the other person. In contrast, treating persons merely as means is tantamount to not respecting their personhood—for here one does not consider the interests, freedom, and rationality of the other person. One concrete way to find out whether person A respects person B in dealing with person B is if person B *voluntarily* and *knowingly* gives her *consent* to

person A to perform such act towards her. Thus, one's stealing of another person's property is morally wrong because it is done without the other person's voluntary and informed consent. Without this consent, the other person is treated merely as a means and thus her personhood is not respected.

An interesting aspect of Kant's principle of respect for persons is that it dichotomizes not between *treating persons as means only* and *treating them as ends only*, but *between treating them as means only and treating them as means and as ends at the same time*. In his *Preface to the Metaphysical Elements of Ethics*, Kant provides a justification for this dichotomy via a distinction between one's *moral duty to oneself* and one's *moral duty to other persons*. According to Kant, one's moral duty to oneself is the perfection of one's (rational) nature, while one's moral duty to other persons is the promotion of their happiness. As Kant writes: "What are the Ends which are also Duties? They are: A. Our own PERFECTION, B. HAPPINESS OF OTHERS. We cannot invert these and make on one side our own happiness, and on the other the perfection of others, ends which should be in themselves duties for the same person" (*Preface*, 369).

The perfection of one's nature and the promotion of the happiness of others, however, constitute the *rational condition* for one's own happiness. Kant, as a consequence, sees morality not as a doctrine on how to achieve personal happiness but on how to make oneself *deserving* of happiness. As Kant writes: "Hence also morality is not properly the doctrine how we should make ourselves happy, but how we should become worthy of happiness...Now it follows from this that morality should never be treated as a doctrine of happiness, that is, an instruction how to become happy; for it has to do simply with the rational condition of happiness, not with the means of attaining it" (*Critique*, 347). In any case, when we act in an ethical manner towards other persons these two duties (one's moral duty to oneself and one's duty to other persons) are at work at the same time. We treat other persons as means as we work towards the perfection of our nature, while we treat them as ends as we work towards their happiness. If we work only towards our own happiness, then we treat other persons merely as means. But when we work towards their happiness, it is because we satisfy our moral duty to ourselves—the perfection of our rational nature—which makes us *deserving* or *worthy* of happiness. In this sense, it cannot be the case that we only treat other persons as

ends for we also use them as means to satisfy our moral duty to ourselves. The point is that we really cannot avoid treating other persons as means, but we also cannot treat them as ends only. And the morally correct treatment of other persons is to treat them as means and ends at the same time.

Now, how would this view of the morally good act ground the morality of an act driven by both motives of profit making and benevolence? To begin with, our duties to work for the perfection of our rational nature and to promote the happiness of other people are our duties seen on the level of our being human persons. We, however, assume various roles in life. Foremost of these roles are our professions. In the context or level of our professions, our duties to ourselves and to other people take different forms. Let us take the profession of doctors. The main goal of this profession is to cure sick people. The duty to cure sick people is the doctor's duty to other people, which is a form of promoting the happiness of these people. The doctor, however, also has a duty to himself/herself, which we can generally describe as the duty to be a good doctor in the sense of putting his/her skills as a doctor to its excellent form—for instance, through further training, and updating himself/herself of the latest developments in the medical field. This is a form, in this specific context, of perfecting one's rational nature. So, if these duties are both done by a doctor as he/she relates to his/her patients, he/she relates with them in accordance with Kantian principle of respect for persons. Here the doctor uses his/her patients as means to make himself/herself a good doctor, but at the same time he/she treats them as ends as he/she does his/her best to make them happy or promote their well-being by curing their illnesses.

The case is essentially the same in the profession of business where the basic activities are the production and selling of goods and services to make a profit. As one practices this profession, a businessperson's duty to himself/herself is to ensure that he/she makes the right profit from the business activities he/she engages in. In so far as this partly defines the business profession, this is a form of perfecting one's rational nature. But his/her duty to other people is to make sure that his/her business activities are benevolent in the sense that they benefit other people on a level that they deserve. In the case of consumers, this means that they get the satisfaction that they deserve out of the products and services that they buy. These two

duties, if done rightly, would then result in an ethical business act. While people are used as means for profit making as the business activity benefits from them, they are at the same time also treated as ends as this same activity promotes their happiness or well-being.

6. Conclusion

Business is an integral part of society. For one, it is the activity primarily geared towards the creation of wealth and production of resources, without which societies will not survive. Another, it is one of the pervasive elements of society. We may not be businesspeople, but we are certainly engaged in the various forms and processes of the business activity. As Thomas White succinctly puts it: "We run into it daily—as employees, employers, customers, or the audience for commercials" (11). This being the case, the desire to build ethical societies must include, among others, ensuring that the conduct of business is ethical. Given the enormous effects of the business activity on our social life, the ethics by which this activity is conducted will greatly impact the ethics by which we intend to live our social life.

Yet, the ethics of business is controversial due primarily to certain arguments advancing the view that ethics has no place in business. The strongest of these arguments claim that 'business ethics' is an oxymoron for the motives of business and ethics are incompatible or contradictory. Simply put, one cannot do business and be ethical at the same time. Given the impact of business to society, if business ethics is impossible then social ethics, in general, will likewise be impossible. If we cannot fix the ethics issue in business, how can we aspire to build an ethical society?

It is in light of the above consideration that business scholars and moral philosophers have endeavoured to answer the challenge of securing the possibility of an ethical business. Some of their strategies, however, are problematic for separating business acts from ethical ones—as when the profit motive is regarded as a means to pursue benevolent goals. In this essay, we have endeavoured to secure the possibility of ethical business in a way that integrates ethics into the very act of doing business, where business and benevolent motives drive the performance of the same act. And as we have shown, in addition to being demonstrable in actual practice, this way of conceiving the possibility of ethical business is well grounded in moral theory—through the Kantian principle of respect for persons.

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