

We need to talk: an exploration on why we don't dialogue as much as we should.¹

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Business Ethics and CSR have been for decades talking about the importance of dialogue with stakeholders, arguing that it is the essence of responsible management. However, what we see in reality is far from what the theory proposes.

This article has three objectives: first, to explain, from the perspective of political philosophy, the absence of dialogue in corporate management (Abenzoza & Lozano, 2015); second, to argue its moral, social and strategic importance in public and private organizations; finally, to offer clues about what type of dialogue should be promoted, and how.

This article's proposal is based on the notion that companies will be ethical –fair and good- if they nurture the right feelings that matter for justice (Nussbaum, 2013)² –and if they assume that those feelings can be promoted through dialogue.

Dialogue is what opens us to empathy and compassion (Mèlich, 2010)³, what broadens our mentality and teaches us to put ourselves in the place of others (Benhabib, 2006)⁴ –those whose faces constantly challenge us (Levinas, 1977).⁵

Companies have the power to humiliate people and, unfortunately, they do so when they do not take into account people's individuality, their suffering and singularities (Honneth, 1997)⁶ –when they treat them, for example, as numbers

¹ This article is part of a research that includes three articles. In this first article we are presenting the philosophical grounds on why is dialogue as absent as necessary in businesses. In the second article the author will present the results of a course on Socratic Dialogue offered to management students that aims at training future managers in the art of dialoguing.

² Nussbaum, M., 2013. *Political Emotions*. Cambridge: Belknap Press.

³ Mèlich, J.C., 2010. *Ética de la compasión*. Barcelona: Herder.

⁴ Benhabib, S., 1992. *Situating the Self: Gender, Community and Postmodernism in Contemporary Ethics*. Routledge.

⁵ Levinas, E., 1979. *Totality and infinity*. Martinus Nijhoff Publishers.

⁶ Honneth, A. 1996. *The Struggle for Recognition: The Moral Grammar of Social Conflicts*. Boston: MIT Press.

or as anonymous beings. In a decent society, institutions do not humiliate people (Margalit, 2010, 35).⁷ For that reason, if we care for morality and justice, we will have to promote dialogue within organizations.

A decent society will protect any stakeholder of a given company from any humiliating treatment. And it will not be enough for companies to respect 'human rights' (Margalit, 2010, 44):⁸ companies must guarantee that they do not threaten people's self-respect (Margalit, 2010, 51).⁹

After the Second World War, philosopher Theodor W. Adorno pointed out a new categorical imperative based on the experience of horror. This imperative demanded that individuals “arrange their thoughts and actions so that Auschwitz will not repeat itself” (Adorno, 2005: 365).¹⁰ In our case, it is a categorical imperative that companies do not repeat tragedies such as Rana Plaza in Bangladesh¹¹ or Sanlu Fonterra¹² in China. And we defend that a dialogical approach can make such imperative effective.

In order for this to be possible, it is mandatory that future executives incorporate the skills and competencies needed to be responsible managers. That is, for the ethics of a company to move forward, its managers must be able to listen and put themselves in the place of the other. They must respect people, recognizing them in their rights and also in their uniqueness (Honneth, 1997). They must not humiliate them.

In other words and first of all, they must learn how to dialogue –an ability that is nowadays almost inexistent (Abenoza & Lozano, 2015). Gadamer already exposed this concern in *The inability to dialogue*¹³: "Is the art of conversation disappearing? Do we not observe in the social life of our time a growing *monologu-*

⁷ Margalit, A., 1998. *The decent society*, Boston: Harvard University Press, p.35.

⁸ Margalit, A., *Ibidem* p.44

⁹ Margalit, A., *Ibidem*, p.51.

¹⁰ Adorno, Theodor W. 2005. *Negative Dialectics*. London and New York: Continuum International Publishing Group.

¹¹ On April 24th 2013, in Dakha (Bangladesh), an eight block building called Rana Plaza collapsed and 1.127 people died and another 2.437 were injured. In the building there were four independent garment factories that produced clothes for companies such as Primark, Benetton, Mango or El Corte Inglés.

¹² On 2008, Sanlu Fonterra distributed contaminated milk powder around China. This milk caused the death of some babies and health problems to around 300.000. The Chinese Government hid the scandal during several days to protect the Olympic Games that were being celebrated in Beijing right at the same time.

¹³ Gadamer, H.G., 1975. *Truth and method*. Bloomsbury.

ization of human behavior?"¹⁴ Like Aristotle, Gadamer believes that the capacity for dialogue is natural: we are tied to language, which only takes place in conversation.¹⁵ Does that imply that if we lose the art of conversation we are dehumanizing? The question is worrying, to say the least.

The reason why dialogue has been absent in the business world can be found in the origins of modern philosophy. Until not long ago, management theory conceived the manager and the company as autonomous and rational entities in an atomized society. Hayek exemplifies that approach. In *The ethical foundations of a free society*¹⁶ he argues that if the world has moved towards an 'extended society' it was because it abandoned the feelings of altruism and the search for joint goals.¹⁷ Economic growth is the product of the 'civilization' of men against basic innate instincts such as caring for others. In Hayek's eyes, the current economic development can only persist if individualism is preserved while the concern for others is repressed, because economics is sustained by struggle and competition —not by good sentiments.

This 'commercial morality' is analogous to that of men in Hobbes's state of nature.¹⁸ But, to our understanding, Hobbes's conception of men "as if they had just emerged from the earth like mushrooms and grown up without any obligation to each other",¹⁹ as well as Hayek's or Friedman's approach -"the business of business is business"²⁰- express inadequate philosophical anthropology and social philosophy approaches. (A false idea from which the belief that business is an autonomous activity derives.) The reality, in fact, is that neither companies —nor men- can act isolated from other areas of life.²¹

The problem is that the popularity of such theories undermines the capacity for dialogue and recognition of the other. They hinder the existence of responsible

¹⁴ Gadamer, H.G.; *Ibidem*, p.203.

¹⁵ *Ídem*.

¹⁶ Hayek, F., 1981. *Los fundamentos éticos de una sociedad libre*. Speech pronounced in a cycle of conferences about the Foundations of a Free Social System organized by the Centro de Estudios Públicos en Santiago de Chile.

¹⁷ Hayek, F., 1981. *Op.cit.*

¹⁸ Hobbes, T., 1998 (1651). *Leviathan*. Oxford: Oxford University Press. Cap. XIII, Out of Civil States.

¹⁹ Hobbes, T., (1983). Warrender, Howard, ed. *De cive. The English version entitled, in the first edition, Philosophical rudiments concerning government and society*. Oxford: Clarendon Press. VIII, 1.

²⁰ Friedman, M., 1970. The social responsibility of business is to increase its profits. *New Yorker Times Magazine*, New York.

²¹ Grant, C., 1991. Friedman Fallacies. *Journal of Business Ethics*, vol. 10, p.907.

companies in a dialogical sense, as defined by CSR theory.²² Hayek's economic model and the legalist model proposed by Hobbes –the State and the law as ways of escaping threats²³- do not allow us to understand the relationship between business and society.

This philosophy of management is opposed to the theory of recognition proposed by Hegel and developed by Honneth, and the deliberative democracy of Benhabib that allow for a responsible business to grow –and which we will defend here. Promoting responsible businesses requires considering this other ethical and philosophical conception of the human being and the economy, and leaving the Hobbesian paradigm behind.

The three fundamental proposals of the deliberative democracy of Benhabib – that we will suggest— demand, first, to rethink the base of validation of the affirmations of truth in terms of a discursive theory of justification with pragmatic and universalist approaches. Secondly, the deliberative democracy of Benhabib conceives humans as embodied beings whose identities are constituted in a narrative way –as in Pettigrew's management theory. Finally, Benhabib proposes to reformulate the moral point of view as a contingent achievement of an interactive form of rationality, and not as the timeless point of view of a legislative reason.²⁴

In the article, we will demonstrate that Benhabib's proposal of post-illustrated interactive universalism and Honneth's concept of recognition are reflected in the theory of CSR and dialogue with stakeholders. These theories of political philosophy offer a framework to defend the most evolved ideas of CSR (and management), promoting an 'expanded mentality' that is less subject to individual interests²⁵ and more desirable from a social and ethical point of view.

Finally, the article will outline guidelines and instructions on how this approach of deliberative democracy can be applied to businesses.

²² Lozano, J.M., 2009. *La empresa ciudadana como empresa responsable y sostenible*. Madrid: Trotta, p.73.

²³ Carroll, A.B., 1989. *Business & Society. Ethics & Stakeholder Management*. Cincinnati: South-Western Publishing. Preston, L.E.; Post, J., 1975. *Private management and Public Policy*. Englewood Cliffs: Prentice Hall.

²⁴ Benhabib, S., 1992. *Situating the Self: Gender, Community and Postmodernism in Contemporary Ethics*. Routledge, p.19.

²⁵ Tugendhat, E., 1984. *Probleme der Ethik*. Reclam, Stuttgart.