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THE ORIGIN OF MORAL NORMS IN BUSINESS ETHICS AND MARKETING ETHICS: PERSONALISM *VERSUS* UTILITARIANISM

ŹRÓDŁO ZASAD MORALNYCH W ETYCE BIZNESU I ETYCE MARKETINGU:
PERSONALIZM *VERSUS* UTYLITARYZM

Summary

The article focuses on the possibility of using the principles of personalism and utilitarianism in business ethics and marketing ethics. The author answers the question: Why should we first choose personalism, and not utilitarianism? The main thesis of this article is that for business ethics and marketing ethics the personalistic norm of morality is more appropriate than the utilitarian standard of morality. The article aims: (1) to assess the utilitarian standard of morality used in business and marketing ethics; (2) to introduce the concept of business ethics and marketing ethics based on the assumptions of personalism.

Keywords: norm of morality, personalism, utilitarianism, business ethics, marketing ethics

W artykule przeprowadzono dyskurs wokół personalizmu i utylitaryzmu jako dwóch odmiennych źródeł szczegółowych zasad moralnych w etyce biznesu i etyce marketingu. Autor broni tezy głoszącej, że personalistyczna norma moralności jest właściwsza niż utylitaryzm. Celem artykułu jest: (1) ocena utylitarystycznej normy moralności stosowanej w etyki biznesu i marketingu; (2) przedstawienie koncepcji etyki biznesu i etyki marketingu opartej na założeniach personalizmu.

Słowa kluczowe: norma moralności, personalizm, utylitaryzm, etyka biznesu, etyka marketingu

INTRODUCTION

Ethics is a philosophical science of morality. Morality is a set of propositions and judgments a person should abide by. Furthermore, moral propositions assess and indicate, which type of conduct is right and which is wrong. Every human conduct always has a specific and individual character. By contrast, ethical rules

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and related specific standards of conduct are far more general and abstract. Hence, a need arises to combine the aforementioned perspectives: to associate general rules with specific actions. This is the utmost fundamental objective of ethics if the rules are to shape human conduct, or if we are to express our judgment on the basis of such general rules.

This very challenge appears most frequently, *inter alia*, in business ethics and marketing ethics, both of which belong to applied ethics. Both the aforementioned domains (including case studies²) rely upon forming moral judgments and propositions to the extent of immediate, specific moral dilemmas faced by entrepreneurs and marketing specialists. The question, which arises in such situations is as follows: which moral standard³ should one abide by upon analyzing a specific situation? After all, one has to refer to a specific source of moral appraisal and consequently assume a determined criterion, verifying and assessing that particular case. For the reason of the ever-increasing level of complexity of the economic cases within the present-day business world, common knowledge proves, most frequently, to be insufficient. Moreover, the trends negating the existence of absolute (objective) moral norms have to be rejected. These include: liberal ethics and the branches related thereto, such as: ethical subjectivism (Biesaga 2008, 293-296), individualism and relativism. Their application is conducive to chaos and confusion within the moral sphere, which, in the end, poses a threat to every human being and their true welfare.

A review of business ethics and marketing ethics literature shows that the problem of axiological foundations of ethics is rarely taken up, whereas this issue concerns the fundamental standards of morality that could serve as the basis for formulating more detailed solutions in these two areas of applied ethics. This fact has inspired the author to prepare this article.

Normative business ethics (a review of business ethics in Poland by Zadroga 2009) and marketing ethics (Smith and Murphy 2012) refer to a wide range of theoretical sources. Philosophical ethics distinguishes at least three ways of justifying moral norms. These are: (1) deontonomism – good is what an autonomous subject commands himself to be a duty; (2) utilitarianism – good is what brings benefit; (3) personalism – moral good is what is the affirmation of human dignity (Styczeń 1983, 20). Here, I will focus especially on the possibility of using the principles of personalism and utilitarianism in business ethics and marketing ethics.

² Casuistry is branch of science, which attempts to apply the general rules to specific actions or to ethically appraise the respective facts i.e. moral cases in the light of the criteria (moral standards) applied by those carrying out the appraisal (Wojtyła 1999, 16-17).

³ Every person as a being endowed with free will and intellect faces in his or her life the fundamental moral dilemma, which can be expressed in the following question: “What renders a given action to be morally right i.e. to be a moral duty?”. This is the question about moral standards: the judgment, whether a moral duty is the kind of duty, which must be unconditionally fulfilled and transformed into an action; it states that moral welfare consists in fulfilling such a kind of duty. In other words, it constitutes the criterion by which one may decide if an action is morally right or wrong” (Juros 1998, 348).

I will try to answer the question: Why should we first choose personalism, and not utilitarianism?

The main thesis of the article is that for business ethics and marketing ethics the personalistic norm of morality is more appropriate than the utilitarian standard of morality. The article aims: (1) to assess the utilitarian standard of morality used in business and marketing ethics; (2) to introduce the concept of business ethics and marketing ethics based on the assumptions of personalism.

1. UTILITARIANISM

Utilitarianism is quite often used in the context of ethics. But it is a controversial conception from a moral point of view. Now, I will try to examine this issue in more details.

The utilitarianism accepts the formal principle of universalization of the norm of morality. However, it does not put the human person to the fore. Instead, Jeremy Bentham uses a well-known principle: "the greatest happiness of the greatest number of people". He assumes here the universally obvious statement that suffering is evil and happiness is good. Pleasure, benefit, prosperity and happiness of mankind occupy center stage in it (Herbut 1997, 527-528).

Contemporary utilitarians focus on the autonomy of the subject and emphasize that our understanding of happiness depends on the individual preferences (Singer 1982, 80). "They are ready to agree with economists and accept that a person can determine the individual measure of happiness and suffering in a similar way as he calculates his financial gains and losses" (Gillon 1997, 34). Thus, simplified utilitarianism seems to be attractive because the calculation of gains and losses is to show us what to do.

Three issues pose substantial problems for advocates of utilitarianism. First, as has been previously mentioned, there is the issue of whose good is to be maximized. The good of the individual? Or the good of society in general? Or should it be some subset of society?

Second, even if this issue could be resolved satisfactorily, utilitarianism poses massive measurement problems. In attempting to maximize the greatest good for the greatest number, how can an individual possibly measure the amount of good realized across many different kinds of outcomes and many different kinds of people, each having a different utility function.

Third, even if the measurement problems could be overcome, many ethicists believe that maximizing the total good produced will not always yield the morally "correct" solution because the total good may be distributed in an unjust fashion. Using an economic example, many ethicists would claim that it may be more ethically correct to have a smaller economic "pie" distributed widely among members of society, than to have a larger one with extreme income disparities (Hunt and Vitell 1986, 7).

2. PERSONALISM

In business ethics and marketing ethics, relatively little attention is given to personalism. The notion of personalism was first coined by Friedrich Schleiermacher (1768-1834) to denote the faith in God who is a person. Later on, it was applied by Charles Renouvier (1815-1903) to refer to his own philosophical system. Generally, personalism is a philosophical approach that treats the human person as the highest value in the order of creation (more about personalism: Williams and Bengtsson 2014; in the Polish language: Dec 2008, 301-313). Therefore, the starting point for our analysis should be the dignity of the human person. As the second Vatican Council said: "For the beginning, the subject and the goal of all social institutions is and must be the human person which for its part and by its very nature stands completely in need of social life" (Second Vatican Council 1965, 25).

The fundamental principle of personalism can be formulated (in Latin) as follows: *homo homini res sacra, homo homini summum, persona est affirmanda propter se ipsam* (Szostek 1995, 34). Immanuel Kant expressed this in the statement: "Act in such a way that you treat humanity, whether in your own person or in the person of another, always at the same time as an end and never simply as a means" (Kant 1966, 62). Prior to this imperative, he wrote a general formula: "act according to only that maxim whereby you can at the same time will that it should become a universal law" (Kant 1966, 50).

The essence of ethical personalism was expressed by Karol Wojtyła: "Moral welfare is something, by means of which a human being as a person is good (is a good person) and moral evil is something, by means of which a human being as a person is bad (is a bad person)" (Wojtyła 1969b, 235). Such a perception of ethical personalism, developed in the Lublin Philosophical School, is grounded in experience. Moral experience fully reveals the identity of a human being as a person. Such experience, constituting the fundament of ethical personalism, is neither of an a priori nor of a sensualistic character, i.e. the object of such an experience is not cognizable by the senses. Nevertheless, it is realistic and derives from the transcendental object of the experiment, combining the conscious and the metaphysical dimension (Wojtyła 1969a, 15).

This principle of universalism is formal indeed, but it is fundamental; it rejects subjectivism, arbitrariness and situationism in making moral decisions. If one wants to apply some specific norm towards another person he must take into account the fact that by doing that he ought to apply it to all people and to himself, as well.

3. BUSINESS ETHICS AND MARKETING ETHICS: A PERSONALISTIC APPROACH

In order to be able to formulate theoretically justified moral norms in ethics, we must first answer the question about who the human person is. That is why, I propose that business ethics and marketing ethics should be based on the phi-

losophy of personalism, and not on utilitarianism. Generally speaking, the personalistic approach is based on the following assumptions (Rogowski 2008):

Accepting and abiding by the personalistic standards in business ethics may provide for proper respect for every person within the economic context. Such an approach, unlike utilitarianism, excludes the possibility of treating any human being as a kind of measure towards a specific end. Above all, personalism is conducive to responsibility for protecting the dignity of every person and deriving authentic fulfillment in giving the gift of self. The personalistic vision of morality constitutes also a chance of overcoming the legalistic and casuistic approach to morality, typical of the contemporary business ethics. Respecting the dignity of every person should be the preliminary and pivotal criterion of any specific solution to the extent of economic morality.

The integral concept of man is the basic condition for properly formed ethics. The human person must be treated as the starting point, also in marketing ethics. Marketing ethics must be solidly founded on anthropology, i.e. on the integral concept of man. As already mentioned, it is necessary to recognize human nature in order to formulate behavior norms properly. In my opinion, it can be carried out in the best possible way by the philosophy of personalism. Human dignity is the highest value in the order of creation. It is a fundamental, innate and inalienable value. It is objective and universal. Hence, it is necessary to treat man as the starting point for every human activity.

The human person is the first and ultimate end of marketing activities. Therefore, marketing activities cannot be driven only by the criterion of benefit, profit, and utility, but they should respect the human person in every single action. Marketing is carried out by people. Moreover, marketing activities themselves are targeted at people. Therefore, the ultimate end of business activities, including marketing, is the human person. Being based on the order of things, economy is at risk of dehumanization. This process can be seen in rejection of spiritual and moral values in favour of material benefits, replacing human rights with economic laws, or in the behavior that is not based on justice, but on selfishness. Bearing in mind the good of man, it is necessary to do everything, both in theory and in practice, to prevent the human person from being degraded to the role of a thing. It happens that businessmen and marketers regard human law and professional pragmatism as the most important ethical criterion. They often treat the law instrumentally (pragmatically), obeying the letter of the law, but disregarding the fundamental moral norms. This results, for example, in an aggressive use of marketing instruments. Such a legalistic and utilitarian approach is completely different from the personalistic ethical approach that recognizes the good will and respect for other people and for their rights.

The personalistic approach is about determining the most important (personalistic) ethical frameworks for marketing activities, and not about formulating very specific moral principles in marketing. The fact that marketing processes are

dynamic and changeable, constitutes an argument for formulating general, rather than specific, ethical norms. It is especially important to raise awareness of the value of the human person instead of developing a detailed catalogue of moral norms. Recognition of and respect for human dignity is the best starting point for formulating specific solutions to moral dilemmas in different situations. An individual (a marketer or businessman) must consider this in own conscience.

CONCLUSIONS

The proposed approach to business ethics and marketing ethics is a certain idea. What ideas have in common is that they are difficult to implement. However, this does not mean that we should not try to put them into practice. After all, we should not base our decision on whether to take up some action or not on the criterion of how difficult it is, but rather on whether it is morally right or not. Marketing based on personalism ultimately depends on the will and sensitivity of conscience of an individual person who should implement the idea of protecting human dignity. The most important justification for applying the personalistic norm to marketing activities is the need to care about each individual person.

Almost every economic activity includes an economic and an ethical component. This is also the case with marketing activities. We should take into account not just their market efficiency, but also moral quality. The ideal situation is when marketing activities are both morally good and economically efficient. In reality, however, when it comes to business and marketing, it may be very difficult to choose what is morally good for the human person because such a choice may result in losing extra profits or in incurring some measurable economic losses. After all, the economic existence of an entrepreneur and his enterprise is closely dependent on the economic effectiveness and efficiency. On the other hand, it is also essential that marketing activities should comply with moral norms.

The personalistic approach to ethics of marketing activities is important not only from the point of view of the consumer, but also that of the entrepreneur. However, taking into account the widespread and continuous contact of almost every person with the company marketing, it is important to examine the influence of marketing activities primarily on the consumer. The approach that I have presented in this article calls for respecting the human being – the consumer and his natural rights, but it also calls on entrepreneurs and marketers to act responsibly. This is necessary in order to protect the human person against the acts of dehumanization and instrumentalisation in economic life at large.

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