

## **BUSINESS ETHICS AS APPLIED ETHICS** A DISCOURSE ETHICS APPROACH<sup>1</sup>

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**Abstract:** The current process of globalization has produced an increase in the societal role played by companies, in their power and consequently in their responsibility. Any ethical reflection on companies must therefore be able to rise to the challenge of justifying a critical approach which enables us to rethink the role and thus the legitimacy of companies in modern society, and at the same time provide a universalist approach able to explain moral judgments and the problems of the moral validity of business activity within global economic contexts.

This paper sets out to present the essential characteristics of a business ethics which unifies these two approaches. It puts forward a proposal for an integrative business ethics which applies the Discourse Ethics developed by J. Habermas to the business environment. It is defined as integrative since it takes the internal connection between ethics and business as its starting point and because it knows that as an applied ethics, it must combine strictly normative approaches with descriptive ones. As with all proposals, many questions remain open and many issues have yet to be resolved. Despite this, this paper sets out to show that discourse ethics provides a sound platform on which to consider questions of the legitimacy of and consequently trust in our organizations in plural and global contexts.

**Keywords:** business ethics, Habermas, civil society, moral contract.

## APPLIED ETHICS AS THE STRUCTURE OF CIVIL SOCIETY

Business activity is now fully established within the global context, and indeed the possibilities of an ethical reflection on companies that are limited to the confines of a specific community or culture or particular state boundaries are nil. More than ever before, this global social setting is what demands the universality that has always characterized moral judgments. We need a universal perspective which enables us to put forward reasons to defend or criticize the moral validity of company expectations and obligations, together with the values and norms that underpin them, in any given context or culture. This is one of advantages of discourse ethics: it offers a morally grounded justification on which a global business ethics can be constructed.

For discourse ethics, the basic task of moral theory is to establish what is known as the moral point of view, understood as a criterion, procedure, or principle from which to decide on the moral validity of our decisions and actions, norms and organizations. It is well-known that this ethical theory has a pragmatic-transcendental grounding which enables it to justify a principle of universalization based on the essential assumptions of argumentation, the rules which definitively permit the use of language (Habermas 1991a; Rehg 1997; García-Marzá 1992). Practical rationality is procedural in nature, since such a principle requires the moral validity of a norm to depend on the possibility of finding agreement or consensus amongst all those involved in or affected by it. Specifically, Habermas defines the principle of universalization as a rule of the line of argument which makes practical discourse possible and, through this, intersubjective recognition of the claims to moral validity. In short, it allows us to look for dialogue- and consensus-based solutions to conflict, thereby discovering common or general interests (Habermas 1993: 53; Habermas 1991a: 11).

Although this moral principle allows us to justify moral norms, it tells us nothing about their possible application. We cannot respond to questions like: “What must I or we do?”, “What is the moral way to act in specific circumstances?” and “What does good business practice mean in a particular context?” based solely on normative validity or the fairness of a norm resulting from the application of the moral principle proposed. Following Günther, Habermas tells us that a further step must be added to the universal capacity to obtain knowledge, to the possibility of agreement: the step of necessarily making it appropriate to a particular context. In other words, the moral rationality of an action, decision, or

norm is measured not in one stage, but two: an interpretation of the particular context and circumstances must necessarily be added to the moral stage of universalization; it must be determined whether everyone considers it to be appropriate to go ahead in all the situations to which the norm is applicable (Günther 1989, Cortina 1993).

Within the context of application, we are more concerned with situations in which the moral validity of given norms has been questioned or in which we want to use morally valid norms. Now the issue is not whether the norm expresses interests that are equally acceptable to everyone but whether it can be applied in view of all the defining characteristics of the conflictive situation. The impartiality required by the moral point of view would be defined by the sum of these two principles. In order to correctly apply the moral criterion to the praxis, criteria of coherence or compatibility between the grounded validity and the circumstances of the particular problem are needed. Hence, as proposed below, this stage of appropriateness is an intermediate stage between the ideal and its practical application (Cortina, García-Marzá, Conill, 2008).

In my opinion, however, although Habermas allows that the practical-moral discourse, that is, the moral use of practical reason, aims to both justify and apply the norms that establish reciprocal rights and obligations, little is found in his writings on questions of application. Indeed, Habermas only focuses on individual application and, outside this sphere, does not go beyond juridical limits; in other words, he stays within the sphere of law. In his writings, the leap from the development and construction of the individual will to the collective will, that is, the step from I to we, is normally reduced to the realm of its institutionalization as the democratic rule of law. According to Habermas, “the problem of the demanding quality of moral norms encourages the step from the moral to the law”. In other words, it seems that the sphere of application to the various institutionalized praxes cannot go beyond a political theory or a theory of the state, thereby, in my view, leaving the validity also demanded by social structures and practices which integrate and generate moral values and norms uncovered. Habermas states: “Practical discourse can only perform a critical function when the issue in need of regulation refers to interests which are susceptible to universalization. While only private interests are at stake, the practical development and construction of a common will has to take the form of compromise” (Habermas 1991a: 14).

The reason for this omission can be found in Habermas’ narrow concept of civil society (García-Marzá, 2004: 41). The absence of any

specific moral treatment of the various organizations making up civil society could derive from the sharp distinction he makes between the state and civil society (Habermas 1991b: 435; Cohen and Arato 1992). Civil society can be conceived from the logic of communicative action, from understanding and agreement, as Habermas does so well. However, in my view, this does not imply that we must exclude institutions which have with differentiated power structures and deal with private interests. Negotiations, compromises, and agreements that demand moral validity also arise within these institutions. Habermas is aware of this situation when, further on in the same text, he states: “But within all this it must not be forgotten that in order to obtain fair compromises, morally justified procedures are required from them.”

We need to come up with a broader concept of civil society to be used as appropriate operating grounds for applied ethics. In my opinion, the problem of the demanding moral quality of certain interests leads to the law but does not end there. The role of the law must be clarified, as must the role of voluntary conflict resolution mechanisms within civil society. The law is absolutely necessary but totally inadequate. Not even compliance with the law can be explained by juridical mechanisms alone, as legislation itself demands a legitimacy and trust which go beyond the threat of sanctions and fear. This difference between action and coordinated mechanisms enables us to distinguish civil society as an entire performative sphere.

Even though they contain the moral reference of their legitimacy, judicial-administrative mechanisms to coordinate and regulate actions are supported by external coercion. However, moral mechanisms are entirely supported by self-obligation, by personal conviction, and by the quest for mutually acceptable solutions established through consensus. If freedom and free will are basic characteristics of civil society in its broadest sense, it is obvious that we are on ethical grounds, since autonomy, and therefore free acceptance, become the sole criterion for the construction of social relations. The governing idea that defines the importance of applied ethics is that it is a resource which permits social and contractual relations that patently do not replace the law but complement it. My proposal consists of using the concept of moral resources for such moral mechanisms (García-Marzá, 2004: 49).

Without this application of ethics to the various spheres of civil society, whether they be economic and business praxis, medical and hospital praxis, or the media, it is impossible to explain the moral resources which actually work as coordination mechanisms in the day-to-day operation of

these institutions (Hirschman 1984:56). We cannot explain the contracts established nor the actual agreements reached; we cannot even explain the base of social legitimacy which all of them claim and upon which social trust is sustained. In turn, strategic rationality cannot explain the rational conviction which accompanies moral validity and which we use as actors in the different praxes. If we are capable of explaining the internal sense of these moral resources, then applied ethics can emerge as a basic instrument in the structuring of civil society.

Within civil society, the situations for the application of moral norms are always interpreted from the horizon of a particular *Lebenswelt*. They concern established social relations, cultural contexts, defined interests, and the particular motivations of the individual. The issue is no longer the grounding of the norm for all those affected but its application in organizational contexts where conflicts of interests arise and where we must be able to situate the moral principle within the particular sense of each praxis or institution, since decisions are never taken in a vacuum but under pressure from various contexts and logics. An applied ethics must therefore always be based on the sense or *raison d'être* of each of the praxes that have reached a certain degree of institutionalization (Cortina, García-Marzá, Conill, 2008).

In the case of companies, they are organizations in which different interests are intertwined, many of them in conflict with each other and with blatant imbalances of power, with power understood as the capacity to identify and satisfy these interests. This does not mean that universal interests are not also at stake, or that, for the same reason, we might not encounter expectations and demands of a moral nature. For example, in day-to-day operations, we usually demand behaviors from business praxes that go beyond legal obligations, and yet they are not perceived as a sacrifice beyond the call of duty. They are demands or obligations that we expect the company to meet and on which we require their social credibility or legitimacy, and in the final analysis, our trust, to hinge (García-Marzá, 2006).

For instance, in the case of environmental responsibility, respect for the natural environment is one factor in the legitimacy or social credibility of a company, whether or not it is bound by relevant legislation. Moreover, nowadays legislation can do very little to counter problems such as pollution which, by definition, go beyond legal state boundaries. We could also add that moral validity is demanded in many actions that, though covered by legislation, cannot be justified from a moral point of view and quickly lead to social disrepute and loss of reputation.

The need for business ethics as applied ethics arises not only out of considerations and moral judgments to which the negotiations and compromises between private interests are liable; rather they essentially derive from the fact that generalizable interests, universal interests, are also at stake, and if not satisfied they can give rise to clear situations of injustice that must be denounced, as is the case when the moral minimums of human rights are not met. As an organization, the company itself demands validity, a social legitimacy for itself which is not solely based on economic benefit or on meeting legal requirements, but which also depends on its posture in relation to these universal values. This is even truer nowadays, given the increase in companies' power and their subsequent responsibility, which is rooted in ever-growing internationalization (Enderle 2001; Donaldson 1989).

Hence, we cannot explain these moral resources, such as credibility or trust, operating in the business praxis if we are unable to define a methodology based precisely on the sense through which the participants themselves understand the activity in which they are involved. The reconstructive methodology proposed by discourse ethics is, in my view, a fitting theoretical means to explain this sense, provided that it also extends to the various spheres of civil society, in our case in the sense that it is actually intrinsic to the different stakeholders in the company's organization, including workers, clients, shareholders, etc. In my opinion, discourse theory, and the communicative action theory which sustains it, enables us to explain this implicit knowledge used in trust mechanisms or in reaching agreements which, though they might fall within the legal framework, can be distinguished from strategic mechanisms. This is what I shall attempt to define in the following section.

### **THE CRITICAL PERSPECTIVE: THE MORAL CONTRACT IN THE COMPANY**

The fact that we cannot begin to conceive of companies without an ethical perspective demonstrates the everyday nature of our own moral language. We do not make value judgments, nor do we use the terms good or bad, right or wrong, fair or unfair to refer merely to the company's economic profits. We say that a certain behavior was wrong when privileged information was used or when the terms of a contract were not met, that such and such a salary is unfair given the economic returns of the

company, and even that the way a certain company has made its profits is not moral, such as if it is due to the exploitation of the environment or the use of child labor. The most significant aspect of these judgments is that when we are making them, we do not consider them to be our personal subjective point of view, and we are even convinced that they have nothing to do with traditional or community-based prejudices. Rather, we claim an intersubjective validity for them: we believe we have the reasons to convince anybody who might pose the same question. Clear proof of this is that we continue to use moral language when the actions or their consequences go beyond all forms of judicial or cultural boundaries.

The basic task of business ethics as applied ethics is first to reconstruct the rational bases of these moral judgments applied to companies (García-Marzá, 2004). As an ethical theory, applied ethics works to reconstruct the internal sense of the normative claims to validity with which we understand company activity and which arise both at individual decision and action levels and at organizational and system levels. In all these cases, moral judgment comes from the expectations, demands, and obligations that define all social relations, including, it goes without saying, contractual and economic relations. These expectations are connected to the basic sense or purpose of companies, and their reconstruction gives us access to the moral criteria used to make moral judgments. The ultimate goal is to intervene in the business activity in order to enhance the ethical quality of business decisions and actions. From this goal, we can speak of an ethical management of trust.

On the level of the company as a corporation, with which we are essentially concerned in this paper, this moral language points to a fact that is vital to the existence of the company: its need for legitimacy. As with any organization, the company requires and demands validity for its existence and social credibility. Since Weber, legitimacy has generally been understood as the validity that comes hand in hand with power, as the need for self-justification shared by all power structures. It is the belief or conviction that the way it operates reflects certain expectations held by society and by the various groups involved in or affected by its activity. In this way, we understand legitimacy as a normative claim to validity that the company as a corporation demands for itself. In short, legitimacy consists of a set of reasons that justify the social presence of the company, its function, and its *raison d'être*, the thing that makes it necessary and distinguishes it from other organizations or from other ways of structuring power to achieve the same purpose.



A good example of the need for social approval is the growing importance of company reputation nowadays. Relationships of trust between different stakeholders and between these stakeholders and the company depend largely on a good reputation. The same holds true among different companies in the market: this determines which product is purchased, which business partner is chosen, or which fund is invested in, and so on. The concept of whether or not a company is trustworthy goes well beyond the profits it makes and affects the relations among all the stakeholders within the company, as well as among different companies. Nowadays, the speed with which companies respond to the criticisms of a globalized public opinion is another good example of how we are facing a perfectly identifiable social fact.

Having said all that, company legitimacy is not limited to moral legitimacy. I am not saying that this aspiration to legitimacy is found exclusively within the moral sphere but that it cannot be understood without the recognition of a moral dimension; that is, interests or claims related to what we understand as the dignity of the individual are always at stake. Of course, the need for justification has economic, legal, and cultural elements (Reed 1999, 23-35). Yet our moral language, and naturally the news in the financial newspapers, show how absurd it is to think that legitimacy depends solely on economic benefit, or even benefit together with the fulfillment of legal obligations. Examples abound of law-abiding companies with large profits that still arouse public suspicion and mistrust, perhaps due to their behavior in other countries, their hiring and firing policies, or their lackadaisical attitude towards their environmental responsibilities. This situation cannot be endured without the help of massive settlement costs such as those incurred by advertising campaigns.

A discourse business ethics approach must explain how legitimacy cannot be reduced to an empirical phenomenon explained by strictly psychological or strategic reasons, such as manipulation or deceit. The very fact that we are able to identify deceit or manipulation, in other words, the need to hide immoral conduct, shows the existence of a cognitive base, or a rational claim to validity which, as its name indicates, can be verified and, if necessary, criticized, regardless of its psychological efficiency. The difference between what can be done but not said, the principle of publicity of which Kant spoke, is an excellent methodology for reconstructing this potential reason on which legitimacy is supported (García-Marzá, 2004, 205).

Once these clarifications have been made, we can say that a company is legitimate in its actions when we have good reason to defend it or argue



that it is satisfactorily meeting the expectations placed upon it. In this case, it is generally said that we trust the relations and behavior of the company as a corporation. This trust is the flip side of legitimacy and is just as much the antecedent as the result of the rational conviction that the company is working properly. In this sense, it is serving the purpose of reducing the uncertainty and complexity of our current economic contexts (Mayer *et al.* 1995, 709-734; Rousseau *et al.* 1998, 393-404). Here we run into the first problem, as it is difficult to imagine how this legitimacy can be accorded from a rational agreement between the parties when we are faced with a clear example of what Putnam calls a vertical association, whose basic characteristic is the presence of actors in asymmetrical power relationships who therefore face unequal circumstances when settling their interests (Putnam 1993,173). How can we speak of trust in light of these premises?

From the perspective of this set of expectations, the company clearly appears as a permanently unstable balance of different interests with a clear difference in the capacities and opportunities available to satisfy these interests. If we take a definition of power as the ability to define and satisfy interests, the company starts out with clear power inequality. In this way, we cannot uphold a neutral vision divorced from moral considerations, since we are not dealing with a private activity that simply affects its owners. Rather, we are looking at an activity that demands a cooperative effort and that, above all, also affects individuals outside the institution, such as clients or members of the community. When we ponder the legitimacy or rational bases of trust, as complementary terms, we look towards the company as a particular way of finding order and direction among people with diverse potentials and conflicting interests. The company represents a set of common interests but at the same time a series of divergent, even antagonistic interests.

As in any organization, the company is comprised of a complex system of power relations; of task, burden and benefit distribution; and of cooperation and conflict systems. By limiting legitimacy or trust to economic benefit, we could fall into the naive idea that, as an element of civil society, being a party involved in the activities of business is a free and voluntary matter. We must not forget that as long as social and economic conditions constrain workers or clients to sign their part of the contract, in other words, as long as there are no alternatives when taking a position of whether or not to sign a job contract or to buy a product or service, we are facing real situations of dependency. In short, dependency exists as long as equal

conditions for defining and satisfying the interests at stake are nonexistent.

However, and this is the basic question that an ethical reflection should be concerned with, in spite of these asymmetrical relations, companies need and demand expectations of cooperation which do not tally well with these asymmetrical power positions. Without these intangible resources, without the necessary social capital in the form of trust and corporate credibility, the costs of interaction based on selfishness, mistrust, opportunism, the shirking of responsibilities, and so on, would sooner or later make the institution unviable. Moral resources thus represent a basic factor in the company's performance, however difficult it might be to account for them on the final balance sheet.

To be able to explain these resources, particularly in the moral dimension of legitimacy or trust, we have to adopt an alternative to the traditional methodology. From an outsider's neutral perspective, we can persist in referring to the company as a private activity, an internal matter pertaining to the owners for whom the other groups are simply a means of obtaining economic benefit (Vallance 1995, 29). Still, from the observer's perspective, we can also go one step further and describe the company from the perspective of game theory, as the interaction between two inevitably antagonistic interest groups in which some always win and others always lose (García-Marzá, 2006). This objective viewpoint could even be extended to the point where the company is given a pluralistic definition from the perspective of a social contract between different interest groups. But this still does not take us much further because we can never explain how a contract between unequal parties comes about and how those to be affected in the future come to form a part of this contract. If, as Rawls does, we turn to a cultural concept of the individual, we cannot respond to the universalism demanded by ethics in a global context, as we are then trapped in a particular anthropological conception (Habermas 1991a, 125).

It is necessary to introduce a methodological change and guide an ethical reflection from the participants' perspective, regardless of whether they are involved in or affected by the company's activity. Of course, it is not the case that each of us should take up the interests of the other groups or that we should put ourselves in their shoes but from our point of view, as in this way we remain in the theoretical vantage point of the observer. Rather, we should strive to clarify where the reasons underlying the trust or mistrust of the various groups involved are constructed; in other words, we should aim to identify the conditions of the sense of the business praxis, referring to the assumptions which guarantee and maintain

the social credibility or legitimacy of the business activities for each of the stakeholders that make up the company (Cortina *et al.*, 1994).

This sense cannot be reconstructed once and for all, nor need it be the same for all those involved, nor can it be interpreted from the point of view of one single interest. The moral point of view requires us to take into account all the participants' perspectives. Consequently, the business principle of benefit, of the generation of added value, cannot be presented as a formal, neutral objective in the presence of the interests at stake but must reflect what all the interests have in common. It is obvious that generating benefit is the company's objective, but depending on what we understand by benefit, how it is produced and for whom, we are looking at a fair or moral benefit. To think that profit is the same as economic benefit, or that the only interest which motivates company activity is financial, is, to put it bluntly, naive.

The procedural rationality of discourse ethics provides us with a definition of legitimacy that is able to effect this change of perspective and thereby respect the plurality of interests in which the company operates. For the discourse approach, only dialogue and the subsequent acceptance by all the interest groups involved in and/or affected by the company can define the sense of the company as an organization, and following on from there, the fairness or morality of a business decision, action, or structure. It is therefore a moral principle proposed by discourse ethics but now interpreted as a reference point for company decision-making. Starting with Habermas' principle of universalization and Ulrich's idea of economic ethics, we obtain the following principle: A decision, action, norm, or the corporation itself could be considered morally valid when the foreseeable consequences and effects of its implementation on all the interests at stake can be accepted by all those involved or affected, both now and in the future, in a practical discourse conducted in symmetrical participative conditions (Ulrich 1987, 1997).

In my opinion, this moral principle that defines the position of discourse business ethics is the key to understanding the critical perspective that discourse ethics can bring to business ethics. It is not the theory which constructs this principle; rather it is an attempt to explain or to reconstruct the moral intuitions underlying the expectations placed in a company deserving to be called fair. As in any area of social praxis, regardless of its degree of formalization or institutionalization, what we are dealing with is the direct consequence of the moral principle of autonomy, of the idea that we are free beings able to solve social conflicts from the basis of our own freedom and autonomy, and that we are able to develop a common will. The moral

principle applied to the company interprets this principle of autonomy as the intersubjective recognition of all the individuals or groups involved in and/or affected by the business activity, together with their interests. The power differences and asymmetries in the sharing out of burdens and benefits can only be justified and accepted through the consensus or agreement that this asymmetry is the best alternative to satisfy their interests. The reasons on which trust is based refer to this idea of intersubjective agreement.

In summary, the underlying idea behind this principle is that, given the case, and aware of the circumstances and consequences, we give our consent to or are in agreement with the established norms and the power structure laid down. But here we must be very clear about one thing: we are not dealing with a social contract that allows us to explain what actually exists, but with a moral contract that helps us to understand what should be (García-Marzá 2004, 145). The objective of this principle is to tell us not how a company behaves but how it should behave so that the sense it has for all its stakeholders, whether involved or affected, for all its interest groups, is not lost.

The key to distinguishing between a social and a moral contract lies in the demand for symmetrical conditions for participation, a level playing field, since only by starting out from these ideal premises can we eliminate any form of coercion and place the agreement or consensus aspired to in the hands of the reasons named. A rationally motivated consensus, not brought about by strategy, force, or violence, can only arise from these conditions of symmetry and equality. In other words, not just any dialogue justifies the agreement; the agreement can only be considered fair when it has been reached under particular conditions. We are talking about ideal conditions, but conditions which we presuppose when we enter into discourse or deliberation on the trust we have in any specific business relation.

This difference between a moral and a social contract leads us to an inevitable tension between the ideal, which is the moral claim, and the economic business agreement reached in each particular case. That actual agreement, i.e., negotiations and commitments, will never completely meet these ideal conditions. However, they must be approached so the sense and credibility of the business activity is not lost. All collaboration and cooperation mechanisms, including strategy, demand this approach. Without it, we can only obtain mistrust and disrepute and therefore the only option open to us is the use of coercive mechanisms.

These ideal conditions can be summarized by the following four principles taken from an interpretation of Habermas' texts:

1. Principle of sincerity. When engaging in discourse, the interested parties want to resolve their conflicts not through violence or compromise (strategy) but through dialogue, which implies argumentative obligations and rights.
2. Principle of inclusion. All potential present and future stakeholders or their representatives must take part in the dialogue. No one who might make a relevant contribution may be excluded from participating.
3. Principle of reciprocity. Participants must be able to converse under conditions that guarantee complete equality of opportunity and total symmetry in the conditions of participation and the ways the interests at stake may be interpreted.
4. Principle of publicity. All interests must be considered equal and open to argumentative revision: the symmetrical distribution of communicative freedoms. No interest may be considered definitive or free from criticism.

These principles do not set out to describe a real situation; rather they normally constitute counterfactuals that reveal the assumptions which we in fact think are met when we are involved in or affected by a company's decision or structure as participants. We talk about how a company should behave because we are not dealing with an operative criterion for decision-making, but with a regulating idea which in practice always has to be put into operation after the fact. These principles enable us to evaluate or judge the conditions of social contracts, of companies and negotiations, and to measure their moral quality by the extent to which they are fulfilled. In short, they define moral validity: the final evaluation criterion from which the reasons supporting or criticizing the credibility of our business decisions must be constructed. Consequently, they comprise the cognitive source from which what we call here moral resources are constructed.

With this reconstruction of company legitimacy in the form of a contract under ideal conditions, and with these conditions as the criteria for the moral validity of the agreements reached, we can determine a critical perspective for business ethics. This perspective is critical in two ways: as the reconstruction of the conditions of possibility of the business praxis sense, and as a petition for moral judgments to be made. At the same time, its procedural character makes a monological anticipation of the results impossible: it requires us to carry out real discourse and implement conditions in business (management styles, participative organization charts,

integration cultures in human resources, etc.) that make it possible. As a moral criterion, it demonstrates only the ideal horizon from which possible guidelines for action can be constructed and the real social agreements reached can be criticized, although it can never be identified with ideal rationality (Apel & Kettner, 1992). This tension is inherent to all social praxes and is the core of any critical perspective.

However, a discourse approach to business ethics must not stop here with this normative perspective; rather, as an applied ethics, it must try to reach the business praxis itself and analyze how both the moral point of view and the principles on which it is based can be made operational. Without this undertaking, the effectiveness of this horizon on day-to-day business activity could become diluted when confronted with the excessive idealism of the moral contract. It could even lead to a loss of our critical viewpoint and to the adoption of conformist positions when faced with the extreme inequality of opportunity that goes hand in hand with all business activity. Without this analysis, it would be difficult to escape from both the company's absolute lack of moral value and the real confusion prevailing today between what the company is and what it should be.

Here we are dealing with presenting possibilities for the institutionalization of discourse in the business praxis and proposing maxims for action which facilitate the shaping of moral principles and maxims which we have explained from the principle of impartiality, or reciprocity, itself. At this level, discourse ethics cannot operate alone and needs to be complemented by other normative and empirical theories which help to put the reconstructed ethical principles into operation. These theories must fit into a hermeneutic synthesis which enables us to apply the reconstructed moral principle.

Stakeholder Theory offers optimum complementation of the ideas put forward. It involves seeking methodological strategies that allow us to integrate ethical ideas with specific realities, and the use of this theory at all its levels, normative, strategic, and instrumental, is a good channel by which to approach the reality of business, provided that we know how to fit these proposals into the ethical framework established at the previous level. In this way, we meet two objectives at the same time: on the one hand, discourse ethics can offer Stakeholder Theory a normative grounding in accordance with the plurality and universality of present contexts, an aspect which has so far not been achieved (Clarkson 1998; Gibson 2000, 245-257), while on the other, the various approaches of Stakeholder Theory can offer discourse ethics a methodological access to business reality adapted to the reconstructed moral principle, thereby

providing the theory with a way out of the excessive abstraction in which it presently dwells (González Esteban, 2002).

To bring these notes to a close, it only remains to stress that this idea of a moral contract as a framework of reference for every social contract or balance of interests has not been invented by theory. Ethical theory aims to explain an idea which underlies the sense of the company as a social institution. It aims to show the sum and the interrelation of the social and individual expectations that underlie the various coordination mechanisms governing companies and their relations with the market and society. These expectations are not usually explicit, yet their cognitive content nonetheless constitutes the rational conviction that goes hand in hand with all claims to legitimacy, and therefore to trust.

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