

ETHICS IN BUSINESS – Conference organised by the Gozo Business Chamber

Reaction to Speech by Prof. Joseph F.X. Zahra

Human organization has always tried to reconcile values that all seem essential, but in mutual contradiction: development, environment, human rights, and peace. Among these, it seems to us that there is an inevitable “I give in order that you give”, as if one can only be fulfilled at the expense of the other. Thus, we believe that the human intellect gives infinite capacity for development, limited however by the non-infinite nature of natural resources; equally, it seemed appropriate to us to resort to violence to support growth, or to compress certain aspects of the well-being, dignity, and rights of the person in the name of the economy and business.

One of the most important points that Pope Francis gives in the Encyclical letter *Laudato sì* is: everything is connected, the covid experience tells us so. I think we have to start from the stance that it is possible to renew our methods and change the way we do business. But let us not deceive ourselves by saying that unethical business or greed are part of an economic model, and a change in an economic model brings a change in the way we do business. We must go deeper in our analysis and be sincere with ourselves. What we have is an anthropological crisis where the human being is not satisfied and wants more. Then this more becomes I want it all, I want it now. This desire in the human being cannot be forgotten when we look at our society and when we try to ask ourselves if there is an ethical way of doing business.

Shift from the Technocratic Paradigm.

Pope Francis rails against the technocratic paradigm for its tendency to warp our perception of reality and thereby lead us towards making mistakes - both moral and technical - in our interactions with the world. The technocratic paradigm tends to see all of reality as a problem awaiting an application of scientific and technological power, thus deluding us into thinking we can become powerful enough and wise enough to apply our power to all things. The paradigm tends to see all of reality as raw material awaiting human use, rather than a living reality, intrinsically valuable in its own right and therefore worthy of our respect. The technocratic paradigm should not be confused with science and technology themselves, which the Pope encourages and is thankful for, but the paradigm is rather an abuse of science and technology and an application of them beyond their proper domains, raising them to being a totalizing worldview with no room for other forms of thought.

Economically, the technocratic paradigm also tends to concentrate power among those who control financial and political resources. Each further development of the

economy under a technocratic paradigm generates new products and technological marvels, but only supplies them to the wealthy, while enriching the even wealthier elites who control the financial and political resources in the first place. The technological paradigm thus encourages social stratification and inequality. This is the mainstream line of how we do business, but a shift is possible.¹

Something is happening.

Finally, politics and society are appropriating the true idea that ethics and sustainability are the opposite of degrowth. This conference is an example. Doing business ethically is the root of a sustained economic expansive cycle that produces useful quality instead of harmful quantity. A sustainable economy is not a system that limits itself to producing well-being so as not to go beyond the limits of nature; on the contrary, it is an economy that harmonizes the values that can be measured with money - those measured in GDP - with non-calculable values such as health, legality, personal fulfilment, family, or surroundings. The result is a much more competitive system because the true foundations are not just low production costs. The creativity of the worker involved, the generosity of the respected surroundings and environment, the feeling of happiness, give much more impetus than a frantic search for cutting production costs.

Consequently, the perception of the financial system is changing. For too long, together with all the others, finance has treated the values of the common good as a trade-off, as a reservoir of additional costs that depress competitiveness - linked to very noble objectives, but to be entrusted to philanthropic aspect of the company because business is business and here values seemed completely extraneous to economic mechanisms. Today the same system sees in the attention of the company to the common good a factor of competitiveness, solidity, and duration of the investment. Studies are telling us that young people give big value about how the product was produced and how the production company looks at the social dimension in the choices it makes when they make consumer choices.

Is there an Ethical way of doing business?

Going to the question that this conference posed I respond: “yes there is, and it is not a utopia.” But we must never forget to answer: we do business for who?, who can bring success to my business? The pronoun is who not what. Because we are not in search of business models, those exist and are successful. Ethical business must

¹ DAVID E DECOSSE – BRIAN PATRICK GREEN, *Ethics and Pope Francis’s Encyclical Letter Laudato Si*, California 2017.

have the person as a central component. So, having 60% of Maltese youths who would rather move elsewhere in Europe is also worrying for business.

We need change; we want change, and we seek change. But the problem arises when we realize that we lack adequate and inclusive answers to many of our current problems. Given the urgent need to come up with answers I think that all together we can do something:

- it is indispensable to promote and support leadership groups capable of shaping culture,
- Initiate processes (processes not half baked solutions)
- broadening horizons to see how businesses which put the ethics at the centre of there project work and are succeeding.
- building common bonds.

Every effort to organize, care for and improve our common home, if it is to be meaningful, will also demand a change in “life-style, models of production and consumption, and established structures of how we do business.”