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978-1-107-04463-0 - Happiness and Virtue Ethics in Business: The Ultimate Value Proposition

Alejo José G. Sison

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## **Happiness and Virtue Ethics in Business**

Research on happiness has steadily increased over the last decade, with different streams of inquiry converging into what has come to be known as “Modern Happiness Studies” (MHS). In this book, Alejo José G. Sison draws on the latest research in economics and psychology as well as Aristotelian virtue ethics to show why happiness is the ultimate value proposition for business. Using non-technical language and a number of illustrative vignettes, he proposes ways for businesses to cultivate the virtues, providing advice on production and service enhancement, customer satisfaction, employee well-being and overall organizational wellness. This book will appeal to a wide readership, including graduate students and researchers in business ethics, moral philosophy, and positive psychology.

ALEJO JOSÉ G. SISON is Professor in the Philosophy Department, University of Navarre, where his research deals with issues at the juncture of ethics, economics, and politics. He was President of the European Business Ethics Network (EBEN) from 2009 to 2012.

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University Printing House, Cambridge CB2 8BS, United Kingdom

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[www.cambridge.org](http://www.cambridge.org)

Information on this title: [www.cambridge.org/9781107044630](http://www.cambridge.org/9781107044630)

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First published 2015

Printed in the United Kingdom by Clays, St Ives plc

*A catalogue record for this publication is available from the British Library*

ISBN 978-1-107-04463-0 Hardback

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*Para ken ni Mamang ko,  
Karagsakan ti biag.*

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## Figure

- 4.1 “Flow” in relation to other mental states  
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## Foreword

This is a beautifully written book, rich in information, useful even to a wide audience, and easy to read. Sison's essay fulfills two main functions. On the one hand, it brings new and persuasive arguments to bear on the "happiness paradox," first introduced by Richard Easterlin in 1974. On the other hand, the book suggests how to overcome the paradox, relying on recent advances in neurosciences, particularly in neuroeconomics, and in biotechnology regarding memory and mood. All in all, Sison speaks in favor of a decisive resumption of virtue ethics in order "to learn to be happy."

Recent well-known developments in happiness and economics mark a strong revival of reciprocal interest between economists and managerial scientists, on one side, and moral philosophers, on the other. Happiness is back in economics, although it is not a new concept in the tradition of economics. We find it at the very beginning of modern economic science, when it was clear to everyone that the common good is not simply the unintended result of individual search for private interest. Indeed, self-interest can be transformed into public happiness not spontaneously, but only within the norms and institutions of civil life. The history of economic thought informs us that it is with the advent of the marginalistic revolution that the category of utility completely superseded that of happiness within economics. And since then, it has tended to be referred to as the "dismal science."

Mainstream economics has been characterized, up to now, by an anthropology based on solipsism and instrumental rationality, which leaves no room for understanding the issue of happiness that, ontologically, depends on non-instrumental interpersonal relationships. Twentieth-century economics has become a science which studies instrumental interactions among individuals. The

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interpersonal dimension enters into play only when and if it affects individual utility. Today, as Sison clearly shows, no one believes any longer that this choice of anthropological reductionism is of any help in allowing the discipline to grasp the new and big problems afflicting our societies. The fact is that within the utilitarian perspective, one sees the “other” as a mere instrument for the attainment of utilitarian goals. But it is common knowledge that happiness postulates the existence of the “other” as an end in itself. It takes two to be happy – Aristotle used to say – whereas one can maximize his or her utility alone.

Another important message derives from this book. In a rightly famous essay, Romano Guardini writes: “The human person cannot understand himself as if closed within himself, because he exists in the form of a relation. Although the person is not born from an encounter, it is certain that he becomes real only in the encounter” (Guardini 1964: 90). If human beings discover themselves in interpersonal relationships, and fulfill themselves in their relations with others, it follows that their fundamental need is one of relationality. If we think about it, the demand for a better quality of life goes well beyond the simple demand for goods “made well.” Rather, it is a demand for care, for participation – in other words, for relationality. The quality we increasingly hear about today does not just involve consumer products, but also (and perhaps above all) human relations. If it is true, as I believe it is, that the quality of life is measured along the axis of freedom, perceived as the possibility of self-realization, whereas increases in per capita income only point to individuals’ greater spending power, then it is equally true that interpersonal relationships are real goods, and as such cannot be excluded from economic discourse.

What is characteristic of the human person is relationality – the fact that the other becomes a *you*. If my being in relation to another can only be justified in terms of opportunity – the opportunity to obtain consensus or to resolve conflicts, as the neo-contractualist school of thought would have it – I shall never be

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able to escape from the “unsociable sociability” Kant spoke of. In this case, I shall of course be free in the sense of self-determination, but certainly not in the much weightier sense of self-realization, since freedom as self-realization requires relating to others as a value in itself. If it is true that today no one is any longer prepared to dissolve his or her “I” into any kind of “we,” it is equally true that the alternative cannot be the social atom, so dear to individualist thinking, but an “I-person” who does not accept dissolving into any kind of mechanism, even if it is an efficient one like the market.

It follows that the full realization of personal identity cannot be limited to mere respect for the freedom of others, as liberal-individualistic philosophy, for which living together is an option, would have it. We know, in fact, that for each of us this is just not the case. The choice is never between living in solitude and living in society, but between living in a society according to one set of rules or another. The radical perception of freedom claims that it is simply not enough to think of individuality by leaving out relationships with others. If it is true that personal identity derives from our relationships with others, then reducing happiness to utility would prevent us from gaining a proper understanding of a fundamental element of personal wellbeing.

What is the ultimate foundation of interpersonal relationships? The principle of self-preservation. My fundamental aim, that I be preserved in time, cannot be achieved if I isolate myself from others. I need other human beings to judge whether I am worth preserving. Do they have grounds for doing so? They certainly do, since they themselves need to be recognized by me as worth preserving. In needing the same form of recognition, I act as a mirror. Preservation of the self is the outcome of this interaction. The original resource a human being can offer to another is the capacity to recognize the worth of the other to exist, a resource that can only be produced if it is shared. In this way, recognizing other human beings as ends in themselves, and recognizing the same human beings as means to the end of preserving oneself, are united. The good of self-preservation is

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achieved. The fact that recognizing others brings about the reciprocal recognition that oneself needs, does not make this attitude merely instrumental. Oneself is constituted by the recognition thereof by the other. A person's capacity to calculate the means needed to achieve a given end depends on the achievement of reciprocal recognition. This is why one can say that mutual recognition is basically antecedent to self-interest. Before becoming a possible means for individual ends, the interaction with others appears as an end in itself. Individual ends themselves emerge because such interaction is possible. Recognition of the other person's reality and the possibility of putting yourself in his or her place is of essential importance. Another person's interests are someone's interests as much as yours are.

Sison's well-written, jargon-free book will capture the attention of anyone seriously interested in the future of our market systems. There is nothing to marvel at here. When one acknowledges the looming crisis of our civilization, one is practically obliged to abandon any dystopic attitude and dare to seek out new paths of thought.

*Stefano Zamagni*

Professor of Economics, University of Bologna  
Adjunct Professor of International Economics,  
Johns Hopkins University, SAIS Europe

## REFERENCE

Guardini, R. 1964. *Scritti filosofici*, vol. II. Milan: Vita e Pensiero.

## Preface

– Are you happy? And why?

– Absolutely, absolutely. I'm happy! And it's a tranquil happiness because at this age one no longer has the same happiness of a young person, there's a difference. There's a certain interior peace, a strong sense of peace, of happiness, that comes with age. But it's a road that has always had problems. Even now there are problems but this happiness doesn't go away because of the problems. No, it sees the problems, suffers because of them and then goes forward, it does something to resolve them and goes ahead. But in the depth of my heart there is this peace and happiness. It's truly a grace from God, for me. It's a grace and it's not through my own merit.

Pope Francis

March 31, 2014

A sure-fire way of boosting happiness, we are told, is by writing gratitude letters. So perhaps there's no better way to start than by heeding this piece of advice.

First of all, I'd like to thank my parents, Angel (+) and Asuncion; my siblings, their spouses, my nieces and nephews, Jay, Baby, and David; Maripi, Art, Michelle, and Peej; Josephine; Pio (+), Connie, Benjel, Francis, Joey, and Princess; Eric, Libby, JV, Kim, Cholo, Miko, Maricris, Lizelle, France, and EJ; Mai (+); Lung; Corito; Boyet, Cherry, Egon, Peter, and Joseph; Felix, Josie, Angeli, Monica, Felicia, and Karlene; and of course, Chet.

My mentor, Rafael Alvira.

My friends and colleagues, for their generous ear and steady encouragement while this project was taking shape, and in particular, Antonio Argandoña and Arps de Vera, for their unwavering support.

My students in Pamplona, Barcelona, Manila, and Guatemala.

My editors, Paula Parish and Claire Wood.

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And most especially, Bishop Álvaro del Portillo (+), from  
whose fatherly care I benefited during so many years.

*Alejo José G. Sison*

Madrid

September 27, 2014