

## Business Ethics for a Material World

Increasingly, conscientious consumers and green marketers are recognizing that material things, not firms, are the locus of social and ecological responsibility. Even so, many scholars in ethics, sustainability, and governance focus on people and organizations, ignoring the flows of things.

In this book, Ryan Burg argues that material things are fundamental features of moral life, serving as both valuable instruments and guides for responsibility. Unless care is taken for these nonliving entities, living things cannot be protected. Viewing the global economy as a network of material transfers, Burg argues that to facilitate object care, professionals must act as stewards. By tracing the origins and disposal of workplace objects through this material network, businesses and employees can discover the outcomes for which they are responsible, and managers can align ethics, sustainability, and governance with a truly global formulation of responsibility.

RYAN BURG is Visiting Assistant Professor in the College of Management at Bucknell University. He holds a joint PhD in Business Ethics and Sociology from the Wharton School of Business, University of Pennsylvania, and his dissertation was a finalist for the Social Issues in Management Dissertation award. Professor Burg is also a cofounder of the Responsible Endowments Coalition, a national organization that supports the student-led responsible investment movement on college and university campuses.



## Business, Value Creation, and Society

#### SERIES EDITORS:

R. Edward Freeman, *University of Virginia* Jeremy Moon, *Copenhagen Business School* Mette Moring, *Copenhagen Business School* 

The purpose of this innovative series is to examine, from an international standpoint, the interaction of business and capitalism with society. In the twenty-first century it is more important than ever that business and capitalism come to be seen as social institutions that have a great impact on the welfare of human society around the world. Issues such as globalization, environmentalism, information technology, the triumph of liberalism, corporate governance, and business ethics all have the potential to have major effects on our current models of the corporation and the methods by which value is created, distributed and sustained among all stakeholder—customers, suppliers, employees, communities, and financiers.

#### PUBLISHED TITLES:

Fort Business, Integrity, and Peace: Beyond Geopolitical and Disciplinary Boundaries Gomez and Korine Entrepreneurs and Democracy: A Political Theory of Corporate Governance

Crane, Matten, and Moon Corporations and Citizenship

Painter-Morland Business Ethics as Practice: Ethics as the Everyday Business of Business

Yaziji and Doh NGOs and Corporations: Conflict and Collaboration

Rivera Business and Public Policy: Responses to Environmental and Social Protection Processes

Sachs and Rühli Stakeholders Matter: A New Paradigm for Strategy in Society Mansell Capitalism, Corporations, and the Social Contract: A Critique of

sten Capitatism, Corporations, and the social Contract: A Chilque C Stakeholder Theory

Hemingway Corporate Social Entrepreneurship: Integrity Within

Hartman Virtue in Business: Conversations with Aristotle

de Bruin Ethics and the Global Financial Crisis: Why Incompetence is Worse than Greed

Griffin Managing Corporate Impacts: Co-Creating Value

Knudsen and Moon Visible Hands: Government Regulation and International Business Responsibility

#### FORTHCOMING TITLES:

Slager Responsible Investment: Institutional Investors and Corporate Social Responsibility

de Bakker, den Hond Organizing for Corporate Social Responsibility: The Role of Activist Groups



# Business Ethics for a Material World

An Ecological Approach to Object Stewardship

RYAN BURG

Visiting Assistant Professor, Bucknell University





## CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom

One Liberty Plaza, 20th Floor, New York, NY 10006, USA

477 Williamstown Road, Port Melbourne, VIC 3207, Australia

314-321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre, New Delhi - 110025, India

103 Penang Road, #05-06/07, Visioncrest Commercial, Singapore 238467

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning and research at the highest international levels of excellence.

www.cambridge.org

Information on this title: www.cambridge.org/9781316634004

DOI: 10.1017/9781316869147

© Ryan Burg 2018

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2018

First paperback edition 2022

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

Library of Congress Cataloging in Publication data

Names: Burg, Ryan, author.

Title: Building market ethics of material things: an ecological approach to object

stewardship / Ryan Burg, National Research University, Moscow.

Description: Cambridge, United Kingdom; New York, NY: Cambridge University

Press, 2017.

Identifiers: LCCN 2017024709 | ISBN 9781107183018

Subjects: LCSH: Sustainable development - Moral and ethical aspects. | Business

ethics. | Material culture. | Materials.

Classification: LCC HD75.6 .B863 2017 | DDC 174/.4–dc23 LC record available at https://lccn.loc.gov/2017024709

ISBN 978-1-107-18301-8 Hardback ISBN 978-1-316-63400-4 Paperback

or will remain, accurate or appropriate.

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication, and does not guarantee that any content on such websites is,



For Sherman and Marlo, collectors of stuff and stewards of things



## Contents

List of Figures and Tables	page x
Foreword R. Edward Freeman	xi
Acknowledgments	xii
Introduction	1
Starting with Objects	2
New Understanding, New Norms	3
Objects for Humans' Sake and Objects for Objects' Sake	5
How to Think Things	9
Beyond People	12
Meaningful Things	14
A Plan	16
1 The Singularization of Everything	19
The Richness of Things	19
Collapsing Commodities with Connections	22
Trees, Toys, and Gold	26
The Forest and Its Trees	30
Tainted Toys	40
Applying the Golden Rule to Gold	46
Stewardship Economics	50
2 Singularization Schema	56
Usefulness	57
Sentimentality	60
Personification	62
Stewardship	64
Singularizing Narratives	66
Sentimentality - Man Loves House	67
Personification – Toys Love Boy	69

vii



vii	i	Contents
	Stewardship – Robot Befriends Cockroach The Conscientious Consumer	71 74
3	The Power of Negative Thinking Critical Conscientious Consumption	76 77
	Blaming Markets, Blaming States	79
	Mistrusting Markets	81
	Mistrusting Democracy	87
	Blaming Ethics Summary	92 115
4	Three Failures in Regulated Markets	117
	Failing at Inequality	117
	Failing at Climate Change	131
	Failing at Finance	139
5	Person, Place, and Product	159
	Shoe Versus Child	160
	Person, Place, and Thing	164
	Empathizing with Others	174
	Empathizing with Objects Plurality of Purpose	181 187
_	•	
6	Ecological Value Networks of Value	195 200
	Ethical Theory and Valuing Objects	216
	Overcoming the Limits of the Market and the State	233
7	Putting Responsibility to Work	241
	Aristotelian Business Ethics	243
	Conscientious Consumption	251
	Professionals Prioritizing Things	253
	The Spirit of Business Ethics	256
	Material Responsibility Versus Alternatives	264
	Governing Every Thing	270
	A Plan of Action	271
8	Materiality for Business Ethics	274
	Directed Care	276
	What Are Firms For?	277
	Organizational Teleologies Personal-Contractual	282 285
	1 CIOCHAI COHHACHAI	∠03



Contents	ix
Efficient	290
Communitarian	296
Managing Things	303
Volkswagen's Emissions	305
Wrapping Up	310
Endnotes	313
Index	368



## Figures and Tables

Figu	ures	
1.1	Dependences	page 6
6.1	Interdependent Sources of Value	219
7.1	Empowering Legitimate Stakeholders	263
Tab	oles	
1.1	Morality-Adjacent Product Descriptions	27
5.1	Common Searches for "Why is my" on Google	176
6.1	The Components of a Teleological Sentence	229
7.1	An Evaluative Comparison of Elements of the	
	Welfare State	269



### Foreword

Ryan Burg suggests that the normal way we think about business ethics is in need of a radical reorientation. He suggests that the sheer complexity of modern business requires new narratives and new ways of thinking. The complexity of business today obscures the important relationships between people and objects, and most of contemporary business ethics starts with people, and adds the context of business.

Burg's reorientation will seem quite strange to many. He suggests that we start with things and objects, rather than people. He says that we need to understand "the physical, tangible materials with which business deals." It is only by starting with things, and in particular the things that matter and affect the stakeholders of a business, that we can even begin to assign responsibility in a meaningful way.

It is easiest to see Burg's view if we look at the physical environment, but he goes far beyond sustainability in his analysis and prescriptions. If we are to address many of our societal issues, we must address the stewardship of objects, and that is impossible without understanding the objects themselves and the roles they play in human society.

Philosophically, Burg is a pragmatist. He is deeply rooted in practice and in the phenomena he writes about. Starting ethics with "things" engenders a raised eyebrow and a "why in the world would you do that" look. This is precisely the kind of new narrative that we need for the twenty-first century. And it is precisely that kind of book that this series on Business, Value Creation, and Society is proud to publish.

My hope is that this book will be one of many more to come that will help us develop a better business ethics, and continue to make business and capitalism a system of value creation and trade that is truly fit for human beings.

> R. Edward Freeman Series Co-Editor January 2017

> > xi



## Acknowledgments

This book benefitted from a passel of supportive teachers, colleagues, and friends. Tom Donaldson and Diana Robertson read early drafts and provided helpful feedback. Bill Laufer gave invaluable advice on organizing the manuscript. Ruben Flores, Manuel Maroto, and Yuval Weber provided constructive scrutiny on a more mature (and much longer) draft. Ryan Fehr collaborated on a paper on the moralization of objects and challenged me to clarify several concepts in the process. Three anonymous reviewers contributed helpful suggestions.

The Higher School of Economics in Moscow provided the time and resources to write. At HSE, Nikolay Filinov, Veronika Kabalina, and Valentina Kuskova deserve special thanks for their collegiality and guidance. The Zicklin Center for Business Ethics Research at the Wharton School of Business provided the research assistantship of Emma James, who was endlessly helpful in gathering and organizing materials that were unavailable in Russia.

On the subject of Russia, I should not write a book about material things without acknowledging my own entanglements. My ecological imagination owes a special allegiance to South Dakota, my productivity to Moscow's weather, and my income to a petrostate-funded university. Make of these entanglements what you will; an ecological consciousness admits of many contradictions.

Writing is a solitary activity, but publishing is an act of engagement. This book is an invitation to anyone who is ready to make room for things in the crowded moral space of the modern firm. There is much to be done, and we will need to work together.

I have been fortunate to find a community of thoughtful and creative scholars who take ideas seriously. I will single out Robbin Derry, Eric Orts, Mollie Painter-Morland, Stephen Pavelin, Rob Phillips, Caddie Putnam Rankin, Noah Buckley, Lili Di Puppo, Benjamin Lind, David Szakonyi, and Valery Yakubovich among the many

xii



Acknowledgments

xiii

important interlocutors in my academic life. Ed Freeman deserves special mention. His scholarship and leadership in the field of business ethics made this project possible. I am grateful to these friends and mentors, and to numerous others who make the study of organizational ethics a joyful undertaking.

At Cambridge University Press, Valerie Appleby has been efficient and encouraging. Daniel Brown conscientiously guided this manuscript and its moving parts to completion. The text benefited from their professionalism. It was a special pleasure to work with Todd McLellan to develop the cover image. His worldmaking deserves special acknowledgement.

Some of my debts in writing this book can never be repaid, most notably my debt to Thomas Dunfee. Aspects of this book's thesis emerged a decade ago in a conversation with Tom, who has since passed away. We disagreed about whether business ethics scholars expect too little from corporations. I said that shareholder activists and conscientious consumers are right to set high expectations for firms. I defended the way that some consumers moralize objects and demand product stewardship across the length of a supply chain. In a sense, Tom agreed, but he stipulated that firms must also be free to define and pursue their interests. Law, he argued, creates boundaries around firms so that they can do so. I make a case that the responsibilities of object stewardship exceed the legal boundaries of the firm, but I have tried to keep Tom's insights in mind. His passing was a great loss for his family, friends, colleagues, and students. This book would likely be better if Tom Dunfee were here to read it.

Beyond professional tributes, I wish to thank my parents and sister for their continuous support. The newest member of our family, Stella, has played the least constructive role in this book's completion, but I could not be more delighted by the distractions she provides. Her mother is a different story. My deepest gratitude is to Imanni for making my life more livable and my writing more readable. Without her, I would be bearded and lost in the wilderness. Other textual cleanups are thanks to Dominic Fean, Seraphina Davey, Anna Gomberg, Andrew Matheny, and Laura Mills. All mistakes are my own.