

Chapter 2

Business Ethics and Early Modern French Philosophy at the Beginning of the Twentieth Century

Modernity was developing at the start of the twentieth century, but nothing like contemporary globalized capitalism with its large corporations existed. This period marks the beginning of contemporary French philosophy and many of the conceptions of ethics and society that are important today were developed at that time. In France, the Cartesian philosophy of subjectivity was influential on the formulation of the most important questions in French philosophy concerning the relation between body and mind, about the status of the external world, and about the relation between philosophy and the natural and social sciences.

The social thinker François Marie Charles Fourier (1772–1837) influenced the political and social philosophy of the time by strongly criticizing the suppression of workers and the proletariat by capitalistic industrial society. Fourier defended a utopian socialism together with Claude Henri de Saint-Simon (1760–1825), who contributed a critical perspective to social philosophy and investigations into society and its political social and economic institutions. The anarchist socialist Pierre-Joseph Proudhon (1809–1865) and his critical analysis of property rights also had a huge influence and marked the general critical attitude towards capitalist organization of work and business by French philosophy in the beginning of the twentieth century, when industrial modernization was viewed as a huge challenge to human life and dignity.

On the other hand, the classical positivism of Auguste Comte (1798–1857) was still dominant at the beginning of the twentieth century and was more in favor of economic developments. Positivists agreed with Cartesians that the ideal of philosophy was to operate as a strict science with analytical reason focused on pure given facts. The positivists endorsed scientific and economic progress, and the technical sciences that helped capitalist modernization of traditional society.

Likewise, there are different approaches to business ethics within the tradition of management and theory about management in French society and philosophy. The predominant practical approach to ethics since the industrial revolution has been a kind of Catholic value-based managerial paternalism. This paternalism considers the corporation as a family and the capitalist and the employee work

together, though there may be a kind of domination and power relation within the work relationship where the capitalist has all the power over the employee.

The eighteenth-century economist Jean Baptiste Say (1767–1832), who also was an industrialist, defended an influential liberal economic doctrine—the source of the invisible hand in the classical economic tradition—inspired by Adam Smith (1723–1790) and Bernard de Mandeville's (1670–1733) *Fable of the Bees: or, Private Vices, Publick Benefits*. At the time, prevailing thought emphasized the necessary collaboration between managers and workers, in a sense introducing paternalism. The paternalist school proposed a conception of the values of the corporation between socialism and ultraliberalism.¹ According to this position the corporation should be constructed like a family in which moral paternalism was conceived as fundamental to ensure coherence. In fact, modern corporate social responsibility and business ethics can be considered as a reaction to an empty space left by the lack of paternalism in the modern world.

At a time, Say was professor at the Conservatoire des Arts et Metiers in Paris. He was in favor of paternalism and he defended the small enterprise as a family structure. Later, he inspired the great French classical management thinker Henri Fayol (1841–1925) who developed the classical theory of administration in France. Fayol developed an influential theory of management based on practical concepts of administration, inspired by the concept of scientific management developed by Friedrich Taylor (1856–1915).² In his approach to management, major concepts are administration and planning. In his book about *Administration industrielle et générale* (1918) he defined concepts of division of work, responsibility of authority, discipline, rational planning of goals, concern for the general interest of the organization, concern for good salary of employees, centralization, hierarchy, order, fairness, stability in the workforce, initiative and Esprit de corps (concern for the community).³ We may say that these concepts define the rational concept of management. Together with the concept of scientific management, rational bureaucracy, this approach of rational administration can be said to represent a rational concept of management that constitutes the approach that somehow is supported by the values of the Protestant ethics of responsibility, integrity and accountability. Moreover, in all cases management processes are built on concepts of work as a calling and based on dutiful devotion. In this sense, scientific management and rational administration had influenced practical management science in the beginning of the twentieth century.

In addition to Fayol, the early French sociological tradition was very important. In particular, Gabriel Tarde (1843–1904) deserves mention. Tarde developed a concept of organization that later influenced many philosophers and social theorists.

¹ Jérôme Ballet, Françoise de Bry, Aurélie Carimentrand, Patrick Jolivet: *L'entreprise et l'éthique, Economie humaine*, Seuil, Paris 2011, p. 51.

² Frederick W. Taylor: *Scientific Management*: Harber & Bros, New York 1947.

³ Henri Fayol (1916/1999): *Administration industrielle et générale*, Dubod, Paris 1918. English edition: *General and industrial Management*, Pitman, London 1949.

However, if we want to find the roots for a modern humanistic vision of human organization and a more general foundation for the concept of philosophy of management we have to look to the philosopher of creative evolution, namely Henri Bergson.

2.1 Henri Bergson: Living Presence and Creative Evolution

Henri Bergson (1859–1941) reached the peak of his popularity in the years before the First World War, but he was also a very influential philosopher in the 1920s and in the years before the Second World War. Bergson's philosophy represented a strong revolt against the positivist, Cartesian, and materialistic philosophy. The so-called Bergsonism was leading in the cultural environment of Europe at the time.⁴ It represented emancipation from classical mechanical physics, Darwinian behavioral biology, and utilitarian ethics. It therefore also represented a sharp criticism of materialism and economic capitalism.

We can read Bergson's philosophy as one of action, process, and movement.⁵ In this sense Bergson provides us with the philosophical basis for understanding organizational dynamics and the integration of ethics and morality in business and organizations. In particular, Bergson develops a theory of creativity, enduring multiplicity, and the dynamic movement of creative forces that functions as the foundation of organizational change and movement. This is proposal for a philosophy of management and organization that takes its point of departure in the dynamics and movement of real life.

Bergson's philosophy made it possible to believe again in human freedom and a divine intent. He argued that a directive force of life (*élan vital*) and an organizing creative principle govern the universe and society. Bergson was not satisfied with analytical methodology and natural science mathematics in the human and social sciences. He wanted to integrate the theory of evolution with a spiritual conception of human beings and nature. This vitalism can be considered as a romantic reaction against the belief in economic progress of industrial society. Bergson wanted to go beyond the instrumentalization of the capitalist world towards the metaphysical mysteries of life. Like symbolism in art and literature Bergson's philosophy represented a spirit of the present that revolted against anonymous mass society and desired a return to human spirituality and individuality.

Bergson was born in Paris in 1859 to Jewish parents. His father was Polish and his mother was British. He studied at the *École normale supérieure*, together with Emile Durkheim (1858–1917) and Jean Jaurés (1859–1914), who later became the

⁴ Emile Bréhier: *Histoire de la philosophie II, La philosophie moderne*. (1926) Paris 1967–1968.

⁵ Stephen Lindstead and John Mullarkey: "Time, creativity and culture: Introducing Bergson", *Culture and Organization*, 2003, Vol 9(1) March, pp. 3–13, p. 3.

leader of the French socialist party. After official state exams (*agrégation*), Bergson worked as a teacher of philosophy in different high schools in the French provinces before he came back to Paris in 1889 to teach at École normale supérieure. In 1900, Bergson received one of the prestigious positions as professor at Collège de France, and in 1907 he published *L'Évolution créatrice*, which made him world famous.

Bergson's lectures at Collège de France quickly became a social event among the Parisian bourgeoisie and attracted listeners from all over Europe. Bergson's philosophy became fashionable in the cultural and intellectual public space and also among liberal Catholics, which was one of the reasons why in 1914 Bergson's books were listed among the list of those forbidden by the Catholic Church, even though Bergson later approached Catholicism in his philosophy.

In 1917, Bergson travelled as a diplomatic representative to the US in order to convince the Americans to intervene in the First World War on the side of the French. By 1925, Bergson had become the first president of an international commission for intellectual collaboration. He died in 1941 of a pulmonary disease that originated from standing many hours in a queue in order to be registered as a Jew by the Nazis who had invaded France.⁶

Bergson's philosophy of life and spirituality represents a poetic and impressionistic criticism of economic life. In this sense it represents a philosophy of life approach to organizations and philosophy of management. As such, Bergson's philosophy represents the general challenge in French philosophy and social theory to the crude materialism of capitalist economic systems.

Bergson thought that human beings are a part of the life of the universe that is a creative process where something new is constantly emerging. With an implicitly qualitative understanding of human freedom, this approach amounts to a criticism of determinism and reality because consciousness cannot be reduced to matter. It is a spiritual unity in time, and time cannot be understood with the concepts of space. Every moment expresses something unpredictable and the experience of time develops dynamically. Real time is experienced time in human consciousness, which he characterized as the duration of consciousness (*la durée*).⁷ Bergson states that an inner force, a spiritual and dynamic principle that collects experiences through memory, determines the deep human consciousness of the "I."

In *Essai sur les données immédiates de la conscience* (1889) Bergson uses intuition as a method to understand human freedom as the spiritual and temporal duration of spirit.⁸ Bergson was not against science, but he thought that empirical and analytical methods were not capable of grasping the subjective inner life of the self and the dynamics of the universe. Philosophical intuition can go much further in understanding the immediacy of experience in consciousness.⁹ As a form of

⁶ Leszek Kolakowski: *Bergson*, Oxford University Press, 1985. Madeleine Barthélemy-Madaule: *Bergson*, Le Seuil, Paris 1967.

⁷ Henri Bergson: *Essai sur les données immédiates de la conscience*, Paris 1889. *Oeuvres*, pp.1–157 (Paris 1959), p. 82.

⁸ *Ibid.*, p. 132.

⁹ *Ibid.*, p. 134.

knowledge, intuition can be compared to artistic creativity. Here, thought works with complex and creative totalities, and reality is not mixed into different parts. It is therefore possible to understand the spiritual being of consciousness. Bergson compares intuition with a weak light that helps guide us in the right direction. Intuition goes behind our spatial and material perception of reality to capture original human freedom as concrete and immediate life in consciousness.

Bergson emphasizes that memory is central to the consciousness of the self. He employed the idea of *durée* to mean that, in principle, we can remember everything. Personality is the continuous accumulation of experiences. It is not material but a spiritual unity that maintains what is different in a unity through time. Pure duration is a new principle that makes it possible to understand the unity in human states of consciousness.¹⁰ Bergson argues that it is a mistake to consider consciousness as matter and reduce it to a material object in space. Experience is not material, but only exists as a spiritual unity. Even though he agrees with Descartes that consciousness is a spiritual principle, Bergson is sceptical towards reducing it to a substance because this destroys the possibility of understanding its temporality.

Bergson refers to a deeper self that is different from the superficial self that is a part of space. The deeper self is understood as temporal spiritual presence that is the real foundation of meaning and significance. The unity of the self in perception is made possible by a stream of consciousness that bridges emotions, senses, and actions. In this living presence time is not conceived as separated moments on a scale, but as an organic unity in constant creation.¹¹

Therefore, nothing in consciousness is predetermined. The being of consciousness is change, becoming, and movement. Human freedom consists in the fact that something new is constantly added to the accumulated experience in the duration of spirit. History unfolds through continual emergence. This freedom means becoming, in the sense of artistic fantasy and spontaneity, where human beings form themselves through their senses and actions. Personality is created through life experience. The will is free because presence and future are unfinished in relation to the duration of consciousness. Freedom consists in the realization of actions and experiences in accordance with personality.¹²

We have to go beyond the limits of language to understand how each individual is unique in his/her deep self, which is at the limits of the immediate experience. Bergson is basically skeptical towards the externalization of human life lived in the spatial world. In his early works, he is not really interested in the relation of human beings to each other or in the place of human beings in history and in common historical action. Therefore, Bergson's early philosophy also expresses a critical attitude to the self of working life and production as somewhat far from the real inner self that is attained through the spiritual exercise of reconstruction of

¹⁰ Ibid., p. 27.

¹¹ Ibid., p. 30.

¹² Ibid., p. 50.

immediate experience. In this sense, Bergson seems to announce a program of spirituality as a possible new understanding of life.

In *Matière et mémoire: Essai sur la relation entre corps et esprit* (1896) Bergson continued his work on his theory of consciousness. Henri Bergson wanted to solve the conflict between a realistic and idealistic conception of the relation between soul and body. He considered matter, materiality, and objects as a collection of pictures that are represented in the sensual presence of spirit. Consciousness is understood as a psychic attention that organizes sense experiences.¹³ The body is the center of emotions and actions that is founded of the coordination of senses, will, and action.

Sense perception rules over space in the same way as action rules over time. The lived body is the center of action between what it affects and what it is affected by. The body is the center of the material world and the basis of the duration in presence of consciousness. As the basis for consciousness it is the lived presence that makes possible the matter of existence. Memory is a pictorial representation of the past that is transferred through the body. The body is a conductor that receives impressions from matter mechanically, but also at a deeper level through the ability to imagine the past and select among the pictures of memory.¹⁴

When we read a book we use both forms of memory. The habitual mechanical memory of the brain gives us the ability to read while the deep memory of consciousness makes it possible for us to reconstruct the narrative in the book. This deep memory represents an ability to maintain experience and make a synthesis of the pictures of memory in a totality.

Bergson is like Plato when he states that consciousness in principle can recollect everything that is important from the past. Memory is infinitely growing. In memory we make a unity of past, present, and future in identity. According to Bergson, consciousness is memory and what we can remember is already there, for example in the experience of *déjà vu*.¹⁵ Real time is in memory where we remember those events that do not exist anymore. While habitual memory builds the bridge between brain and consciousness, deep and pure memory helps us to maintain our identity as a temporal unity.

Bergson argues that consciousness is fundamentally different from the body. It is not a product of the brain or the nervous system, but has its own freedom. The brain is not the source of consciousness, but a meeting point between the material world and consciousness. We need to imagine a Cartesian consciousness that is not bodily. It is fed by the impulses of the body, but it is not itself a product of bodily movements. We can say that consciousness borrows from bodily matter, when it perceives and experiences the world. It then—due to its spirituality—gives back through free movement and experience.¹⁶

¹³ Henri Bergson: *Matière et mémoire, Essai sur la relation entre corps et esprit*, (1896) Oeuvres complètes, Geneve 1946, p. 16.

¹⁴ Ibid., pp. 92–93.

¹⁵ Leszek Kolakowski: *Bergson*, Oxford University Press, 1985, p. 46ff.

¹⁶ Henri Bergson: *Matière et mémoire, Essai sur la relation entre corps et esprit*, Oeuvres complètes, Geneve 1946.

In this connection Bergson emphasizes the relation between memory and human experience of real time. Consciousness is not a material substance, but continuity in time. A consciousness without memory is impossible because consciousness is defined as the temporal unity in pictorial representations in memory. It is an unfinished process of becoming that integrates presence and future in a unity.

Bergson's dualistic theory about the independence of the consciousness of the body implies that he did not want to refute the thesis of the immortality of the soul. The dreaming self is an example of an immaterial consciousness that has left space. Bergson would not exclude that consciousness still exists in the world after the body is dead. Personal continuity has no predetermined limit or ending and it is different from the biological brain. We cannot have any scientific experience of immortality but presuppose it through religious belief and mystical experiences. Bergson was, therefore, very interested in parapsychological phenomena. He thought that through parapsychology it might be possible to get in contact with spiritual consciousness and the disembodied consciousness of others.

Bergson's thought has great currency today as a criticism of neurophysiologists who insist on reducing consciousness to neural networks in the brain. Paul Ricœur (1913–2005) was inspired by Bergson in his discussions with brain researchers, when he defended a phenomenological conception of consciousness based on intentionality.¹⁷ The distinction between the two types of memory means that neurophysiology, even though it can explain the biological foundation of memory, cannot purely explain the human life of consciousness mechanically and causally.

2.2 Creative Evolution, Moral and Religious Development

In *L'Évolution créatrice* Henri Bergson situates his philosophy in the perspective of cosmology and natural history. Bergson argues that human consciousness expresses life energy that is a part of the life spirit of the universe. Consciousness is dynamically placed in the organized development of the universe.¹⁸ Bergson would like to combine the theory of evolution with his spiritual worldview. The evolution of the universe takes place within a frame of life that infinitely forms new species and dimensions. In other words, evolution presupposes the spiritual force of life (*élan vital*). Every new species can be seen as a reading of a problem of evolution. Bergson relates his thinking to mechanical physics and to a dynamic development of energy in the universe. He thought that Jean Baptiste Lamarck (1744–1829), Charles Darwin (1809–1882), and the British philosopher of evolution Herbert Spencer (1820–1903) did not fully explore the consequences of evolutionary theory.

¹⁷ Paul Ricœur: *La mémoire, l'histoire, l'oubli*, Le Seuil, Paris 2000.

¹⁸ Henri Bergson: *L'Évolution créatrice*, Paris 1907, 52. PUF-edition, Paris 1940, p. 16.

Life is rather a manifestation of creative energy that cannot be understood mechanically or biologically as “survival of the fittest.” There must be a force, a driving principle in evolution. Bergson argues that evolution and belief in the divine do not have to contradict each other. Even though consciousness itself is a product of evolution, evolution has the character of being a product of consciousness. It is an open duration, as in foetus development, where the past is inscribed in the present and points towards the future.

Darwinism could not explain the inner teleology of evolution as based on the creative energy of the force of life, because it still had elements of mechanical thinking. The universe is an organic unity that develops itself in a creative process, as human consciousness is creative life energy in matter. The unity of life is an infinite, creative, dynamic, and innovative principle and taking part in it does not separate organisms. The emergence of new species expresses a creative solution to the problem of life. This development is not predetermined but is created in indeterminate unfinished infinity.

In fact, there is no predetermined model that can explain the aim of evolution. Organisms adapt to surroundings without any predetermined systematics.¹⁹ The force of life struggles to survive and overcome obstacles, even death.²⁰ Instinct, mind, and intuition are different manifestations of the struggle for life and the development from plant and animal to human being.²¹ Indeed, human consciousness, language, and society are also results of this evolution. Natural laws are based on the infinite transformation that is behind the repetition that makes the geometrization of nature possible.²² New forms of life in the universe express an organic evolution that is based on unconditional teleology, where organisms driven by the energy of life are moving towards increased perfection.

Bergson refutes, however, that the universe is created as something absolute out of nothingness. Matter is at once a force of life and a force against it, and must therefore be overcome. Nothingness is a pseudo-idea that should not be mixed with the concept of being. Representation of nothingness always contains something, for example a desire or something one regrets.²³ Negation is second order confirmation because it affirms something as an object²⁴ It has a social rather than an ontological signification because it expresses an error or an emotion of dissatisfaction or absence.

According to Bergson, it seems like the universe is marked by a divine intention that creates a unity through artistic creation, which in turn creates new forms of life in an infinite vitality. Bergson is close to a pantheistic position when he argues that

¹⁹ Ibid., p. 50.

²⁰ Ibid., p. 271.

²¹ Ibid., p. 186.

²² Ibid., p. 232.

²³ Ibid., p. 283.

²⁴ Ibid., p. 288.

the creative force and energy of life live in all organisms of nature (“Dieu ainsi défini, n’a rien de tout fait; il est vie incessante, action, liberté.”).²⁵

Creation is a mystery because the divine is a life principle in matter that drives organisms to develop as more and more complex systems and mechanisms in tension between unity and plurality. There is an “undetermined teleology” with a plurality of processes—such as in a work of art—of endless dimensions. This is a kind of *ex nihilo* creative interaction with the surroundings, generating new and surprising life forms, where the universe is a center of temporal duration and evolutionary creativity. This conception of the force of life places thermodynamic physics and Darwinian biology in the larger frame of a world created by God and in an evolution that is both determined and underdetermined teleology.

In *Les deux sources de la morale et de la religion* (1932) Bergson conceives these problems in the framework of moral philosophy. His engagement in peace and international cooperation is reflected in this work that contains his history and social philosophy. Through this work, Bergson wants to combine insights of social anthropology and ethnology with the philosophy of creative evolution. Bergson wants to show that human moral and religious life is marked by the *élan vital*, the force of life that moves towards greater perfection. As he earlier went into dialogue with neurophysiology and biology—at one time he discussed his conception of the universe with Albert Einstein (1879–1955)—Bergson engaged the contemporary social science theories of Émile Durkheim, Lucien Lévi-Bruhl (1857–1939), and Marcel Mauss (1852–1950). The central question for all these thinkers was the function of religion and morality in society. Bergson distinguishes between two forms, a closed and an open source of morality and religion.

Bergson discusses the origins of the human emotion of duty (or obligation).²⁶ Both social pressure from closed societies and human instinctual drives condition this obligation. It is expressed both in the social rules of morality and in the religious experience. *Closed* moral obligations come from nature and internalized habits that help survival. The *open* universal morality expresses a movement towards respect for human rights, humanity, and dignity.

Bergson argues that both emotion and reason play a role in human concern for morality and religion. Morality is based on natural human emotions and instincts.²⁷ Bergson agrees with Rousseau that human beings can, by nature, be socialized. Bergson says that the principle of life in creative evolution manifests itself in human moral sense. It is therefore possible to say that the two sources of morality (i.e. both open and closed) come from society’s structural habits and norms of duty, and at the same time express the instinctive development of the human species.²⁸

²⁵ Ibid., p. 249.

²⁶ Henri Bergson: *Les deux sources de la morale et de la religion* (1932), 25 edition, PUF, Paris 1962, p. 18ff.

²⁷ Ibid., pp. 46–47.

²⁸ Ibid., p. 53ff.

Accordingly, there is both a social and natural dimension to human morality. Human beings are by nature social and they improve their intelligence in the development of society. It is the creative abilities of humanity, its participation in creative evolution, which contributes to the historical perfection of moral concepts such as human dignity and the inviolability of the human person.²⁹

This moral progress can, however, only be defined retrospectively. Concepts like freedom, equality, and respect for the law express an idea of progress in relation to the uncivilized societies of earlier times. The different historical civilizations in antiquity, for example Judaism and Christianity, have contributed to this development. In the movement towards an open society, they conceived of humanity as a unity with universal morality. This moral progress emerged simultaneously from social pressure and the force of humanity in its creative genius. Accordingly, civilized society is the result of creative values (e.g., respect for persons and sympathy for the other) that have been very important to the evolution of humanity.³⁰

Bergson also distinguishes between an open and closed religion. Religion is the driving force in the movement towards universal feelings of fraternity. The *closed* society has a static religion while the *open* one has a dynamic religion in which we can perceive the creative force of being. Closed societies with static religion are tribal. They mythologize nature in order to maintain stability and order, and explain human destiny through its mythological origins. Magic is a system to control change in the light of natural religion. Static religion implies a mythologization of nature in the same way as rational reason helps to secure the survival of society.

The transition from a closed to open society cannot happen without religious influence. Different religious conceptions, whether Hindu or Buddhist, in ancient Greece, among Jewish prophets, or among Christians have opened the way to universal morality. Christianity was the first religion that gave meaning to the belief in the irreplaceability of human beings. It is only with religion as the driving force that society can learn universal respect for the dignity of the human person. Dynamic religion is an expression of such a divine force of life. The efforts of mystical thinkers represent intuitive attempts to capture the creative force of the universe. The mystical traditions in the great religions help to capture love in human beings. Jesus is arguably the greatest of all religious mystics who captured the importance of divine energy in mystical experience.

In an open society the humanity and equality of every human being is recognized with regard to moral rights and duties. History is conceived as a spiritual progress towards open society. While the closed society, with its static religion, is conservative and preserves society, the open society, with its dynamic religion, brings us closer to a universal morality based on human rights and democratic principles.

²⁹ Ibid., p. 78ff.

³⁰ Ibid., p. 85.

2.3 Bergson, Business Ethics, and Philosophy of Management

What kind of business ethics and philosophy of management is implied in this subtle, profound, and rather impressionistic philosophy that is proposed by Bergson? What kind of question does Bergson's philosophy ask to philosophy of management and what is the contribution of the philosophy of life, multiplicity, and movement, as proposed by Bergson? At first glance it seems fair to represent the high French bourgeoisie search for art and beauty in life as out of touch with the harsh reality of working life of industrial society that was also a part of colonial France before the First World War. From this perspective it looks like a naïve philosophy that has nothing to tell modern capitalism, which is so much bound to the neoliberal ideas of utility, instrumentalism, and individual profit maximization. Accordingly, it is tempting to argue that Bergson has nothing to say to business ethics and philosophy of management and that it is somewhat futile to read Bergson in order to reach a better understanding of business.

However, after thinking more deeply about Bergson and modern business, we can see many possibilities for a philosophy of management that implies a whole new way of thinking about business and management: one that goes beyond the neoliberal paradigm and its reduction of business and organizations to an economic and systemic interaction. In general, for Bergson, the world is fundamentally organized. Bergson's philosophy is really one of organization, developed with the basic concepts of action, process, and movement.³¹ His philosophy of mind and sociality provides us with a philosophy of culture that is realized in the self-organization of life with the *élan vital*.

Bergson opens us to introducing concepts of spirituality, creativity, and humanity in business. Work is no longer conceived as an instrumental and materialistic activity, but rather as a fundamental human creativity that contributes to the evolution of society and nature towards a better society. Bergson's theory of self-organization also provides a basis for a philosophy of spirituality and business.³² Moreover, it involves a whole new understanding of the creative dimensions of management and of what "becoming" really means within the framework of creative knowledge management.³³

One aspect of this new vision of management is the focus on the immediate ideas of (deep) consciousness as the basis for understanding human subjectivity. Bergson has a very different vision of human spirit and mind than mainstream business theory, which tends to reduce human beings to strategically thinking utility

³¹ Stephen Lindstead and John Mullarkey: "Time, creativity and culture: Introducing Bergson", *Culture and Organization*, 2003, Vol 9(1) March, pp. 3–13, p. 8.

³² Luk Bouckaert and Laszlo Zsolnai (Eds): *The Palgrave Handbook of Spirituality and Business*. Palgrave-Macmillan, Hampshire, England, 2011.

³³ Maria Jakubik: "Becoming to know. Shifting the knowledge creation paradigm" *Journal of Knowledge Management*, Vol. 15 No. 3 2011, pp. 374–402, p. 374.

searching individuals who seek a maximization of personal interest rather than a spiritual vision of leadership. With Bergson's focus on the free spirit of mind there is another view of the subject involved than the one that is present in mainstream economic thinking. Bergson, in his vision of the relation between mind and memory, duration, time, and intuition, presents another vision for business—one that focuses on beauty and the depth of life as essential. Taking this vision of identity and intuition seriously means that we have to redefine the role of business and work in human life in terms of creativity and creative evolution.

This is also the case with seeing organizations and corporations as social institutions. The Bergsonian approach would abandon the neo-Darwinism in economics and social development that is present in the dominant vision of capitalism. Rather, we would focus on the link between human creativity, freedom, and intuition in the vision of the creative mind. Moreover, we would look at how organizations could harness the importance of art and innovation, and their linkage to creativity, to generate dynamic adaptability and development. The environment could be conceived as living creative organisms contributing to self-organizing teleology of the evolution of nature and society within the mystery of free creation without predetermination.

Moreover, the distinction between closed and open morality and religion also involves a radical rethinking of the purpose and meaning of organizations. Closed organizations are based on authoritarian rule-based norms that everyone follows without question; however, this kind of organization has gradually provided space for a more open society, morality, and religion with a universal focus on human creation and spirituality, as well as a concern for human rights and dignity. This is an open view of morality and society that moves beyond closed morality towards creative evolution, where spiritual creativity in organizing and organizations enables new and more advanced forms of life.

2.4 Emile Durkheim: Solidarity and the Institutionalization of Freedom

It was rather late in his career that Bergson formulated his social philosophy that is relevant for business ethics and philosophy of management, though French philosophy at the beginning of the twentieth century was not short of sociological thought. Following the positivist sociology of Comte, a number of sociologically, anthropologically, and ethnologically oriented philosophers had developed a close connection between philosophy and the social sciences (notably Durkheim, Lévy-Bruhl, and Mauss). This trend can be analyzed in connection with Bergsonism, but it also contains a strong revolt against this philosophy. Common ground between Bergson and this sociology includes an effort to go beyond our immediate frame of experience in order to describe the concrete relations that condition this experience. This is at odds with Bergson's focus on individual freedom and also the Cartesian university philosophy, with its belief in a rational and self-conscious subject.

While Bergson was interested in immediate experience and creative evolution, Durkheim concentrated on social facts. He wanted to investigate social laws and structures. His aim was to lay a foundation for social philosophy as an objective science. Durkheim considered being a part of society as one among a number of social facts (*les faits sociaux*) that he emphasized as things; that is, expressions of an independent social reality that is different from consciousness of the physical world.

Durkheim wanted to show how the individual could be considered a product of social institutionalization, determined by social pressure and new forms of solidarity in a given society. A social fact expresses an outer pressure that determines the actions of individuals.³⁴ Durkheim's theory of modernity contains an ethical potential because it emphasizes the necessity of work solidarity as a way to overcome isolation and egoistic individualism.

Durkheim's investigations into the foundation of the sociology of moral standards and how institutions generate morality are particularly relevant to philosophy of management and business ethics. His sociology and philosophy helps us to understand how institutional moral standards are authoritative guides for interpersonal behavior. We can say that the sociological approach to normativity provides the basis for understanding the cultural transmission of moral standards in relation to the organization, the market, and the business system integrated in the culture of society. It explores the societal foundations of standards for fair responsibility and managerial moral standards in cultural and normative conventions and institutions.³⁵

Durkheim came from an orthodox Jewish family with a long pedigree. He went to École normale supérieure in the years around 1880, and was friends with the socialist, Jean Jaurès. In 1882, he became a high school philosophy teacher and for a number of years he was professor of social sciences and pedagogy in Bordeaux, where he and his coauthors wrote a book on sociological method that contributed to the foundation of his new social thought. In 1902, Durkheim received a position to work for development of sociology as a science, but it was only in 1913 that he began to teach sociology at the Sorbonne. In 1896, he founded the journal *L'Année sociologique*, which was the most important French social science journal of its day, until it ceased publication in 1914. Durkheim was strongly publicly engaged in the first decades of the century, fighting for a socialist and liberal republicanism that contrasted with Anglo-Saxon utilitarianism by focusing on individual dignity and inviolability. In connection with the Dreyfus affair (a heated public debate about the implied racism of arrestation of a Jewish captain Dreyfus by the French government in the late nineteenth century) Durkheim intervened on the side of the socialists. He argued against anti-Semitism for social solidarity instead of the economic individualism and egoism of the liberal positions.

³⁴ Emile Durkheim: *Les règles de la méthode sociologique*, (1895) Seconde édition, Quadrige, PUF, Paris 1937, p. 14.

³⁵ Frederick Bird and James A. Waters: "The Nature of Managerial Moral Standards", *Journal of Business Ethics* 6 (1987), pp. 1–13, p. 11.

He died at 59 years old in 1917, partly because of his great grief over the death of his son and many of his friends in the battles of the First World War.

Durkheim expressed, in a certain way, the French tradition of objective thinking. His work, inspired by Comte, holds a strongly objective style that describes social facts and human beings as a part of a social totality.³⁶ At the same time, he was influenced by the Kantian philosophy of Charles Renouvier (1815–1903), who was one of his teachers at Ecole normale supérieure. Renouvier had been critical of the emergent utilitarianism, on the basis of his Kantian leanings. At the same time, Kant's theory of knowledge, based on the idea of a number of governing laws and principles in reality, was very important for Durkheim. Indeed, Durkheim was influenced by the utopian socialism of Claude Henri Saint-Simon (1760–1825) and, not least, Karl Marx (1818–1883).

Durkheim's unification of respect for the individual with social solidarity stands at the center of his analysis, and as the basis for his notion of social stability. Durkheim investigated the possibility of developing a special form of solidarity in modern complex and individualized societies. He therefore criticized social individualism and egoism. He wanted to develop a moral philosophy that was based on respect for the human person and that could ensure integration of a fragmented society. Through his positivistic description, Durkheim reaches rather metaphysical conclusions and he does not always follow his own method, which is illustrated by his definition of suicide from a social perspective as well as his investigations into the social meaning of the holy, and also his analysis of religion as the basis for social community. It is this very thoughtful and metaphysical positivism that is so characteristic of later French philosophy, such as in the sociological descriptions of thinkers like Claude Lévi-Strauss (1908–2009) and Michel Foucault (1926–1984). Indeed, as we shall see, this approach to social philosophy is very important for perspectives on business ethics and philosophy of management that explain different processes of institutionalization of norms and values in modern business and economic markets.

In *Les règles de la méthode sociologique* (1895) Durkheim defines his sociological method. His starting point is holistic, because his aim is to establish the collective social facts (*les faits sociaux*) that determine social life. The social facts can be studied as objects independently of individuals.³⁷ Social reality is determined by a number of structural and material laws that are not psychological, but social, and that it is the task of sociology to describe. Durkheim emphasizes that social life is not to be understood as an unstructured battle between individuals, but that social and extra-individual facts express a social pressure that affects and socializes individuals. This social power is the foundation of the function and causal explanations of social life.

³⁶ Raymond Aron: *Les étapes de la pensée sociologiques*, Montesquieu. Comte. Marx. Tocqueville. Durkheim. Pareto. Weber, (1967), Gallimard, Tel Quel, Paris 1989, p. 319.

³⁷ Emile Durkheim: *Les règles de la méthode sociologique*, (1895) Séconde édition, Quadriga, PUF, Paris 1937, p. 19.

Durkheim's three main works are: *De la division du travail social: Etude sur l'organisation des sociétés supérieures* (1893), *Le suicide: Etude de sociologie* (1897), and *Les formes élémentaires de la vie religieuse: Le système totémique en Australie* (1912). All three demonstrate a sociology that wants to break with Cartesian subjectivity by investigating collective social facts as its basis. Durkheim is critical towards a social philosophy that takes its point of departure in individual freedom and autonomy. His main idea is that the individual is born out of society, which has its own reality that is independent of individuals. It is implied in Durkheim's realism and holism that the totality goes before the parts and that social totality cannot be reduced to its elements. In other words, the social world comes before individuals.

The question is how a social community emerges and how consensus is reached to live together. In *De la division du travail social* Durkheim distinguishes between organic and mechanical solidarity.³⁸ These two extreme forms of solidarity express what keeps society together. In a community with organic solidarity the community is kept together because individuals have not yet been separated from each other. Organic solidarity, in contrast, keeps a society together with differentiated individuality. In this way it does not build on mechanical unity, but on organic consensus. In this sense, organic solidarity is based on the mutual dependence of individuals in a well-developed society. Durkheim was worried about the increasing individualism in his contemporary society that he conceived as a threat to organic solidarity. At the same time he was convinced that increased professional consciousness and community in the workplace was a condition for meaningful integration in modern society and, indeed, the theory of organic solidarity can be conceived as an analysis of the institutionalization of freedom in modern societies. From the perspective of business ethics and philosophy of management Durkheim proposes a theory of organizational unity in differentiated societies.

This implies that the individual is not what is historically primary, but emerges in historical development.³⁹ In primitive societies people live together in an organic unity where they all have close emotional bonds to each other. The contrast between mechanical and organic solidarity corresponds to the contrast between primitive societies and societies where there is separation of work. In the segment structure of primitive society's traditions and local norms are the driving force in the collective consciousness, which forms a system that conditions the individual conception of life. In primitive societies collective consciousness dominates individual consciousness. The group dominates the members of archaic societies. Durkheim argues that collectivist societies, where everybody—historically speaking—looks alike, are the primary societies. Mechanical solidarity precedes organic solidarity.

³⁸ Emile Durkheim: *De la division du travail social. Etude sur l'organisation des sociétés supérieures*, Paris 1893.

³⁹ Raymond Aron: *Les étapes de la pensée sociologiques*, Montesquieu. Comte. Marx. Tocqueville. Durkheim. Pareto. Weber, (1967), Gallimard, Tel Quel, Paris 1989, p. 320.

In his sociology of law Durkheim distinguishes between two types of legal regulation: the repressive and oppressive law that punishes the crime and the restitutive and cooperative law that represents the reforming social legal regulation aiming to reinstitute and develop social order. In a society with mechanical solidarity, collective consciousness is expressed in repressive law. As action, a crime is defined by collective consciousness, which also renders the social sanctions. The aim of the sanctions is to make people scared, satisfy the common desire for revenge, and maintain the collective consciousness about what is lawful and unlawful. It is the aim of the restitutive, or cooperative, legal consciousness to reestablish social order as it should have been (according to the concept of justice).

Durkheim is critical towards classical contract theories by Thomas Hobbes (1588–1679) and Rousseau. Society is not a social pact between individuals, but is built on social differentiation and different forms of solidarity that mediate a collective conception of right and wrong. A differentiated society, in contrast to an archaic one with its higher degree of social and moral unity, is characterized by the intensified exchange of communication and social goods.

It is Durkheim's intention to find the cause of the development of social differentiation in modern society. He refuses Comte's hypothesis that social development is based on human intentions to acquire happiness. It is not certain that modern human beings are happier than their predecessors in primitive societies. Instead, Durkheim—somewhat critical to Bergson—refers to Darwin's idea of the struggle for survival as important for social development. Social differentiation and division of work makes society more efficient and permits more and more people to survive. The division of work should be seen as a way to make collective work more efficient and increase the number of individuals who can survive, which leads to increased communication, social exchange, and moral density.

At the same time it is social differentiation that is characteristic of modern society, and is a condition for the creation and institutionalization of human individual freedom. In a society with social differentiation collective consciousness loses its strength and this means that the individual can enjoy certain autonomy in judgment and action. This also includes that the most important problem in individualist societies—the effort to maintain a minimum of collective consciousness to avoid social dissolution. But even in the differentiated individualist society, where everybody sees themselves as autonomous and free, the individual must consider him or herself as a part of social community, in other words as an expression of collectivity. Such a society can only exist with organic solidarity, that is, with individual responsibility and a certain degree of collective moral responsibility that goes beyond the ordinary social contract. This also means adhering to a number of social norms and collectively sacred values and obligations that individuals respect and that put them in relation to the social unity.⁴⁰ With this connection, Durkheim proposes his argumentation for a well-developed social ethics as the basis of organic solidarity in modern differentiated societies.

⁴⁰ *Ibid.*, p. 330.

Durkheim's famous study of suicide, *Le suicide: Étude de sociologie*, began a long tradition of reflection about suicide in French philosophy and can be considered in close relation with the study of the social division of work. Even though he does not think that people in a society with organic solidarity would be less happy than in a society built on mechanical solidarity, Durkheim is aware that human beings in modern societies are not necessarily more satisfied than those in traditional ones. He points to the increasing number of suicides that express something abnormal in relation to social integration. For example, he considers the case of economic crisis and bad adaptation to work as an expression of the pathologies of social life that are based on modern social differentiation. While collective life was the necessity of common integration in traditional societies, there is no equivalent to this in society that builds on individuality and organic solidarity. This leads to disintegration of social groups that is the basis for more social pathologies. Durkheim says that the solution for the social pathologies in modern society is the creation of groups that favor the integration of the individual in collectivity.⁴¹

In his study of suicide Durkheim wants to show the extent to which the individual is governed by collectivity. In this context, suicide is particularly interesting because nothing is more individual than to take one's own life. Durkheim's provocative thesis is that even when the individual is alone and in despair wants to take his or her own life it is still society that influences the unhappy consciousness. Both passive (e.g., a hunger strike) and active suicides (e.g., shooting oneself with a revolver) can be interpreted from this perspective. It is a fact that the suicide rates in a given group of people remain relatively constant. Durkheim uses this fact as the basis for his theory that the real causes of suicide are not psychological, but social. Given this it is possible to refute psychological or biological theories about suicide. Suicide is not hereditary, nor is it based on genetic or psychological resemblances with other human beings; instead, it is based on a number of social conditions.

On this basis, Durkheim distinguishes between three main types of suicide: (1) egoistic, (2) altruistic, and (3) abnormal. Individuals who are excluded from society and social groups, and who want to commit suicide because of despair or lack of will to live, commit egoistic suicide. On the contrary, altruistic suicide is an expression of the total dependence of the individual on the social group, for example in the Indian practice where a widow is required to commit suicide by being burnt to follow her husband in death, or a collective suicide (e.g., soldiers in a war). Abnormal suicide is a result of social disintegration and is present in times of crisis where it expresses a social pathology due to problems of survival and changed conditions of life due to social differentiation, individualization, and the emergence of new mechanisms of integration.

According to Durkheim the solution to the social pathologies of modernity is to find a way to reintegrate the individual in the social. He discusses the possibility of integration through the family, or a religious or political group, but he does not think that any of these options have any great perspective to offer the individual

⁴¹ Emile Durkheim: *Le suicide. Etude de sociologie*, Paris 1897.

seeking to adapt to society. Durkheim instead proposes work life as the basis of social integration and the development of social solidarity in differentiated societies. He maintains that a morally integrating and disciplinary force is necessary to keep society together. Every human being has endless desires and discipline therefore is necessary as the primary moral force of society. Indeed, it is professional life, the norms of business ethics, and organization of work life that, according to Durkheim, provide this important integrating force of modernity. In this sense the development of a moral economy and business ethics is an essential dimension of the institutionalization of individual integration in modern society.

Durkheim provides us with the sociological foundations for a theory of professional responsibility, since the norms of integration demand moral engagement. In other words, professional responsibility finds its basis in Durkheim's theory of social integration. Durkheim's sociology can help to bring back professional responsibility involving accountability. In modernity, norms of professional responsibility and accountability are important in all governance systems. In the health care sector, for example, nurses and physicians are guided by this responsibility. Similarly, social workers in the welfare state are also required to follow norms of professional responsibility. It can be argued that this kind of responsibility based on the social integration of universal norms functions as a basis for governance. New public management (as an example) cannot function without professional consciousness of responsibility and accountability in the public institutions and private organizations of the welfare state.⁴²

2.5 Durkheim and the Institutionalization of the Moral Economy

Durkheim lays out his sociology of religion in *Les formes élémentaires de la vie religieuse: le système totémique en Australie*. He develops a theory of totemism as the basis for religion. It is characteristic of totemism that it incarnates collective beliefs in human society. Phenomenon of collective significance are endowed with a great religious force. This could, for example, be rationality that operates as a new kind of religion.⁴³ Another case is the revolutionary cult of patrimony, freedom, and reason after the French revolution. Durkheim's sociology of religion is at once both an expression of and a synthesis of science and religion. The value that society attributes to consciousness is dependent of what the social community installs as criteria for truth and falsehood.

⁴² Tone Dyrda Solbrenke and Thomas Englund: "Bringing professional responsibility back in", *Studies of Higher Education*, 36:7, pp. 847–861, p. 849.

⁴³ Emile Durkheim: *Les formes élémentaires de la vie religieuse: le système totémique en Australie*, Paris 1912.

In this sense, social forms are nothing more than the symbolic forms of society's social and moral interests that integrate the individual in the social group. The fundamental content of religion is the separation of the world into the holy and profane. A religious phenomenon does not necessarily have to build on a church. It is not transcendence, but the symbolic representation of the collective consciousness that is central. This happens with the recognition of what is holy and divine as an inner part of society. Symbols and rituals are expressions of norms for social behavior that express the social self-understanding of society. This can be analyzed in classifications of primitive societies as pure or impure.

Durkheim's social philosophy is characterized by the existence of social facts and collective consciousness as an independent reality. The rupture of this philosophy from Cartesian thought is manifested by the fact that its basis for the social world should not be conceived as something subjective. What is social is not a sum of individuals but is expressed in the connections, structures of meaning, and relations that are constituted among the individuals in society. Durkheim is worried about the threat of the dissolution of modern society because of human freedom and egoism. Durkheim formulates the demand to the social order as a question about socialization and about how to achieve consensus to keep community together. He thought that the institutionalization of freedom in modern society was very important because he endorsed freedom and autonomy in social institutions. He pointed to individual responsibility in organic solidarity that could contribute to avoiding fragmentation in the face of increasing social pathology. Durkheim conceived of socialism as an expression of a better organization of society that could solve the problem of collective morality.⁴⁴ Here Durkheim also saw business ethics, philosophy of management, and moral economy as important because organic solidarity was not only a matter for the state, but Durkheim hoped that development of professional ethics in work life and in the organization of society in social cooperatives could ensure the moral integration of society.

Durkheim offers a paradigm for analyzing business ethics and philosophy of management that aims to describe the social fact of the norms and morality of the economy in advanced differentiated societies. Durkheim also provides us with a program for analyzing forms of social solidarity and social pathology in advanced capitalist societies. We can perceive a tension in the description of different forms of mechanical and organic solidarity in different forms of society because business organizations can both contribute to the institutionalization of freedom through organic solidarity, but they can also maintain mechanical solidarity and contribute, therefore, to creating the social pathologies of modernity.

The critical theorist, Axel Honneth (b. 1949), has used the program of Durkheim to promote a moral capitalism. Honneth defines capitalism and its markets as the free economic exchange of goods and services. Historically speaking, it was the legal subject (most of the time a man with property) who had the right to exchange at the market. The basis for behavior at the market was strategic

⁴⁴ Marcel Mauss: *Emile Durkheim et le socialisme*, Paris 1924.

utility maximization and the calculation of cost/benefits. According to Honneth, Durkheim followed Hegel by investigating the normative dimensions of the capitalist system in order to go beyond it and propose a new economic order with a different value orientation for economic institutions.⁴⁵ Honneth finds a paradox in this line of questioning, which asks why the market should obey social norms outside the market when it is about individual utility and utility maximization. The answer for Honneth follows Durkheim and his conception of the differentiation of norms in societies with organic solidarity. Intersubjective norms govern the market when it is viewed through normative institutionalism, where morality is considered to be a part of the economic exchange.

Honneth emphasizes that, today, new conditions of consumption and production contribute to the legitimacy of the market through the consumer. We see this in the way that market globalization is realized through mass consumption. This development can also be seen in the emergence of the morally and legally responsible critical consumer: the “consumer citizen”.⁴⁶ Honneth also considers the labor market as central to the emergence of a moral economy. The capitalist organization of work has, historically, implied manipulation and oppression of the workers. Once workers organized themselves into movements, they then engaged in struggles for recognition and social freedom in the labor market. This fight for social freedom implies a struggle for cooperation and recognition in the labor market.⁴⁷ The organization of workers into unions is an important dimension of how freedom is established in the capitalist system. It is important to humanize the work in this world. In particular, democratic organization of the economy and of business can contribute to this. Honneth argues that social freedom in the organizational sphere of corporations and business is dependent on the struggle for recognition by the workers. It is important to contribute to this humanization of work.

Honneth and other social theorists have also been interested in the concept of social pathology, which is central to the work of Durkheim and can also be used for organizational analysis in business ethics and philosophy of management. It is in this context that Durkheim’s understanding of suicide as a social phenomenon provides the basis for analyzing social pathologies in the business organization. Phenomena such as stress, burnout, work problems, and so forth can be seen as social pathologies rather than individual problems. This allows the possibility of changing organizations in the direction of individual and collective well-being.

Moreover, with his work on totemism, Durkheim has provided us with the theoretical basis for understanding religious phenomena in organizations. When we deal with concepts like corporate religion and spirituality, in contrast to Bergson who sees these phenomena from the inside as valuable experiences, we can analyze them as social facts and as elements that shape corporate social identities. This sociology of religion permits us to look at the norms of organizations as expressions

⁴⁵ Axel Honneth: *Das Recht der Freiheit*, Suhrkamp Verlag, Frankfurt 2011.

⁴⁶ Ibid., p. 377.

⁴⁷ Ibid., p. 431.

of collective totemism and, furthermore, we can ask the following questions: To what extent does such totemism contribute to increased social pathology? Is there a possibility of a new institutionalization of freedom through the clarification of the social norms of organic solidarity in modern organizations?

2.6 From Durkheim to Marcel Mauss (Collège de Sociologie)

Durkheim's social philosophy has influenced structuralist and functionalist movements in American sociology and ethnology. His work was of groundbreaking significance for Alfred Radcliff-Brown (1881–1955) and Talcott Parsons (1902–1980). He had a direct influence on the young generations of French historians from the Annales School after the First World War, among others Marc Bloch (1886–1944), Lucien Febvre (1878–1956), and later Fernand Braudel (1902–1985). Durkheim's thinking about suicide can, in a negative sense, be traced in the work of French existentialists who analyzed individual loss of meaning in a disintegrated society. Structuralists, in particular Lévi-Strauss, and their critics, such as Foucault, have also been inspired by Durkheim in their understanding of different social phenomena.

Another classic representative of French social philosophy is Lévy-Bruhl, who theorised society from an ethnological and ethnographic perspective. As a former pupil of École normale supérieure he also belonged to the socialist environment of Jean Jaurès. He testified for Captain Dreyfus in the Dreyfus affair. Lévy-Bruhl was a republican patriot associated with foreign affairs in the First World War. He worked on the notion of responsibility and in 1904 he became professor of the history of modern philosophy, but his main interest was the history of primitive populations. He argued that it was the task of sociology to investigate the concrete variations of human moral experience.⁴⁸ In particular, Lévy-Bruhl argued that the mentality and worldview of primitive populations was different from those conceived as civilized. Their mentality is, however, not inferior: they just think differently.⁴⁹ There is not one form of reason and thought, but original people have a collective consciousness that is prelogical. It extends beyond the principle of contradiction and the distinction between subject and object, and does not conceive of the subject and separation of individual and group. The mythical world of the primitive goes beyond time and space and is determined by a fundamental principle of duration, which is reminiscent of Bergson. From the beginning of the 1920s, during the last 20 years of his life, Lévy-Bruhl developed this philosophy of primitive thinking and accompanying notions of prelogical thinking and participation in a magical, emotional, and mystical concrete experience of the world in

⁴⁸ Lucien Lévi-Bruhl: *La morale et la science des mœurs*, Paris 1903.

⁴⁹ Lucien Lévy-Bruhl: *La mentalité primitive*, Paris 1922.

magic and symbols. Lévy-Bruhl was criticized by Durkheim, among others, for exaggerating the distinction between primitive and civilized ways of thinking, and for challenging rational philosophy too strongly by maintaining that the affective and magical worldview has a truth content that challenges our present logical and rational worldview.

Durkheim's nephew, Marcel Mauss, was also one of the founders of anthropology and ethnology who has had great influence on French philosophy. He started his career teaching at *École pratiques des hautes études* and later competed with the Thomist, Etienne Gilson (1884–1978), as professor at *Collège de France*. Mauss was a pupil of Durkheim and they worked closely together in order to realize the sociological program in ethnology and anthropology. Mauss was also a socialist and belonged to the political group around Jaurès and the socialist teachers and students at *École normale supérieure*. After Durkheim's death,⁵⁰ Mauss developed the idea that the social nature of human beings is the basis for society. Mauss wrote a book about Durkheim's theory of socialism that documented the social dimension of Durkheim's philosophy.

The application of Mauss's thought in business ethics and philosophy of management is potentially very profound since it opens to a broader concept of economy, namely integrating broader concepts of exchange, like generosity, gift exchange, and altruism.⁵¹ Mauss helps us also to ask questions about the religious basis for economic relations, in the same way as Weber provides an analysis of the concept of Protestant ethics and the spirit of capitalism. In this context, Mauss helps us to understand the spiritual and institutional dimensions of the economic exchange system.⁵²

Mauss's most important contribution is his investigation of the notion of the gift and its role in exchange in primitive societies, which he developed in *Essai sur le don: Forme et raison de l'échange dans les sociétés archaïques* (1924). Mauss presents an archeological and historical investigation of different phenomena as the basis for present society and social organization in order to understand the formation of social institutions. Mauss's comparative archeology and sociology of modernity shows how elements of original social organization can be recognized in modern society. This implies a holistic conception of society where social institutions should be explained on the basis of their cultural context. The totality should be reconsidered as a part of every single social phenomenon and every single social phenomenon could be analyzed as an indication of the coherence of the whole in order to understand the totality. In particular, Mauss combines structural analysis of social figures with an evolutionary and hermeneutic perspective on social development.⁵³

⁵⁰ Marcel Mauss: *Emile Durkheim et le socialisme*, Paris 1924.

⁵¹ Kolm, Serge-Christophe and Jean Mercier Ythier: *Handbook of the Economics of Giving, Altruism and Reciprocity*, Volume 1, London: Elsevier B.V. 2006.

⁵² Marcel Henaff: "Religious ethics, Gift Exchange and the Ethics of Capitalism", *European Journal of Sociology*, Volume 44, Issue 03, pp. 293–324., 2003, p. 313.

⁵³ Claude Lévi-Strauss: "Introduction à l'Œuvre de Marcel Mauss" in Marcel Mauss: *Sociologie et anthropologie*, PUF, (1950), Paris 1985, p. IX.

Essai sur le don begins with an analysis of gift exchange in original societies as foundational to social institutions and follows with an analysis of the notion of the gift in different cultures (Germanic, Roman, and Indian) from the perspective of mythology and legal principles in these cultures. Mauss demonstrates the resemblance in the conception of gift exchange in all these different cultures and social forms and shows how it differs from modern utilitarian and functionalist conceptions.⁵⁴

When we investigate the notion that receiving a gift obliges us to give back, it is useful to look at the North American Indian custom of the potlatch, which has been observed among some tribes in Vancouver and Alaska. In potlatch ceremonies, rival tribes institutionalized rules around generosity that led to an aggressive fight for recognition, where the best tribe was the one who gave the best gift.

In the primitive societies of Polynesia, Mauss observed that the whole legal and economic system was based on the obligation of giving and receiving in rituals around marriage, birth, disease, puberty, death, and so forth. The exchange of the gift took place in a religious and mystical context. The gift had an essentially religious significance. To receive something from other people was to receive something of their spiritual substance, their souls.⁵⁵ It expressed a divine mediation between the receiver and the giver of the gift. In primitive society, we do not make the distinction between sacred and profane or the spiritual and material. Gifts have, therefore, a sacred dimension that implies a spiritualization of all social and economic exchange.

In contrast to a pure market-based money economy, social and economic dimensions are mixed in a unity in the metaphysics of the gift. Originally, the economy was not based on a utilitarian and functionalist process. An economic exchange was instead an exchange between spiritual human beings searching to recognize each other. The Trobriands, a group of Pacific Islanders, demonstrate a custom that signals the central significance of the gift for trade. Only after the kings and tribal heads exchange gifts can the remaining members of the tribes engage in economic transactions.⁵⁶

As a social relation, gift exchange contains both demands to those who give and to those who receive the gift. You cannot refuse to receive gifts and in some situations there is an obligation to be thankful and to give a gift in return. To give a gift expresses respect for the other as a spiritual being, for his or her autonomy and for his or her existence as a spiritual being. The gift is something that makes one recognize the other as a respectable human being. Gift-giving has, therefore, great moral significance in primitive societies. This happens, according to Mauss, in modern societies as well, but for moderns the secularization process has led to forgetting the spiritual significance of the gift. Today we do not see the gift as an expression of the soul of the giver and we do not feel an unconditional obligation to give back.

⁵⁴ Marcel Mauss: "Essai sur le don. Forme et Raison de l'échange dans les sociétés archaïques" in Marcel Mauss: *Sociologie et anthropologie*, PUF, (1950), Paris 1985, p. 145ff.

⁵⁵ Ibid., p. 148.

⁵⁶ Ibid., p. 161.

One can, however, find aspects of the archaic conceptions of gifts and exchange in other historical and modern societies. In the Viking culture there was always an implicit demand to give a gift in return. Roman law is built on the idea of friendship and on the noble personality of traders. This means that business and exchange cannot be separated totally from the morality of the gift. European systems of commercial and business law presuppose some aspects of trust and the integrity of the traders, which is an important element of the spiritual gift relations. In the law of primitive society one can also observe elements of the idea of the gift that are repeated in the economy and law of modern society. In the traditional morality of business ethics and of trade we can perceive that the idea of mutual recognition and sympathy in exchange is a fundamental aspect of the economy of the gift.

In Indo-European mythology, we find the Mahabharata, a mythical story about the creation of the world that contains a description of divine generosity and the exchange relationship between God and human beings.⁵⁷ Here, God gives the world and its holy things to human beings. In such creative theology, God represents an “infinite generosity” that gives human beings their existence and the world with its material things. All material goods, for example food and land, are personalized, because they express a divine spirituality. The resources of nature receive a spiritual dimension, because they are a gift from God, which means that they are more than material objects.

After describing the function of the gift in the archaic, Greco-Roman, and European conceptions, Mauss analyzes the importance of the gift in original Germanic societies.⁵⁸ Here, the function of the gift is shown in intimate human relations, economically, socially, and generally in society. He explores what happens when gifts lose their function: become *gabe* (or ‘poison’ in German). To see how fundamental the law of the gift is in Germanic culture, one can look at how the taboo of violating the law of giving and receiving is expressed in stories about an evil fairy, who represents a narrative expression of this perversion of the idea of the gift.

2.7 The Gift in Modern Society, Economics, and Business

What are the potentialities for understanding business ethics and philosophy of management on the basis of the notion of the gift as it is proposed by Mauss? In fact, this approach contributes a social conception of the economy that has been forgotten by the liberal approach to markets and economic exchange. By placing gift exchange as an aspect of economic exchange, which is fundamental to the social constitution of society, Mauss contributes with an important insight. Different

⁵⁷ Ibid., p. 243.

⁵⁸ Ibid., p. 250.

aspects of the classical metaphysics of the gift can be found in modern societies. There are a number of conventions of gift giving that are essential to social relations in a generalized social economy. We can mention wedding, baptism, birthday presents, which have a spiritual significance for social relations. Mauss mentions charity movements to help the poor in times of crisis as expressions of modern generosity.⁵⁹ But the state also provides examples of such kinds of mutual gift giving, as receiver and giver through taxes and social or health insurance. In addition, economic markets as such should not be considered as based on one-sided profit maximization. Corporations participate in gift-based social exchange. They receive from society but are also required to give back in the form of good service, products, or through philanthropy.

Mauss is, however, also aware that the basis of social relations in mutual gift giving has increasingly been forgotten in modern societies and that the principle of the gift has a tendency to be ignored in social exchange. Mauss therefore wants to reinstitute a concrete morality of mutual recognition of the gift and the principle of gift giving in the place of abstract desacralized law and economics. As a proposal of a new moral maxime for social life together, he cites an old Maori saying that as long as one gives as much as one receives, everything will be all right.⁶⁰ Mauss thinks that it is unfortunate that modern law and economics and globalized business capitalism seem to have fully forgotten the sacred and spiritual dimension in the exchange of gifts.

Mauss's philosophy of the gift has had huge influence on later French philosophers like Sartre, Bataille, Lévi-Strauss, Derrida, and Bourdieu. An important question is whether it is possible to re-establish the gift as the foundation of social, economic, and business relations in modern society. In other words, it is possible to live according to the utopia of spiritual mutuality in modern society. Sartre proposed something along these lines by arguing for generosity—where people mutually help each other—as a basic value in existentialist ethics.⁶¹ Derrida sought to re-establish the utopia of the gift by surmounting the identity logic of exchange. He criticized Mauss and modern society for reducing the gift to economic exchange where one never gives anybody anything without requiring getting exactly the same back. In fact, trade negotiation in capitalism is in danger of ending up in such a pure identity of exchange, changing social relations from gift-based generosity to money-based instrumental calculation. Derrida proposed that that we need to go beyond economic exchange towards a real gift of pure generosity without conditions. But then again, it is a paradox of economic philosophy that this pure generosity is impossible.

Generally, the question is: What is the meaning of gifts and social exchange for business and capitalism, and modern society? Should we criticize business for eliminating the spiritual dimensions in the definition of exchange in economic

⁵⁹ Ibid., p. 263.

⁶⁰ Ibid., p. 235ff.

⁶¹ Jean-Paul Sartre: *Cahiers pour une morale*, Gallimard, Paris 1983.

systems? Moreover, it is an issue for business ethics to address the proper role of business in relation to gifts and the spiritual dimensions of material economic relations. In this context, Mauss maintains that real human relations presuppose social exchange based on equality and spiritual recognition. It is an integrated part of our social economy that there is always potlatch and circulation present in what one gives and receives. There are many important ethical issues at stake in this concept of the gift. A gift economy is still essential in modern capitalism and it is a basic morality of exchange that reinforces social integration.⁶² With his deep analysis of the gift, Mauss provides the basis for concrete analysis of gift relations within business ethics and philosophy of management.⁶³

2.8 Introducing Hegel in French Social Philosophy: Alexandre Kojève

After the First World War, the philosophical doctrines of Bergson, Durkheim, Maurice Blondel (1861–1949), and Léon Brunschvicg (1867–1944) were well established. At the same time, French philosophy in the 1930s saw the emergence of a radical new philosophy, through the surrealism of André Breton (1896–1966) and the emergent German phenomenology and existential philosophy of Edmund Husserl (1859–1938) and Martin Heidegger (1889–1976). In particular, Kojève, a Russian immigrant, contributed to this new paradigm with his famous lectures on Hegel's philosophy of the phenomenology of the spirit (*Phänomenologie des geistes*, 1807) at École pratique des hautes études in the years 1933–1939, where he managed to combine an interpretation of Hegel with phenomenological and existentialist themes. The lectures were published by Kojève's friend Raymond Queneau (1903–1976) with the title *Introduction à la lecture de Hegel*.

Kojève introduced Hegel in a criticism of Bergson's vitalism and Brunschvicg's idealistic theory of knowledge. The lectures presented an anthropological reading of Hegel's philosophy of the historical battle of recognition that was inspired by Marx and Heidegger. Kojève's passionate presentations of Hegel's philosophy became a great philosophical event in the 1930s in Paris and many of the followers of the lectures were among the famous personalities, in particular Merleau-Ponty, Breton, Bataille, Raymond Aron (1905–1983), Albert Camus (1913–1960), Simone de Beauvoir (1908–1986), Lacan, and Jean Hyppolite (1907–1968). Sartre did, however, not participate in the lectures even though he often worked on many of the same Hegelian themes as Kojève.

⁶² Kolm, Serge-Christophe and Jean Mercier Ythier: *Handbook of the Economics of Giving, Altruism and Reciprocity*, Volume 1, London: Elsevier B.V. 2006.

⁶³ Jeanette Lemmergaard and Sara Louise Muhr: "Regarding gifts-on Christmas gift exchange and asymmetrical business relations", *Organization* 18(6), pp. 763–777.

Kojève's reading of Hegel is marked by Socratic irony and a classical understanding of philosophy as wisdom. He was well aware that his reading of Hegel was not innocent philosophy of history and it formed the basis for the formulation of his own philosophy. Kojève was also influenced by Hobbesian realism and the absolute conception of the state. In addition, one can find the influence of Friedrich Nietzsche's (1844–1900) philosophy of the superman who fights to combat nihilism after the fall of metaphysics.

Kojève's interpretation of the *Phänomenologie des Geistes* emphasizes Hegel's concept of dialectics. Kojève can be said to "humanize" Hegel's concept of history and the desire of consciousness for absolute knowledge. Kojève argues that dialectics is about human reality (*la réalité humaine*) and not about nature, which only receives meaning in relation to human activities. In a criticism of Bergson, who conceived nothingness as a pseudo-idea and of Brunschvicg, who conceived Hegel as a hopeless romanticist, Kojève emphasizes the negativity of human consciousness as nothingness and posits desire for recognition as the basis of the meaning of the world.⁶⁴

Kojève emphasized the dialectical development of history as determined by opposite forces a negative movement between the same and the Other. In history, the subject is in a creative and negating movement back towards itself through the creative movement of giving meaning to the world and history. Dialectical logic is a story about how human beings reach the unconditioned and absolute in a universal homogenous state, where human beings are no longer alienated and where society has overcome the force of nature.⁶⁵ Hegel's philosophy is the story of the human fight to reach absolute knowledge. This is a struggle to overcome the oppositions that are present in being. The real has a dialectical dimension because it, in addition to identity, includes an element of negativity.⁶⁶

Kojève provides us with a general theory of modernity and the struggle for recognition, which may be used to form a concrete development of ethics and the morality of organizations, institutions, and corporations. Kojève's general theory of society can further be used to understand the basis for business in modern capitalist society.

According to Kojève human desire for recognition is realized in the tension between the same and the Other, a theme that became very important in later French philosophy.⁶⁷ Human desire is conceived as a desire for another desire. It is a desire for a freedom that is based in recognition by the freedom of another human being. In the tension with nature, human beings transform the Other as a part of reality. In the encounter with the Other, we realize the individual in the universal through negativity in the teleology of history.

⁶⁴ Alexandre Kojève: *Introduction à la lecture de Hegel*, (1947), Gallimard, Paris 1968, p. 16ff.

⁶⁵ Ibid., p. 301.

⁶⁶ Ibid., p. 473ff.

⁶⁷ Vincent Descombes: *Le même et l'autre*, Minuit, Paris 1978.

When humanity reaches absolute knowledge human beings are, according to Kojève, close to the divine. The end of history is at the same time the final aim of history. This philosophical synthesis was later criticized by postmodern philosophers,⁶⁸ who argued that the individual is absorbed in an abstract philosophical system. Absolute knowledge is a story that expresses a metaphysical violence and madness. It constitutes both humanism and ideological terror.

Human history and the desire to be free is a struggle for recognition. *Phänomenologie des Geistes* must be read as a philosophy of human historical practice. Kojève is close to a Marxist understanding of history where the class struggle between master and slave is the driving force of the historical development. Negativity is expressed in human historical work and action. Human self-realization is a struggle for life and death. This is not an animal fight since human desire is a desire for another desire, a desire for recognition. As political beings, humans desire dignity and respect. Our self-consciousness needs another consciousness to be free and the aim of the struggle is, therefore, not death but the struggle until death that leads to the submission of the slave to the master.

At the same time, the struggle for recognition in history is a struggle among individuals, classes, and nations.⁶⁹ All human beings must risk their lives in the search for recognition if they do not want to end up as slaves. The masters will, in the beginning, win the bloody fight if they dare to risk life, but the slaves refuse to die and they surrender with and submit, therefore, to the masters. We face two subjects, the victor (the master) who is free and another person (the slave) who is alienated and oppressed. The master has won the battle by confronting the slaves with death. The fear of death makes the slaves work in the service of the masters. Now the master is recognized as the master, but the slave cannot get recognition from the master. Rather, he or she finds recognition by realizing him or herself in the immortal works of humanity, art, religion, and science. Now the problem is that the master cannot get the recognition that he or she desires. The slave recognizes the masters in a way, but this is not real recognition because the slaves are in prison and not free. Only a free subjectivity at the same level can give the master true recognition. At the same time the master has no relation to the world of things. He or she does not work, but only lives in pleasure. Unlike the slave, the master cannot find recognition through self-objectification in the outer world.

In contrast, the slaves have no problem in finding recognition through transforming their outer worlds and by being objectified in an Other.⁷⁰ At a deeper level, the slave reaches immortality by working, creating, and transforming the historical and cultural world of which they are a part. Kojève says therefore that history is of the slaves and their victory over the masters.⁷¹

The development of the dialectics of recognition must be understood as a world historical movement towards a universal and homogenous state with peace for all

⁶⁸ Ibid., p. 45.

⁶⁹ Alexandre Kojève: *Introduction à la lecture de Hegel*, (1947), Paris 1968, pp. 13–15.

⁷⁰ Ibid., p. 445ff.

⁷¹ Ibid., p. 26.

citizens.⁷² The struggle for recognition is present in all historical civilizations that have emerged and disappeared. Political ideologies in different historical periods form and objectify the class relations between master and slave. Kojève emphasizes the importance of the question of the end of history in his interpretation of Hegel's philosophy. The universal state expresses the end of politics as a struggle for recognition. According to Hegel and Kojève the French revolution was the preliminary culmination of the battle for recognition where the revolt of the slaves against their masters led to the bourgeois state. At the end of history the philosopher and the politicians are united in absolute knowledge, which Hegel expressed by comparing Napoléon Bonaparte (1769–1821) and world spirit. This development towards the end of history is an eschatological movement that only ends with modernity and human beings being realized in the universal state as gods in a historical paradise.

At the end of history, the ideological struggle has ended because the state is the realization of individual freedom and eliminates the oppositions that were the driving forces of history. Now, everybody, even the philosophers, are satisfied. The bourgeois state with its liberal market economy is the end of the struggle for recognition. It emerges as a realized utopia where reason (Hegel states that "What is real is rational."⁷³), morality, virtue, and the desire for recognition are realized in a higher unity of absolute knowledge.⁷⁴ This means that the universal state is the end of the struggle, the end of philosophy, and the culmination of negation. But it also implies its opposite, namely destruction, death, and, technology. The problem is, however, that absolute knowledge and the end of history also means the death of philosophy, because there is nothing more to know.⁷⁵

With Socratic irony, Kojève show the ambivalence of the end of history, which is also the end of human beings because humanity is defined by its struggle for recognition through history.⁷⁶ Here, Kojève is inspired by Nietzsche's idea that the morality of slaves is nihilistic, because humanity is gone when no one struggles for recognition anymore. At the same time, the end of history, with its satisfaction of desire, is not necessarily a happy time because human beings have no longer something to struggle for in their lives. As a consumer, the modern individual is not very different from an animal, because it is only consuming and has no particular political dignity left.⁷⁷ However, there is no way back. The democratic liberal economic order has become the absolute political order and with this philosophy as a reflection about the political struggle in history has ended. Kojève explored the consequences of this. After the Second World War, he left his philosophical work to become a public official in the French ministry for external trade and chief negotiator with both the European Community and GATT.

⁷² Ibid., p. 380.

⁷³ G. W. F. Hegel: *Philosophie des Rechts* (1818–1832), Reklam Ausgabe, p. 56ff.

⁷⁴ Alexandre Kojève: *Introduction à la lecture de Hegel*, (1947), Paris 1968, p. 540ff.

⁷⁵ Ibid., p. 468ff.

⁷⁶ Ibid., p. 388.

⁷⁷ Ibid., the reference, p. 436ff.

In addition to inspiring many generations of existentialists and poststructuralists, Kojève's philosophy had an important impact on classical political theory. *Tyrannie et sagesse* (1954) recounts a famous debate with the German-American political philosopher Leo Strauss (1899–1973) and clarifies Kojève's thought on the relation between classical and modern political philosophy.⁷⁸ In this book, Kojève is critical of Leo Strauss's belief in classical wisdom—expressed in his study of Xenofanes (426–355 BC)—from the perspective of the end of history, and argues that the wise tyrant is impossible in the homogenous state that is built on equality and recognition. Strauss argues that Kojève has no concept of practical reason because his philosophy is based on Marx, Hobbes, and Hegel. This debate is a very good illustration of the opposition between a classical and modern conception of the ideal political regime.

The importance of the work of Kojève for philosophy of management is illustrated by the work of the American philosopher Francis Fukuyama (b.1952). Strongly inspired by Kojève, Fukuyama's *The End of History and the Last Man* (1990) discusses the fall of communism as an expression of the end of history. According to Fukuyama the liberal democracy, with its capitalist market economy, represents the end of the political struggle between ideologies. This is not necessarily happy, because it implies the dissolution of every metaphysical dimension in human life. What is left is only technology, utilitarianism, and pragmatic decision making in the market economy.⁷⁹ In the universal and homogenous state big ideological battles no longer occur. We are supposed to be living in a post-human and posthistorical time. So what values should be valid for the postpolitical human being when technology and slave morality have conquered? Kojève refers to Japanese culture, which he thinks is superior, as presenting a solution of the problem of the loss of humanity in nihilism. In the Japanese culture human beings find a peaceful happiness that gives harmony to the soul⁸⁰ Kojève was more pessimistic about resolving the contradictions of democratic liberalism and a capitalist market economy because he conceived the end of history as a tragic time, where humanity must continually fight nihilism without being able to realize itself in struggles for recognition in politics or in the wisdom of thought. Instead of political struggle, Kojève chose the work in bureaucracy and enjoy the pleasures of bourgeois life as an economic agent.

Kojève's philosophy has had strong impact on modern French social philosophy. His thinking was developed by philosophers like Jean Hyppolite, professor at the Sorbonne from 1949, director of the Ecole normale supérieure from 1955, and professor at the Collège de France from 1963 to 1968, who initiated a great French tradition of the study of social philosophy.⁸¹ Hyppolite combined Hegel and Marx

⁷⁸ Alexandre Kojève & Leo Strauss: *Tyrannie et sagesse*, Plon, Gallimard, Paris 1954.

⁷⁹ Francis Fukuyama: *The End of History and the Last Man*, New York 1990.

⁸⁰ Alexandre Kojève: *Introduction à la lecture de Hegel*, (1947), Paris 1968, the footnote, p. 436ff.

⁸¹ Gwendoline Jarczyk & Pierre Jean Labarrière: *Les premiers combats de la reconnaissance, Maîtrise et servitude dans la phénoménologie de l'esprit de Hegel*, Aubier 1987.

and was inspired by the existentialist Hegelianism and Marxism of Sartre and Merleau-Ponty.⁸² Alongside Hyppolite, Eric Weil (1904–1977) deserves mention as another important social philosopher who was inspired by Hegel. He developed a political philosophy based on the paradox of the universal and totalitarian state, opposed to human struggle for self-realization in a concrete historical context.⁸³

As suggested, Kojève gives us a general theory of recognition that can be used for different purposes in organizational analysis. One example is the ethical framing of human resource management (HRM) from the perspective of philosophy of recognition. With the theory of recognition we have a framework for cultivating human dignity in organizations. We can say that HRM should avoid focusing too much on workers as human capital and reify them as instruments for economic profit. HRM practices should include respect for human dignity and personal autonomy, and HRM systems should respect dignity by becoming socially integrative through recognition.⁸⁴

2.9 Georges Bataille: Hegelianism and Economy of the Gift

Georges Bataille (1897–1962) is known for radicalizing Kojève's Hegelianism and combining it with elements from surrealism, psychoanalysis, and sociology of the gift, read from a Nietzschean perspective.⁸⁵ He worked as a librarian, but at night he lived the bohemian nightlife in Paris. Bataille is interesting for social philosophy and political economy because he contributes with a surrealist and psychoanalytic reading of social philosophy from a Hegelian perspective. Among his early writings *L'histoire de l'oeil* (1928) caused a scandal because of its combination of eroticism, surrealism, and sadomasochism. It illustrates the philosophy of subjective transgression that characterizes Bataille's thought.

Bataille was a member of the surrealist group Contre-Attaque. In 1936 he created, together with Michel Leiris (1901–1990), the legendary Collège de sociologie, which had as its aim to develop social philosophy, for example through a critical analysis of fascism. This is demonstrated in Bataille's *La structure psychologique du fascisme* (1934), which focuses on social affectivity and social crowds, and was the basis for his social philosophy in *La part maudite* (1949) and in *La souveraineté* (1956), where sociality and social organization are conceived on the basis of the concepts of generosity, work, and sovereignty.

⁸² Jean Hyppolite: *Génèse et structure de la phénoménologie de l'esprit*, 1946 and *Etudes sur Marx et Hegel*, 1955.

⁸³ Eric Weil: *Logique et philosophie* (1950), *Philosophie politique* (1956) and *Philosophie morale* (1961).

⁸⁴ Gazi Islam: Recognition, "Reification and Practices of Forgetting: Ethical Implications of Human Resource Management", *Journal of Business Ethics* (2012) 111: pp. 37–48, p. 37.

⁸⁵ Michael Richardson: *Georges Bataille*, Routledge, London 1995, p. 19ff.

Bataille's contribution to business ethics and the ethical economics is to develop a new framework of understanding economic exchange. He provides us with the concept of the general economy this is defined as an economy of all aspects of human life.⁸⁶ At the same time, this implies a criticism of neoclassical economics, based on Marx, Durkheim, and Mauss. According to Bataille, the economy should be understood as life, surplus, desire, and energy.⁸⁷ The general economy is, therefore, also an economy of surplus and of the generosity of the gift. With his concept of the economy as expenditure and energy, Bataille helps to analyze the current economic system.⁸⁸

Bataille's main work about subjective experience, *L'expérience intérieure* (1943), develops a philosophy of self-transgression, sovereignty, and generosity, which is also the topic of *La littérature et le mal* (1957) and *L'erotisme* (1957). These later works contribute to subjective desire and self-transcendence as the basis for his social philosophy, which can be conceived as a kind of sexual materialism. Sexuality is conceived as the basis for human experience and for social organization in exchange and the community of work.

Bataille's theory of potlatch as social practice is developed in *La part maudite*. It opposes the heterogeneous logic of self-sacrifice found in gift exchange against the homogeneous close reproduction of the social world in work and production. In this sense, the fascist regime can be seen as a combination of heterogeneity and exaltation of affectivity with the homogeneous, capitalist production of utility, profits, and industrial work, regulated in a systemic geometric circulation.⁸⁹ The monopoly of state power maintains homogeneity in society and fights heterogeneity, which expresses itself as reason's other in social organization. Fascist society is a homogeneous heterogeneity, combining the affectivity and order⁹⁰ characterized by the dialectics of masters and slaves. This can be seen in the cases of Hitler and the Roman emperors who created divine cults around themselves in which they incarnated the idea of state rationality, kept together by ideological mythology.

Marxism inspired Bataille when he stated that the development of fascism was based on the wish of the bourgeoisie to gain profit and ensure the productivity of the economy. The capitalists wanted to avoid the destruction of industrial society by supporting a charismatic sadistic chief who would act as the basis of a strong state power that who would not change the property rights to the means of production. But the capitalists forgot that fascism was based on irrational violence and destruction, which also soon turned against the capitalists themselves as these

⁸⁶ Asger Sørensen: "On a universal scale: Economy in Bataille's general economy", *Philosophy and Social Criticism*, 38(2), pp. 169–197, p. 170.

⁸⁷ Ibid., p. 181.

⁸⁸ Mayfair Mei-hui Yang: "Putting Global Capitalism in Its Place: Economic Hybridity, Bataille, and Ritual Expenditure", *Current Anthropology*, Vol. 41, No. 4 (August/October 2000), pp. 477–509.

⁸⁹ Georges Bataille: "La structure psychologique du fascisme" in *Oeuvres complètes I*, p. 339ff.

⁹⁰ Ibid., p. 358.

sadists sought total control over society. A similar process, echoing Bataille, was present in Stalinist communist society. As a political sovereign, Joseph Stalin (1879–1956) became the symbol of maintaining heterogeneous homogeneity in order to ensure production and accumulation, where work became the aim for human beings and where totalitarian sovereignty destroyed the workers search for subjective freedom and autonomy.

This consideration of sovereignty in totalitarian regimes reflects Bataille's general social philosophy. In *La part maudite*, Bataille investigates the relation between the limited and general economy, inspired by Mauss's description of the gift as a basic category that simultaneously expresses economic and symbolic exchange. Bataille analyzed consumption (*dépense*) as the absolute and most sovereign gift, and considered it the highest point of society. There is, thus, a close connection between the gift, expense, and the economic unity of society. At the same time, the religious, the holy, and the heterogeneous are hugely important for social creation and solidarity. The social cannot, therefore, solely be understood on the basis of an economic equivalence and utility logic. Even in the most utilitarian and homogeneous society we can perceive lack of usefulness, generosity, and victimization as, in reality, the basis for maintaining utility. The market economy and business world, with its tension between philanthropy and profit, can indeed be considered as an example of this dialectics of utility and generosity.

Bataille illustrates this connection between generosity and social formation with historical examples of primitive society. Even though there was no wealth accumulation, some of these societies committed apparently self-destructive and meaningless actions, such as sacrificials acts that expressed the sovereignty of expense (*dépense*). The heterogeneity of homogeneity in totalitarian regimes (e.g., fascism, Nazism, and communism) also expresses this complex relation between the useful and useless. Bataille mentions the Marshall Plan for Western Europe after the Second World War as an example of unmotivated generosity that demonstrated the economic superiority of the US.⁹¹ Bataille's mythological, economic theory is in line with conceptions of expansive state consumption as the basis for developing social wealth put forward by John Maynard Keynes (1883–1946). In any case, sovereignty is manifested in the ability of individuals and societies to transgress economic necessity.

In this sense, the economy of the gift in Bataille's philosophy explains many phenomena of philanthropy of business. It also gives us the basis for a sexual materialistic approach to organizations and institutions, both private and public, and allows for analysis of organizations and organizational values from the perspective of tension between generosity and transgression, homogeneity and heterogeneity, and in terms of maintaining the sovereignty of masters in the battle between masters and slaves.

⁹¹ Georges Bataille: "La notion de dépense" in *Oeuvres complètes 1*.

Bataille's work has been criticized by Jürgen Habermas (f. 1929) in *Der philosophische Diskurs der Moderne* (1985) for representing a dangerous irrationalism.⁹² In response, Bataille's thought shouldn't be viewed as an invitation to violence and the ecstatic transcendence of homogeneity in senseless heterogeneity, rather it is a statement about how social formations, institutions, and organizations are continually built on the tension between the forbidden, the holy, and the sacred, which constitutes foundational rules like interdiction of incest and property rights. Bataille's philosophy strongly influenced the structuralist and poststructuralist philosophy of Lévi-Strauss, Foucault, and Derrida. In particular, it is worth mentioning René Girard's (b. 1923) philosophy of religion in *La violence et le sacré*,⁹³ which develops the connection between sacrifice and utility in relation to modern societies.

Applied to the context of business ethics and philosophy of management we can say that Bataille's philosophy contains many fundamental concepts that can be used to analyze and understand essential features of the economic system as a tension between exchange and gift, homogeneity and heterogeneity, and excess and generosity versus exploitation and oppression, as well as concepts of sovereignty, recognition, and transgression that can be used to illuminate our understandings of the social foundations of the market economy.⁹⁴

⁹² Jürgen Habermas: *Der philosophische Diskurs der Moderne*, Suhrkamp, Frankfurt 1986.

⁹³ René Girard: *La violence et le sacré*, Grasset, Paris 1972.

⁹⁴ Omid Nodoushani (1999): "A postmodern theory of general economy: The contribution of Georges Bataille", *Studies in Cultures, Organizations and Societies*, 5:2, pp. 331–345.

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