

# On the ethics of capitalism

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# Defintions

## - definition of ethics:

a part of science dealing with the moral order of life

## - defintion of capitalism:

economic system in which:

a) means of production (labour, capital) are in private hands;

b) means of production are free;

c) we have a free market.

# History:

## - ethics:

- a) dates back to the antique: Epikur, Aristoteles, Plato;
- b) is developed constantly over time: Augustin, Thomas Aquinus, Hume, Mill.

## - capitalism :

- a) starts 1st half of XVIIth c. – industrial revolution in England+ „The wealth of nations” by A. Smith („Bible of liberalism”);
- b) before that: Middel Ages+antique empires: labour and capital (land) not free;
- c) rapid development from XVIIth c. till now.

# Ethics and capitalism:

- many aspects:

a) individual and society;

b) rich vs. poor;

c) sustained, balanced growth or „greedy”, not responsible development;

d) the role of the state;

e) uniformity or diversity;

f) values.

## **- Individualism:**

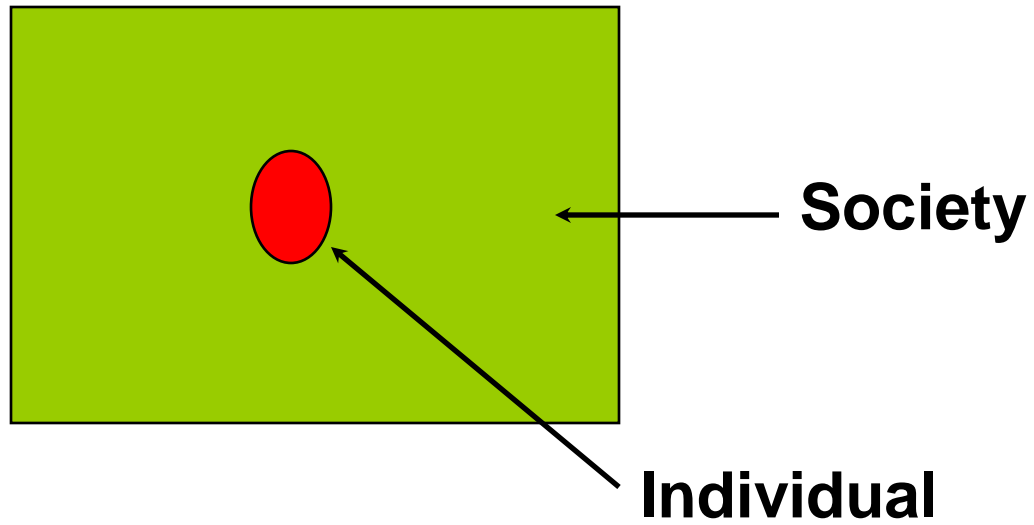
### **- what is individualism:**

- a) example of a Hindu in the USA being regarded independently of his family, caste, language, nationality;**
- b) each individual is being regarded with depth as an entity of great complexity.**

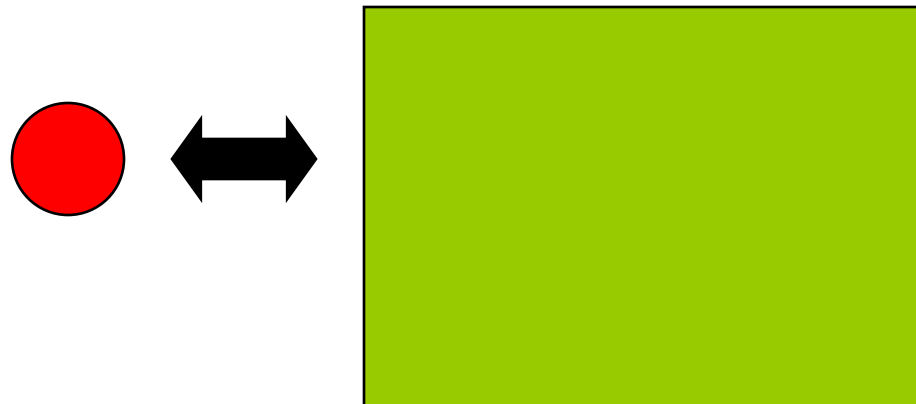
### **- 3 aspects:**

- a) egoism and selfishness;**
- b) cutting ties with community, being freed from constraints and limitations;**
- c) socialisation needed to function correctly with other individuals and society.**

## a) India



## b) USA



## **Individualism and capitalism:**

**a) some scientists state that individualism appeared with capitalism;**

**b) autonomy of an individual in western culture appeared much more earlier than capitalism:**

**„a modern businessman stands in a long line beginning from prophets, philosophers, eremites and heroes nobody of whom was interested in doing business (or any other form of modern activity)“;**

**c) premodern individualism + capitalism = individualism connected with capitalism.**

## From individualism to capitalism:

### - M.Weber's: „Protestant ethics and capitalism”:

a) significance of reformation by transforming the religious concept of „vocation” into a secular one: doing business is as good as becoming a priest or monk;

b) the concept of predestination by Calvin:

God decided who should be saved and who should be deemed



people liked to know what will happen with them



how can God deem those who got his blessing for hard work



## **From individualism to capitalism:**

- c) calvinist entrepreneurs: hard work, modest consumption, discipline, no leisure - „ascetism inside the world” compared to „world-rejecting ascetism” of catholic moncs;**
  
- d) ancessors of calvinist entrepreneurs - bourgeoisie vs. aristocrats: rationality, discipline, selfdevelopment, work, education, hygien vs. instinct, spontanity, leisure, honour.**

## **Satisfaction of individual economic interests in capitalism:**

- a) consumers buy goods as cheap as possible;**
- b) entrepreneurs have to adopt to the demand of consumers – if not they are forced out from the market.**
- c) although the interests are different a solution which satisfies both groups can be found.**

Спасибо

Danke

Thank You

Merci

Gracias

Arigato gozaimasu