

Leadership in Postmodern Business Practice To Govern and Be Governed

Individualism and tradition

Understanding contemporary business is complicated by the fact that most people ignore the important changes in approach that have occurred in recent decades.¹ From the point of view of individualistic leadership, business has shifted from what might be called the modern or "neoclassical" approach to the postmodern approach.

The conception of man as "individual" has, however, remained unchanged. The roots of this individualistic anthropology go back to the theological problems that began in the fourteenth century and that eventually led to the strange concept of a "pure human nature." This concept ultimately aimed at avoiding and settling the conflicts that once regularly appealed to tradition and authority as a way of understanding the development of common life. Important fifteenth century conflicts included, for example, both the discovery of indigenous peoples in the Americas and the differences that arose in Christendom with the fracture that resulted from Protestantism. The solution to these problems was of utmost importance because the meaning of human freedom within any tradition, for better or for worse, depended on them.

Unfortunately, the idea of secularism detached from any tradition won out, promoting action "as if God did not exist" and grounding common life in reason alone. Henceforth there was no need to look backwards or rely on that which had been received from previous generations, but rather one was meant to look ahead towards the decisions of reason, supposedly accessible to all regardless of tradition or culture.

Thus a position was adopted that would eventually put human action on an abstract mathematical plane, where, by definition, dynamism has no place. This involved approaching human action from the outside, leaving the dynamic dimension based on tradition in a "black box."

This would eventually lead to the strange design of man as an individual, someone who, in order to act, relies solely on his thinking mind without tradition and culture, or what is the same, without community and the language that characterizes it. Many assumed that the future would bring an abstract, objective and universal language that would most likely be based in mathematics.

This abstract and atomistic view, resulting from a mathematical view of nature, was very successful since it gave rise to Newton's modern physics. In nature dynamism can be considered intrinsic and "universal gravitation," for example, was founded on this assumption, allowing for a deterministic view of the universe by enabling prediction and

¹ Further study on the changes in business theory can be found in my book *Dirigir empresas, de la teoría a la práctica (Running a Business: From Theory to Practice)*. Eiusa Madrid 2005.

calculation. To consider the universe as a mechanism is a questionable assumption, but it is by no means out of place.

Many thought that an approach similar to Newtown's physics would work wonders on the moral and political level in order to explain human action without recourse to tradition. But man does not live in nature; rather, he lives in the world, that is, in a changing plexus of symbolic relationships that includes language, technique and instruments, in a tradition maintained by some kind of concrete community.

There is no harm in considering that a particle "moves" in mathematical space, but human action becomes meaningless without "the presence of the other." In other words, while the motion of a particle can be studied from outside, the same is not possible in the case of human action, which would imply annihilating it and robbing it of all meaning.

Human action cannot be reduced to the external, to that which is outside of it, and it resists a static approach. What matters is what happens in the subject, making every action into something unique and unrepeatable. When Heraclitus argued that it is impossible to step into the same river twice, he was not primarily concerned with the externality of the mere physical process of stepping into water, but rather with what the subject experiences.

Unfortunately, the phenomenon of tradition has been too little and poorly studied. Burke's famous naturalistic formulation² has had very negative consequences in that he constituted tradition as something of "unreflective" wisdom responsible for preserving "good order." It was not until the mid-nineteenth century that J.H. Newman offered a new and interesting way to access the meaning of tradition.³

In addition to the biological life that each person receives from their parents, human beings also learn a language, which is more than just a set of rules, and with the use of words human beings receive a worldview that is proper to each family's tradition. Human beings become actors through their upbringing and education in the same way that they learn to use reason, which is the capacity to govern oneself, to learn to understand, and position oneself within a tradition.

Through education, human beings are incorporated into a story that was initiated by their ancestors, where they are given a 'role' that allows them to be co-authors and commence their own telling of the story. This, of course, would not be possible if each person were meant to design their own stage and write their own script.

² *Reflections on the Revolution in France*. Digireads.com Publishing, 2004.

³ In order to further study tradition, I recommend the following books:

A. MacIntyre. *Whose Justice? Which Rationality?* University of Notre Dame Press 1989.

Josef Piepper *Tradition*, en Volume 3 of Edited Works, 1995.

Ph. Rieff Charisma. *The Gift of the Grace, and How it Has Been Taken Away from Us*. Pantheon Books. New York 2007.

T. Rowland *Culture and the Thomist Tradition* Routledge, London 2003.

John Henry Newman *The Arian in the Four Century*. Longmans London 1890.

John Henry Newman *An Essay on the Development of Christian Doctrine*. Dirigeads.com 2011.

Although a tradition's origin and unfolding remain an enigma that is inaccessible to human beings, they are still convinced that tradition has its own rationality and meaning because, if not, human beings would act as animals and plants whose biological life only allows them to passively adapt to the environment.

Is it possible, then, to assume the possibility of a "starting point" from which to carry out a rational reconstruction of social order such that it is accessible to human reason without having to resort to the enigma of tradition? Can the abstract language of mathematics explain social order?

The answer to these questions depends on how the "neutrality" of mathematical language is understood. As the recent history of mathematics has shown, it is sometimes forgotten that as a language, this science also depends on a tradition and a community of those who cultivate this kind of knowledge. In any case, just as the physical universe can be understood as a closed and deterministic system, human action is in principle more than a system since it is always open and free. However, if one insists on reducing it to a closed system that is expressible mathematically, individuals, rather than human beings, have to be included. But, in this case, the question remains, is there any human action that can be constituted as pure externality?

In any case, assuming that history has a hypothetical "starting point," also called the "state of nature," where some individuals begin to put the "rational" foundations of society and history, what, then, are the origins of those individuals? Do they auto-generate their means and ends or do they somehow receive them? Enlightenment thinkers answered this question by considering them "given," i.e., unexplainable. But the following problem then arises: How do you harmonize ends so that everyone's actions are ordered? Giving an affirmative answer to this question is essential for demonstrating the possibility of a "rational explanation" of society's order.

Now, Enlightenment reason had to be "merely logical," universal and abstract, such that it existed in the "mind" of all men without relying on authority and tradition. This is a key trait of the modern individualism that has fueled social thought to date.

With this step, it became assumed that only that which can be thought is real, thus giving place to a world of pure essences where existence does not fit, where action can only be approached from its externality. This explains why action was "mentalized," transformed into a mathematical function within a set of means with another set of ends, both abstract and mathematically expressible. Thus the calculation of this strange kind of action was made possible.

Thus began a journey in which human reason was thought to exist without a body, outside of the world and without nature, so that logic transformed into a closed, supposedly self-aware system, something like a transcendental of the human mind.

However, this kind of calculating individual can be moved only from outside, subject to passion and faced with given, and therefore scarce, resources. In this situation how can a social order achieve essential unity and harmony?

Hobbes's solution was to propose an absolute individual, a unique thinking mind, built by a meeting of all individual wills. How could that be possible if they were just calculating? Only the strongest of human passions, the fear of death, inevitable consequence of individual violence, with power, but without being subjected to an authority, could force such an agreement. It then remained patent that, as Rousseau astutely saw, individualism necessarily leads to absolutism.

The history of social thought in the eighteenth and nineteenth centuries is the story of successive attempts to build some sort of artefact to replace tradition. Thinkers of the Scottish Enlightenment made a notable attempt in that they believed they found in mimesis and sympathy, in the supposedly natural tendency of individuals to copy each other, the key to explaining the origin of a "model" behavior, a kind of "attractor," that would bring harmony to society.

The weakness of their proposal is found in the ambivalence of imitation, given that it provides no criteria whatsoever for determining which individual behavior might be worthy of imitation. Furthermore, pure mimesis can cause highly unstable, even "explosive," social movements. Without reference to a model worthy of imitation the mimesis process will not necessarily result in autopoiesis. Rather, it just might qualify as "mitopoiesis" in the sense that any opinion, whether true or false, becomes "confirmed" by simply increasing its number of followers. It cannot be forgotten that these imitators are rational calculators seeking their own interest and that they think that all others behave in the same way, which quickly leads them to conclude that majority in numbers indicates right action, although no one really knows if that is true.

As Hume accurately saw, individualism does not provide a way of explaining how society can be a stable system and much less does it ensure that society always advances toward increasing wealth and welfare.

Kant's epistemology, for its part, gave rise to the idea that the consistency of mathematical structure gives rigor and meaning to modern science. Walras began with this line of thought and concluded that it was not necessary to explain how behavior that stabilizes the social order is generated, but rather it was enough to consider it a precondition of human action. From that moment on, individual "rationality," understood in a Kantian key, would substitute tradition and become the basis for a rational explanation of society.

Coordination of individual decisions could then be raised as a strictly mathematical problem. This involved asking under which initial conditions, society's supposed "starting point," would it be possible to reach a "general equilibrium" such that each individual's "action plan" was consistent a priori.

This would undoubtedly involve an approach prior to human action and where each individual constantly calculates that which most benefits him. Since this process is endless, because it involves action and reaction, a closed single solution system is impossible and Walras found himself obligated to include a hypothesis of "common knowledge" coming not from tradition, but rather from some kind of "deus ex machina" able to "calculate" the "general equilibrium" of all individual decisions from the outside.

According to Walras's line of thought, only a machine, a system of external or functional interactions between separate, defenseless parts acting above individuals, could offer a rational explanation of society. Individuals can only be free within this system since they can achieve their goals established by overall design consistency, as with the pieces of a well-tuned machine.

On the other hand, this approach made the government of society superfluous because unpredictability disappears with equilibrium, thus reaching something like the "end of history," where disagreement and conflict resolution would no longer be necessary. Everyone would live in the "closed arena of their own freedom," if such a thing makes sense.

Neoclassical business theory

Within Walras's "general equilibrium," businesses are reduced to a "pure mathematical production function" whose meaning is not well understood.

Starting with the equilibrium price of goods and the supposedly fixed nature of technology, the agent-company becomes limited to establishing parity between goods, considered as products, and the remaining groups, considered as consumable goods. One must remember that, in a general state of equilibrium, profits come out to zero, such that the business owner is limited to splitting even.

It is not well understood why, as R. Coase began to ask in the thirties, businesses should exist as agent entities since, in a situation of "general equilibrium," they are limited to the exchange of existing goods. In other words, within a static approach that ignores time, location and uncertainty production is meaningless.

As Walras himself recognized, he introduced the company in his model not because consistency demanded it, but rather because companies exist in reality. Incidentally, since currency is related to time and uncertainty, Walrus also considered it superfluous and redundant within his static model.

However, within Walrus's palpable methodological confusion, he also realized that the business owner's rationality is essential for achieving general equilibrium. In other words, he was convinced that the desire for profit could lead society to final equilibrium, thus giving rise to the persistent, naive idea that when entrepreneurs chase maximum benefit, measured in monetary terms, they also contribute to social order and welfare.

From a mechanical point of view, there is no way of ensuring that a dynamic state suddenly becomes static. From the point of view of "rationality," it does not make sense for an entrepreneur to strive to achieve an equilibrium where profits come out to zero, thus making his role meaningless.

With regards to the company, neoclassical theorists have tried maintain two spheres— one that is theoretical and timeless, where the company is a pure "mental function" located in mathematical space and where everything can be instantaneously done and undone without cost, and another that is real and temporal, where companies are power structures that, to the extent that they maximize profits, lead society toward an ideal mathematical model of "general equilibrium." These theorists, however, cannot explain how the former sphere transforms into the latter.

Organization and strategy

This was the state of business theory well into the twentieth century, when, inspired by observations from reality, theorists began to realize that business cannot exist without organization, which was suggestively called business's "human factor."

Chester Barnard, one of the first students of organizational theory, distinguished between a "rational" or formal dimension in the neoclassical sense and another informal or "non-rational" dimension. From an individualistic vantage point, the informal dimension appears as an impediment to business "rationality," which amounts to the calculation of maximum monetary benefit.

Adam Smith and Andrew Ure, who conducted the first studies of productive work, took up a mechanical model where the internal and inter-subjective dimensions of human action have no place. In these "division of labor" models each individual performs a solitary and mechanical function that mechanically integrates with others involved in the process. This approach supposedly offers an optimal way of carrying out the process.

This mechanistic model of organizing work lacks autopoiesis and cannot react to environmental change. Its end is external, its structure is determined in reference to its end and its movement can only come from an external source.

Aware of its limitations, Marshall proposed a model based on biology, finding theoretically advantageous organisms' ability for autopoiesis, which implies the possibility of accessing alternative means for achieving an end when one means proves futile. It is flawed in that it assumes mere passive adaptation to the ecosystem.

Despite an ingrained bias towards individualism, theorists soon recognized that the "informal" human factor, the complex web of human relationships that resists the neoclassical analytical approach, ultimately constitutes an organization, providing it with the vitality and dynamism that makes business more than a mere cerebral plan.

Business's so-called "human factor," i.e., its organization, is nothing more than the ever-changing structure of a tradition that makes human action possible here and now. It entails a whole array of things, including beliefs, opinions, certainties, feelings, passions, prejudices, judgments, truth, myth, falsity, accurate information and biased rumor. Any organization includes routines, common customs and shared values, each with positive and negative aspects, and they are ultimately what make keeps a company in business.

Given that the isolated mind does not act, but rather the whole person— with soul and body— acts, human action cannot be reduced to thought. The same is true of business such that it is never merely a project designed in mathematical space. Rather, business needs organization, a kind of extension of human corporeality, which makes the emergence and maintenance of a tradition and a community possible.

Business is not possible without the support of a community, which, in turn, can only be maintained if it is able to integrate into the larger community that constitutes society.

A business's organization, its specific way of being a community here and now, distinguishes each company. This is not pure design, but rather depends on where the company has been and its history. By contrast, within the neoclassical business model, where organization is ignored, all companies are equal and indistinguishable. Each one fulfills nothing more than the same productive function that follows a sole, universal and abstract "rationality."

The organization is neither a machine nor an organism, but rather is animated by the community that supports it and is therefore open to freedom such that neither its end nor its dynamic are fixed a priori. Rather, both are made and undone depending on whether or not tradition is consolidated.

The presence of organization showed that means are not given, but rather emerge and fade with the unfolding of tradition. This led theorists in the 1970s to consider what was called business's strategic focus, i.e. the recognition that each company faces an uncertain and changing future, which requires a continuous redesign of "its rationality," forcing the discovery of the means and ends that are attainable in each moment while taking into account its history and the fact that it has developed in its own tradition.

Walras's scheme does not even acknowledge this strategic focus since everything is provided by "a single rationality" responsible for ensuring the perfect coordination of individual interests a priori. Strategic behavior is not even possible since Walras's perfect competition hypothesis allows each individual to act as if no one else existed.

The crisis of neoclassical business theory was important in highlighting that all rationality is always particular and localized and that it deals in particular stories that acquire meaning within the larger story of a common tradition.

Postmodern business

Changes in business theory became apparent in the 1960s when H Simon started suggesting that businessmen do not conduct themselves with absolute rationality. He suggested, instead, that they have access to what he called bounded rationality, i.e., an ever-changing rationality that is configured within an organization and that is specific to each company in the here and now.

While business theory began to recognize the failings of pure rationality in the late twentieth century, Nietzsche, in *On the Genealogy of Morality*, recognized the Enlightenment's failed attempt at substituting tradition for rationality almost a century earlier. According to Nietzsche, modernity consisted in the more or less veiled attempt to disguise the will to power of a few under the veil of the will to truth. This entailed an attempt to establish a single rational conduct and raise it to a universal level when in fact the proposed rationality was nothing more than a partial and self-serving view of reality.

In trusting in the possibility of an absolute rationality, modern theorists thought they had gotten rid of God and the mystery that hides in tradition. But they had fooled themselves since the idea of God remained within this understanding of rationality.

So called postmodernism, shared by diverse figures such as Nietzsche, Weber, Pareto, Keynes and Schumpeter, recognized the Enlightenment project's failure, but refused to give up on individualism.

This was especially patent in Keynes's famous work entitled *The End of the Laissez Faire* in which he established the foundations of the postmodern economics by denouncing neoclassical economics' lack of rational foundation and, at the same time, by radicalizing the individualistic view of man.

In this new framework, the decision to invest remained rational in the neoclassical sense. For Keynes, this decision depended on what he called businessmen's "animal spirits," which fortune selected for carrying out the investment function.

In much the same way, Schumpeter sustained that businessmen driven by a non-rational force contribute to the "creation of wealth" in that they break the routines of established production processes. Businessmen are seen as charismatic individuals moved "by the gods" to carry out a task of "creative destruction." This contrasts sharply with Walras's businessman who, guided by a universal rationality and by perfect information, unintentionally contributes to "general equilibrium," order and societal wellbeing.

Interestingly, while Walras's businessman collaborates, albeit unintentionally, in the equitable distribution of wealth that has supposedly been produced, Schumpeter's businessman, like that of Keynes, is limited to creating wealth and is unable to ensure whether it is good or bad for society as a whole.

While Keynes was very influenced by Hume, Schumpeter did nothing more than follow in the footsteps of Nietzsche and, especially, Max Weber. The latter figure is very interesting because he reached the same conclusions as Nietzsche by studying the sociology of religion.

Under the influence of Rudolph Sohm, a Protestant, liberal theologian, Weber argued that both Judaism and Christianity had inevitably shifted from an initial, creative "charismatic or magic phase" to a "bureaucratic phase" where the sterile rationalization of a lifeless process prevails.⁴

As we have seen, government was considered unnecessary in modern business theory and, instead, assumed conditions of equilibrium were thought to be maintained by calculating maximum profit. This mindset is patent in F. W. Taylor's "Scientific Management" with a view towards achieving "rational organization" where, along with action, conflicts and the need for government disappear.

The need for some kind of corporate governance became clear in the 1960s with the discovery of what Chester Barnard⁵ called the "informal organization." However, the persistence of individualism led theorists to present the situation as a conflict of interests such that their task ended up involving referring the "informal organization's" disputes to the interests of whoever is in charge. Here we find the foundation of the postmodern approach to "leadership."⁶

The term "leader" significantly comes from the Latin word used to describe the strength and determination needed to push a mass in a given direction or overcome its resistance. For example, the Romans used a similar word to designate a herding dog. It certainly has an aggressive, warlike sense and this remains true of the contemporary term "CEO," which was taken from the British navy's rank terminology.

Just as a herd of sheep is essential for obtaining milk, meat and wool, ends that are external to sheep, the control of an organization, understood as a structured mass of individuals, is imperative for a leader's external objectives.

As opposed to Taylor's chief engineer, the postmodern leader does not try to impose an objective rationality, but rather tries to impose his rationality or authority, his "will to power," in such a way that others do what he wants. His purpose is to overcome resistance and break with the established.

This calls into question the legitimacy of this way of acting. Where does the authority that supports the postmodern leader come from? This question does not commonly arise in the classes on leadership that are now offered in almost all business schools, but it is always an elephant in the room.

Without the possibility of absolute rationality, postmodernism is left clinging to radical individualism, which is nothing but the "will to power." Of course, this is always

⁴ Ph. Rieff has conducted a penetrating study of the change in the meaning of charisma inspired by Weber.

⁵ *The Functions of the Executive*. Harvard University Press. Cambridge MA. 1938

⁶ To get an idea of the recent trends in this kind of leadership see: HBR's 10 Must Read *On Leadership*. Harvard University Press. Cambridge MA. 2011

accompanied by an attempt to somehow disguise the inevitable egocentric conclusion that follows from this kind of individualism.

As early as 1907, Alfred Marshall, in an article entitled "The Social Possibilities of Economic Chivalry,"⁷ designed the figure of the "great captain" of industry, an early precursor to the postmodern business leader. Keynes, for his part, deemed the postmodern leader the "great master of individualism," someone controlled by emotivist aestheticism and considered an artist who is both pleased with himself, while, at the same time, believes that he pleases everyone else.

Emotivists hold that moral judgments have no moral justification and consider them at most aesthetic expressions of individual preferences. This implies that these individuals act only for the pleasure of doing so and for satisfying vital impetus. They feel the need to impose their morality, subject others to their designs and impose their "formal organization."

The postmodern business leader's authority is justified solely by his success. His operative effectiveness and victory over resistance come to be the sign that confirms his charisma, the signal that he is a "chosen one of the gods."

The postmodern business leader is only interested in technical efficiency that leads to the achievement of objectives that come "straight from the gut."⁸ The problem of justifying the ends pursued does not come into the picture. He finds that there is no correlation between the internal and the external, between the soul and the body, that everything is empty externality, that no corporal entity emanates and manifests the spirit.

He believes, furthermore, as corresponds to the supposed "moral neutrality of his knowledge" that he should not and cannot enter into endless moral debate at the cost of his effectiveness. This leads the postmodern business leader to consider himself an unquestionable depository of knowledge that he does not actually possess and can never prove with adequate rational justification. He cannot even be considered a technician but rather a "technicist" or therapist, someone trying to alter symptoms without really knowing the cause.

Such an individual only has externality, which is proper to the "man of power." His leadership consists in designing a discipline that is not what it seems and turns out to be a "bureaucracy," a "technique" to control an "anonymous mass" of individuals who also lack internality and seek to "gratify instinct." They are considered incapable of setting internal limits and of quitting on their own accord. The result is a coercive and morally permissive discipline that leads to psychological pathology.

⁷ Economic Journal, vol. 17, num. 9

⁸ Akerlof and Schiler, in their book *Animal Spirits*, recount how Jack Welsh, CEO of General Electric, maintained that decisions should be "made from the gut." It seems that Keynes would have loved to know this.

The "disciplined" employee has the "soul of a slave," having been trained to "follow rules," to leave behind his own judgment in order to avoid moral conflicts that he does not know how to face. He has been turned into a machine without interiority that can only be driven from outside, but that, on the other hand, is capable of agonizing moral and psychological pathology. It is just the other side of the leader that instrumentalizes him. Both aim to manipulate without being manipulated.

In short, the postmodern business leader is only interested in transforming raw material into a product, inefficient labor into efficient labor, disengaged individuals into compliant individuals, and in creating wealth measured in monetary terms alone. His authority is based on the degree to which he succeeds at these tasks.

Leadership as a vocation

The introduction of the idea of leadership as a vocation⁹ immediately changed the way that leadership is understood by returning it to the classical notion of charisma. Thus understood, a leader is no longer an individualistic figure, but rather someone with a unique vocation who contributes to the common task of governance, to the mutual construction of the common good.

This concept of leadership implies an understanding of business as a community that forges its own tradition within the framework of traditions that constitutes society.

The business manager then appears to have an inner world and therefore must perfect himself in the task of perfecting others. Authentic and profound individuality is only possible if the interior is not forgotten, which implies the recognition of a higher authority, the veneration of an end that surpasses all immediate and practical purposes and that is above existing traditions.

No discipline is possible without the recognition of an authority established within tradition. True discipline implies faith and tradition and is not possible without the recognition of the sacred, which is the only thing that for its sake individuals are truly prepared to obey. This ensures that obedience always points beyond any particular moment or situation in which one individual or another leads. Only this kind of discipline makes the act of governing and the state of being governed possible.

The Roman centurion in Capernaum,¹⁰ who recognized the mysterious authority of Jesus, said that since he was also under an authority, he could order his soldiers and tell his servant to do this or that. Hearing this, Jesus admired and commended his faith, thus illustrating that true discipline is impossible without authority. A leader cannot govern if he is not at the same time governed.

⁹ See: *Vocation of the Business Leader. A reflection*. Pontifical Council for Justice and Peace. Roma 2012.

¹⁰ Matthew 7, 1-10 and Luke 8, 11-12.

Running a business, then, consists in forming a community that contributes to society with some service or profit and in opening up a discipline in which all members have the opportunity to govern and be governed. Only then will business be able to succeed in choosing and building activity that contributes to society's consistency and unity, to the common good, and to increasing the understanding of the profound meaning of tradition.

Value is not an individual creation, but rather is inseparable from the deepest core of a tradition and is apparent in communities that have learned to foster the good. In order to foster the good, a community must show interest in it.

The belief that extrinsic motivation is the only valid form of motivation, as the postmodern leader claims, wipes out the very possibility of governing and being governed and the organization ends up being a mechanism destined to isolate individuals in their own solitude.

Every tradition leans on the organization, which is essential for the progress of ordinary life. It opens up the possibility of functioning without excessive friction and difficulty so that human energy can be channeled towards initiatives that offer new ways of strengthening the common good and make a more participatory government possible.

The members, and not just the leaders, of each generation are meant to question the validity of received traditions. They should not question tradition as whole, nor should they question the deepest and most valuable parts of it, but should instead differentiate between the aspects of tradition that can be improved from the point of view of the common good, which is what allows for the advancement and improvement of all tradition .

Nothing is valuable for the simple fact that it has always been done a certain way. A true businessman is not measured by his ability to change for the sake of change, but rather by his ability to emphasize the truly valuable aspects that are hidden in every tradition after studying and considering the status of tradition.

A good leader knows how to combine an organization's continuous inertia with real innovation that deepens or discovers that which is hidden in its own tradition. In this sense, the true innovator is not a revolutionary, but rather understands the profound meaning of a tradition as more than mere continuity.

To govern is to be prudent, to live in reality, to know where you are, to understand the tradition you live in here and now. This requires that governance, through an organization, be diffused throughout society. A leader's prudence is the sum of the prudence possessed by those beneath him because he cannot be everywhere, thus his authority and power are more limited than that of those beneath him. This is a fundamental limitation for good governance and for the proper exercise of prudence, which is not possible without advice; indeed, good governance depends on the ordered opinion of all those involved in building the common good.

No one can live and act in complete ignorance of others, both the living and the dead. It is absurd to pretend to live as if others did not exist, which is a continuation and consequence of the hypothesis of living as if God did not exist. Every action helps or hurts others and thus helps and hurts the actor himself, which makes men responsible for each other. The most immediate good is always the most material one, such as giving food or drink, which is basically the type of service that society expects of business.

To govern implies finding one's place, proposing limits, keeping in mind the limitations that "coming down to reality" implies, realizing where you are and figuring out what you can do in the service of others, especially those who are closest in proximity. Thus the mission of a business school is to teach students how to judge well, for which it is essential to teach students to find their place, to order means and ends correctly at all times and in all circumstances.

To find one's place is to take responsibility, to know who one is and to recognize others' expectations. To judge well requires a good education; it also requires knowing what to do at all times and practicing doing the good and the most immediate.

Gastronomy, the culture of flavor and taste, would be impossible if human beings could not naturally distinguish between hot and cold, sweet and sour, salty and bland. In this way, the higher culture of governance would be impossible if human beings lacked natural intuition based on the tradition of good and evil.

Business governance thus understood strengthens civil society, distributes governance, opens channels for effective participation in the political community, and broadens the concept of public life, which otherwise is increasingly narrowed on account of the confused statist vision of postmodern bureaucracy.

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