

THE CHALLENGE OF FUTURE GENERATIONS FOR BUSINESS ETHICS

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Abstract. This article reviews the problematic surrounding the concept of future generations, which is intertwined with questions concerning intergenerational justice, weak sustainability, non-existence, non-identity, and motivation. It also claims that business ethics should deal with intergenerational issues but cannot ignore the philosophical challenges involved. Based on the distinction between future generations and overlapping generations, we suggest focusing on the latter to avoid the difficulties of the former, and to facilitate the connection with organizational concerns. The distinction between overlapping and future generations relies on the notions of thick and thin morality, and is illustrated through a parallelism with the ethics of memory and the idea of indirect reciprocity. Finally, we inquire how obligations toward overlapping generations can be included in the framework of stakeholder theory.

Keywords: future generations, intergenerational justice, sustainability, thick morality, ethics of memory, reciprocity, stakeholder theory

The environmental crisis in its different forms (loss of biodiversity, global warming, water shortages, soil erosion, toxic chemical products, *inter alia*) is one of humanity's major concerns. It is also a major concern for businesses insofar as they are dependent on and intertwined with ecological systems, being the intermediaries that transform natural resources into usable products (Jennings & Zandbergen, 1995; Shrivastava, 1995). At the same time, businesses, seen as today's most powerful institutions, are often considered the most capable of promoting the necessary changes for sustainability (Hart, 2007). If we leave aside the potential business benefits of sustainable strategies and if we do not enter into the interesting question of whether nature has inherent value (the position known as *eco-centrism*),¹ the most common theoretical approach to tackle the question of why individuals, organizations, or societies should care about sustainability focuses on the question of intergenerational obligations. Yet, except for some rare exceptions (e.g., Jeurissen & Keijzers, 2004), this question is surprisingly absent in the business ethics literature. A few academic articles analyse issues of child labour, child obesity, and child consumerism, but even in those cases, only very few papers discuss what type of stakeholder children are (except Crane & Kazmi, 2010).

In this article, we first review the main theoretical difficulties surrounding the concept of future generations; in particular, the questions of intergenerational justice, weak sustainability, non-existence, non-identity, and motivation. We suggest that to escape these difficulties a distinction should be made between future generations and overlapping generations. This distinction matches a distinction between two types of morality—thin and thick, giving rise to two types of obligations which may sometimes come into tension and sometimes be complementary.

¹Although there are nuances between different versions of *eco-centrism*, it can be understood generally as any outlook that attributes an intrinsic value to nature. Typically, *eco-centrism* criticizes "environmental management," "corporate environmentalism," "eco-efficiency," and "reformist environmentalism" because these inevitably lower the bar of environmental aims, end up subordinating environmental concerns to economic concerns, or foster unrealistic win-win expectations regarding the benefits of green strategies for both the environment and the company (Ehrenfeld, 1998; Newton, 2005; Prasad & Elmes, 2005). Some representatives of this view call for a change in the prevailing type of rationality, shifting from being instrumental to ecological (O'Riordan, 1995; Prasad & Elmes, 2005; Stead & Stead, 2000). Beyond questions concerning feasibility, some scholars warn that adhering to *eco-centrism* could lead to compromising other important values such as democracy or individual freedom, reaching positions that have been labelled as *eco-fascist* (Hopwood, Mellor, & O'Brien, 2005). Be that as it may, it would also be a mistake to hastily dismiss *eco-centrism* as simply irrational and marginal.

In the final section, we ask whether stakeholder theory—one of the most commonly used theories in the realms of business ethics and corporate social responsibility—may entail obligations toward overlapping generations, even though we acknowledge that it does not seem able to justify a thin duty toward abstract, distant future generations.

In other words, our aim is to show that even if the conceptual tools of business ethics are still insufficient to deal with an “ethics of long-range responsibility” (following Hans Jonas’s expression [Jonas, 1984]), they might do much more than they are doing now for the middle-range responsibility represented by our obligations to children and the next overlapping generations. Offering some preliminary insights into the claim that firms need to be conceived as having some obligations toward their stakeholders’ children is not a magic formula for decision making, but can add conceptual clarity, help us reformulate the question, and encourage further research in an area which, in our view, should occupy a much larger space in the business ethics and corporate social responsibility literature.²

Intergenerational Justice and Weak Sustainability

The most common strategy to justify caring for environmental sustainability is to consider it a question of justice between different generations. This approach motivates the well-known definition of sustainable development given in the Brundtland Commission Report, which includes the imperative of “not compromising the ability of future generations to meet their own needs” (Brundtland, 1987).³ It is also supported by Principle 1 of the Stockholm Declaration which states that “Man has the fundamental right to freedom, equality and adequate conditions of life, in an environment of a quality that permits a life of dignity and well-being, and he bears a solemn responsibility to protect

²In this article, we leave aside questions concerning whether companies are actually taking these duties into account or why they are not doing so, or what factors would make it more likely that they would do so. We merely intend to contribute to the discussion about the way company actions should be conceived and thought through.

³A similar view is defended in the 1997 UNESCO declaration about the duties present generations have toward future generations, according to which “present generations have the responsibility of ensuring that the needs and interests of present and future generations are fully safeguarded.” It includes, *inter alia*, the duty of bequeathing a planet with no irremediable damage whilst also enabling future generations to choose their social, political, and economic structures freely, respecting human rights and cultural diversity and safeguarding historical heritage. See http://portal.unesco.org/en/ev.php-URL_ID=13178&URL_DO=DO_TOPIC&URL_SECTION=201.html (accessed March 13, 2013).

and improve the environment for present and future generations” (UN Conference on the Human Environment, 1972), though it is unclear to what extent international law recognizes this right (Rodriguez-Rivera, 2001). Furthermore, this approach is present in Hans Jonas’ imperative of responsibility: “Act so that the effects of your action are compatible with the permanence of genuine human life” (Jonas, 1984: 11).

The abovementioned declarations and imperatives are grounded on the rejection of the fundamental unfairness that arises when group A (the present generation) requires group B (future generations) to pay for the costs of benefits group A has secured for itself without the consent of group B (Arnold & Bustos, 2005). To ground such an approach on solid theoretical basis, some authors rely on Rawls’ first principle of justice, otherwise known as the principle of greatest equal liberty, and on the safe assumption that generations of the future, even if we do not know all their needs and preferences, will need and want to have a quantity and quality of natural capital to lead genuine lives and exercise their freedom (Jeurissen & Keijzers, 2004). Thus, in Rawls’ original position, behind the veil of ignorance, all contractors would agree on a “just savings principle” to neutralize the generational factor (Rawls, 1999: 251–258).

Yet the field of business ethics should not neglect some philosophical puzzles that cast a shadow over the concept of future generations and the idea of duties toward them. We will review the main ones in this section.

The first problem, and one of the most frequent criticisms of the definition of sustainability in the Brundtland Report, is about defining or specifying what is to be safeguarded. This problem and criticism leads to the distinction between strong and weak sustainability. To summarize it crudely, the strong interpretation of the concept of sustainability (Daly & Cobb, 1989; Haughton & Hunter, 1994) claims that to ensure for future generations a quality of life and opportunities at least similar to those of today’s generation, humanity has a duty to safeguard a given volume of natural capital resources—including virgin spaces, biodiversity, minerals, water, among others—and it cannot replace them with economic, technological, or social capital. By contrast, the weak version of sustainability, which dominates most political and economic circles, accepts the possibility or convenience of some replacement, and takes into account the total amount of capital that is handed down to future generations, regardless of the proportions between natural, economic, and technological.

Weak sustainability assumes that future generations will not mind the substitution between types of capital as long as the total amount is higher. Perhaps some individuals would agree to a deal which puts economic legacy over natural legacy; however, one cannot assume that all

will (Arnold & Bustos, 2005). On the contrary, even if future generations can have different life styles and preferences, we can assume that a stable climate, biodiversity, air quality, or water resources will be as valuable, if not more, in fifty or a hundred years as they are today. This concern, however, does not have to mean that the opposite deal is always unconditionally better, since some cultural and man-made goods might be considered more valuable for the well-being of future people than some natural ones (one could argue, for example, about the need to preserve some art objects, museums, and architectural works). This possibility poses the question about the degree to which we should commit to the principle of non-substitutability of all natural resources (Gosseries, 2001), which would mean that those defending strong sustainability need to reformulate their arguments. There is also the added difficulty of population growth: it would seem unfair to expect the current generation to leave a fixed amount of natural resources per capita if the size of the population grows in two or three generations; i.e., beyond the control of the present generation (Barry, 1997). As we can see, there are difficulties in conceptualizing what the notions of intergenerational justice and sustainability commit us to safeguard.

In addition to the debate on weak and strong sustainability based on substitutability, there is also the economic notion that a social discount rate should be applied to what the present generation bequeaths to future generations. One reason for doing so is that, in general, costs and benefits are usually considered less important if they come in the future (Cowen & Parfit, 1992). Another reason is that "it is better to receive a benefit earlier since this benefit can then be used to produce further benefits" (Cowen & Parfit, 1992). For example, according to this principle, it could be argued that while environmental degradation benefits the present generation insofar as it allows its increasing level of consumption and standard of living, it also allows the present generation to reinvest some of these benefits in ways which produce technological and economic progress which, in turn, will bring benefits for future generations, as well as offering the means to offset the adverse effects of environmental degradation. A common criticism of this view is that it is virtually impossible to calculate the probability of finding these technological solutions (for example, to palliate the effects of global warming, water scarcity, and soil erosion, among others). Therefore, it has been said that this argument is ultimately based on an act of faith (Cowen & Parfit, 1992); namely, a faith in progress. Put differently, the discount rate is based on the unproven belief that future generations will live better than we and that it is already an advantage to be born in a later generation rather than in an earlier one because of the economic, technological, cultural, and moral progress that will occur. This view assumes that the possible problems transferred to future generations are always smaller

than the overall opportunities with which they are provided. This typically modern view, however, is increasingly being called into question. Among other considerations, it seems that up to date, even if there is some progress in clean technologies, it is relatively little in comparison with the use of technologies based on the “take, make, waste” logic which considers natural resources and sinks as free and infinite (Senge, Smith, Kruschwitz, Laur, & Schley, 2008). We also know now that, apart from ecological costs, these trends will also provoke heavy economic costs (Stern et al., 2006).

Apart from general doubts concerning whether future generations in general will necessarily live better than the present one, there is also the concern about unequal conditions within future generations. Everything indicates that “the impacts of future climate changes will most likely be disproportionately borne by the world’s poor” (Arnold & Bustos, 2005: 106) and that the different environmental crises affect “the long-term prospects of the least favored extending over future generations” (Rawls, 1999: 252). Hence, issues concerning intergenerational relations depend also on our views of a just society and on what type of society we want to bequeath to future generations. However, the extent to which many people in future generations will find themselves in situations below an adequate minimum to lead a life with dignity depends heavily on decisions taken by people today who have more than an adequate minimum. In the global dialogue concerning the type of society we want for the future, the voice of the poor and powerless of today and of tomorrow is not sufficiently heard.

Continuing with the themes of environmental degradation and inequality, other authors have observed that, since obligations to future generations amount to restraining or deferring the present generation’s capacity to use resources, such obligations put “pressure on the ability of each generation to redistribute what is available to help the poorest” of its generation (Jeurissen & Keijzers, 2004). Thus, generations seem to face a tradeoff between caring for today’s poor and for tomorrow’s poor; i.e., between intra- and intergenerational solidarity. This argument, however, does not seem to take into account that tomorrow’s poor are not unrelated to today’s poor; they usually are their direct descendants. Addressing severe inequalities today could contribute to, rather than hinder, efforts to mitigate intergenerational inequality.

In addition to conceptual puzzles, there are many practical uncertainties regarding how one can ensure that the interests of future generations (or at least the interests we can legitimately assume that they will have) are heard and taken into consideration when making decisions in the present. As Hans Jonas writes, “the non-existent has no lobby, and

the unborn are powerless” (Jonas, 1984: 22). Apart from the possible role played by government regulations and civil society pressure, business ethicists and experts on corporate social responsibility would also like to see companies and organizations incorporate an inner voice, so to speak, that takes future generations into account in decisions about budgets, service and product design, investment in human capital, and the enlargement or upkeep of facilities. In fact, some authors have proposed a council of future affairs as part of the corporate governance structure of every major company (White, 2007). Such a council could consist of independent experts, scientists and members of civil society who are able to look beyond present-day prejudices and interests, and be expressly responsible for safeguarding the interests of future generations. The task of thinking through the details of how this goal would be achieved in practice is obviously enormous and has extremely important political, economic, and social repercussions.⁴ At any rate, in a situation with so many uncertainties and with the stakes being extraordinarily high, a strategy that is sometimes advised is “a heuristics of fear” (Jonas, 1984) which takes into account the worst possible scenarios and enjoins us to act with precaution.

Non-existence, Non-identity, and Motivation

Leaving aside the problems seen above, provoked by the notions of weak and strong sustainability, natural capital, and discount rate, other philosophical challenges related to our obligations toward future generations include non-existence, non-identity and motivation problems. The problem of non-existence results from granting rights to individuals who do not exist, especially when it is not certain that they will exist and when their circumstances, interests, and preferences are unknown. As a response to this challenge, Jeurissen and Keijzers argue that, rather than to future individuals, the present generation has an obligation to a “future position” in which we localize an imaginary person and that the present generation has a responsibility to guarantee that the “places” to be filled by future people are acceptable in terms of human welfare (Jeurissen & Keijzers, 2004). Yet many will find it awkward to think of obligations toward “places” rather than toward people. To avoid this awkwardness, it is

⁴Despite the difficulties involved, incipient examples of this type of approach are already emerging at the present time in companies that adopt a long-term view. One such case is MASISA, the Chilean forestry firm controlled by the Grupo Nueva. Although it does not yet have a committee for future generations, each facet of its management, such as the decision to build a factory, takes into account geophysical, geomorphological, and meteorological considerations and the biodiversity on the site, in addition to variables related to society and human geography such as nearby towns, regional income, job creation possibilities, and services in the area.

worth exploring other ways of thinking about obligations toward future generations without relying on the rights of future generations.

Connected with the challenge above is the non-identity problem which essentially emanates from the fact that different choices today lead to different people being born in the future. In other words, since future generations are inseparable outcomes of choices made today, future generations will have no right to complain about any of the conditions they inherit: the alternative for them would in fact be never to have existed. A different chain of events might have led to better natural conditions, but would also lead to different individuals coming into existence. The conclusion of this line of argument would be that since existence is generally considered preferable to non-existence, the present generation could not be blamed for doing any harm to particular individuals of future generations. Many philosophers agree with Parfit (1982) in considering that this perplexing conclusion conflicts with our fundamental moral intuitions, and in labeling it a “repugnant conclusion.”

Perhaps the most obvious problem for intergenerational decision-making has to do with motivation. Although each generation has a vested interest in inheriting a planet in healthy conditions, it has no definitive incentive to show concern for the next generation. Thus, each generation receives advantages from its predecessors while possibly depriving benefits from its successors. Some philosophers have analyzed the similarities and differences between the structure of intergenerational relationships and the prisoner’s dilemma, i.e., whether there is an intergenerational version of the “tragedy of the commons” (Gardiner, 2001). This situation is aggravated by the power asymmetry that exists between generations, since each generation does not have the opportunity to reciprocate the behavior or actions of previous ones (Wade-Benzoni, 2002). Lack of immediacy of future consequences has also been cited as one reason why people often do not act on the behalf of future generations (Care, 1982). Because of the distance in time, the consequences often seem decoupled from the decisions or actions with which they are associated (Wade-Benzoni, 2002) and they escalate over time in ways that are difficult to calculate and anticipate. The problem provoked by time distance is increased when there is no interpersonal affinity and identification between those making the decisions and those suffering the negative consequences.

In short, if future generations are defined as people who will be born after the present generation is dead (and hence will never be known by the present generation), as the common definition has it (Hubin, 1976), then duties toward future generations face both the philosophical challenges of their non-existence and non-identity, and the problem of a lack

of motivation. This combination is a serious obstacle to the advancement of theoretical and practical efforts on business obligations toward future generations. In the remainder of this article, we suggest that many of these problems are not associated with the concept of overlapping generations, and that this concept is a better entry point for business ethics into the debate on intergenerational duties. Overlapping generations co-exist with the present one or, even if not co-existing, they can easily be part of the imagination of the present generation and form part of a chain as, for example, in the case of the children of one's grandchildren.

It is true that the prospect of a miserable future for humanity in the long-term or, in the extreme case, the extinction of humanity does not present itself to us as an attractive prospect, even if we have no relationship to particular people living in that future. There might be ways to awaken or educate our moral instinct and develop motivation to do something to avoid this scenario, which seems abstract and remote. The concern for overlapping generations might be a good first step for this education. Furthermore, care for the next overlapping generation should be understood as including a concern for the next generation's obligations toward the one that will follow it afterwards; in other words, this care includes trying to avoid transferring an inheritance that hinders the next generation in fulfilling its obligations toward the one afterwards. Thus, a type of "zipper argument" leads to care for generations beyond the next one (Gosseries, 2001).

From the standpoint of organizations and institutions, talking about concrete overlapping generations, even if already a daunting task, may be more compelling than talking about abstract future generations. For example, organizations are challenged to promote collaboration in intergenerational successions at the workplace or in management teams to ensure continuity over time. When outgoing employees or business leaders leave their positions in the company, they can act as free riders with respect to those who remain and come afterwards. An important challenge for organizations is to prevent an internal atmosphere resembling the prisoner's dilemma, which would discourage collaboration among the same generation of employees as well as continuity over generations. It is not surprising, then, that when management scholars refer to future generations, they usually have in mind overlapping generations (Wade-Benzoni, 2002).

The Iroquois Example

Apart from the challenges uncovered and examined by some recent philosophers, most Western ethical and political thought has neglected

the question of future generations. Ethical issues have usually been conceived as taking place within a relatively bounded period of time and also within a specific city, nation, or society. This neglect offers an opportunity to look for references in other traditions. Perhaps the best known example is the concept of the “seventh generation” posited in the Great Law of the confederation of the North American Indian tribes known as the Iroquois, which calls on all members to take the seventh generation into account when making decisions.⁵ But does referring to the seventh generation make the generic future-generation concept more specific? It still does seem to be a very long time: if we count our generation as the first, we would be talking about the great-grandchildren of our great-grandchildren, i.e., about 150 to 180 years from now, depending on how the generations are counted. Yet even if it is difficult for us to imagine what life will be like so far in the future and to feel some strong link with those living then, it is probable that the Iroquois tradition appealed to the seventh generation because it is the last one we can imagine as somehow related to us. Even if it is not easy, we can still visualize what it would be like having and caring for great-grandchildren (or our friends and neighbours doing so), and we can imagine these great-grandchildren caring about their children, grandchildren, and great-grandchildren. Furthermore, this act of imagination might have been easier for communities such as the Iroquois, who could understand their life as varying little from one generation to the next, relied on stable rituals and traditions, and had not very large populations. In addition, external threats (by other tribes, the “white man,” or natural harshness) might strengthen the desire to protect a way of life by forming a stronger bond across generations. In other words, circumstances about lifestyle and social systems like the ones hinted at

⁵The history of the Iroquois, or Haudenosaunee in their own language, has been passed down by word of mouth. There are several versions of the Great Law, none of which can be said to be the true version (Snow, 1994). Not all of them refer explicitly to a seventh generation, but a “seventh-generation knowledge” may be said to exist (Snow, 1994: 109). One of the best-known versions of the Great Law says that the “Five Nations shall labour, legislate and council together for the interest of future generations” and advises that

in all of your deliberations in the Confederate Council, in your efforts at law making, in all your official acts, self interest shall be cast into oblivion. Cast not over your shoulder behind you the warnings of the nephews and nieces should they chide you for any error or wrong you may do, but return to the way of the Great Law which is just and right. Look and listen for the welfare of the whole people and have always in view not only the present but also the coming generations, even those whose faces are yet beneath the surface of the ground—the unborn of the future Nation. (<http://www.indigenouspeople.net/iroqcon.htm>, accessed March 20, 2013)

by these reflections might play a role in the capacity of individuals to identify, and feel attached to, future generations.

In sum, different cultural traditions might help us to pose new questions on the topic of intergenerational obligations, insofar as some of those traditions seem to have a longer-range ethical view compared to ours. This ethical view seems to rely on the concept of overlapping generations, and imagination, attachment, and sense of community seem to play an important part in it. By contrast, as seen above, an inherent problem of the future-generation concept is its abstractness and remoteness.

Thick and Thin Morality

To distinguish the types of obligations we hold to future generations and to overlapping generations, we suggest relying on the notions of thick and thin morality (Walzer, 1994). Even though it has not been applied to this particular question, Donaldson and Dunfee have resorted to a similar type of distinction in their comprehensive theory of business ethics when they advocate for a moral minimum embodied in a series of (thin) hypernorms while also underlining the thick character of business life. They claim that business life is “institutionally thick in a way that many other human institutions are not” (Donaldson & Dunfee, 1999: 14). In their view, it is this thick character that “raises Herculean problems for the institutionally ‘thin’ theories of ethics” (Donaldson & Dunfee, 1999: 14).

To review the distinction: whereas thin morality is impartial, agent-neutral, abstract, and can be global or universal, thick morality is partial and agent-relative (Walzer, 1994). Whereas thin morality is based on generic concepts such as human being—or, in the case under discussion in this paper, future generations, thick morality focuses on the relationships between people who are particularly attached or closely related to each other, and would use concepts such as spouse, friend, colleague, and neighbour—or, in our case, one’s direct descendants. As a result, thin morality has to be minimalist; it needs to limit itself to a few precepts and agreements, while thick morality can be maximalist (Walzer, 1994). Concerning the relationship between the two types, Michael Walzer grants phenomenological priority to thick morality: “morality is thick from the beginning, culturally integrated, fully resonant, and it reveals itself only thinly on special occasions” (Walzer, 1994). In other words, moral minimalism is not “free-standing” (Walzer, 1994: 10); it depends on maximalism: “it simply designates some reiterated features of particular thick or maximal moralities.” Thin morality is “embedded” in thick morality and can be abstracted from it, but only temporarily (Walzer, 1994: 11).

Other philosophers using a similar distinction have claimed that following the precepts of thick morality and exhibiting some forms of partiality are not always necessarily illegitimate from the minimalist point of view (Margalit, 2002). Furthermore, one can argue that, even if partiality is considered reprehensible in some cases, a world completely devoid of any type of favouritism is not the type of world we would want to live in (Donaldson, 1990). Since partiality toward family members or friends is not primarily derived from deontological commitments such as promises, from socially structured duties and contracts, or from consequentialist concerns, it can be considered primitive rather than derivative (Donaldson, 1990). However, at the same time, a society (or an individual) that does not allow for minimalist considerations would be unable to respond to the pain and oppression of anonymous, unknown people, and would be considered a deficient society (or a deficient individual). There can also be cases of “radical evil” (Margalit, 2002) which bring to the surface a thin, universalist morality.

Many contractualist views of morality used in the business ethics field have a conception of morality based on reciprocity. These are usually thin versions of morality and tend to be insensitive to attachment and affection, as well as to the obligations that arise from attachment and affection. Even if we might feel attachment toward overlapping generations and might feel that we owe something to them, these approaches usually disregard such feelings because the next generations have no reciprocal duties toward us (Raz, 2001). Since the logic of reciprocity fails, these approaches would also refrain from bestowing rights to future generations. However, as we will see later, there might be a different view about reciprocity that might allow us to circumvent this problem to some extent.

Recognizing that it is impossible and undesirable to fully eliminate legitimate partiality leads to refuting the idea of uniting the thin and thick moral perspectives, and to upholding pluralism, complexity, and tension in morality as an unavoidable fact (as done by other authors, such as Nagel [1986]). Individuals, societies, and organizations can face on occasion a tension between obligations toward anonymous people experiencing pain and toward friends and relatives undergoing the same. Similarly, there can be a tension between obligations toward future generations as a form of thin morality and obligations toward overlapping generations as a form of thick morality. Yet, despite the distinction, thin and thick do not need to be considered as being *always* in conflict or as *necessarily* contradicting each other. If, as mentioned, thin morality can be understood as embedded in thick morality, the concrete experience of our thick relationships with overlapping generations can be a way to educate the instincts or impulses for intergenerational caring in the

abstract. In other words, it might be possible to make a transition from the concrete type of care to universal, impartial care; the former can be a springboard for the latter.

We suggest that a promising and relatively unexplored path for business ethicists is the thick view of morality that builds on the notion of obligations toward overlapping generations, rather than focusing on thin approaches as has usually been the case so far among the few scholars addressing these issues in business ethics. The concept of overlapping generations does not present the theoretical challenges seen above and can be a better starting point to talk about intergenerational obligations. One of the problems with thin obligations toward abstract future generations, if they could be grounded on solid arguments, is that they would consist of a few universal precepts and come to the surface in exceptional cases in which these precepts were clearly violated. This alternative is problematic because the harm being done to future generations—in the form of global warming, water shortages, loss of farmland, and biodiversity (with all the social consequences derived from them)—is not immediately visible and is often caused by minor, non-deliberate actions, rather than by the manifest, face-to-face cruelty of present generations. The situation is different in the case of overlapping generations, which are visible, near, or easily imaginable to us. Furthermore, concentrating first on overlapping generations is already a step in the right direction regarding these issues, since many of the most pressing environmental challenges are not in the very far future; their consequences are just a generation away, and the preservation of favourable and healthy living conditions for children and grandchildren are also likely to improve the conditions of their own children and grandchildren, and the likelihood that they can honour their own obligations toward them.

Parallelism with the Ethics of Memory

Ethical concerns about how we relate to the past may provide further insight into how we should relate to the future, and might help us understand better the two types of morality explained above. The ethics of memory deals with a variety of questions such as: Should we blame an individual who fails to remember important events and people in her past? How important should the dead be in the lives of the living? Not only individuals, but also societies that have gone through regime changes had to deal, or are dealing, with their relationship with the past, from South Africa and Germany to Chile and Spain. If we devote a great deal of effort to remembering, are we fostering melancholy or bitterness instead of the trust and reconciliation needed to move ahead, or do we prevent trust and reconciliation precisely when we try to suppress memory?

Questions about the past are important for organisations as well. Organisations wonder what type of efforts should be done to preserve and transmit accumulated knowledge and a common culture. In other words, organisations wonder whether and how recollections of their origin and history should be sustained, including the memory of their founders, of their most important successes, and of their most controversial mistakes and key turning points.

Imagining others and identifying with them are difficult exercises when looking back through long periods of time, as it is when looking forward toward the future. The relationship we can have with our grandparents is clearly not the same as the one we can have with those who lived in our cities or countries five or seven generations ago. What would we tell the generations from 150 years ago if we could communicate with them? We would probably show our gratefulness for many great works and inventions: for example, *Madame Bovary*, *The Origin of the Species*, the opening of the Suez Canal, and Meucci's first telephone. Most of us would also be critical of European colonialism in Africa and Asia, the persistence of slavery in the United States, and the introduction of rabbits into Australia, which went on to become a veritable plague. But what would we say to them about the first modern oil wells in Pennsylvania, which were the beginning of great technological possibilities and great economic progress as well as, as it turned out later, of severe environmental problems? Other examples like this one could be brought about to show that adopting a moral standpoint about intergenerational relations is as complex when looking toward the past as it is when looking toward the future.

A more helpful approach to our relationships with the past and the duty to remember people and collective events is the one proposed by Avishai Margalit (Margalit, 2002), who makes an analogy between our ethical relationship with the past and a medical obligation. If one wants to be healthy, one must exercise, avoid fatty food, and stop smoking. Likewise, if one wants to establish or maintain an ethical relationship (a thick relationship according to the distinction seen above) with someone or with a group of people, one must remember the past one has in common with that person or with that group. But just as keeping oneself healthy is not an unqualified obligation, there is no absolute obligation to have thick, ethical relationships. Now, it is not possible to have this type of relationship if one does not cultivate a shared memory. We could say that a thick, ethical relationship cannot tolerate amnesia. The people with whom one has this type of relationship are those whom one keeps shared memories with. It is true that, as Donaldson observes when he talks about "morally privileged relationships" such as friendship, it might be misleading to talk about "duty" in these cases: "Indeed, as duty begins

to substitute for spontaneous concern in a friendship, it is a symptomatic of friendship's decline" (Donaldson, 1990: 9). Since the term duty is often used in contractual ethics or in Kantian moral philosophy as finding out rationally what one should do after a reflective process, it is certainly inappropriate in the context of thick morality. It is more fitting to talk about a condition—that of being a friend, a father, or a member of a community. This condition includes a concern for keeping memories together.

If we apply these insights to the realm of organisations, we might ask whether organisations are places where thick relationships between different members and groups are fostered or whether they are just a nexus of contracts (thin relationships). If the first alternative were true, it would mean, among other things, that there is a shared past that remains alive. Morally thick organizations would not suffer amnesia. Now, one could certainly debate whether organisations need to occupy themselves with encouraging morally thick relationships and preserving a common memory. Nonetheless, leaving this debate aside, organizations should probably be aware that the individuals who work in them develop such spontaneous feelings of care and are immersed in thick relationships, both inside and outside the organization, to which they attach great value. As we shall see later, this idea can have other applications as well in future research on overlapping generations and stakeholder theory.

In our view, just as a morally thick relationship implies a community (of at least two) that preserves a common past, it also entails looking together toward the future. The people whom one has thick relationships with are those with whom one imagines a common future or a shared project, or are those whose future concerns us. This can be extended to our overlapping generations. We suggest, therefore, that caring about the prospects of overlapping generations is also an essential part of morally thick relationships, just as memory is in the case of our immediate ancestors. Our relationship towards overlapping generations can be assumed to usually present this characteristic, which might be absent in the case of abstract future generations.

The question still remains whether individuals have some type of duty to remember and care about the future of other individuals whom they have no thick relationships with. According to Margalit's views on memory, in some exceptional cases there may be a moral duty of remembrance which concerns all human beings. They are instances that affect the very concept of humanity, including paradigmatic acts of humiliation and cruelty against human beings: the gulags, Nazi concentration camps, Hiroshima, the slave trade, deportations, and mass exterminations. There would be something morally wrong if, intentionally or unintentionally, mankind as a whole let these episodes of radical

evil fall into oblivion. Now, returning to future generations: Are there exceptional examples of radical evil perpetrated against abstract and remote future generations? Given the problematic nature of the concept of future generations seen above, and the imperceptible, accumulative character of most environmental damage, these extreme examples are much more difficult to establish. That type of duty, for which one would still need to find solid theoretical grounds, would surface in cases that inflict clear unnecessary pain to future generations, such as, for example, setting up a nuclear bomb that will explode in one hundred years.

Intergenerational Reciprocity

Before moving to the implications of our discussion for business ethics, we propose to return to the notion of reciprocity, the lack of which was, as mentioned earlier, one of the obstacles in conceiving duties toward future generations, and which has been a very influential way historically—though not the only one—to conceive morality. This idea is expressed already, as a maxim, in the popular Golden Rule (“treat others as you would like them to treat you in a similar situation”). In the case of overlapping generations, the Golden Rule could take the following form: “the present generation should treat future generations as they would like to have been treated themselves by the preceding generation” (Rawls, 1999; Richards, 1983). Yet, it is not clear that there is reciprocity at all in this case, since reciprocity is usually based on “mutual reinforcement by two parties of each other’s actions,” which is sometimes called *quid-pro-quo* or “restricted exchange” (Wade-Benzoni, 2002). Reciprocity seems to require closeness in a circumscribed temporal frame. This view of reciprocity could lead us to treat the case of concern for future generations as purely altruistic or an act of beneficence. Some might even see altruism as a more pure form or a more autonomous type of morality (Larmore, 2008). But the plural view of morality, which we have sketched above, would cast doubts about there being a more pure morality, as well as about there being only one moral voice.

Other views about reciprocity could assist us here. Anthropologists have studied that reciprocity also applies “to situations in which people feel obligated to reciprocate others’ actions, not by directly rewarding their benefactors, but by benefiting other actors implicated in a social exchange situation that includes the benefactors and themselves” (Wade-Benzoni, 2002: 1014). This generalized exchange or indirect reciprocity can be taking place in intergenerational relationships in which there is a lack of one-to-one correspondence. People reciprocate the good and evil left to them by previous generations by behaving similarly toward the next generation (Wade-Benzoni, 2002). In other words, people’s perception of what previous generations did for them influences their

behaviour toward future generations. According to the idea of generalized reciprocity, individuals might act in a certain way not because they will benefit directly in exchange but because they benefit from a general system. In the intergenerational version of generalized reciprocity, you act in a certain way because you wish to uphold a system in which people act in a certain way, and which will benefit also your children and grandchildren.

One possible alternative, therefore, to overcome the problem of theorizing intergenerational duties, a problem often attributed to the absence of “traditional bonds of reciprocity” (Care, 1982), is through the notion of generalized or indirect reciprocity. Now, once again, this insight applies much better to situations in which overlapping generations come into play, rather than to the abstract concept of future generations. Further explorations in the field of business ethics should start studying obligations of indirect reciprocity with the immediately preceding and immediately succeeding generations.

Implications for Business Ethics

To recapitulate, we suggest that the concept of future generations poses tremendous theoretical challenges which cannot be neglected by business ethicists, and yet, given the centrality of the question of sustainability for society and for business, intergenerational issues need to be incorporated much more in the discussions of the business ethics field than they are now. The concept of overlapping generations could, in our view, be a good starting point to theorize about these issues insofar as it is less problematic and yet can strengthen a future-oriented ethics. Expecting individuals to show a constant interest in the wellbeing of every member of the human race in future generations and assume the role of their caretakers might be to place too high a demand, and leads to theoretical puzzles that are difficult to disentangle. To expect a serious concern for the prospects of children, grandchildren, nieces and nephews (or one's friends' and neighbours' children) is a more modest, less controversial, and more solid basis. As seen in the preceding sections and summarized in Table 1, overlapping generations are concrete, existent, and known (or at least, easily imaginable); people have for their overlapping generations a type of concern or care which is limited in scope, partial, and belongs to the realm of thick morality. There is a type of reciprocity, sometimes called indirect or generalized, that can be applied to this case of intergenerational relationships. More importantly, overlapping generations can have much more organizational relevance.

	Overlapping Generations	Future Generations
Scope	Limited, concrete	Universal, abstract
Individuals	Existent, known	Non-existent, unknown
Type of morality	Thick, maximalist, partial	Thin, minimalist, impartial
Reciprocity	Extended, indirect	None
Type of condition/obligation	Care, "special concern"	Beneficence
Organizational relevance	High	Low

Table 1. Comparing the concepts of overlapping and future generations

At the same time, a concern for overlapping generations is not in conflict with a concern for future generations, just as, as mentioned earlier, one does not need to think of thin and thick morality as necessarily contradicting each other, even if there might be some tensions. In fact, if thin morality is embedded in thick morality, it is worth exploring whether emphasizing care for concrete overlapping generations is a good first step for educating the instincts or impulses to care for future generations in the abstract. Through a "zipper argument," bequeathing good living conditions for children and grandchildren is likely to improve the chances for their own children and grand-children.

Incorporating the notion of overlapping generations in business ethics discussions requires tackling the relationship of this notion with stakeholder theory, which has become the most widely used theoretical framework in this field. Since it addresses the nature of the relationship that a company must have with the different groups associated with it, the two main questions this theory must answer are: Who are the stakeholders toward whom the company has obligations? Why does the company have obligations toward them?

One can talk about a broad and a narrow answer to the question of who the stakeholders of a firm are. According to a broad interpretation of the term, "stakeholder" includes anybody that could affect or be affected by a company's business (Freeman, 1984; Donaldson & Preston, 1995). If one adopted such a view, one could try to argue that children and overlapping generations are indeed stakeholders of business organizations in cases wherein they can be affected by firm activities. But the problem with the broad definition is that it makes virtually everyone, either directly or indirectly, a potential stakeholder of a given company. Apart from giving little guidance to managers, this broad view puts groups

with different types of “stakes” at the same level. If this definition were the one accepted, the relationships between the firm and its stakeholders could be characterized as thin, rather than thick, ones. There would be no prioritizing and no partiality. This broad view would also erase any distinction between overlapping and remote future generations. In this case, one could talk about universal, minimal obligations, such as the ones that come to play in obvious cases of radical evil; that is, obvious, clear attacks on the dignity of human beings. Yet, while it is important to keep this dimension in mind, we do not think it is the most promising path by which to incorporate intergenerational concerns into business ethics because, among other things, it does not capture the peculiarities of the relationships established by business organizations.

Many have advocated for a narrower definition of the term “stakeholder,” claiming that “legitimate stakeholders are identified by the existence of a contract, expressed or implied, between them and the firm” (Donaldson & Preston, 1995: 85), or more concretely, that stakeholders are only those with whom there is “some form of cooperation that produces mutual benefits” and who freely accept such benefits (Phillips & Reichart, 2000). In these cases, certain obligations are indeed generated between stakeholders. According to this definition, duties are always between specific people or groups, and arise from a relationship entered into willingly by both parties. If one takes such an approach, nature itself would obviously not be a stakeholder, despite the claims made by certain authors to defend this premise (Starik, 1995), and neither would future generations be such, although there have been some praiseworthy attempts to argue the opposite (Jeurissen & Keijzers, 2004) since there is no possibility for them to refuse being affected by the activity of the company.

We suggest nonetheless that this narrow approach to stakeholder theory can offer ways to incorporate intergenerational concerns. Let us sketch the argument: if companies can be said to have some kind of contract with their stakeholders (as defended in the narrow approach to stakeholder theory), then the company would be violating the contract when its actions go against the interests of these stakeholders. Being based on a contract, the type of morality present in the narrow approach would also fall into what we have earlier categorized as thin morality. Now, even if it is not explicitly stated in the contract, one could ask whether there are certain conditions stakeholders could never be assumed to freely give up or accept. One could also ask whether one should take into account that stakeholders, in addition to being contractors, are often persons immersed in thick relationships which include their irreducible attachment for their overlapping generations. In other words, could one assume that many stakeholders, as concrete individuals, are so strongly interested in, and attached to, their own children

and grandchildren that they see the latter's wellbeing as essential to their own?⁶ If one makes this psychological assumption, the interests of those in the next overlapping generation can be treated as interests of the present generation (Hubin, 1976). The implication of this assumption for the field of business ethics is that employees, customers, suppliers, investors, neighbours in local communities, and other stakeholders cannot be assumed to freely accept the benefits of being associated with the company when the company's activities have adverse consequences for their own children (and possibly grandchildren), even when they are unaware of these consequences. Pursuing this line of argument could lead us to conceive the explicit or implicit hypothetical contract of companies with their stakeholders as including the interests of these stakeholders' immediate overlapping generations, with the understanding that the obligations are toward present stakeholders, not the future ones. A different way to summarize this provisional suggestion is the following: companies would be breaking the contract or causing an injustice to their stakeholders if they treat the earth's environment in a way that it deprives their stakeholders' children of a decent life. In other words, stakeholder theory needs to accommodate the idea that companies and their stakeholders "agree" on a contract that takes into account the stakeholders' overlapping generations.

Based on taking stakeholders as imbedded in irreducibly thick relationships, the line of argument that we propose raises some questions, even if it seems more fruitful than relying on the abstract notion of future generations. For example, companies would be morally justified in giving its stakeholders' direct descendants priority over others. Furthermore, it tells us nothing about the problems of trade-offs between the descendants of different groups of stakeholders. All these questions and similar ones need to be explored in further inquiries. Yet, in our view, the outcome of our proposal is compatible with Donaldson and Dunfee's integrative social contracts theory (Donaldson & Dunfee, 1999), which can be seen, in fact, as an attempt to combine thick morality with the universalism of thin morality.

To conclude, this article has reviewed some of the theoretical challenges posed by the concept of future generations, while reminding us that this concept is central to the notion of global sustainability. Our proposal to take into account the distinction between future and over-

⁶One reason for thinking this, as Donaldson says, is that the family (as well as friendship) is a "value-intrinsic" institution, i.e., an institution whose ends cannot be logically attainable without the existence of that institution itself. "We cannot imagine the ends (or, alternatively, the value) of friendship and the family being met without friendships and families" (Donaldson, 1990: 11).

lapping generations has been based on the distinction between thick and thin morality. We have also relied on a parallelism with the ethics of memory to clarify the notions of thin and thick relationships and the different types of obligations related to them. We have proposed to focus our theoretical efforts on the notion of overlapping generations, which can be associated with the notions of thick relationships and obligations as well as of indirect reciprocity, rather than on the notion of abstract future generations, as is usually done. Finally, we have asked whether stakeholder theory can admit in any way obligations toward overlapping generations, and have suggested that admitting such obligations is possible if stakeholders are understood to be immersed in thick relationships that they cannot be assumed to freely renounce, as in the case of their attachment toward their immediate descendants. The argument that we propose, which we have only sketched here in a provisional way, can facilitate the acknowledgement of a place for overlapping generations in the contract between companies and their stakeholders. Despite its modesty, an argument such as this one could have important consequences in the way we look at and judge company actions. Given the accumulative nature of most environmental problems and the immediacy of many of these consequences, such an approach would also be a significant start.

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