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Honest conduct in business and international relations and the example of Xenophon's Agesilaus

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Abstract: On many occasions, different parties may come in agreements to behave in a certain way so that they may be able to co-exist for their mutual benefit. It is more than common that the commitment of the parties may wane, which may be the result of not trusting neither the intentions nor the priorities of the other part as well as the result of putting other priorities in front of said agreement. Thus, an issue arises: how does one build trust as well as commitment between different parties? In this paper we will attempt to showcase that sticking to a promise matters in establishing trust, even when the other part is obviously doing the opposite. We will argue that this trust may not come in handy neither in the immediate future nor with that same part, it helps, however, in creating a solid base, on which promising policies may come to take place in the future. Without this kind of conduct, a more hostile environment prevails, and productive cooperation becomes a more difficult endeavour. To showcase that view, we will examine a relevant example in ancient Greek literature, and more specifically in Xenophon's *Agesilaus*. We will take a look at the example of the episode of a treaty between the Spartan leader Agesilaus and the Persian satrap Tissaphernes, which the latter constantly and not so secretly undermined. How Agesilaus respected the treaty, even when he knew the other part did not uphold its end, and the paradigm that Agesilaus created with his general conduct. By doing so, we will attempt to understand the extent at which past actions can establish a stronger sense of trust and safety in business and international relations, and common goals of different parties may easier come to be accomplished.

INTRODUCTION

An agreement between different groups of people is a tricky subject. In such instances, it is already the case that people within one group come together so that they take care of their individual benefits. This benefit is able to be achieved by the success of the group, however it is also the case that for the group to be successful the individual has to set the ego aside. That is one of the reasons that makes communication between different individuals of the same group complicated in the first place. One can then comprehend that communication between different groups can become even more complicated, since even more individuals are involved, who do not necessarily share the same view on whatever subject may be at hand not just with the people of other groups, but also with the people who are supposed to be their allies. That is a problem we have to deal with today. We observe a vast, unfathomable network of different groups and

individuals, with those individuals being part of different groups which may have conflicting interests with one another. A person can be a part of a family, citizen of a country, resident of a small town, professional at a certain art. In order to slow down the noise -if we may- what different groups or individuals try throughout history to do, is to come to agreements on basic targets on key subjects of their reality. As Fukuyama highlights, trust functions as the social glue that binds different entities together, making cooperation possible even in volatile environments. (Fukuyama, 1995) However, what compromises these agreements is precisely this unfathomable network of different interests, which no one can even comprehend at its full extent. Many times, they come to fail. A country does not keep its promises to another country, a company does not follow through with government goals, a government cannot stay true to many things it had promised to its citizens beforehand, and so on.

In this paper, we will argue that progress on such matters becomes able by honest conduct. We will attempt to showcase that honest conduct and stay true to one's word build a base of trust. This base of trust may not come in handy immediately but in the long run, because it constitutes a smaller progress than expected, but progress, nonetheless. To showcase that, we will present the case of Agesilaus in Xenophon's works. How he kept on honouring an agreement with the Persian satrap Tissaphernes, while he knew the other part tried actively to undermine it. What was his strategy of communication and what was its goals. To understand that communication strategy, we will make a more philosophical dive and borrow from Immanuel Kant his argument on the categorical imperative. We will attempt to showcase that the logic of the categorical imperative plays a key role in every communication between different human beings and constitutes a solid base so that different, even competing and hated, groups of people can come to agreements for their ultimate benefit. We will essentially try to argue that sticking to an agreement again and again helps in setting up a non-written universal rule, which as the time passes, becomes more and more accepted as a universal way of how things should be done. We will finally attempt to showcase that keeping one's promise works as a basic, short of universal, communication strategy which applies in business transactions, as well as international politics, as a general communication principle between person or parties with conflicting interests when called to come in any short of communication and/or understanding.

THE EXAMPLE OF AGESILAUS AND TISSAPHERNES

As described above, we will use the example of Agesilaus in Xenophon's work with the same name. Xenophon describes Agesilaus as the perfect leader, the embodiment of a leader by example. Agesilaus is competent, popular, moral, hard-working and, perhaps most importantly, loved by his subordinates. It would be easy to argue that Xenophon is biased and that he presents a romanticized version of Agesilaus (see Gray, 2011). In this text we will not dive into that, nor will we assume that it matters. We will take what Xenophon presents us as it is. We will assume that Agesilaus is the man that Xenophon says he is, and we will examine an episode with Tissaphernes in this context.

To understand the episode, we should first understand the characteristics of the "hero" of Xenophon. Agesilaus is presented as a very hard-working individual, who set an example for others and detested laziness or inactivity (Xenophon, 2003). He disapproved excesses and was delighted by the simple joys of life (Xenophon, 2003). He would always be supportive of his friends, he would reward his subordinates for their achievements in the battlefield by rewarding them fairly with the spoils afterwards. His entire conduct would be characterized as that of a father, because he was honest, respectful and always ready to protect his own. A prominent example of these traits can be seen in the episode of his departure from Asia Minor, where the residents could not hide their grief (Xenophon, 2003). That is the personality that Xenophon

presents, and that is what we will take at face value for our case. In understanding the communicative dynamics between Agesilaus and Tissaphernes, we could take note from other cases in modern diplomatic circumstances, as showcased by Booth and Wheele, who highlight the value of trust in overcoming conflict (Booth & Wheeler, 2007).

The episode with Tissaphernes proceeds as follows. In 395 BC, after the victory of the Spartans against the Athenians at Aegospotami, the city of Sparta emerged at the most powerful player in the Greek geopolitical reality. Agesilaus had become the king of Sparta somewhat recently and had made an agreement with the Persian satrap Tissaphernes. The two parties had agreed to make a truce for a period of three months. While Agesilaus made sure to compensate Tissaphernes for the services he provided to the city of Sparta, the Persian violated the treaty by sending messages to the king of the Persian empire and by attempting to strengthen his military capabilities. It turns out that Spartan king was aware of all those moves made by Tissaphernes. Nevertheless, he honoured his part of the agreement.

Xenophon, by referring to this episode, is able to highlight the characteristics of piety and reliability of his Spartan character. At the same time, he presents Tissaphernes as a contrast to Agesilaus, basically condemning him for his behaviour. In this incident, Agesilaus showed reliability, consistency and straightforwardness. As described by Cartledge, the leadership style of Agesilaus, is an example of how consistent moral behaviour fosters trust, in the long run creating a stable groundwork for future negotiations. (Cartledge, 1987). Our argument, here, is that in terms of political communication and diplomacy, this episode is representative of the reality of the relations between different states or state-like entities.

Different state-like entities signify different sets of rules, laws, institutions and traditions within them. Between them, however, exists no system of commonly accepted rules or hierarchy. This, in turn, means that the behaviour within the state and the behaviour outside the state constitute different realities. The communicative framework is entirely different, as in a natural state with no rule of law, as described in the theories of social contract. We, therefore, observe, two different communications challenges for one part in the same place and time. The first challenge takes place within the contract, within the group. This contract is what makes the group be and work. The individuals of the group recognize within their group a certain set of rules, which all should follow. In this context, if one does not behave as the set of rules suggests, then that person can be recognized to behave wrongfully.

The second communication situation, however, is not the same. Here, the two parties have obligations only within their group, not with one another, because they are not part of the same group. By not being part of the same group, means that they have not agreed to neither the same set of rules nor to a mutually and formally accepted enforcement mechanism of such a set of rules.

Before we move on, we first need to clarify a few things. When we refer to state-like entities, we talk about different forces that make treaties, declare war and have a certain governing paradigm with set institutions. To argue that, we reference at Max Weber's description of a state, which is as follows:

"A ruling organization will be called 'political' insofar as its existence and order is continuously safeguarded within a given territorial area by the threat and application of physical force on the part the administrative staff. A compulsory political organization with continuous operations will be called a 'state' insofar as its administrative staff successfully upholds the claim to the monopoly of the legitimate use of physical force in the enforcement of its action." (Weber, 1978)

Here we observe three characteristics: the dominion within a specific geographical area, the monopoly of violence within that area and the successful claim of that monopoly. In the case of Sparta and Tissaphernes we could argue that they are compliant with all three characteristics. Tissaphernes, of course, has to answer to the Persian king. Nevertheless, he has the power to make a treaty with the Spartan king.

Secondly, when we use the phrase “social contract” we refer to the basic principle described in multiple theories. We could take as an example the chapter 17 of Leviathan, where Hobbes attempts to explain the birth of the state. For him, the state essentially constitutes an imaginary person. Trying, to escape from the physical state, a set of people empower another person or group of persons to represent them and secure peace in their name. In this way they make the person or group of persons their ruler and themselves their rulers (Hobbes, 1996). This is for Hobbes the “Leviathan.” a natural person who represents by his actions the imaginary person of the set of people he governs.

To argue about what constitutes a state precisely, what is a social contract and if those concepts fit in the historic period of classical Greece, is an entirely different endeavor on its own. Those two conceptions and descriptions, however, describe basic characteristics that such historical entities have displayed time and time again, which is entities of people with their own morals, law, rule, traditions and institutions, all of which or many of which differ from other entities with those same characteristics. The communication problem between those entities derives at large from those characteristics and the fact that none of them answers to a mutually accepted set of rules or enforcement of this set of rules. In the case of Agesilaus and Tissaphernes, none of them accepts the same set of rules. Agesilaus answers to the rules of Sparta, while Tissaphernes answers to the Persian king. Each of these environments has its own institutions at place and at the same time creates policies to promote the interests of each environment. When the interests of both of these environments come against one another, war may come to take place, as it had on multiple occasions between Greeks and Persians historically. When these two parties, Agesilaus and Tissaphernes, meet and convene, they have no set of rules to moderate their behaviour, other than their own individual morality. To be able to communicate effectively, a new set of rules has to take shape right then and there. This set of rules, however, has not an enforcement mechanism, in the same way one may be found within Sparta or Persia. Nothing guarantees its enforcement than the word of the parts that agree to it. And even if that word comes to be recorded, there is no mutually accepted institution to bring punishment to a violator. If the violator is to be punished, this should come to pass with actual, physical violence, or moves and sanctions that bring about a measurable physical result. Basically, the path to punish the violator is to do harm in a way that two parts within a state-like entity would be illegal to do, and in a series of events where there is no expected path of events to transpire, created by a set of rules and a guaranteed environment of physical safety.

For all the above reasons, honoring an international agreement is important, even when the other part does not uphold its end. That is what Agesilaus is doing in this case. By being true to his word, even in such circumstances, Agesilaus creates an idea of what would happen if one would have to negotiate with him. He builds an image of trust, not towards Tissaphernes, but towards every possible part that could potentially have to deal in some sort of manner with him and/or Sparta. By doing so, he creates a precedent, which helps in building a sense of trust, and thus security. In this way, Agesilaus would start the negotiations with any next part in a more favourable position, as the other part would find it easier to trust him. Agesilaus, however, is doing more than that. In a volatile environment, where war is the norm, he is contributing to building a different culture in how to do this communication properly. Above, we described how two such parts do not share a mutually accepted set of rules. Agesilaus, with his behaviour is contributing in creating just that: a certain paradigm of conduct in such cases, which would create a safer reality for all parts involved.

Here we see a case not only in international relations, but in the relatively new subject of business ethics as well. We stumble upon the difference between the empirical “is” and the normative “ought” (Donaldson & Dunfee, 1994), the balance between which is a constant pattern in such studies (Trevino & Weaver, 1994). Back in 2000, Rosenthal and Rogene highlighted that the distance between the normative and empirical approaches is another manifestation of the difference between philosophy and science, between facts and values, between the objective and verifiable conclusions and subjective understanding, trying to showcase the difficulty for those aspects to see eye to eye. (Rosenthal & Rogene A. , 2000). Our proposition here is not a way to make those aspects reconcile, but a case of a moral-like behaviour working as an objectively effective strategy.

To understand how that works, we will attempt to take a dive in one of the most popular moral philosophical concepts: Immanuel Kant's categorical imperative.

CATEFORICAL IMPERATIVE AND INTERNATIONAL RELATIONS

According to the German philosopher Immanuel Kant's concept of categorical imperative, there is a basic regulative rule of conduct, which is in simple terms a basic way to understand rules of proper moral behaviour. This basic way of creating rules of morality is this: "*act in such a way that the regulative principle of your will can become a universal law*" (Kant, 2012). The categorical imperative is based on the proposition that all individuals are rational beings and therefore capable of relying on reason while also removing their selfish desires from the decision process. To understand that we could take the example of lying. If everyone were to lie frequently, this would lead to a reality of insecurity where no one could trust anyone. Thus, a reasonable universal law is being created: one should not lie.

Our argument here is that Agesilaus is doing something similar, but these universal rules are not rules of moral behaviour, but rules of proper conduct of international relations. The categorical imperative, by urging universal commitment to a promise, aligns with Agesilaus' behaviour, whose actions seem to reflect this basic regulative principle (Schneewind, 1997). The universal rule Agesilaus is abiding by is this: keep your promise. By following Kant's reasoning, one should ask this: what it would be like if no one kept their promises? The answer would yet again be a world of unsafety, an unreasonable world to live in. That is why one should keep promises. The idea of the use of Kantian moral theory in terms of diplomacy is not that new, as O'Neill in her *Constructions of Reason: Explorations of Kant's Practical Philosophy*, expands on Kant's argument, emphasizing its universal applicability and its potential to guide moral behaviour even in complex diplomatic situations (O'Neill, 1990).

The example of Agesilaus and Tissaphernes is very indicative of today's international as well as business relations. Not so back, in 1998, Brenkert was addressing that in business relations trust was bringing financial benefits, while others were arguing beforehand that ethical conduct is ultimately a matter of trust, since people always look after their own interests (Brenkert, 1998).

Most countries, today, constitute environments with their own set of rules. They do not share neither a universally accepted set of rules nor an enforcement mechanism. There is obviously, a huge exception to this, which is all international agreements, many of which we have seen time and time again not to be honoured one way or another. The enforcement mechanism, however, is not there, with the only thing that can work as such a mechanism being war or economic (or other form of physical) sanctions.

A prominent example of this, is the case of the United Nations Sustainable Goals (SDGs) agenda by 2030, with goals that have been left far behind compared to as scheduled. The United Nations may constitute a place where negotiations can take place on common policies and where agreements between all different parts can be made. In many cases those agreements are not met entirely -or at all for that matter- by many countries for a series of different reasons which may have to do with their own interests or priorities.

The issue becomes even more complicated when the agreed policies involve actions that need to be undertaken by private profit entities. The complications are deriving by a combination of those entities' self-interest as well as the conception of those entities and their societies regarding their responsibilities. To give an example, in 1998 John Hansas was presenting the three different approaches to business ethics:

1. the stockholder theory, according to which managers are merely the agents of the interests of the stockholders,
2. the shareholder theory, which has been interpreted in including all those affected by a corporation as well as merely those vital for the survival and success of the corporation

3. the social contract theory, which in its most widely accepted form suggests that all businesses are ethically obligated to contribute to the good of their society. (Hansas, 1998)

The difference between those conceptions above is an indication of how many boundaries people perceive merely in that context. It is also true, however that the practical value an ethical approach brings to the table is also recognized in contemporary business ethics, where stakeholder responsibility and the application of trust as a means to sustainable success is also emphasized (Crane, Matten, Glozer, & Spence, 2019).

However, if anything, the episode of Agesilaus and Tissaphernes does not merely work as an example of how and why agreements may come to fall apart, but also as an example of how negotiations and communication between such different parts comes to take form in a broader historic context. Agesilaus attempted with his example to set a precedent, so that other parts may behave like that in the future. By doing so, he follows the logic of the categorical imperative, by behaving in a sensible way, thus setting a standard with which other parts would feel more at ease. Even if Tissaphernes chooses to not uphold his end, the standard is already set, meaning the beginning has been made. For the universal law to take place in an effective manner, different parts would have to behave as such again and again, until that manner of conduct becomes overwhelmingly a universally accepted norm. For that phenomenon to take place, persistence in such behaviour is the key. If different parts do not persist on this conduct, the universal law will never come to pass.

We would argue that this is the case for international relations and agreements. Weisiger and Yarhi-Milo addressed this issue in 2015, showcasing that many believe that building a good reputation brings results, and arguing that in fact that is not the case at all (Weisiger & Yarhi-Milo, 2015). For different countries to agree, a common set of rules of conduct is necessary. And for that set of rules to be solid, it is necessary that each rule stands to reason in a similar way to which Kant describes his categorical imperative. When these rules are being generally accepted, negotiations for common beneficial policies can take place. Those policies, however, need to abide to the reasoning of the categorical imperative as well, which means that they need to be sensible and answer correctly to the question "*would I like to live in a world without this kind of policy*". Even then, it is logical that backlash may occur, since a lot of such decisions require compromise, changes and putting the interests of the country aside, at least at a first glance. Persistence, however, is also here the key. More and more parts need to persist in this policy so that it may take place. If not, then the policy may never come to pass, and the whole process must begin anew.

In this light, the example of Agesilaus and Tissaphernes seems to be an introduction in the condition of peaceful negotiations, the struggle of different people to come together without having to physically impose agendas. When one is in the middle of that struggle, it may seem like no progress is being made at all. If the process, however, is based on solid foundations, actual progress will come to take place, creating a world where common decisions about the future take place not by some short of enforcing but by a reliable and reasonable procedure of negotiations and universal acceptance.

CONCLUSION

In the case of Agesilaus and Tissaphernes we observe a communication strategy as well as a phenomenon in international relations. Negotiators and leaders of different state-like entities do not follow the same rules, do not accept the same set of rules or enforcement mechanism and find it difficult to understand and trust one another. For this to be resolved peacefully, a couple of things need to take place: 1) agree on a certain manner of conduct, 2) agree on mutually accepted policies. For both of these steps to take place on solid ground, both the rules of conduct as well as the policies need to be reasonable for anyone. To understand what that would look like, a very useful tool is Kant's categorical imperative. For this phenomenon to take shape one should always persist in behaving not according to the conduct

of the other parts, but according to the reality one wishes to live in. By doing so, a beginning occurs, which with persistence may lead to the implementation of beneficial policies for all parts involved, which will not have taken place by force but by reasonable mutual acceptance. This manner of conduct can be applied in any situation where different parties with conflicting interests , be that businesses or state-like entities, need to communicate regarding said interests, and thus can it be argued that it constitutes a basic communication principle in human interactions which applies to a large variety of communication instances, be that business or international relations.

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