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## The Overlooked Agenda of Ethical Leadership in Tourism: A Disciplinary and Philosophical Critique

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**Title:** The Overlooked Agenda of Ethical Leadership in Tourism: A Disciplinary and Philosophical Critique**Author:**

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**Abstract:**

*Ethical leadership* emphasizes ethical role modeling, principled decision-making, leader integrity and ethical treatment of others. Notably, ethical leadership positively relates to perceptions of interactional fairness and follower ethical behavior, what, in turn, is leading to higher levels of job satisfaction, trust in leadership and lower levels of counterproductive behavior (Bedi et al. 2016). While management literature with a focus on ethical leadership is growing steadily, tourism literature (with the exception of few ethical leadership studies: see Minett et al. 2009; Varra et al. 2012; Javed et al. 2017; Liu 2017) is scant. A recent literature-review of management topics in tourism and hospitality identified only one study on ethical leadership (Chang & Katrichis 2016).

In order to build momentum of research on ethical leadership in tourism, we, first, review and criticize major management theories and their foundation in economic theory. For instance, *Corporate Governance* is grounded in *Agency Theory* (Jensen & Meckling 1976), assuming managers to ‘*maximize shareholder value.*’ *Organization Design*, grounded in *Transaction Cost Theory* (Williamson 1975), presumes managers to control people to ‘*prevent opportunistic behavior.*’ Finally, *strategic management*, grounded in Porter’s (1980) *Five-Forces-Framework*, expects companies to compete not only with competitors, but also with suppliers, customers, employees, regulators and locations. By further criticizing Friedman’s ‘*liberal*’ doctrine (2002), which *explicitly* denies any ethical considerations, we illustrate how bad theories are destroying good leadership practice (Ghoshal 2005). The critique mainly refers to partial analysis, unrealistic assumptions (*homo economicus*), deductive reasoning and the exclusion of human intentionality, thereby disqualifying management theories based on mainstream economics to explain ‘*phenomena of organized complexity*’ (Hayek 1989, p. 4). Rather, through a process of *double-hermeneutics* (Ghoshal 2005), theories in social sciences (unlike those in physical sciences), tend to be self-fulfilling: i.e. managers start *acting* in accordance to theory.

When it comes to humans’ *action* and its relation to morality, our critique is more philosophical in nature and relates to Aristotle’s dualistic ontology, which differentiates between two types of action. One type of action is endowed with inherent meaning, while the other action type serves as a means to an end. The former refers to ‘*praxis*,’ comprising the domains of *ethics* and *politics*, while the latter refers to ‘*poiesis*’ (to bear, the ‘*originated*,’ the ‘*created*’). In Aristotle’s words: “*Poiesis has a goal outside of itself, not so the praxis. For the good praxis is a goal by itself*” (ibid 2011, p. 1140). In contrast to ethics and politics, the production sphere (*poiesis*) turns into a private affair. In the same way, related human *exchange processes* tend to reify themselves as means to an end, thereby transforming the personal ‘*You*’ to an impersonal ‘*Id*’ (Brodbeck 2005). Aristotle’s error in reasoning is rooted in his attempt to explain the nature

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of ‘*poiesis*’ by his concept of the *Four Causes* (Aristotle, *Physics*). As supposed to be of major *moral* relevance to the public sphere, only the final cause, the ‘*What for*’, refers to the public domain. In spite of their intrinsically *public* nature, Aristotle relates the (other) causes of form, material and of the move (‘*efficiens*’) exclusively to the *private* sphere. However, as moral became a private affair, the *content of perception* and the *object of action* became two isolated individual givennesses. Thus, by eliminating the socio-communicative aspect from action, Aristotle’s *dualistic* separation of *praxis* and *poiesis* disembodied ethics: although humans still connect through linguistic signs, *individual perception*—the foundation of private *and* public action—only shows a private nature and significance (Brodbeck 2005). Western ontologies and their Nominalist Theories rooted in Aristotelian ‘Substance Metaphysics’ fully reproduce this separation of *notions* from their *social act*, which leads to unbreachable epistemological gaps, well known as ‘Induction Problem’ and ‘Fact–Value Antinomy’ (ibid 2005).

The final discussion proposes a research agenda of ethical leadership in tourism with the capacity to re-connect *private* and *public* aspects of ethics. Broadly speaking, this comprises tourism research dealing with philosophical concepts such as ‘*freedom*,’ ‘*creativity*’ and ‘*responsibility*,’ showing both their nexus among each other and their private *and* social dimensions (Fuchs & Baggio 2017, 2018). More concretely, research on ethical leadership in tourism should aim at better understanding how the *joint* creation of private and social benefits is driven by leadership styles and values (e.g. spiritual leadership), organization types and related values (e.g. small-scale family business, relations with suppliers, etc.), and by the tourism service product and its experience values (e.g. eudaimonic, authentic, etc.). The hope behind this effort is to remove absurdities in management theory that lead to a disembodiment of ethics and a dehumanisation of (tourism and hospitality) practice.

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