

Chapter 5 is explicitly Marxist. The chapter purports to support a few quotes from Marx. The means of production, according to Marx “distort the worker into an appendage of the machine, they alienate from him the intellectual potentialities of the labor process.” And, “The worker actually treats the social character of his work, its combination with the work of others for a common goal, as a power that is alien to him” (53–54). In effect, we have antagonism between labor and capital or even between labor and management, and on to what he calls “conflict” on the assembly line, culminating in sabotage. This reviewer knows of no such instance; nor does Perelman; instead, he cites a 1971 publication by Watson (53–55). In general he writes of worker resentment and job dissatisfaction, but a *Wall Street Journal* column (8/27/01, A14) reported on several surveys showing considerable job satisfaction in the United States “and sixty-nine percent [of Americans] in a 1997 Families and Work Institute survey, said they would ‘decide without hesitation to take the same job again.’ Fewer than ten percent today would do something else.”

After reading Perelman’s excoriation of the U.S. economy, an objective observer would wonder where the U.S. economy ranks among the developed nations. At the bottom? Barely above the developing economies? One would wonder how the U.S. dollar can be the world’s leading, if not dominant, currency. Perelman questions the publication of “blockbuster books, while serious works have trouble reaching the press” (26). One may ask why his book was printed. It is serious and pedantic, but because of its extreme bias, it is neither edifying nor scholarly. Yes, there are wastes, as of Perelman’s time spent scouring works of free-market and other economists to find criticisms of the U.S. economy, waste of paper and ink to print his Marxist piffle, and waste of anyone’s time reading it.

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The Role of Business Ethics in Economic Performance

Ian Jones and Michael Pollitt (Editors)

New York: St. Martin’s Press, 1998 (227 pages)

The Great Advent of the discipline of “Business Ethics” can be dated back to the year 1975 when the Foreign Business Corrupt Practice Act was voted in the United States. Interestingly, that was the year when the miasma of the “1960s” had completely reached the most remote corners of some of the largest institutions in our society, including the leadership of many church organizations and the university teaching faculties. Not surprisingly, business ethics was defined from a socialistic, negative, and exterior point of view. Socialistic: that profit-making organizations are, *a priori*, very suspicious was a given. Negative: Ethics was somewhat defined as a laundry list of what corporations should not do. And exterior: The anointed could comfortably point

at evil corporations and their top management; no one could impute unethical intents or deeds to organizations of a socialistic persuasion; no one could suggest that the behavior and the personal ethic of lowly workers and middle-management could also be questioned.

The book, edited from proceedings under the same title held at the University of Cambridge, England, a few years ago, has the usefulness in that it gives a good idea of the direction toward which the discipline has traveled since that time.

The editors first underline the fact that all contributors to the book are concerned by the moral lacks in present-day society. The context of moral life in the economic realm would have created new reasons for anguish, including the process of globalization, the increased fragility of the environment, and the advent of information technologies and their threat to privacy. They, however, delineate four centers of responsibilities: consumers, investors, business practice, and politicians and the law.

The look at business practice, not unexpectedly, brings forth a series of corporate scandals with a British flair, including BCCI and Barings, to name those whose unappetizing odors reached the American shores. As for solutions, the authors mention the creation of two committees in the British government.

Investors, it is reported, have responded in the matter of business ethics by developing socially responsible funds. Unfortunately, the prevailing ideology of such funds is overwhelmingly that of a "Volvo Left." The involvement of their investors has resulted in a shift from the initial uncommitted Woodstock-inspired business ethics to its present application to the personal savings and investments of aging hippies.

The responsibility of governments and lawmakers in the ethics of business have interestingly elicited mostly a mention by the British authors of American lobbying practices where corporate money provides access to politicians and allegedly subverts the democratic system.

A novelty reported in the book is that consumers are singled out as the fourth group having responsibilities in business ethics. Consumer choices are indeed the "invincible" force that shapes masterfully the decision-making process of marketing executives. The authors state correctly that consumers are much more aware of the impact of their choices on corporations. However, the issues reviewed include only trendy values: global warming, "fair trade" of imported goods. We suspect that "fair trade" here is by definition a policy that agrees with the economic policies defended by trade unions in England and America.

The major, intended contribution of the book is that it attempts to find a correlation between ethics and economic performance. The different contributors bring their own stones to this structure.

Lord Eatwell examines the role of ethics in the writings of Adam Smith. Eatwell concludes that Smith is a bit too optimistic about the innate sense of justice of business persons, suggesting that "openness" and "education" be stressed in the formation of business decision-makers in order for them to improve the ethical component of their decision-making.

Mark Casson strives to define what makes a good ethical leader; that would seem to be—he believes—someone who is able to postpone the search of pleasure. That would be a difficult man to find, according to this author.

Simon Deakin and Frank Wilkinson state that cooperation between firms has led to the success of German and Italian industries after the war, compared to Britain's. They discuss the role of legal institutions in fostering such cooperation.

Sir Adrian Cadbury, chairman of the Cadbury corporation, reports on the Commission that bears its name that studied business ethics in Great Britain. His contribution is that free adoption of a Code of Best Practices by corporations is the most effective approach for raising the ethical level of corporations.

Norman Barry studies the role of culture in government's involvement with promoting business ethics. He contrasts German culture, which promotes more the values of responsible management through the Third Way with the Anglo-Saxon culture, which promotes stockholder maximization.

Maurie Cohen presents the "larger picture" in which corporations operate and how the latter affect this larger picture. By "larger picture," the author means the environment. The changing culture, for him, means a greater sense of responsibility that people have toward the environment, and therefore they also put pressure on corporations to protect their "values." Nowhere do other superior values like human life, truth, and those of the spiritual realm seem to be part of these values.

Russel Sparkes looks at the same ideas from the point of view of a socially responsible money fund manager. He claims that fund managers act as pioneers vis-à-vis corporations, trail blazing for them the path to business ethics, when this reviewer would find it more appropriate to say that these fund managers are simply implementing the so-called "values" proffered by the solons of the "business ethics" dogma.

Clive Wright makes a genuinely substantial contribution by defining the culture of a corporation and the different means by which this culture can and should be impacted upon by business ethics. Indeed, his discourse takes us away from the negative and exterior points of view of traditional business ethics. Business ethics must first be brought into the interior of the organization; it must be part of the "blood stream" of the organization, as the author states.

Neil Hood presents thoughts that would be mildly amusing if they were not dangerously distracting, concerning the ethics of multinational corporations, once considered as the supreme villains of the corporate world. What Hood promotes, in this age where "diversity" seems to be the ultimate human value, is that MNCs should not impose worldwide the culture of their headquarters but should allow national managers some liberty to express their own national values, too.

The disconcerting feeling is that if business ethics has now become less acrimonious against corporations, it is all for the wrong reasons. It would seem, indeed, that the values of the Woodstock generation have slowly sunk into mainstream corporate life. "Business ethics," as a body of thoughts (rather than as a real movement; the media are what really provide all the muscle needed for its missionary power), has

become a very effective and active agent to remove large chunks of Western and civilized values from corporations that still support such quaint values; instead, it has showered modern corporations with values that are running the gamut between red and green, not forgetting Socialist pink, with the end state solidly projected to be environmental green.

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International Business Ethics: Challenges and Approaches

Georges Enderle (Editor)

Notre Dame, Indiana: University of Notre Dame Press, 1999
(446 pages)

The origin of this book is the First World Congress of Business, Economics, and Ethics organized by The International Society of Business, Economics and Ethics (ISBEE), which took place in 1996 in Japan (Kashiwa-City, near Tokyo). It includes an introduction by the editor and twenty-nine papers from thirty-seven contributors from the United States (15), Asia (14), Europe (5), South Africa (2), and Latin America (1). These papers deal with many different topics, and grouping them has probably been a difficult task. The editor opted to group them in four parts under quite generic titles: Global Context and Ethical Orientations (Part 1), Ethical Standards and Sources for International Business Organizations (Part 2), Ethical Challenges for Business Leaders Around the World (Part 3), and Emerging Business Ethics in East Asia and Japan (Part 4).

International Business is a well-developed matter within business, so it is not strange to see that in the last few years increasing attention has been paid to International Business Ethics (IBE). Apart from two, well-known books by T. Donaldson (*The Ethics of International Business*, 1989) and R. T. De George (*Competing with Integrity in International Business*, 1993), both focused on multinationals, quite a number of articles have been published on this subject. This book, edited by Georges Enderle, adds to this field. It presents a pluralistic approach from different authors and different backgrounds.

In the field of IBE there are a number of recurrent topics such as specific issues in international business, universal principles of ethics for international business, codes of conduct for transnational companies, cross-cultural analysis, differences in ethical perception in managers, influences from national values, globalization problems, and so on. Most of these topics can be found in this book, but as the subtitle states ("Challenges and Approaches"), the majority of the articles are quite philosophical or descriptive while there is a significant absence of discussion on specific ethical issues on IBE. An exception is De George's article (271ff), which considers entrepreneurs and local small businesses facing some specific ethical issues.