



Gresham College
Commercial Ethics: Process or Outcome?
Published Version



Ian Harris
Director, Z/Yen Group Limited

"New Learning"

**Commercial Ethics:
Process or Outcome?**



Barnard's Inn Hall
Holborn
London EC1N 2HH

Tel: +44 (0)20 7831-0575
Fax: +44 (0)20 7831-5208
Email : ian_harris@zyen.com

Good evening Ladies and Gentlemen. I am honoured to have been invited to deliver a guest Gresham Lecture entitled "Commercial Ethics: Process or Outcome?".

Grub First, Then Ethics

While definitions of the term "ethics" can vary, there is little doubt that the term relates to matters such as morals, principles and conduct. There is also little doubt that philosophers have pondered the subject of ethics for about as long as philosophers have pondered at all.



Ethics

"The science of morals"
(Chambers English Dictionary)

"A set of principles of right conduct"
(<http://www.thefreedictionary.com/ethics>)

"The principles of conduct governing an individual or a group"
(Webster's 9th New Collegiate Dictionary)

"Grub first, then ethics"
Bert Brecht

Ancient philosophers and religious texts can inform modern commercial ethics. However, there is a strong argument that commercial (or business) ethics, as a distinctly recognised branch of applied ethics in its own right, has been recognised and studied in depth only for the past 30 or 40 years. I believe that in subsistence economies, normative commercial ethics, by which I mean the study of how people ought to behave in commercial situations, is unlikely to emerge as a discipline in its own right. In developed economies, commercial ethics can emerge; sometimes disguised in concepts such as utilitarianism, social contractarianism and pragmatism ethics. .

There is evidence to support this view. Prior to the 1970's there were hardly any academic courses bearing the title "Business Ethics" or "Commercial Ethics". John Rawls seminal work, "A Theory of Justice" was published in 1971 and it is arguable that it was that work more than any other that opened the door to the study of commercial ethics as an academic, philosophical discipline. The Society for Business Ethics was founded in the USA in 1980. The UK's Institute of Business Ethics was founded in 1986 and the European Business Ethics Network was founded in 1987. Commercial ethics can thus be seen as a relatively young and emerging discipline.

Brecht's wonderful quote from The Threepenny Opera, "grub first, then ethics", illustrates that point elegantly.



Outline

- Underlying normative theories of Commercial Ethics
 - Two "ologies" for the price of one
 - Lots of lovely little thinkers
 - Tour d'horizon and attempted scope
- Example One: Procurement – rigid tendering processes
- Example Two: New technology – an ethical framework
- Summary and discussion

“Such is the brutalization of commercial ethics in this country that no one can feel anything more delicate than the velvet touch of a soft buck”

Raymond Chandler

Tonight I shall try to provide you with a commercial ethical offer you cannot refuse; two “ologies for the price of one”. In the process of this theoretical tour, I shall illustrate the ideas with examples relevant to our current commercial world. I shall also attempt to scope the subject of commercial ethics and cover two commercial ethical issues that I believe to be especially relevant today:

- ◆ the ethics of procurement processes, in particular competitive tendering;
- ◆ ethical frameworks for the evaluation of new technologies.

I met up the other day with two old friends of mine, Terry and Dion, who are both senior managers working for a major international energy company. Terry is an extroverted, hedonistic Australian with a real “can-do” attitude. Dion is an introverted New Zealander who doesn’t go out much, who likes to make absolutely sure he is doing the right thing before he commits himself.



Dam Your Ethics



View from Simi La: Nyerulung Valley with artificial hydroelectric lake

Their company is bidding for a potential project in China; if the project goes ahead they would be damming a river and producing hydroelectric power and water supply from the resulting water flow. The water and energy will be relatively clean and inexpensive. Most people local to the project would benefit from the jobs created and from having better energy provision. Their business will profit significantly if they go ahead. However, some people would need to be relocated and there are environmental concerns about changing the river's natural flow and the ecosystem of the lake. There are ethical as well as commercial concerns here.

At that point, their views diverged markedly.

Terry summarised the ethical dilemmas as follows:

"We need to weigh up all of the good things that will happen to most of the local people, together with the healthy profits we can make, against the adverse consequences for a minority of people, the consequences for the local environment and the reputation risks that such concerns might bring to bear on our business. We should base our decision on an optimal outcome."

Dion outlined the same ethical problems differently:

"The local people have a right to enjoy the benefits of clean energy and water. The minority who will be inconvenienced have the right not to be unreasonably disadvantaged by the project. We need to assess and prioritise the various rights, duties, principles and obligations involved in this decision. We need to follow a proper process and do the right thing."



Coincidentally, Terry and Dion’s positions illustrate the two main contrasting schools of thought that underpin commercial ethics: Teleology and Deontology.



Two “ologies” For The Price of One

Teleology	Deontology
Telos: end, purpose	Deon: obligation, duty
“Ethics of what is good”	“Ethics of what is right”
Rightness or wrongness based on outcomes	Obligations based on duties, principles, rules
Legal Positivism	Natural Law
Enlightened Self-interest, Utilitarianism, Consequentialism	Moral Absolutism, Kantianism, Categorical Imperative

The word teleology is derived from the Greek word, telos, which means end or purpose. The word deontology is derived from another Greek word, deon, which means obligation or duty. Ethics based on teleology is often described as the “ethics of what is good”. A teleological ethical decision looks at rightness or wrongness, based on the results, or outcomes of that decision. Ethics based on deontology is often describes as the “ethics of what is right”. A deontological ethical decision looks at the problem very differently. It looks at the moral obligations and/or duties of the decision maker, based on principles and rules of behaviour.

This dichotomy does not just apply to commercial ethics. In the field of jurisprudence, legal philosophy, a similar division exists between:

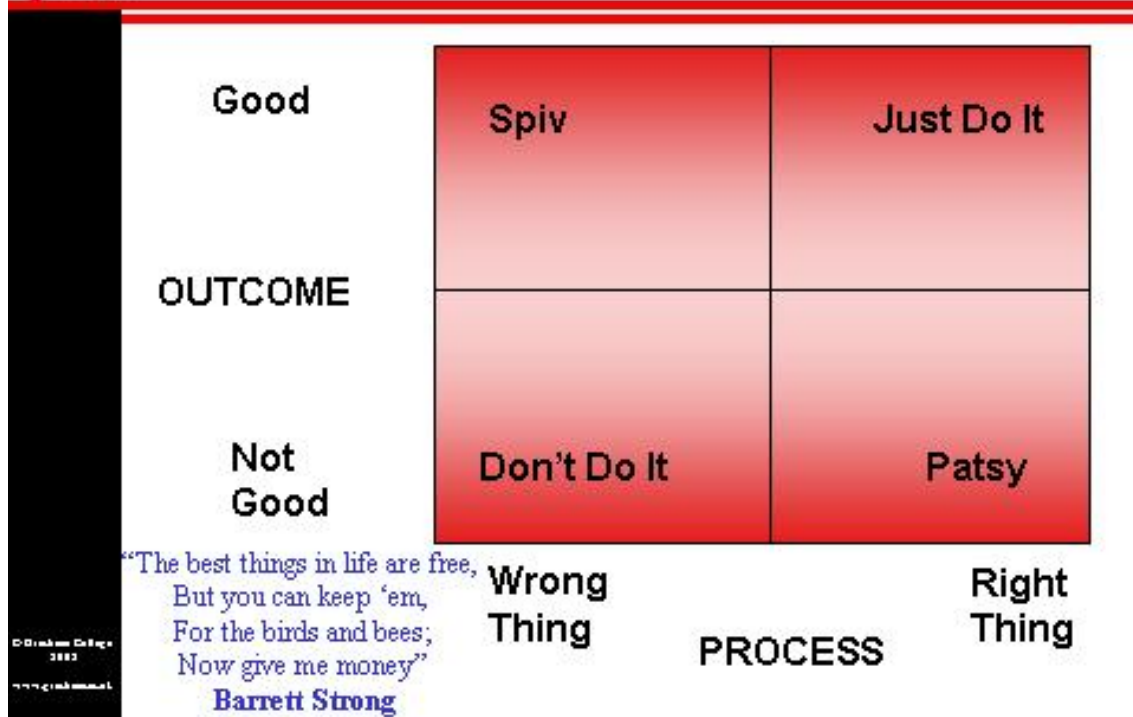
- ◆ legal positivism; law based on getting the right outcome - and
- ◆ natural law; law based on fundamental truths about what is right.

Legal positivism sits comfortably in the teleological camp while natural law resides in the deontological camp.

Commercial folk tend to feel a little more comfortable in the teleological corner than in the deontological corner. We are exposed to concepts such as enlightened self-interest and utilitarianism early in the study of economics, business and management. Deontological terms such as moral absolutism and categorical imperative sound more at home in a philosophy or theology class.



Crass Business School Two-by-Two



In business timing can be everything. A lot of people have told me that they think this lecture on commercial ethics is timely in the current commercial climate. I tend to smile and nod sagely, happy to take such plaudits for my perceived sound judgement and timing, but actually I profoundly disagree with that view.

In my opinion, ethics should be embedded in the way we do business at all times. It is solely a matter of perception that ethics becomes more important in troubled times.

Let me illustrate this point with simple two-by-two matrices. It would almost be unethical for a businessman like me to lecture at Gresham without at least one two-by-two matrix at some stage in the talk. On the X-axis you have a deontological spectrum, from doing the wrong thing on the left-hand-side to doing the right thing on the right-hand-side. On the Y-axis you have a teleological spectrum, ranging from poor outcomes at the bottom to good outcomes at the top.

In the bottom-left-hand quadrant you would be doing the wrong thing and getting poor results. Terry and Dion's company would build the dam despite lots of local people becoming homeless and/or losing their water supply, the project wouldn't generate enough clean water and electricity to satisfy the other local people, nor would it turn a decent profit. This project needs little thought, let alone ethical thought - there's simply no point in doing that project.

In the top right-hand corner, the project looks very profitable; many people would benefit from clean water and electricity. People who are inconvenienced by the project could be well-compensated when relocated so everyone will end up better off. This also needs little

thought – the company should go ahead with such a project, making sure that it does the right thing for those people who will be inconvenienced.

In the bottom-right-hand quadrant, the project looks set to yield reasonable profits, but the cost of doing the right thing to compensate the disadvantaged people will take the profit-levels below an acceptable level. If you made decisions that fitted into that quadrant regularly you'd be a patsy, because you would never deliver acceptable levels of profit on your projects. You'd probably end up a former-manager of the company, or the company might end up a former-company.

In the top left-hand quadrant, the drive for high-yielding results holds sway above considerations about what is or is not the right thing to do. I'm calling this quadrant "the spiv quadrant".



“.....& All I Got was This Lousy Shanty”



**Minority Garo people 'relocated'
in a shanty village,
Near Shillong, Meghalaya,
North-East India**

The outcomes in the spiv quadrant would be to the detriment of those local people who live in the way of your water and electricity project. The company might make very healthy-looking profits on the projects, for now, and managers making those decisions would be making superb bonuses. The risks bundled into those profits - reputation risks and the risk of being black-listed for future projects, are hidden for now. The spivs who make those bonuses will be over the hills and far away when the risks surface.

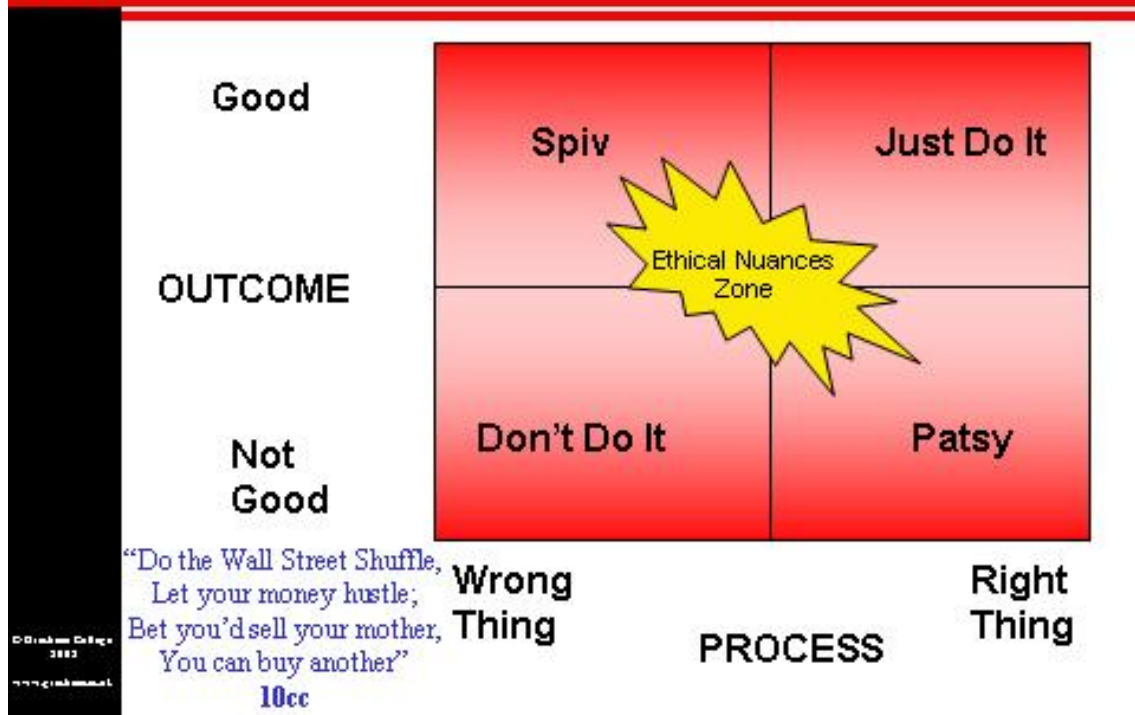
Real lives are affected by real commercial projects of this kind all the time. When Janie and I visited Meghalaya on North-East India in 2005, our guide took us to visit a once-beautiful village, home to people from a minority tribe, the Garo. But the village was gone; razed a few weeks previously. Instead, we saw barbed wire and signs advertising the new electricity plant due to be built on that site. A mile down the road, by the river, was a



ramshackle shanty town where the tribe were squatting. Monsoons were due in a few months, those people were living in danger as well as squalor.



Slightly Less Crass Two-by-Two

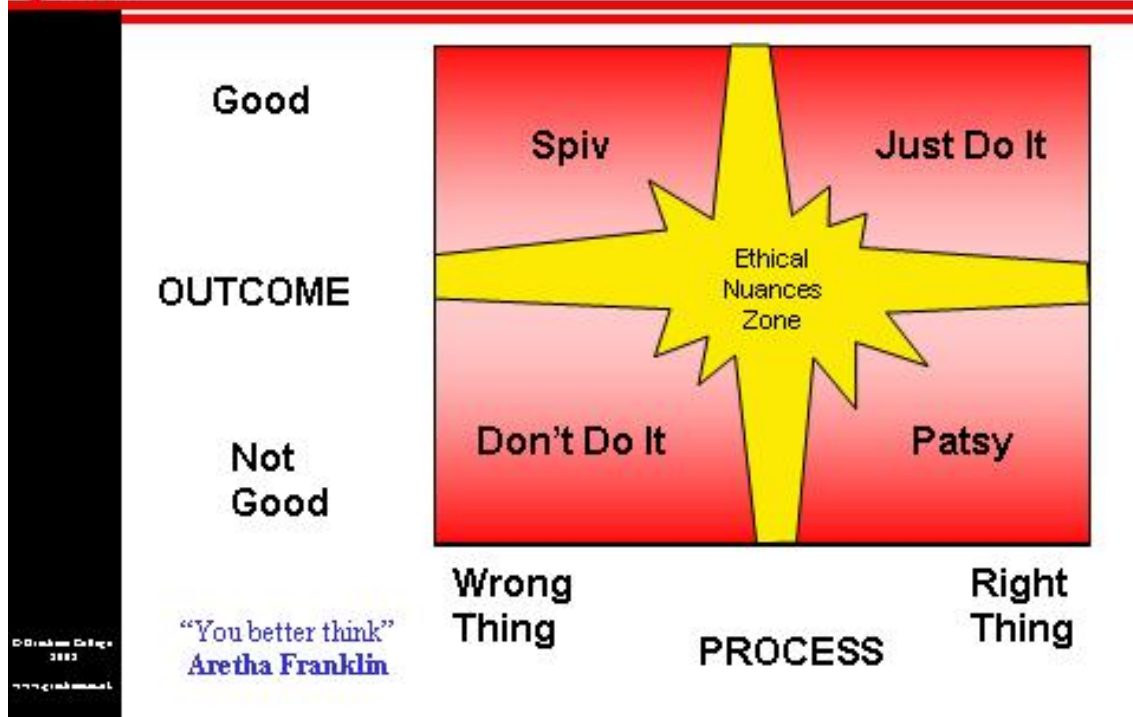


Of course, not even the most crass businessman or business school lecturer would believe that you can fit all examples neatly into these four quadrants. There is a zone of ethical nuances where you need to do some deep ethical thinking.

I'd argue that the actual zone of ethical nuances is actually quite large; which is why I believe you need to have ethical thinking embedded into the ways you make your commercial decisions.



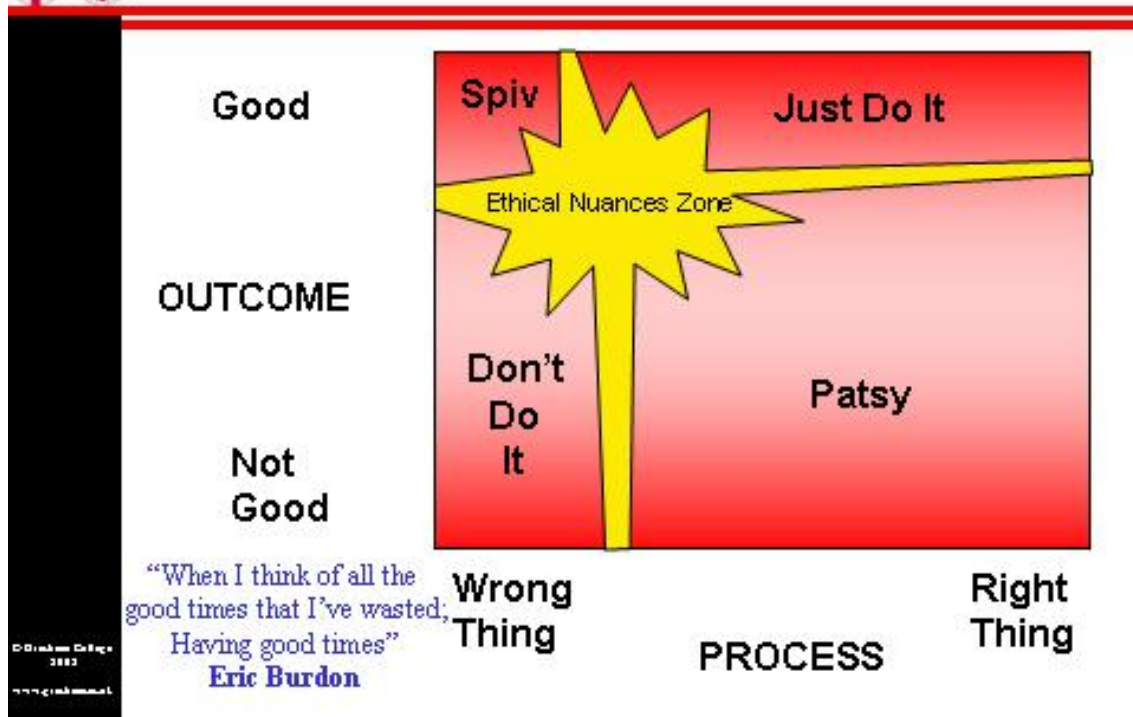
Actual Zone of Ethical Nuances



However, people perceive these zones very differently in different economic climates.



Perceived Ethical Nuances - Boom





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During boom times, when profits tend to be high and risks tend to be down-played, the perceived sizes of the quadrants tend to shift. Because the benchmark for profits is higher in these boom times, managers have a tendency to perceive themselves to be in the patsy quadrant more readily. Of course, in boom times it also should be easier to do both the right thing and to achieve good outcomes, but only if you retain a realistic perception of what a good outcome is. Also, in those boom times, the perception of what comprises spiv-like activity is more rarely identified.

For most of the 1980s, for example, the concept of insider trading, although technically prohibited, was more-or-less ignored. Of course the big-name traders, deal-makers and bankers had inside information; that's how they made things happen. The wheels of commerce and all that. Much of the City of London operated as an informal club of lucky fellows who knew what was going on better than anyone else. It was a tough club to join unless you had the right connections or exceptional skill and therefore usefulness to someone within the club. The regulatory changes in 1986 in the UK known as Big Bang and the market crash that followed within a year or two changed the mood considerably. Scapegoats needed to be found and on that occasion it was insider traders. The rules were tightened considerably and some of the high-rollers ended up in court. I shall not discuss here the many and varied ethical issues involved in those cases, the convictions and the acquittals at that time.

The point I want to emphasise, however, is that changing times and circumstances shift the zone of ethical nuances considerably. In the case of insider trading in the UK, strictly speaking many of the activities taking place at that time were illegal as well as unethical. But many were borderline legal, but, as the mood had changed, had shifted from ethically acceptable to ethically unacceptable.



Rump, Anyone?





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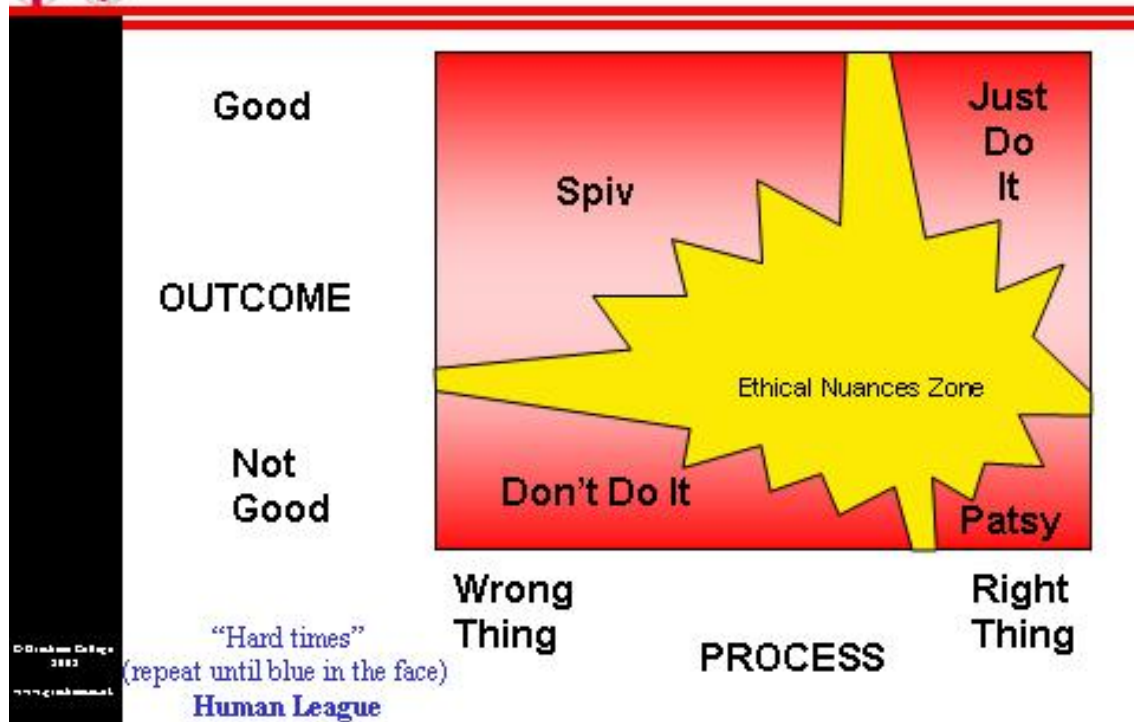
A good example of this form of ethical shift took place in Japan after the decades of economic miracle gave way to the years of slump in the 1990s; this shift is brilliantly documented in the recent book "Ethics and Finance" by former Gresham Commerce Professor Avi Persaud together with John Plender.

During the boom years in post-war Japan, certain practices became commonplace between senior civil servants and top businessmen. One well-known practice was amakudari, which means "descent from heaven"; senior civil servants would customarily retire from the service in their early 50s and "make their pile" for a few years in businesses that they had previously regulated and supervised. Another interesting practice became a famous scandal in Japan in the 1990s; the "no pan shabu shabu" scandal.

The Ministry of Finance, for example, was regarded as an austere and hard-working environment, there were perks provided by top businessmen who might want favours from officials. One such perk, which became notorious, was banking officials being entertained by bankers for lavish meals served at an expensive Chinese restaurant, Lo Lan, which specialised in "no pan shabu shabu". Shabu shabu is a tasty Japanese-style hotpot of beef. The phrase "no pan" means that the waitresses wore short skirts and an absence of pants. The savouriness or otherwise of this combination is a matter for personal taste, but the scandal emerged when it became clear that the times and locations of banking regulatory inspections were being leaked to bankers by ministry officials in the course of these meals.



Perceived Ethical Nuances - Slump



The Japanese economy in the 1990s when the no pan shabu shabu scandal broke bore some uncanny resemblances to our current global financial crisis. Several banks, such as



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Hokkaido Takushoku Bank and Hyogo Bank collapsed, several other banks were in deep trouble and the real economy was suffering with unemployment high and prospects poor.

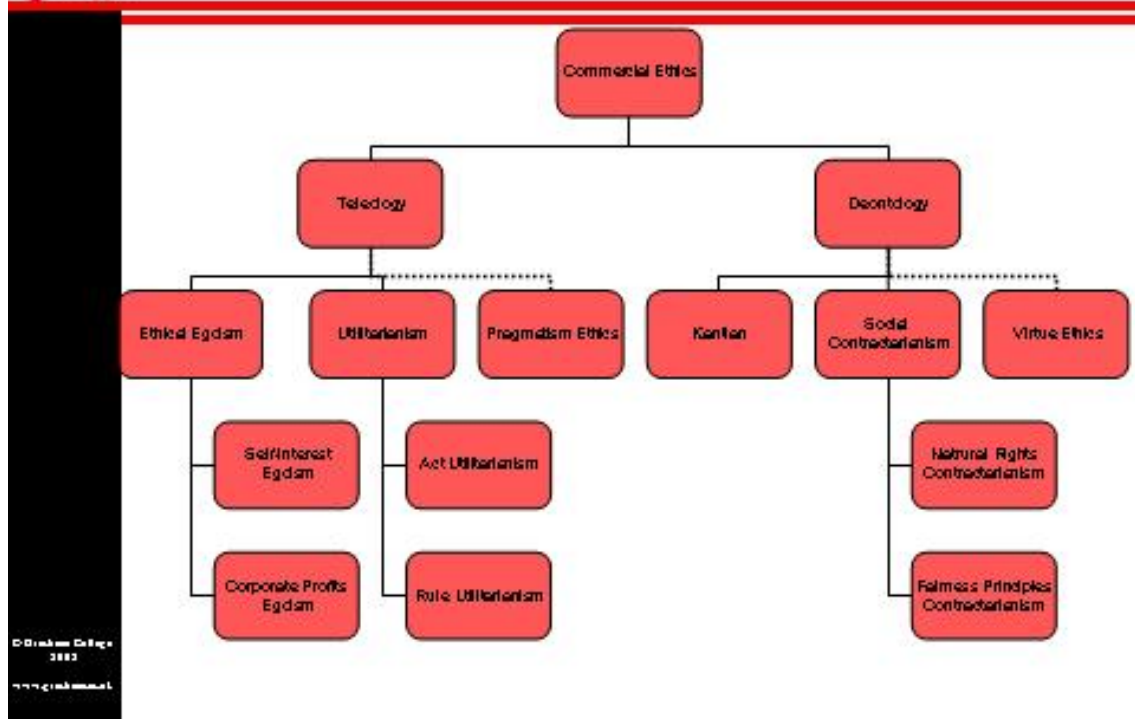
When the chief inspector of banks, Koichi Miyagawa, was taken into custody, he stated that he did not believe that the entertainment had gone "beyond acceptable social limits". But, as Persaud and Plender eloquently put it, those acceptable limits had shifted considerably.

From a purely teleological point of view, the question of whether we have an orderly banking system or not is a binary one - either it is orderly or it isn't. Therefore, when the banking system ceased to be orderly, the "benchmark" for good outcomes shifted down a long way, making the "spiv" quadrant much bigger. At the same time, the "court of public opinion" also shifts its mood on what constitutes acceptable or unacceptable behaviour.

The Japanese culture is a fairly teleological one; behaviours were far less likely to be questioned while the outcomes were acceptable. Once the outcomes became unacceptable, there was huge public outcry against the officials and businessmen involved.



Taxonomy of Commercial Ethics 1



Let us now return to our tour of the teleological and deontological schools of thought. Our mission is to discuss briefly each of the branches on our route map; a taxonomy of commercial ethics. We'll start with teleology.



Utilitarianism



Jeremy
Bentham



John Stuart
Mill

- Pain and pleasure
- Consequentialism
- Bentham's Greatest Happiness Principle
- Mill's Harm Principle
- Act Utilitarianism versus Rule Utilitarianism

"John Stuart Mill, Of his own free will, On half a pint of shandy, Was particularly ill"
Monty Python

Probably the best-known teleological school of thought is utilitarianism. The father of utilitarianism was Jeremy Bentham. Born into a prominent legal family in 1748 and having studied law, Bentham refrained from legal practice, preferring to think and write proposals for reform. It's all right for some.

In his great work of 1789, *Introduction to the Principles of Morals and Legislation*, Bentham says, "nature has placed mankind under the governance of two sovereign masters, pain and pleasure. It is for them alone to point out what we ought to do, as well as to determine what we shall do. ..." Bentham sought to underpin all of his proposals for reform with this concept - minimise pain and maximise pleasure. Also called "the greatest happiness principle" or "the utility principle". Bentham was a consequentialist, a pure form of teleology.

Bentham's specific ideas for reform were strongly liberal, both economically and socially. Free trade, freedom of expression, equal rights for women, the right to divorce, the decriminalization of homosexuality, the prohibition of both corporal and capital punishment, plus the abolition of slavery. Generally, Bentham was a pretty right-on chap.

Bentham's form of utilitarianism can be described as Act Utilitarianism; you judge your actions on the outcomes alone. Bentham spent most of his efforts advocating his own ideas rather than tackling others, but he did famously describe the deontological notion of natural rights as "nonsense upon stilts". In the Chinese dam example, Bentham would have sided with Terry.

To help promulgate his ideas, Bentham founded a journal, the *Westminster Review*, along with his friend and fellow thinker, James Mill. He also took on James Mill's son, John



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Stuart Mill, as his pupil. Indeed, James Mill and Jeremy Bentham more or less designed John Stuart Mill's entire childhood and education to create a genius who would carry the cause of utilitarianism forward. But let's put to one side all worries about nepotism, helicopter parenting in extremis and the ethical quagmire such thoughts might unearth, because John Stuart Mill turned out to be quite some pupil.

John Stuart Mill took Bentham's ideas forward by leaps and bounds; partly by writing them up in more widely-read publications and partly by developing the ideas further. It was John Stuart Mill who first strongly utilised the word "utilitarianism" in his book of that name, published as a series of articles in 1861 and combined as a book in 1863. In that work, Mill justified utilitarianism in ethical terms, taking on Immanuel Kant and the Deontological school head to head. More on Kant and his take on deontology soon.

John Stuart Mill's contribution to the development of thought is hard to overstate; his 1859 classic, *On Liberty*, is still a cracking read if you want a deep think about society and social sciences. The main contribution to our tour is the harm principle. Mill said, in *On Liberty*:

"The sole end for which mankind are warranted, individually or collectively, in interfering with the liberty of action of any of their number, is self-protection. That the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either physical or moral, is not sufficient warrant. He cannot rightfully be compelled to do or forbear because it will be better for him to do so, because it will make him happier, because, in the opinion of others, to do so would be wise, or even right...The only part of the conduct of anyone, for which he is amenable to society, is that which concerns others. In the part which merely concerns himself, his independence is, of right, absolute. Over himself, over his own body and mind, the individual is sovereign."

Please note that when John Stuart Mill talks about "right" here, he is not talking about the natural rights that Bentham so pooh-poohed. Mill believed that utilitarianism is a standard of morality; the purpose of which is to maximise the happiness of as many people as possible. In his words (from "Utilitarianism"):

"To have a right, then, is, I conceive, to have something which society ought to defend me in the possession of. If the objector goes on to ask, why it ought? I can give him no other reason than general utility."

In this sense, John Stuart Mill was an early "rule utilitarian"; the addition of the harm principle as a rule informing Mill's utilitarianism mitigates some of the worst potential excesses of pure act utilitarianism.

In the Chinese dam example, a Benthamite Terry would put the act utilitarian argument, that a minority might be severely disadvantaged and/or displaced against their will in the interests of the majority, to deliver the most happiness to the most people. But from a Mill-style utilitarian perspective, Terry would also apply the harm principle; displaced people should be properly compensated with equivalent or improved circumstances. The project should only go ahead if it can be achieved both profitably and preventing that minority being harmed.



Egoists



Adam
Smith



Milton
Friedman

- Enlightened self-interest
- Invisible Hand
- No free lunch – especially if the butcher, brewer or baker are involved
- Corporations: your sole responsibility is to deliver profits
- Governments: do as little as possible if you want optimal markets

“Hang On To Your Ego”
The Beach Boys

Classical economics looks at the world from a utilitarian perspective.

In the *Wealth of Nations*, 1776, Adam Smith said, “it is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.” That sounds like unenlightened self-interest to me. But in *The Theory of Moral Sentiments* (first published in 1759 but revised by Smith in 1790), he said, “How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it, except the pleasure of seeing it.” OK, that’s enlightened self-interest then.

Adam Smith believed that the Invisible Hand of collective self-interest through commercial activity would optimise the performance of markets and thus maximise the net good. Put simply, “free markets are a good thing”.

Jump forward 200 or so years to Milton Friedman, who shares many of Adam Smith’s views on free markets. Milton Friedman was no friend of the corporate social responsibility movement. His essay entitled “The Social Responsibility of Business is to Increase its Profits” tells you he believed that corporations should act solely as agents of economic activity. Indeed Friedman believed it would be unethical of corporations to do undertake “social responsibility” activities at the expense of profits. He argues this case from three points of view:

- ◆ economic: the solution is likely to be non-optimal, whereas the corporation has a duty to use shareholder’s funds in profitable ways;

- ◆ political; effectively stakeholders in the corporation are being taxed by the management action;
- ◆ philosophical; individuals have responsibilities, corporations don't. Corporations are socio-legal constructs brought into society to fulfil specific commercial purposes.

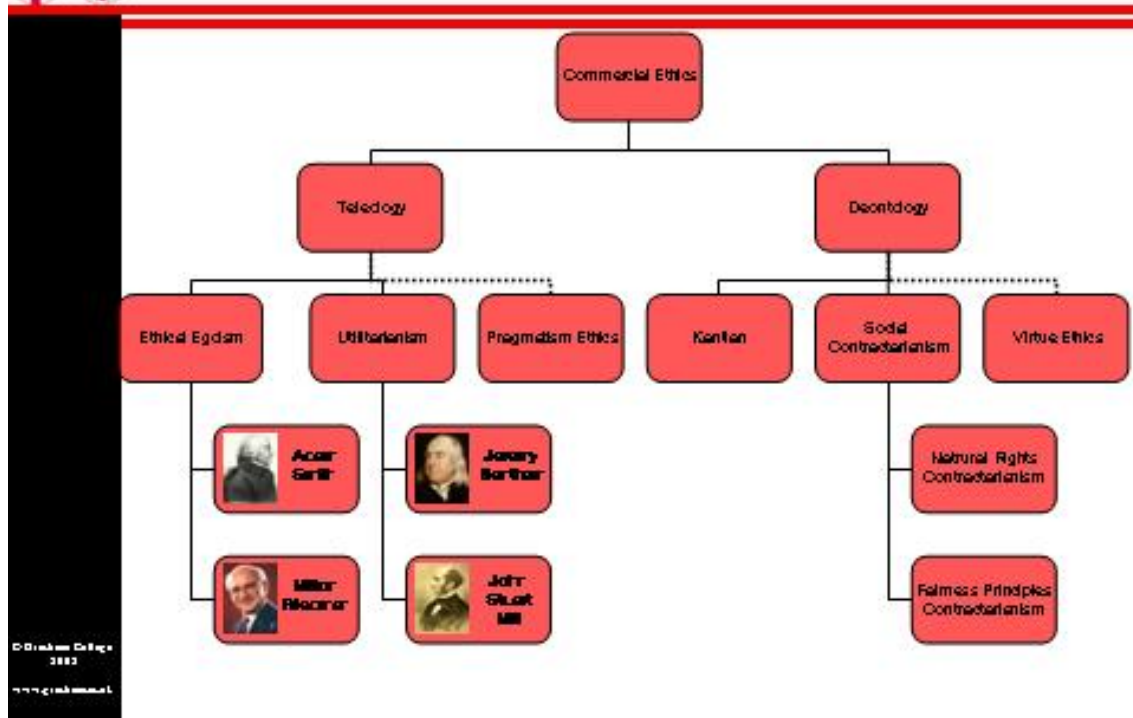
In his lecture "Take My Profits Please", Michael Mainelli argued a pure economic case for some elements of corporate social responsibility; in particular sustainability and ethical trading standards. It is not my intention to revisit that argument in this lecture; suffice it to say that Friedman would almost certainly have had no problem with activities that were both ethical and profitable. More on that later.

Friedman was pretty consistent in his views. He was no fan of government intervention in markets either, believing that government intervention in markets is likely to have unintended consequences that will lead to non-optimal markets and therefore less net benefit to society.

Adam Smith and Milton Friedman might be described as Ethical Egoists; moral agents ought to act on their own self-interest, as such self-interested behaviour is most likely to lead to optimising the common good.



Taxonomy of Commercial Ethics 2



We've now examined the theories and thinkers that informed Terry's outcome-oriented ethical debate regarding the Chinese dam. But what of Dion's obligations and duties-oriented approach?

As with teleology, deontology has been around since ancient times. But the most influential form of deontology from a commercial ethics perspective is Kantian Deontology, as put forward by the philosopher Immanuel Kant.



Immanuel Kant



- Actions guided by universal principles irrespective of the consequences
- Categorical imperative
- Situational variant of the golden rule: "do unto others as you would have done to yourself"

"You mentioned Kant and I was shocked;
You know, where I come from, none of the girls have such foul tongues"
Sparks

Immanuel Kant was born in 1724 in Königsberg, Prussia. Kant thought a lot but didn't get out much; he studied and worked at the local University and is believed never to have travelled more than 17 miles from Königsberg. Although Kant was a little older than Bentham, they were both publishing their main ethical works around the same time, providing John Stuart Mill with the wonderful opportunity to criticise the former and subtly enhance the thinking of the latter.

Kant's main moral works are *Groundwork in the Metaphysics of Morals* (1785), *Critique of Practical Reason* (1788) and *Metaphysics of Morals* (1798). Kant said "it is impossible to conceive anything at all in the worldwhich can be taken as good without qualification except a good will". A merchant, for example, is only being moral if he or she is being honest because being honest is the right thing (or dutiful thing) to do. The entire emphasis is on the duty to do the right thing, not the consequences of doing that thing, to Kant. He was a pure deontologist. I'm sure that he and Dion would see eye to eye.

Kant described duties as categorical and referred to his fundamental ethical principle as "the categorical imperative". This is sometimes, wrongly, deconstructed to the well-known golden rule or ethic of reciprocity "do unto others as you would have them do unto you; do not do unto others what you would not have them do unto you". In fact, Kant specifically criticised the golden rule on the grounds that it wasn't sensitive to differences in situation. Actually, "the" Kantian categorical imperative really needs to be expressed as a minimum of three overlapping formulations:



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- ◆ act only on principles which you can formulate as universal laws of nature;
- ◆ always treat humanity in a person as an end in itself, never merely as a means to an end;
- ◆ act as if you were a member of an ideal kingdom in which you were simultaneously subject and sovereign.

Business people often struggle to find the commercial relevance in the purity of Kant's ethics, because he so rigorously denies the use of outcomes as relevant to his ethical position. However, there is a richness in Kantian principles that is often overlooked in commerce.

Imagine that you are considering laying off some staff during a down-turn, because you have not got enough work for them to do and you might go bust if you continue to employ everyone. A simplistic Kantian response might be that it is immoral to lay off the staff, perhaps because you are doing it to achieve the outcome of lower costs, perhaps on the grounds that you wouldn't want someone to lay you off and therefore you shouldn't lay someone else off.

However, a more rounded (yet pure Kantian) consideration would look at the fundamental duties and obligations bound up in the contract of employment, which might well state (or at least infer) that the obligation to continue to employ only extends for as long as there is a sufficiency of work to do. Further, as a manager, you have duties and obligations to other stakeholders in the business, not least other employees (who perhaps still do have enough work to do and have a right to expect you to protect their jobs by making sound judgements), shareholders (who still have the right to expect you to steward their capital wisely), suppliers (who have a right to expect you not to default on them simply because you are putting a duty to protect staff, even redundant ones above all other duties) and so on. This pure Kantian might conclude that it is, on balance, your duty to lay off those particular staff that have not enough to do for the foreseeable future, in order to fulfil your duties and obligations on balance.

Indeed, the new legislation on directors' duties, in s172 of the Companies Act 2006, have an interesting mixture of ideas in them. "Interests of employees", "fostering business relationships", and "impact on the community and environment" have a "do the right thing" feel to them, albeit couched in a general requirement to "promote the success of the Company". Our legislators have cunningly hedged between teleological and deontological ideas, and left it up to us business folk and the judiciary to work out how to make it work. So far, so typical. Kant might well have seen the sense in it, had joint stock corporations existed in his day.

Having said that, Kant takes a moral absolutist line in several areas of ethical thought. Telling lies, for example, is a strict no-no for Kant, as lies must by definition break his categorical imperative principles.



Social Contractarians



John
Locke



John
Rawls

“John Rawls must have put an X in the box for no publicity;
But I don’t suppose too many people loved him for his looks anyway”

Harris

- Social contract underpinned by
 - natural, inalienable rights – Locke (also Hobbes, Rousseau)
 - principles of justice – Rawls
- Original position – veil of ignorance
- Difference principle
- c/w Nozick entitlement theory

The next major school of deontologists I want to cover is Social Contractarians. These deontologists focus more on the rules and principles that govern society as a whole, rather than the actions of individual agents within that society.

I’ll talk very briefly about the 17th century thinker, John Locke. Locke believed that everyone is born with, and possesses, basic rights that are natural; or, as the founding fathers of the USA put it in the Declaration of Independence, “inalienable”. Locke wrote in the second half of the 17th Century. Hobbes was describing and discussing social contracts in the mid 17th century (Leviathan was written a little earlier than Locke’s main works), but Locke introduced the notion that social contracts are only legitimate to the extent that they in the general interest and that they can be renegotiated (perhaps through rebellion). Locke’s ideas were hugely influential on 18th century social contractarians such as Paine and Rousseau.

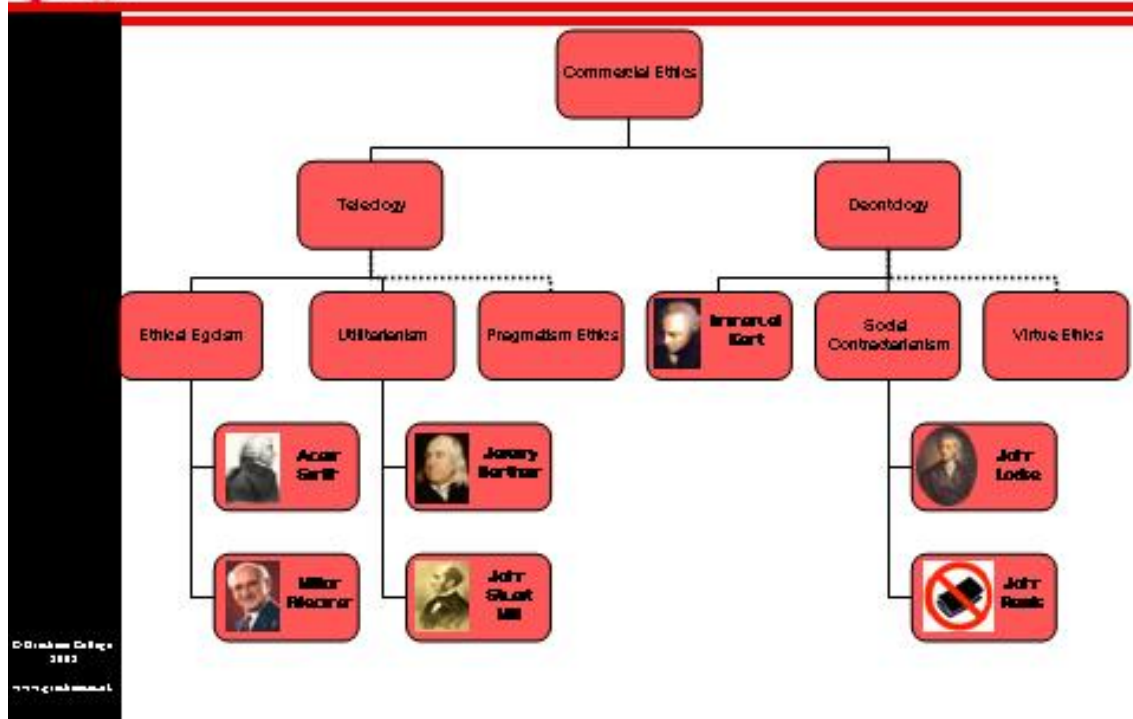
Come the second half of the 20th century, John Rawls comes at the question of social contracts from a different perspective. Where Locke (and his fellow enlightenment thinkers) start from natural rights, Rawls starts from principles of justice. Rawls believed that the appropriate principles of justice should be formulated from an original position. Rawls great work, A Theory of Justice, elaborates at length on this starting position to think through a fair social contract. A key component is that the rules should be formulated as if from behind a veil of ignorance; in other words, the principles of justice you would set down for anyone, regardless of their age, sex or financial status. Rawls even seems to have taken his “veil of ignorance” principle to the extent that no pictures of him are available from public domain sources; perhaps he put an X in the box for no publicity. Still, I don’t suppose too many people loved him for his looks.

Rawls's original position and veil of ignorance infer that property rights exist by virtue of our moral capacities and equitable rights to self respect. This is at variance with Locke before him and Rawls's sparring partner Nozick after him, who would derive those property rights from a natural right to self-ownership. Rawls's original position thought experiment leads him to the difference principle; social and economic inequalities should be so arranged to benefit the least advantaged. Nozick's response to "A Theory of Justice", "Anarchy, State and Utopia", returns to the Locke-like idea that ownership rights are inalienable. That leads Nozick to the contrary view; no difference principle here; instead a theory of entitlement.

Importantly, the 1970's debate between Rawls and Nozick reopened the sleeping giant that was normative ethics and in particular their ideas were applied and debated in commercial organisations. The modern study of commercial ethics had been launched.



Taxonomy of Commercial Ethics 3



So, we've covered the two main schools of thought, teleology and deontology. You might have concluded by now that commercial types like bankers, traders and professional service providers tend to lean towards teleological thinking, whereas people like tax inspectors, ecologists, philosophers who don't get out much and jurists who don't like photographs prefer deontology.



Systems of Survival

Commercial Syndrome	Guardian Syndrome
Business, professions, trades	Governments, police forces, campaigners
Creating/trading non-limited goods/services (positive sum)	Protecting limited societal resources (zero sum or negative sum)
Optimistic nature	Fatalistic nature
Values trust, innovation, efficiency	Values tradition, loyalty, force
Teleological?	Deontological?

In her 1992 book "Systems of Survival", Jane Jacobs describes two valid systems (or syndromes) of ethics; the Guardian Syndrome which is concerned with taking and/or protecting limited resources and the Commercial Syndrome which is concerned with creating and trading goods and services (which are non-limited). Guardian ethics are appropriate for governments, police forces, environmental campaigners and the like. Commercial Ethics are appropriate for business and trade, seeking to increase value for all concerned. The Guardian Ethicist is more fatalistic, whereas the Commercial Ethicist is more optimistic. The Guardian Ethicist values tradition, loyalty and force more highly than the Commercial Ethicist; while the Commercial Ethicist values trust, innovation and efficiency.

Crucially, these two systems must coexist, but that they should be embodied in separate organisations. It is a fatal flaw for these two systems to try to operate within a single organisation. Jane Jacobs' examples of flawed conjunctions include Soviet-style Communism and Mafia-style quasi-government. She describes organisations that try to adopt such inappropriate bundles of ethics as "monstrous moral hybrids". One of her most famous examples is that of a police department giving police officers bonuses for making arrests; the result was an increase in the number of false arrests, not the increased efficiency sought. Many of you are perhaps nodding at the thought of traffic wardens on commission schemes and the telling use of the word "monstrous".

Indeed, nationalised banks have some rather ugly monstrous hybrid qualities, which is a rather scary thought in our current financial environment in the UK.

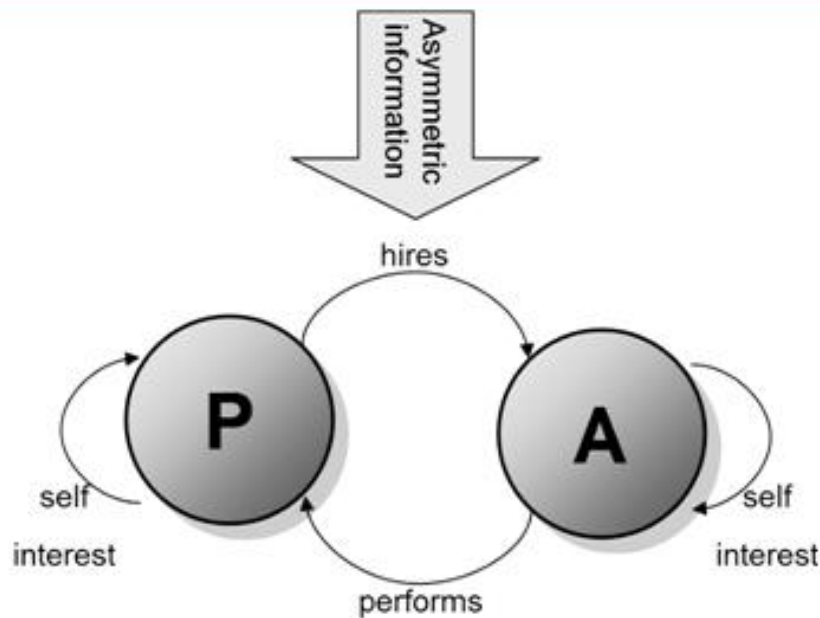
There are cultural and ethical fault lines between organisations with a guardian role and organisations with a commercial role. For example, in the current credit crunch, many

guardian-ethical people malign the spivs who sold mortgages to American people who were never going to be able to repay those mortgages. “Why didn’t government regulate those bounders?” is the cry. In response, commercial-ethical people might argue that the crisis is partly attributable to government-inspired deregulation and policy, specifically aimed to enable poorer Americans to become home-owners. The benefit of hindsight and different ethical perspectives in times of boom and slump again.

Formal procurement, such as tendering, is another, related, aspect of commercial life where a fault line between guardian culture and commercial culture is often evident.



Agency Theory



[Source: http://en.wikipedia.org/wiki/Principal-agent_problem]

Other than the simplest buying and selling situations, procurement is subject to the principal-agent problem, or Agency Theory. In short, the problem stems from two issues that subsist in such transactions; the interests of the principal and the agent are not wholly aligned and there are usually significant information asymmetries between the parties, leading to substantial uncertainty and risk.

Michael Mainelli covered these problems in some detail during his Allen and Overy Gresham Lecture, “What I Like about this country is that it has a nice level of corruption!”, so I shall not repeat the detail here. Suffice it to say that these uncertainties and risks also leave space for foul play; hence the relevance to Michael’s corruption lecture.

Principal-agent problems do not only arise in procurement situations. Indeed, Agency Theory came to the fore when examining the principle-agent relationship in employment situations. Practical applications of this theory include; performance related pay and stock option models, rationale behind principals encouraging tipping and corporate governance frameworks.



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As a result, Agency Theory problems are rich with potential ethical problems as well as potential malfeasance problems.

There are ethical issues for both parties. For the buyer, there is the opportunity to squeeze every last drop out of the negotiation, especially if the buyer knows that the seller is desperate to sell. But is that wise from a teleological point of view ; are you likely to get a decent outcome from squeezed suppliers, never mind deontological questions about whether that is the right way to behave in such circumstances.

Asymmetric and incomplete information available to sellers leads to a phenomenon known as “winner’s curse”. The “winning” competitor nearly always under-prices their bid. One intriguing and somewhat counter-intuitive element of the winner’s curse is that the larger the number of participants in the competition, the more pronounced is the winner’s curse effect. Does the buyer have an ethical obligation to attempt to prevent the winner from suffering from winners curse?

The seller also has ethical issues. There is an ethical imperative to tell the truth, yet the seller often knows that being wholly truthful will disadvantage their chances of success. Yet the seller might profoundly believe that their product/service is the most suitable. Can you be too truthful when selling in such circumstances? And where do you determine the lines between too truthful, appropriately truthful and not truthful enough?



Dam Your Ethics



View from Simi La: Nyerulung Valley with artificial hydroelectric lake

Returning to my friends, Terry and Dion, they were also at loggerheads over the ethics of how to approach their bid. Both of them agreed that the project would end up costing about



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\$6B, although they knew that the fixed price for the contract was a meagre \$1.5B. Such projects often end up costing four times more than the tender value.

Terry was in favour of ignoring this point at bid time. As long as the tender document was carefully worded, the project could just grow like topsy, as usual, to the \$6B that their company would expect to earn eventually from such a project. “We won’t get the business unless we play the game the way the other bidders will play”, said Terry, “we’re the best company for this project and everyone will be better off if we win the bid”.

Dion was keen to be more completely open and honest about the way the project was likely to pan out. “We know it will cost nearer \$6B, we should openly and honestly explain this to the buyers. It is foreseeable now. It is only right and proper that we lay our cards on the table”.

Albert Carr grapples with these questions in his essay “Is Business Bluffing Ethical”. He uses poker as an analogy for business, suggesting that the rules of the game require elements of bluff, thus the presence of bluff is not, in and of itself, unethical. He also suggests that some bluff is more or less required in order to thrive in business.

Formal procurement processes such as competitive tendering originate in government procurement, primarily introduced to minimise the risk of malfeasance. Most large corporations have adopted such processes now, as indeed have many not-for-profit organisations; in some cases inappropriately. Buyers tend to approach the procurement from a guardian ethics perspective, while the sellers are approaching it from a commercial ethics perspective. The process sits on one of the major ethical fault lines between guardian ethics and commercial ethics.



The Tender Trap

*And then you wonder how it all came about,
It's too late now, there's no gettin' out;*

.....

*You're hooked, you're cooked,
You're caught in the tender trap.*

Sammy Cahn and Jimmy Van Heusen

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In our paper on this topic, *The Tender Trap*, written by me jointly with Michael Mainelli and Haydn Jones, we give an example of a friend of ours who sells design consultancy services. To protect his identity we simply refer to this as “Nigel’s Story”. I really must come clean at this stage; while Terry and Dion are imaginary friends, designed to illustrate this lecture, Nigel is real.

Nigel’s company was invited to tender by a UK-based environmental non-governmental organisation (ENGO) for a relatively small piece of work. This ENGO, like an increasing number of NGOs, had adopted public-sector style procurement procedures.

As Nigel put it “they were asking for an enormous amount of information and this was just their professional services pre-qualification questionnaire (65 pages long); I dread to think what the actual tender process would be like. A lot of the questions were obscure and could be interpreted in all manner of ways. It became clear at the open meeting that they didn’t really understand what they were asking for, nor did they understand the distinction between the myriad of ‘lots’ against which we were expected to respond.”

Nigel goes on, “the key to me is that this sort of process demonstrates that the buying organisation does not understand the market it is buying in. I suspect that many good companies were, like us, put off by these processes and simply declined to get involved. This leaves bodies like this ENGO using second rate outfits”.

Probably not a good outcome then. But is the process such “a good thing” that it is worth risking such outcomes?

Soon after interviewing Nigel I noticed that my business, Z/Yen, had recently done some professional work for that ENGO. We had not pre-qualified, nor had we even tendered for the work.

The reality was that this ENGO, like so many other organisations with rigid procurement processes, was finding ways of avoiding its own processes when they were in a hurry for a small piece of work. I didn’t have the heart to break it to Nigel; until now.

Returning to our taxonomy, the next strand of ethical thought to consider is virtue ethics.



Aristotle



- Virtue ethics
- ethical character rather than ethical behaviour
- Nichomachean Ethics:
 - phronesis (practical wisdom, moral wisdom)
 - arête (excellence, virtue)
 - eudaemonia (flourishing, happiness)

“Aristotle, Aristotle;
Was a blogger,
Full of bottle”

Monty Python (2008 Harris Remix)

Virtue ethics is one of the oldest branches of ethical thought, stretching back at least as far as Aristotle in the 4th century BC or possibly further. Anscombe and others from the late 1950's onwards, started to revisit Aristotelian ideas of virtue in an attempt to avoid the worst excesses of extreme teleology or deontology.

Aristotle covered a lot of philosophical ground and there is a danger of hopelessly simplifying his thinking by giving him a two minute snippet in a one hour lecture. However, his Nichomachean Ethics identifies three main ethical concepts;

- ◆ phronesis (practical wisdom, moral wisdom)
- ◆ arête (excellence, virtue)
- ◆ eudaemonia (flourishing, happiness)

With practice, phronesis should evolve, increasing the levels of excellence, (arête) and thus leading to flourishing or happiness. Simple, really. There are echoes of Kantian deontology in there, but while a Kantian would be content that you were doing the right thing, even if your motives for doing that thing were dubious. The virtue ethicist would be interested in the motives for doing the right thing as well as the thing being the right thing.

Virtue ethics is often seen as being oriented towards individuals, while the other schools we have discussed so far are oriented more towards commercial organisations and/or governments. However, you can also see echoes of Aristotelian virtue ethics in the quality and excellence schools (Tom Peters, Kaizen et. al.) that emerged in the 1980s and themselves flourished in the 1990s.



Third System: Gratton, Phoenix, McKendree

Commercial Syndrome	Guardian Syndrome	Information Syndrome
Business, professions, trades	Governments, police forces, campaigners	Inventors, information geeks, internet pioneers
Creating/trading non-limited goods/services (positive sum)	Protecting limited societal resources (zero sum or negative sum)	Disseminating replicable intellectual property (unlimited sum)
Optimistic nature	Fatalistic nature	Idealistic nature
Values trust, innovation, efficiency	Values tradition, loyalty, force	Values creativity, reputation, skill
Teleological?	Deontological?	Virtue?
Tends meso	Tends macro	Tends micro

There is relevance to looking at a third dimension, but I think the third dimension adds to the guardian/commercial syndrome model more readily than it does to the teleological/deontological model.

Early this decade, Pat Gratton, enhanced by commentators such as Chris Phoenix and Tom McKendree, presented the idea of a third syndrome to add to the guardian/commercial model. They have struggled to name it, having tried Idealor, Idealist and Information. I'll use the latter. It occurred to those thinkers that there's a significant part of society that doesn't fit well in either commercial or guardian syndromes. Inventors, IT geeks who will spend most of their time working on open source code for no direct reward, or those helpful information geeks who populate, for example, the several Wikipedia articles I have referenced in this paper. Idealistic academics would fall neatly into this category. Indeed, idealistic nature describes the character well; contrast with the optimistic commercial folk and the pessimistic guardian folk.

These information syndrome folk tend to disseminate replicable intellectual property. Guardian syndrome concerns itself with limited resources; a zero sum or negative sum game. Commercial syndrome concerns itself with non-limited goods and services; a positive sum game. But information syndrome is effectively an unlimited sum game.

Information syndrome types value creativity, reputation and skill. Virtue ethics might speak their language; they don't tend to display characteristics akin to the teleological-leaning commercial folk nor the deontological-leaning guardians.

Ronald Jeurissen, in the late 1990's, bravely attempted to set out a model to help integrate commercial ethics. He speaks of three levels of entities with an interest in commercial



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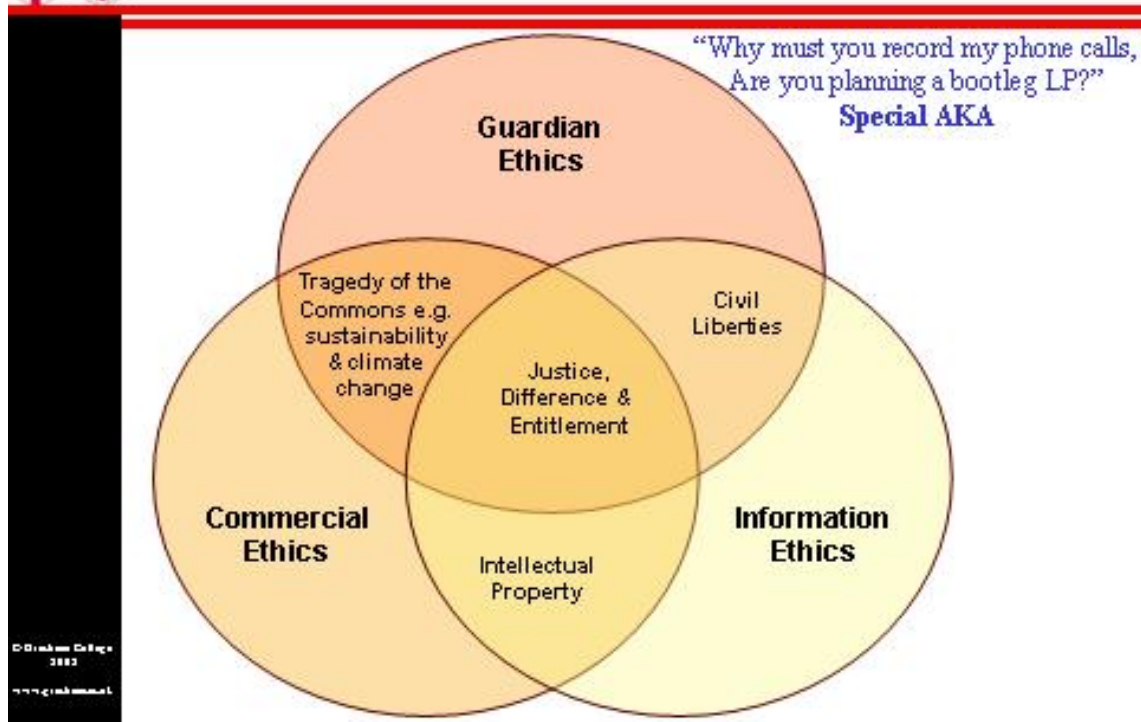
ethics. The micro level is the individual, the meso level is the organisation and the macro level is institutions, government, the market as a whole etc. These levels need to work together in systemic and communicative ways.

I suggest that information syndrome folk tend to operate best at a micro level, commercial syndrome folk tend to operate best at a meso level and guardian syndrome folk tend to operate best at a macro level. Some people have strong inclinations towards one of these three levels. People with a strong syndrome, but operating within one of the other ethical cultures, will, in my opinion, tend to struggle to settle in that “alien” culture and often migrate towards a culture that better suits their syndrome.

I also suggest that adding the third syndrome reveals some more of those fault lines, or potential for monstrous hybrids.



Monstrous Intersections?



It wouldn't be right for me to lecture without at least one two-by-two matrix. Nor would it be right for me to lecture without at least one Venn diagram. The most difficult ethical areas are at the intersections between guardian, commercial and information ethics.

Climate change is a big and topical example of a tragedy of the commons, a situation where resources that seem large-scale but are in fact finite are depleted by agents who rationally treat those resources as unlimited to them. Problems of that kind sit at the intersection between guardian ethics and commercial ethics.

Intellectual property rights is another significant ethical area and a good example of ethical puzzles that sit at the intersection between commercial ethics and information ethics. [I



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considered issuing a bootleg CD of the songs I have referred to on my slides for this lecture; merely to illustrate this point you understand, but decided against in the end.]

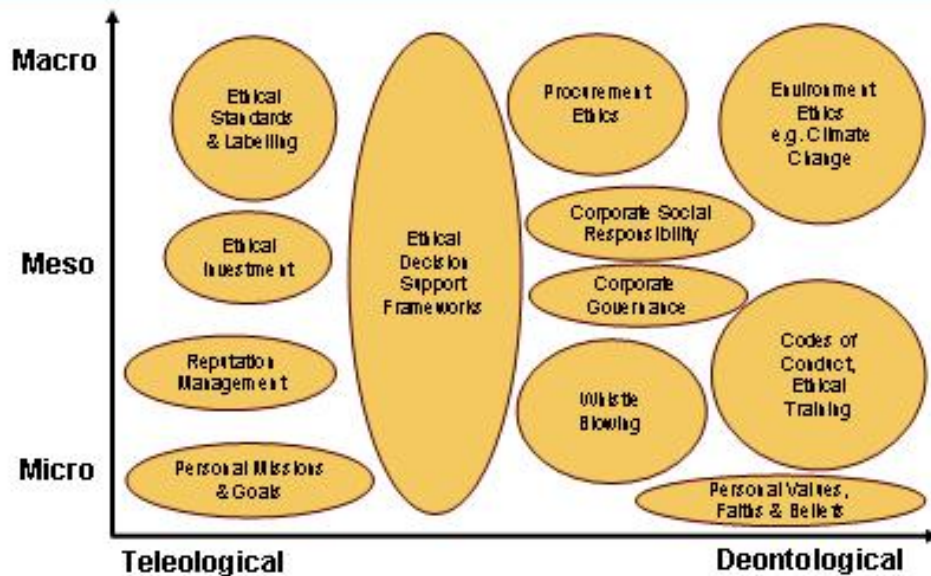
At the intersection between guardian ethics and information ethics are a swathe of ethical issues in the area of civil liberties. Anti-terrorism laws, the surveillance society and the impact of such governmental schemes on civil liberties are topical examples in this group.

At the grand intersection of all three, I suggest the generality of social justice. The ways in which the state interacts with organisations and individuals as a re-distributor of wealth, protector of proprietary rights and provider of opportunities to all citizens. Essentially these debates are central to the tussle between Rawls and Nozick, which I outlined earlier. As we say in commerce, those two were “right on the money” with these core ethical debates.

The deployment (or should I say misapplication) of recent UK anti-terrorism law to freeze the assets of a defaulting Icelandic bank during the global financial crisis is a topical example that falls in this grand intersection. That particular application of that particular law is as monstrous a hybrid as I can ever recall observing.



Topic Map – Micro/Meso/Macro



For my next trick, an attempt to show all the main topics that fall within the scope of commercial ethics. The graph’s X axis shows a continuum from teleological to deontological, as you saw on all the two-by-two matrices earlier. On the Y axis this time, we have a continuum from macro at the top through meso to micro at the bottom.

Guardian and commercial ethics meet at the macro/meso end. We find topics such as climate change (which can have a deontological flavour) or its more output-oriented relatives ethical standards/labelling and ethical investment.

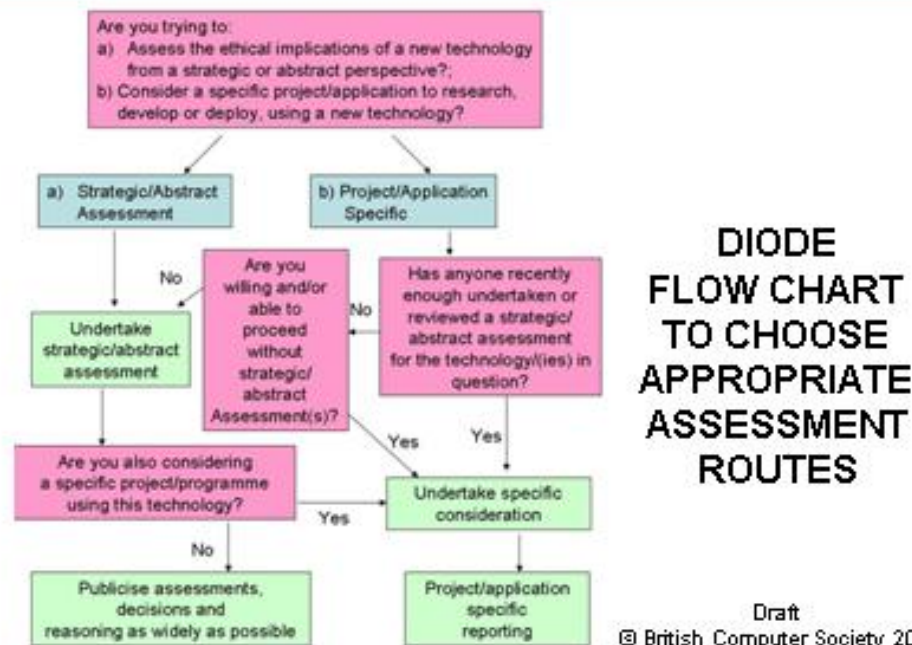
Procurement ethics sits worryingly at the macro/meso and the teleological/deontological joins. Corporate social responsibility and corporate governance are more purely meso, tending towards deontological, while reputation management is more teleological.

Codes of conduct, ethical training and whistle blowing, are more at the meso/micro join and on the deontological side. At a pure micro level, you have personal missions and goals (at the teleological end) and personal values, faiths and beliefs (at the deontological end).

Straddling all three levels and trying to encompass teleological and deontological ideas we have ethical decision support frameworks.



Ethical Decision Making: BCS DIODE 1



I sit on the British Computer Society's Ethics Strategic Panel and have been working for some months on an ethical decision-making framework for the information systems and technology sector. The group has a broad brief; to examine from a strategic viewpoint any ethical issues that might affect BCS members, their organisations, and/or the information technology sector generally. The group comprises a mixture of academics, industry experts, government IT specialists and, for some unknown reason, me.

Wading through the myriad of issues that were being raised, especially those with regard to new and emerging technologies, I suggested that we find a suitable ethical assessment framework and adapt it for our purposes. There are many ethical frameworks out there and even specifically in the field of IT some good preparatory work has been done.



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For example, in attempting to provide an accessible method for ethical reasoning, Mason, Mason and Culnan, in 1995 proposed four fundamental questions, combining teleological and deontological inquiry, to provide a focus for information management:

- Who is the agent? (including their motives, interests and character)
- What action was taken or is being contemplated?
- What are the results or consequences of that action?
- Are those results fair or just?.

That model also provides some helpful guidance on when an ethical decision needs to be made; described by the authors as a “moment of truth”.

While assessment frameworks exist, we could find none readily suited to assessing new technologies. Many relevant ethical questions for new technologies are necessarily abstract. Examples of technologies we might wish to assess include Radio Frequency Identity Devices (RFID), Smart Dust, Biometrics, Nanotechnology and Robotics.

The agents might not be determined. The possible actions might be unknown and possible results highly uncertain. Question of fairness and justice become difficult to assess when there is a range of possible outcomes. A new technology that might be used to help make the world a better place might also be deployed by the unscrupulous for ill purposes. As Kranzberg’s first law of technology states, “technology is neither good nor bad; nor is it neutral”. Intriguingly, Emmanuel Levinas’s several works on the ethics of money can be summarised in similar terms; money is neither good nor bad; nor is it neutral. In my view, technology, money, commerce; they are all ambivalent phenomena.

The BCS framework, which is very much still a work in progress, is a meta-methodology which uses flowcharts and checklists to help people assess the breadth of ethical issues in new technologies. It provides a framework that enables its users to deploy tools and techniques of their own choosing, while also providing access to helpful tools, techniques and templates.

The aim of the framework is to provide guidance and leadership on assessing the ethical issues arising from new technologies from two different angles:

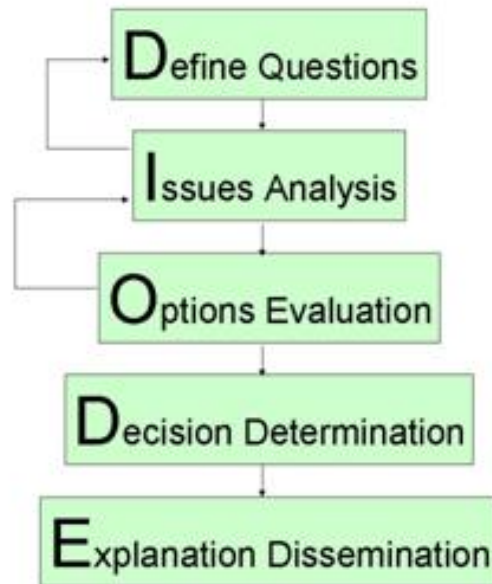
- the strategic/abstract assessment of a new technology,
- a project/application specific consideration of potential research, development or deployment using a new technology.

Those organisations likely to be undertaking a strategic/abstract assessment are, for example: a government, quasi-government, policy or research body assessing ethical issues that might arise from the use of a new technology or a commercial organisation contemplating the use of such a new technology for the first time.

Organisations undertaking a project/application specific consideration might well be: a commercial organisation, inventor or product designer considering a piece of research, development and/or deployment of a new technology; a research body planning a specific piece of research into (or using) a new technology; or an individual planning to undertake research, development and/or deployment of a new technology.



Ethical Decision Making: BCS DIODE 2



DIODE
FIVE STAGE
FRAMEWORK
WITH
ITERATION

Draft
© British Computer Society 2008

Using a flow chart and appropriate check list (strategic/abstract, or project/application) the ‘assessor’ is led through a series of questions that fall under the categories: Define, Issues, Options, Decision and Explanation – hence the name DIODE.

Define Questions ensures that the assessor has defined the technology or project to be examined and framed the ethical questions.

Issues Analysis ensures that all relevant parties who might be affected are considered (and where appropriate consulted) and that the relevant risks and rewards are examined from both teleological and deontological perspectives.

Options Evaluation ensures that relevant choices are made. This is not merely a go/no go assessment; often the answer will be to go ahead with appropriate safeguards and/or checkpoints along the way.

Decision Determination ensures that the assessor can clearly state the ethical decisions made and reasoning behind them. It encourages the assessor to revisit minority interests at the stage before making the decision. The decision should include guidance on the circumstances which would lead you to revisit the problem (passage of time and/or specific types of event perhaps).

Explanation Dissemination ensures that the decisions are communicated appropriately, including public domain publication wherever possible.

The process is iterative; responses to some questions send you back to an earlier stage to revisit earlier questions. When completed, the assessment clarifies ethical thinking with

regard to the technology and can be kept as a record of how the decisions were arrived at – useful for any ‘ethical audit’.

The draft framework is currently being tested against case studies. We are also in the process of developing more comprehensive guidance to support users of the framework.

The framework is generic; indeed I can imagine Terry and Dion sitting down with the project-specific version, happily working jointly, assessing the ethical issues they were bickering about in the absence of a framework. Agreeing suitable ways to handle their bid and, should they win, the dam-building project itself.



John Dewey



- Pragmatism Ethics
- Dynamic model
- Deliberative, adaptive
- Contextual, evidence & experiment-based
- Dramatic rehearsal
- Problem solving, management decision-making approach

“I’m in love with Jacques Derrida;
Read a page and know what I need to”
Scritti Politici

When we were working on the framework, while I had been concerned to ensure that the major schools of thought had all been included, I hadn’t really sought specific theoretical underpinning for the framework.

Yet, in researching this lecture, I think I found my school of ethics and my thinker.

John Dewey was born in 1859 and died in 1952. Primarily a thinker on education, he was also one of the founders of a school of ethics known as pragmatism ethics.

John Dewey was frustrated with both teleological and deontological approaches, each of which he believed to be one-dimensional approaches to many dimensional problems. Dewey also perceived both of the “ologies” to be static in nature. Dewey felt that ethics should be about continuous discovery and the reinvention of good ways to go about things. In other words, ethical systems should be dynamic.

Dewey sees no material difference between ethical decision making and any other form of intelligent decision-making. As the context changes, critical analysis of the principles involved and the context in which the problem is being assessed might well change the ethical decision.

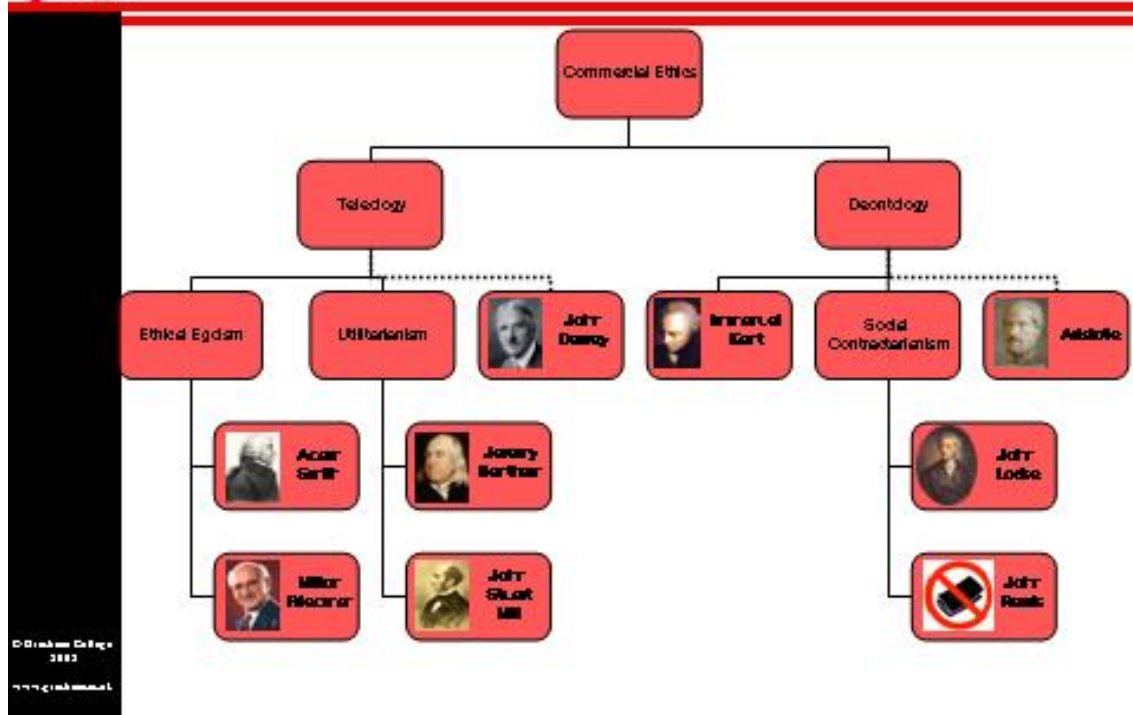
Dewey's thinking on pragmatic ethics, in common with most of his thinking, is that the decision making should be evidence-based and use experiment where possible. He was a founder of instrumentalism as well as pragmatism ethics. But Dewey also strongly believed that our emotions or feelings are an important input, so he advocated the use of dramatic rehearsal, which is essentially imagining potential outcomes and seeing how we feel about them. In the commercial world we now call this scenario planning or option evaluation.

I am in danger of over-deconstructing Dewey, entirely to support my arguments, but finding Dewey was one of those rare moments where you find existing strong support for ideas that you have been working with for years.

Dewey's ideas on dynamic, iterative decision-making, an evidential basis for conclusions where possible, combined with the use of scenarios and taking feelings into account; all these ideas resonate strongly with my own commercial ethics and practice. They also resonate strongly with the ideas we are piloting in the DIODE framework.



Taxonomy of Commercial Ethics 4



I'm not convinced that either virtue ethics or pragmatism ethics fit firmly in either of the "ology" camps, but I settled on a dotted line to deontology for virtue ethics and a dotted line to teleology for pragmatism ethics. [I did only offer "two ologies for the price of one" at the start of the lecture and it would be unethical to change the offer at this late stage.]

So, the process of this lecture is almost over and we have a happy outcome all round. Terry and Dion are working harmoniously on their ethical assessment. I have completed the taxonomy of commercial ethics and you are a few questions away from the ethical pleasures that await you after lecture.



Discussion

1. Is the very phrase “commercial ethics” a contradiction in terms?
2. Can ethics really be embedded into the ways people do business and make decisions?

“The man who puffs the big cigar,
Turns all he touches into stone”
Roy Bailey & Leon Rosselson



Just in case any of you still think that commercial ethics is a contradiction in terms, here is an ethical commercial. I'd like to plug an additional Gresham guest lecture on a related topic; “Governance, Trust and Business” by Sir Michael Snyder, again here at Barnard's Inn Hall at 18:00 on Tuesday 11 November. I'd also like to announce that Professor Michael Mainelli's next Commerce lecture will be “It's A Mad, Bad, Wonderful World: A Celebration Of Commercial Diversity”, here at Barnard's Inn Hall at 18:00 on Monday, 17 November.



Ethical Commercial Break

- “Governance, Trust and Business”, Sir Michael Snyder, Barnard’s Inn Hall, 18:00, Tuesday 11 November 2008
- “It’s a Mad, Bad, Wonderful World: A Celebration of Commercial Diversity”, Professor Michael Mainelli, Barnard’s Inn Hall, 18:00, Monday 17 November 2008

“Hey, you;
Don’t watch that, watch this”
Madness

An aside to Securities and Investment Institute, Association of Chartered Certified Accountants and other Continuing Professional Development attendees, please be sure to see Geoff or Dawn now to record your CPD points or obtain a Certificate of Attendance from Gresham College.

And my final slide indicates the appropriate process and expected outcome should you follow that process; go to the Headmaster’s Study and enjoy some well-earned refreshment.



Thank You

Process	Outcome
Deontology	Teleology
Categorical Imperative: "be there or be square"	Enlightened Self-interest: "spoil yourself"
Rules, duties, obligations, principles	Outcomes, consequences, results
Go to the principal's office (Headmaster's Study)	As a result, enjoy drinks and nibbles


"Ethics first, then drinks and nibbles"
Bert Brecht (arr. Harris)

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