
Integrity as the Ethical Basis of Business

Don G. Schley
Department of Management
Director of Project Management
Colorado Technical University

Abstract

The ethics of business in modern Western civilization have devolved into treating issues ad hoc, with respect to practical issues only. The deeper, meta-ethical considerations, that is, not whether this or that act is ethical or not, but what constitutes the ethical basis of our decision-making in the first place, have been lost. In fact, the ethical basis of business is integrity, an ethical aspect that unites both private morality and public and professional ethics. Unfortunately, the modern drive for specialization and compartmentalization in business as well as in the other aspects of our common lives militates against living life on the basis of integrity.

Ethical Approaches to Business and the Problems

Can Business Have an Ethical Basis?

One can read much on the ethics of business and discover a multitude of positions. These positions cover a spectrum that ranges from what one might call a “hard-right position”—the idea that business is merely about making money, or maximizing profits, and that ethics play no part in that endeavor—to a “hard-left” position that governments merely tolerate business because business offer a more efficient system of production—and hence, generation of tax revenues. Between these two poles lie several more moderate positions. The Nobel-prize winning economist, Milton Friedman of the University of Chicago, has argued that the ethical basis of business is nothing other than “maximizing shareholder value” (1962; 1970). Within this context, of course, one would be bound by the wider ethical norms of society, but business per se has no further ethical basis. R. Edward Freeman has expanded Friedman’s narrow sense of ethical obligation to include what

he calls “stakeholder value” (Freeman, 1993; 1994; 2001) Stakeholder value accords with developments in other segments of management that recognize that business undertakings actually involve a fairly wide cast of persons who in some way depend on the venture, or who have something to gain from it—a cast that goes well beyond the shareholders of a publicly held company, or the typical though widespread array of project stakeholders. (cf. Frame, 1995, 39-47) Freedman’s position can be seen as the centrist position since it focuses on discrete business interests, but casts a very broad net to determine these. The center-left position can be exemplified by Ben Cohen and Jerry Greenberg of Ben & Jerry’s Ice Cream. These two former entrepreneurs argued that business has a wider responsibility to “give back” to the community that had supported the enterprise and made the profitability of the company possible. Until they sold out a few years ago, Ben and Jerry made their view stick through the most generous corporate percentage of charitable giving in the world (7.5%). They also wrote and kept high-dollar contracts with Vermont’s small dairy farmers (who depended on their business) and engaged in other activities that demonstrated a sense of responsibility to the community. Milton Friedman described their activities, however, as “robbing their shareholders” – a stance difficult to countenance since Ben & Jerry’s shareholders were apparently committed to their vision of the ethical obligations and responsibilities of business.

Each of the ethical positions across this spectrum has a serious rationale, and needs to be taken seriously by those considering issues in business ethics. Still, I would argue, a critical component is missing. That is, what is the ethical basis of actually doing business? Or is there such a basis at all? Moreover, if such a basis exists, how does one get at it?

Unfortunately, getting at the ethical basis of business is made more difficult by several popular phenomena. Business and management texts, for instance, often simply advocate ethics in terms of establishing an “ethical code” (cf., e.g., Kerzner, 2001). Indeed, “ethical codes of contact” seem to be proliferating across professions and from organization to organization. Yet such codes rarely address the ethical basis of business praxis, and focus almost exclusively on specific behaviors. Very little time is actually given to what the ethical basis of business conduct is—or might be. Ethical codes, after all, mean little if their intellectual and moral reasoning is not sound, their ground unclear.

Ethical codes have other drawbacks as well. In many cases, such codes are never enforced, or only selectively enforced. For example, of all the corporate lawyers implicated in advising corporate CEOs on how to manage their own fraudulent conduct, not one has been disbarred (Barnett, 2002). And this fact remains, despite the extremely high ethical standard set by state bar associations: namely, that members of the bar are officers of the court and as such must remain “above the appearance of wrongdoing”. One must consider in this context the public uproar over the prospective disbarment of Bill Clinton for felonious perjury in a Federal case against this standard—a man sworn to keep his conduct “above the appearance of wrongdoing”. Moreover, the American propensity for focusing on single compelling emotional issues in the workplace—such as racial discrimination, sexual harassment, gender preferences, and the like—pushes discussion even farther away from an awareness of the ethical basis of business.

In addition, ethical codes are only as valid as the practices of the CEOs and other corporate executives who promulgate them. They are worth as much as a corporate vision statement to which no one adheres, and which no one shares. Former President Clinton offers an excellent example of the cynicism that results from the unevenness between promulgated ethical codes and the behavior of executives. Thus, for instance, Clinton had a number of military personnel prosecuted for sexual misconduct under the Uniform Code of Military Conduct, all the while insisting that his own misconduct was merely a “private, personal matter”. Sgt. Major McKinney, the army’s highest-ranking enlisted man, understood the unevenness of the ethical system Clinton was enforcing. So he simply subverted the process against him by threatening to reveal the names of high-ranking officers who had committed the same offenses but who had never been prosecuted by the administration. Of course, Clinton and the High Command relented. The continued imbalance in military code enforcement, with enlisted personnel bearing the brunt of the impact of the Uniform Code of Military Conduct (UCMC) and the officers largely escaping, was recently documented in *US News and World Report*, which examined over 1000 cases of military prosecution. Their study resulted in the article “Unequal Justice” (Pound, 2002, pp. 19-30.). The fact that not even our UCMC is enforced with any equity highlights the problem of a growing discrepancy in ethical treatment based on social and other factors of class status.

This bleak assessment of the value of “ethical codes” goes hand-in-hand with the recent scandals that have raised public awareness of the need for a broader ethical approach to business than one provided by these individual corporate or professional codes. Arthur Andersen’s implication in the Enron fiasco and other mass swindles (Barnett, 2002), and the implication of Salomon-Smith-Barney’s Larry Grubman in the MCI/WorldComm collapse, have raised real questions about the general conduct of business in corporate America, and whether any broad ethical practice exists there at all. Indeed, the falsification of corporate earnings statements with the complicity of some of the most respected accounting firms in the country—starting with Arthur Andersen—demands, it seems, that we move away from the approach to ethics that inquires into specific aspects of conduct and lays down rules and stipulations. Instead, we need to be asking, first, on what basis could we make such rules? Moreover, does any deeper basis for our conduct exist outside of ad hoc rules to address the more egregious instances of abuse? Indeed, I contend that our purely practical focus forces ethical debate into irresolvable conflicts over simple “do’s and don’ts,” and keeps us from asking the basic meta-ethical question: what is the ethical ground for one’s actions—in a particular business, or in business in general? Or even more pointedly, can a practical matter such as business have an ethical basis at all, and if it can, what is it?

This basic question needs to be answered before we can address any others in the area of business ethics. Yet this question is, at the same time, the most difficult to get at, since business is a practical matter first and foremost, and its very praxis militates against asking the “why?” questions. Since, the “how?” questions appear to be what determine success or failure of our immediate prospects, the “why?” questions may, and too often do, appear irrelevant, or are just assumed by those involved, even though the assumptions are not shared by all, or even though different assumptions exist in the minds of different people.

Yet the “why?” questions would not have been so hard in earlier ages, when people perceived themselves to be more interconnected with one another in their given social contexts, and thus bound by obligations to one another, often across lines of social class, to meet certain standards of behavior. Moreover, earlier societies often shared a unitary view of the cosmos, where people lived and worked within a cosmic order that was at once natural and moral, and in those

ways self-reinforcing. A real departure of the modern world from earlier ages has been the emergence of a strictly secular world-view that denies the interconnectedness of persons, the existence of an overarching order, and even the moral and ethical relevance of actions at all. This shift means that modern ethics must rely largely in external forces, designed to coerce or compel good behavior, as opposed to appealing to internal motivations which inspire goodness.

Modern philosophy, with its heavily atheistic emphases from 19th-century thinkers such as Thomas Huxley, Friedrich Nietzsche, Karl Marx, A.J. Ayer and a host of others, has contributed mightily to this trend. Earlier, Enlightenment thinkers, including David Hume (1969), Thomas Jefferson (1984), Adam Smith (1899), and others, would hardly have taken such stances. Interpretations of modern cosmology through secular science have also led away from the Enlightenment view of an intrinsic natural and rational order, to include the realm of moral actions, to a widespread belief in the accidentality of existence, and hence, of its meaninglessness (Eliade, 1945). Such views, of course, while carrying with them an aura of intellectual sophistication, have undercut holistic sense of right action – that is, of actions that are right by virtue of proceeding from a sound basis – especially within Western societies. A fundamental conflict between Islam and the modern West comes from the hardly inaccurate Muslim perception of the West as a civilization without a moral foundation.

Towards an Ethical Basis for Business

The historical-ethical environment of business

Nonetheless, for the earliest civilizations, the bold, amoral secularism of the modern world would have been unthinkable, whether in political, social, familial or business life. The ancients possessed a sense of the holistic nature of life, however, fragile, and business played a key role in their human and social intercourse. Business, for instance, provided the impetus for the development of systems of writing, first in Mesopotamia ca. 3300 b.c., from whence writing moved east to the Indus and Yang-Tze Valleys in India and China, and westward to the Nile and Crete. Despite the cultivation of writing from this point on for other purposes—historical, literary, sacred—over 80% of our texts from the ancient Near East comprise administrative and trade documents. Trade, carried in small boats and ships moving along the coasts to

destinations known and unknown, and caravans, first of asses and later of camels (ca. 1200 b.c.), crossing the deserts to prospective markets, connected the ancient civilizations. By the third millennium b.c., the peoples of Egypt, Syria-Palestine, Mesopotamia, Asia Minor, the Iranian Plateau and the Indus were all at least aware of each other, however distantly or murkily (in the more distant cases of India and China).

Interregional trade was, nonetheless, basic to the economy of the ancient Near East, leading to bi-lingual and later multi-lingual Mesopotamian glossaries and texts to enable the translation of documents from one language to another. Further interchange of goods, persons and ideas took place through the widespread and consequential folk migrations that surged back and forth across the region. Such migrations included the Akkadians in the early third millennium, from whom the great King Sargon of Akkad, the first “world-conqueror” arose early in the second half of the third millennium. Following the resurgence of Sumerian civilization during the Third Dynasty of Ur, the Amorites or West Semites, entered Mesopotamia (early second millennium), extinguishing the Sumerians’ long-held dominance and establishing a Semitic culture. The Aramaeans, who became the ancient Syrians, and the Hebrews, who became the Israelites and Judeans, emerged in the late second millennium to overturn the Late Bronze Age order of the Amorites. Other groups comprised the Hittites, Kassites, Hurrians, and the unknown but no less significant Hyksos, who invaded and conquered the Egyptians in the early second millennium. Among these groups, Indo-European peoples figured prominently. Trade among these competing sub-cultures and ethnic groups, coupled with the genetic mixing of peoples on a grand scale, created a common international culture of trade, commerce, and even literature and ideas (For a detailed overview, see von Soden, 1994, pp. 12-30.)

In this international culture, business did not occur in a vacuum—at least the ancients did not think it did. The business order of the ancient world was, as ours is today, an integral part of society. The difference between the modern perspective and that of the ancients is that the ancients did not make the widespread claim of many moderns, namely, that business could be conducted as if there were no ethical framework, since no divine or natural order, or social order, existed that could either constrain, demand or compel adherence. Indeed, the ancients saw business as integral to their order, and thus tried to regulate its conduct along with other important aspects of

human conduct. As with all human conduct, behavior in this sense fell under the purview of the gods. In Sumerian lore, it was Ea, the god of Wisdom, friendly to humans (he warned them of the coming Deluge in the Epic of Gilgamesh), who overthrew the forces of chaos and begat, with his consort (and sister) Damkina, the champion Marduk who vanquished the ancient order of chaos and created the natural order to be inhabited by humans (Pritchard, 1969, pp. 61-62).

The Sumerians viewed this order as tenuous and fairly capricious. It was, in their experience, subject to the in-breaking of chaotic violence, especially from the great rivers which flowed through their lands and which watered their crops, and which irregularly though memorably brought disaster to entire societies (cf. Jakobsen 1976, pp. 131-134). The Semitic invaders of Mesopotamia first entered the land in the early third millennium and brought a different view. That is, despite the multiplicity of gods worshipped in Mesopotamia, the Semites came to vest a single god with the charge for justice. Hammurabi's Code, promulgated ca. 1728 B.C., over a millennium after the first wave of Semitic invaders (Akkadians), depicted Shamash, god of the sun, as the bearer of justice and the giver of the law. (Pritchard, 1969, 163-65) The divine sanction for the code bespeaks the (still-present) Semitic belief that law and justice are sanctioned by the divine order. And business was not overlooked in this order. Indeed, Hammurabi began his code with laws against fraud and dishonesty, the fourth of which is specifically against business fraud: "If he came forward with false testimony concerning grain or money, he shall bear the penalty of that case" (Pritchard, 1969, p. 166, §4). Other laws in this group similarly stand against false testimony, and even failure to secure proper documents for the receipt of goods (§7). Other Mesopotamian law codes, for instance, the Middle Assyrian Laws, (Pritchard, 1969, 180-188) also seek to regulate business conduct, especially the handling of goods or persons given in security for a pledge. The Assyrian Laws, in an interesting parallel to today's overstated corporate profits, specifically forbid overvaluing items given or taken in trust (Tablets C + G, § 10, 11). Other codes, such as the Hittite laws, prescribed all manner of prices, interest-rates, and even rates for barter and particular kinds of exchanges. (Pritchard, 1968, pp.188-197, 176B-186). Similar laws would follow in ancient Israel, where the prohibitions against bearing false witness and "taking the name of the Lord God in vain"—literally, lifting up the name of the Lord to vanity, or falsehood—were meant to ensure the integrity of human conduct (Ex. 20:7, 16; Deut. 5:11, 20).

Concurrent with the development of a bona fide legal tradition in the ancient Near East, a separate yet related line of thought was being formulated. That line of thought crossed all national boundaries, and modern scholars refer to it as “the Wisdom Tradition” (Lambert, 1960, 1-20; Reicke u. Rost, 1966, pp. 2153-2157) This tradition comprised perhaps the first international “school” of thought in human history, and found parallels in China in the idea of the Tao (which is more fluid than the Western idea of order, and which involves a flow (cf. Wing, 1986), and in India in the twin poles of dharma (what is required of one by the order) and karma (one’s fate as determined by the effects of one’s acts within the order). The “Wisdom Tradition” concerned itself with living within the order, with right attitude and conduct within the given order. Thus, its earliest expression was in collections of proverbs, sayings and aphorisms. In Mesopotamia, the term for this phenomenon was *nemequ*, which is difficult to translate, but which often carries over as “craft, skill, in special rites.” (Lambert, 1960, p. 1) Nonetheless, this term in certain cases roughly carries over into English as “wisdom”. In Egypt, the term is the more profound *ma’at*—truth, order. In Hebrew, the term was *hokmah*—wisdom, or in certain cases, reason. This same idea came down into Hellenistic Greek civilization in the thought of Zeno and the Stoics, who gave us the problematic term *logos*—the divine reason that permeates and undergirds all reality, and which is the generative principle in all living things, expressed as “the rationality of the world” or “the divine order” (Liddel & Scott, 1968, 1058a). Following this line, the Stoics provided the fundamental moral undergirding for the Greco-Roman world (Lohse, 1971, pp. 244ff.) and gave us the basis for our own modern concepts of natural law.

Representatives of Wisdom thought and teaching shared the basic notion that humans participated in life within an intrinsic order that they shared with plant and animal life, which governed thought and action, and which was self-reinforcing. The lives of animals and plants thus could serve to teach lessons about human conduct, a frequent motif in biblical and other Wisdom traditions. This order was rational and discernible; to achieve prosperity (as ideas of the afterlife were tenuous or non-existent), one had to live in accord with its precepts, which were handed down in aphorisms and proverbs by wise men and women, by local sages, teachers, and later, the heads of scribal schools for youth aspiring to life in the royal and noble courts of the day. The emphasis in these formulaic teachings lay on conduct. This tradition also produced other forms of moral and ethical reflection, as

well as reflection on the order itself, including dialogues: I will praise the Lord of Wisdom among the Babylonians; The Dialogue of a Man with his Soul among the Egyptians; and The Book of Job among the Israelites, and fables, moral tales (Genesis 38) and some poetry (The Song of Songs, Psalms and Proverbs). The Wisdom tradition's basic outlook was that a discernible order underlay the natural world, which was intrinsically good, including human sexuality (unlike later ages that labored under the influence of St. Augustine of Hippo), and that prosperity and success in this life resulted from living in conformity with this order. Conversely, ignoring or despising the order would result in destruction or other adverse personal outcomes.

Another aspect of the Wisdom Tradition lay in the impetus it gave to Sumerian and Babylonian science, which issued first in a science of lists of flora and fauna, based on observed similarities and differences, and later in lists of all kinds of natural phenomena, including our first bilingual lists of words. In this aspect, ancient Mesopotamian Wisdom was not unlike the thought of the Enlightenment, which saw a rational scientific order as part of a greater order which also included principles of human existence and conduct (including freedom, or liberty). Jefferson and Voltaire both adhered, for instance, to a morality of virtue grounded in their acceptance of a natural moral order. The Founding Fathers enshrined these views in the foundational documents of the Republic, and particularly in the Declaration of Independence. Indeed, in the Declaration, Thomas Jefferson codified John Locke's views of natural law (which Locke had derived in part from the book of Leviticus).

The Wisdom tradition in its teachings placed profound emphasis on the term "righteousness" – which is especially common in the Israelite tradition. Righteousness meant, above all, personal integrity, and not, as people today assume under the influence of later post-exilic Jewish thought, adherence to the rules of the Torah. An interesting story illustrates the meaning of integrity in the Wisdom Tradition. Genesis 38 recounts how Jacob's son Judah marries his oldest son to a Canaanite woman, Tamar, with the stipulation that if anything happens, he will see that she has a husband from another of his sons. The first son, dies, however, and Judah tells his second son, Onan, to take her, and beget sons to his dead brother through her. But Onan "spilled his seed on the ground" (probably to keep the inheritance as large as possible) and "the Lord killed him."

Having lost two of his sons in this transaction, Judah refused to carry out his promise, and withheld the hand of his youngest son, Selah. The resourceful Tamar, however, disguised herself as a prostitute and waited for Judah along the road. When he encountered her, veiled, he did not recognize his daughter-in-law, and accepted her proposition in exchange for a pledge secured by his sash and staff—ancient and modern Semitic tokens of authority. After their joining, Judah went blithely on his way. When the long-widowed Tamar, some time later, was found to be pregnant, it was told Judah, who had her brought out, to be stoned. But he first asked her the identity of the man. To his query she produced his staff and sash before the witnesses. Judah's answer is telling, and it goes to the heart of what integrity means: "She is more righteous than I, as I did not give her my son Selah." (Gen. 38:26) Here, righteousness, integrity, seems to mean simply "doing what one says." This meaning is reflected in Jesus' teaching against the swearing of oaths: "Let your yes be yes and your no be no. Anything more than this comes from evil" (Mat. 5:37)

This meaning of integrity reflects to some extent the English term, which includes wholeness. That is, integrity connotes a holistic life in which essence and action are interconnected, and where one performs what one says he (or she) will. In this sense, integrity is related to the existential virtue of "authenticity" – i.e., that one is, in fact, the person one purports to be. Or, one might say in a modern context, that integrity connotes a continuity between profession and conduct.

The securing of this kind of conduct in ancient society was, of course, grounded in various laws and rules. These stipulations included laws and maxims against unjust weights and measures (Lev. 19:36; Prov. 20:10, 23; Pritchard, 1968, p. 423), laws and teachings against fraud (Pritchard, 1968, p. 422: "Better is a measure that the god gives thee, than 5000 taken illegally", or, p. 423, "Nor falsify thy pen"), against swearing or giving oaths falsely (Pritchard, 1968, p. 422; Ex. 20:7, 16; Deut. 5:11, 20) and carrying of landmarks (Pritchard, 1969, p. 422; Prov. 22:28; 23:10-11). Wisdom also entailed having mercy on the poor (Pritchard, 1968, p.423).

These laws and teachings presuppose an order in which the first ethical consideration is reciprocity. Such reciprocity is seen elsewhere in Wisdom teachings, for instance in Ecclesiastes 11:1: "Cast your bread upon the waters and after many days it will return to you."

The so-called “Golden Rule” from Jesus’ teachings in the New Testament also embodies this element of reciprocity: “Do unto others as you would have others do unto you” (Matt. 7:12; Luke 6:31). Jesus’ teaching here is presaged by that of his rabbinic predecessor, Rabbi Hillel, who reportedly taught, “What is hateful to thyself, do not do to another” (cf. Nunnally, 2000). Thus, both law and aphorism supported the ancient world’s holistic approach to ethical conduct and concretized this ethical holism in an ethic of reciprocity that unified public life, law, business and private affairs.

The Modern Order vs. the Historical Order

Societal Compartmentalization

The order of that ancient day was far more easily enforced than today’s order. For one thing, personal misdeeds were not easily escaped, because society was lived on a much smaller and closer, more personal scale. This smaller scale precluded the kind of anonymity that today allows all kinds of behavior to go undetected on the wider social scene. People literally saw what was done and who did it. Moreover, modern society tends to compartmentalize life into such distinct and usually unrelated sectors as business, profession, public life, family, personal life, religious life, and social life. Indeed, were one to regard “integrity” as the fundament of right action, modern society would consign ethics to public and professional life, morality to private life, which is essentially how we use these terms anyway, and integrity would be left out of the equation.

This radical compartmentalization does not, in fact, lend itself easily to holistic interpretations of personal conduct or character. In fact, such a situation could scarcely have obtained in the ancient world, where the much smaller scale of life allowed people to draw direct connections between conduct and integrity—between public and professional life on the one hand, and private life on the other. And herein lies precisely the difficulty regarding the issue of integrity in business today. Modern life is lived in a compartmentalized fashion, so that most are not even sure of the role of ethics in our lives. Even more remote, then is that more basic quality, integrity. Thus, one commonly hears critiques of the personal integrity of public figures answered by appeals to their importance in particular policy matters. Other kind of professional rejoinders could be made as well, pointing up another

aspect of modern society: our tendency toward specialization leads people to judge one another on the basis of their respective competencies, rather than on issues of character and integrity. The relegation of ethics to public and professional life, and morals to private life, is the way modern society generally tries to deal with compartmentalization: through a compartmentalization of behavioral standards.

The very nature of modern compartmentalization belies, therefore, any serious role for a holistic understanding of life and ethics, or of personal integrity. Life, or our modern approach to it, may simply be too fragmented and compartmentalized to stand such an analysis. Still, the ancient world's holistic approach provides us with an important key in understanding the relationship of personal conduct to professional character. To overlook such a relationship is to invite more disasters of the kind witnessed in the collapse of Tyco, Qwest, Enron, WorldComm, Global Crossing, Adelphia and others. And one fact is painfully clear: ethical breakdowns occurred across the board of these companies.

For instance, on Tuesday, 17 December 2002, Frank Walsh, former board member of Tyco Corporation, was tried for fraud and convicted in Federal for his role in the collapse of his company. What the court was able to prove was that Walsh had taken a bribe of \$20 million (represented as a "finder's fee") to deliver Tyco to its hostile corporate suitor, CIT. Walsh was required to pay \$20 million in restitution, and \$2.5 million in Federal fines. He did not serve a single day in prison (Cohen and Maremount, 2002), although petty thieves serve time for thefts of \$1000 or more.

Modern ethical compartmentalization has not been limited to this instance. The SEC's ongoing investigation of Communications' Giant Qwest continues to turn up widespread deceit, fraud, and further forms of ethical misconduct among managers and executives. According to a concurrent investigation by The Denver Post, Reporters Kris Hudson and Miles Moffeit, employees have complained repeatedly of a corporate culture where numbers trumped ethics, and where employees were (and still are) ordered by their immediate supervisors and the Directors above them to falsify, inflate and otherwise fraudulently report internal sales figures. In addition, since these allegations first emerged in October, 2002, complainant employees have been threatened and even fired for either 1) refusing to carry out fraudulent

orders by the superiors, or 2) for identifying the abuses in the first place. Meanwhile, Executives such as Tyler Gronbach continue to deny executive wrongdoing, despite the documentation of abuses originally identified by the employees. And while honest employees are let go, the executives who were part of former CEO Joe Nacchio's corrupt three-year regime, continue to be retained, promoted and rewarded, despite the promises of reform by his successor. Qwest's example points up the continued problem of a standard of judgment which penalizes the operational personnel for integrity, while reward miscreant executives for their defense and advancement of outright fraudulent schemes. As long as Executives are judged on the basis of short-term numbers, however, and that standard remains the norm for executive education (in the traditional MBA programs) and performance, any resolution of the long-term ethical breakdown will probably fail to materialize.

The Future

Nonetheless, by promoting a return to a holistic approach to ethics, and emphasizing the extremely negative impact of unethical professional conduct on our organizations in particular, and on our economy as a whole, we may make some headway, especially if we can minimize the kinds of incidents that have rocked the US economy over the last 2 years. Indeed, a return to a holistic approach may be the only to re-establish the connections between personal and professional conduct that are necessary to ethical business behavior. The real question is, can such an approach be effected at all, or is our common life too shot through with the nihilistic assumptions of modern secular philosophies?

Grounds for serious pessimism exist. One good reason is the dominance of the finance-based, number crunching MBA's that have become the standard management credential over the last thirty years and which have helped create a managerial culture where the human dimensions of management, those that include the ethical aspects, are underemphasized or ignored. Indeed, to raise the issue of integrity in the current cultural context is to violate the very precepts of specialized skill and knowledge by which our society has operated since at least the late 1960s. A return to a holistic system openly based on integrity would, moreover, require commensurate support from the basic social institutions.

This support, however, is unlikely to be forthcoming. One illustrative case is seen in the continued attack on the institution of marriage from the legal system, and from the therapy and social-work communities themselves, which include professional marriage counselors (Leo, 2002) which removes a tremendous support for integrity, since marriage demands a holistic approach to life. The transient relationships currently being promoted by the professional class of counselors in this area undercut the basic institution on which personal integrity—i.e., integrity in relationships—rests. The greater problem evinced by the assault on such a basic institution—and assault driven by the leading academic and training institutions in the country—is that in a sea of corruption and fragmented principles of conduct, most individuals will not be able to stand merely of their own accord. Indeed, individuals of integrity rely on communities of integrity for their support. And the breakdown of the latter preclude the viability of the former.

Moreover, natural law, the basic philosophy of the land, has been destroyed within the academic and legal systems by the advance of Nietzschean relativism and perspectivism. (Bloom, 1988; Nietzsche, 1966). In this view, the world has no basic or intrinsic order. Thus, the “strong man” must arise to give a nation, a people, and a world order, according to their peculiar time. As a result, the legal system denies the socio-moral system—and the professional ethical system—the support it was intended to provide. Political reform is never adequate to confront such a depth of corruption and subversion of our basic values. The demands are for revolutionary action, but the outcomes of such undertakings are always highly predictable and often destructive.

Over the course of human history, each major civilization has fallen in turn, and for various reasons. Nearly all cases, however, involve the evisceration of the forces that gave rise to the civilization in the first place. In the case of ancient Greece, a key element lost was the sense of unity forged in the Persian wars—a national and cultural unity that transcended the individual poleis and that comprised the world of classical Greece. With Rome, a key element lost was the sturdy class of Italian peasant farmers who made up the backbone of the legions, and who bore Latin civilization with them across the face of the Mediterranean. Another key factor vanished with that class of farmers: the sense of civic virtue and self-sacrifice that these men and their families had borne from generation to generation on behalf of their city.

In the case of our own civilization, the cause is to be found in the anomalies, contradictions and idiosyncrasies that we have allowed to develop within—particularly in our tolerance and nurturing of novel ideas that are proving to be destructive to our very existence—and among the classes charged, above all, which acting in the interests of the greater good. These idiosyncrasies include the abandonment of an earlier standard of civic service by members of the upper classes (cf. Isaacson & Thomas, 1986) in favor of self-seeking, a factor embodied in all the corporate breakdowns discussed thus far, including directors who admit selling out their own organizations. In the modern West, and especially in the United States of America, the breakdown also results from the adoption by our leading academic, professional and governmental institutions of principles inimical to those institutions and the assumptive world-view in which they are grounded. Thus, the holistic ethical framework of the founding fathers of this country, based on the acceptance of natural law and an implicit moral order, has been supplanted throughout our society by the nihilism and perspectivism of Friedrich Nietzsche. This shift in world-view bodes dire consequences, indeed, for our civilization.

Nonetheless, these forces ought not bring us to despair, or to apathy in fatalistic resignation. Indeed, we ought take heart from those individuals who opted to create communities of integrity in times of radical social collapse. As Rome collapsed, men such as Benedict of Nursia and Cassiodorus took what was valuable to them from civilization and sought refuge in the fortress-like monasteries they built for themselves and their followers (Knowles, 1949, 3-30). In time, their foresight created a new civilization—that which gave birth, ultimately to the modern world. Another way, and one closely aligned with that just described, has been the way of self-mastery, the best concretization of which one finds in Miyamoto Musashi's *Book of Five Rings*. Thus, one finds the way to renewal consecrated through renunciation and self-denial, the virtues of which pave the way for those who follow to rise in one's steps. In an odd way, then, renunciation, self-denial and self-mastery become the moral approaches by which one retraces the road back to integrity and cultural holism. The irony is that these stalwart individualistic, ascetic and separatist communitarian paths militate in strict terms against the development of a business culture, which is by nature and history, open, tolerant and somewhat permissive (e.g., the Renaissance civilization).

Conclusion

In sum, that educated persons must even discuss the relevance and role of integrity in public and business affairs demonstrates the high degree of cultural and civilizational erosion that has already taken place. And the causes are clear: the development of a compartmentalized approach to life, enshrined in our increasingly specialized professional lives, and the replacement of holistic systems of thought, ground in natural law and reason, by nihilistic systems of thought that are inherently non-rational or counter-rational.

The prognosis for a society that has reached this state is not good. At the same time, as when Roman civilization was fading in the West during the fifth and sixth centuries, A.D., persons of wisdom, insight and good will may yet make a difference, at least to the future, by preserving in their lives and especially in their communities, a holistic approach to life that elsewhere our society denies, in both theory and practice.

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Biographical Sketch

Don G. Schley is Director of Project Management Programs at the Colorado Technical University. He teaches in the areas of Project Management, organizational structures, theory and behavior, and critical and creative thinking. He writes in these areas as well.