

CULTURE, SOCIAL PSYCHOLOGY, AND BUSINESS ETHICS

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Michael Green's "Culture, Self, and Ethical Paradigms" is a daring paper. Though we must, I think, finally reject its argument and suspend judgment on its conclusion, it has much to teach us about possible relationships between business ethics and surrounding culture.

Green's conclusion is that competing successfully with the Japanese will "require a change in the very ethical paradigm currently used in business ethics". The conclusion rests on at least four premises:

1. Our society is dominated by the mechanistic ideas of individuality, conflict, and rights, while Japanese society is dominated by the organic ideas of community, mutual dependence, and caring.

2. This domination is so fundamental to our society that it was already evident to Tacitus two millenia ago when he described our ancestors in the forests of Germany.

3. This domination explains (in part at least) our current inability to compete against the Japanese.

4. The same ideas of individuality, conflict, and rights dominate today's business ethics.

I shall now briefly argue that each of these four premises is false, beginning with the first.

Something like Green's claim that "our society" is dominated by ideas of individuality, conflict, and rights rather than ideas of community, mutual dependence, and caring has recently been made in two other contexts, the largely independent literatures of feminism and virtue theory. For many feminists, individuality, conflict, and rights are typically male ideas; care, mutual dependence, and caring, female ideas. For some of these feminist, this

duality is determined by biology, not culture. So, as they see it, what explains the dominance of individuality, conflict, and rights in our society is simply the dominance of males here. Women would speak with a different voice if only they were given a chance. (See, e.g., Gilligan, Lyons, & Murphy, The Contribution of Women's Thought to Developmental Theory, 1982.)

The other contrast is not between American and Japanese, or between male and female, but between modern and pre-modern, roughly, between the rule theory of Kant or Mill and the virtue theory of Aristotle or Aquinas. Rule following is, it is said, mechanical, cerebral, difficult; acting from virtue, organic, intuitive, natural. We moderns have become obsessed by rules because we have lost our sense of community, mutual dependence, and caring. Isolated individuals, competitors with no sense of place, we must stand on our rights because we have no place else to stand. We need to rethink the world, to see ourselves as inevitably involved in a living community in which virtuous action is a common good. We need to replace our rule theories with an ethics of virtue. (See, e.g., MacIntyre, After Virtue, 1984.)

I hope I will be forgiven this too-brief characterization of two rich literatures. My purpose here is not to explain, defend, or criticize them, merely to call them to mind, since their mere existence must make us suspicious of Green's analogous claims. Green's contrast between mechanical and organic ideas actually has a long history in romantic, especially, German thought. The common theme is that we (Americans, males, moderns, civilized people) have mechanical ideas and that is bad. We have lost our way among cold abstractions. The living truth is in others--generally people about whom we know much less. Insofar as Green belongs to this tradition, he needs to tell

us why his version is any more plausible than those with which it necessarily competes.

Green might here object that I have not got his contrast right. He actually contrasts organic ideas with "military". "Military" and "mechanical" are not the same. I agree that they are not the same. I nonetheless think he should accept my substitution for two reasons:

One reason is that individuality, conflict, and rights are not the virtues our military cherishes. The organic virtues seem closer: community, mutual dependence, and caring--along with obedience, self-sacrifice, and courage. Our culture tends to stress the discontinuity between military virtues and civilian, just the opposite of what Green's comments suggest.

Green is not therefore wrong about a close connection between business and military organization--which brings me to the other reason for rejecting Green's use of "military". For any industrializing society, the military is likely to be by far the largest organization they have. They are therefore likely to treat military organization as the model for organizing large businesses until something better comes along. Japanese ways of organizing business should have roots in Japanese military tradition, just as our ways of organizing business have roots in our own military tradition. That is not surprising. What is surprising is that Green's contrast between organic and military would, if taken seriously, treat our conception of military organization as trans-cultural while treating our conception of business organization as uniquely our own. He gives no reason to believe military organization differs from business organization in that way. I know of none.

This is not a small point. Overlooking it may explain why Green overlooked one contrast between American and Japanese culture obvious to anyone who has seen a samurai

movie. Unlike our warriors, whether soldiers, knights, or gunslingers, the Japanese equivalent, whether modern officers, ancient samurai, or even gangsters, are almost invariably portrayed as scholars, men who have studied under a master, learned an exacting art, and daily practice it with a precision the untutored can barely imagine.

Because the samurai movie seems the Japanese equivalent of the our westerns, the difference between the two genres is telling. For example, in The Seven Samuria, the samurai keep an exact written tally of how many bandits remain; in the American version, The Magnificent Seven, the gunslingers only guess. That difference strikes me as a more likely source of our present inability to compete with the Japanese than anything Green cites.

Green's second premise is that domination by ideas of individuality, conflict, and rights is so fundamental to our society that it was already evident in the conduct of our ancestors, the Teutonic tribes who stopped Roman expansion at the forests of Germany. This premise must be rejected for at least two reasons. The first reason is historical. Many of us, perhaps a majority of Americans, cannot claim Teutonic ancestry. Our origins lie far to the east, south, or west of Germany. The second reason for rejecting this premise is contemporary. Among those countries whose citizens are closest genetically, culturally, and geographically to the ancient Teutons, are Germany, Switzerland, Austria, the Netherlands, Denmark, and Sweden, countries that have done far better than we competing with the Japanese. Only the English have done worse. That fact at least suggests that the source of our problems is closer to home than the dark forests of ancient Germany.

Green's third premise--that our current inability to compete against the Japanese is due (in large part at least) to the importance our society assigns individuality,

conflict, and rights--is plainly independent of the second. It is also more attractive. Most of us do not much like individuality, conflict, and rights when the individual demanding his rights is a corporate executive or large corporation and the other parties to the conflict are ordinary consumers or workers. The premise must be rejected nonetheless. If Green were right, the Japanese would find it nearly impossible to transplant their methods here. They would not only have to give up company songs, dorms for female workers, and other auxilliary practices, they would also have to give up the specific ways they assign responsibility, communicate, and otherwise make Japanese plants so efficient. Experience does not fit this conclusion.

The most revealing case, perhaps, is an auto plant in California which, under General Motors management, was among the worst it had. Two years after Toyota took it over as part of a joint venture with GM, the plant was among the most productive GM owned. Toyota accomplished that feat without getting rid of the old workforce, breaking their union, or modernizing the plant. They did it by organizing work differently. The problem at that plant seems to have been the management, not some fundamental feature of our culture.

We have reached Green's fourth premise, that our current paradigm of business ethics follows our culture in making too much of individuality, conflict, and rights. Given what went before, we might be tempted to skip this premise. We should not. Green's comparison between American and Japanese culture suggests a question Green never asks: What is the Japanese alternative to the way we do business ethics?

The answer is intriguing. As of today, the Japanese seem to have no alternative, no theories about the special

moral standards applying to business, no ethics centers, no ethics teaching. Of the few Japanese managers and engineers I have interviewed, only those who had been in the United States for several years understood questions about business or professional ethics. The rest seemed to respond to my questions in ways Kohlberg called "conventional" (or even "pre-conventional"). They talked in terms of law, custom, or the expectations of those with whom they worked. They had never thought about whistleblowing, duties to the public, or other staples of business ethics as we understand it. They seemed much like the loyal employees of American companies a generation or two ago. So, for all we know, Green is (in effect) proposing to do away with business ethics altogether.

I do not consider this a refutation of Green's conclusion. Perhaps, once the Japanese learn to do business ethics, as the Europeans did during the 1980's, their way of doing it will differ in important ways from ours. I don't think we can rule out that possibility in advance. But I also don't think anything should be made to turn on what in fact happens in Japan. If there is something wrong with the way we do business ethics (as no doubt there is), Green should be able to show it more directly. He should be able to work out his alternative and defend it by arguments better than "That's what the Japanese think and they're beating the pants off us.". After all, not too many years ago, arguments of that sort were made to support adopting the methods by which the Soviets beat us into space. In retrospect, those arguments look foolish.

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