Business and Ethics

This essay grapples with some of the problems Christians face trying to operate ethically in today's business world.

This article is also available in <u>Spanish</u>.

Can "business" and "ethics" be used in the same sentence?

A while back, a member of the Probe lecture team was invited to speak on the topic of "Business Ethics" in a class at Colorado State University. When the Probe speaker arrived at the classroom, the professor explained that the reason the class chose to have him speak on this topic was their overwhelming sense of curiosity. They could not comprehend how the words business and ethics could be used in the same title.

Business enterprise has received a very diverse review from the ethicists of this generation. In the "Me First" era of the 80s, there was very little concern for ethics in the world of business, and you would have been hard pressed to find a university that dealt seriously with the need for ethics in its business school curriculum. A case in point concerns John Shad, former chairman of the Securities and Exchange Commission. He donated \$35 million dollars to the Harvard Business School to establish an ethics department. Yet two years later, Harvard had only come up with one rather flimsy-sounding course, and they had been unable to find an ethicist to head up the department. (1)

The 90s saw an awakening to the need for ethics because of the many scandals that were beginning to erupt within the world of business and finance, moral failures such as the disgraceful actions that brought down Michael Milken and Ivan Boesky. The problem is that in the 90s, the concern for ethics has not returned us to any absolute standard of ethics, but rather to a search for relative balance between ethics and the bottom

line or personal values. The following statement by a state representative from Tennessee demonstrates this tendency all too well. While explaining why he was for fair trade price controls on milk, but against it for liquors, he said, "I've got 423 dairy farmers in my district, and I've got to rise above principle."

Often, today, the highest ethic is "tolerance." By that, I don't mean the traditional view of tolerance in which one tries to recognize and respect other people's values without necessarily accepting those values as being correct. I'm talking about a whole new meaning to the word tolerance. Today the word is used in a way to imply that all values, beliefs, and claims to truth and life-styles are equal. It becomes extremely difficult to run a business when (1) you have to walk the tightrope of balancing everyone's values and (2) you are expected to treat all these values as equally valid. Our society today has lost its ability to determine what is right from what is wrong. Business enterprise requires a level of trust among the participants. Where is that trust going to come from if we have no common platform upon which to base our ethics and must rely, instead, on the assorted and conflicting individual values of whatever group we're a part of? This essay will grapple with some of the problems we must face as Christians in trying to operate in the business world, while surrounded with people who believe their personal values are not subject to any higher standard than their own reasoning.

Who Makes the Rules?

The fundamental question we need to address is, Who makes the rules, God or man? That is what the issue of ethics is all about. Either there is a source for what is morally right that is beyond ourselves, i.e., God, and that standard is absolute and universal, or we are left to ourselves to figure out what is right and what is wrong, if we can even agree among ourselves that there is a right and a wrong. If we were, in

fact, left to ourselves, how could we say one person's values were any better than another's? In the age of the industrial and scientific revolution, people believed they could reason themselves toward better behavior, but today, having seen the horrors of what the industrial and scientific revolution has brought upon us, many have given up any hope of finding a unified answer for right and wrong. In fact, many now actually fear anyone who thinks that he or she has a handle on any absolute standard by which we might live.

Society has moved from a Christian base, which held that there is a source of ultimate truth, through modernism, which saw truth as relative to circumstances, duty, consequences, situations, etc., to post-modernism, which asserts that there is no truth, only the power to put forth one's values.

King Solomon, who was hailed as the wisest leader ever to govern any nation, said, "Be wise and give serious thought to the way you live." In all endeavors, including our work, we must realize that morality is the single most important guiding principle behind all that we do and say. Our morality molds our ultimate being, who we really are.

Today most professional organizations have a code of ethics. The problem is that their codes are often ignored or not made known. For example, a few years ago Probe was speaking in the engineering department at Southern Methodist University. One of the students, after hearing the lecture on engineering ethics, came up to the speaker afterwards and said, "I have been an engineering student for four years, and this is the first time I ever heard that there was an engineering code of ethics."

There are some companies working hard to communicate to their employees a corporate goal and standard that puts forth biblical values. One company like this is the Servicemaster Company. Their corporate goals are: (1) Honor God in all we do, (2) Help people to develop, (3) Pursue excellence, and (4)

Grow profitably. Notice that the profitability goal, although one of their four key goals, is listed last. Making a profit is a necessary goal, but there are things more important than surviving in this world. In fact, there are a lot of businesses that should shut down, for their only legitimate goal is that they do make a profit. In this regard, the vast pornography business comes to mind, not to mention state lotteries and all the other forms of gambling.

So, as an individual or a business, do our personal or corporate goals demonstrate a commitment to a standard beyond ourselves? Do we have a set of guidelines that helps us to steer a course that is straight and narrow in a world that is adrift—floating all over the ethical map? What we need are some guidelines that will help us to steer that straight and narrow course.

Ethical Guidelines for the Real World

In his book, *Honesty*, *Morality & Conscience*, published by NavPress, (2) Jerry White gives us five excellent guidelines for conducting our business activities.

First, there is the guideline of a **just weight** as found in Deuteronomy 25:13-15. The principle of a just weight is to give a full amount in exchange for a fair payment. Another way to look at it is to give full quality for what is paid for and according to what is advertised. We must accept responsibility for both the quality and the amount of our product or service. As a business owner, do I fairly represent my product or service? As an employee, do I give a full day's work for a full day's pay? Remember, as it says in Colossians 3:23, we are working for the Lord and not for men.

Second, the Lord demands our **total honesty**. Ephesians 4:25 calls upon us to speak the truth. Jerry White reminds us that, "Although we will frequently fail, our intent must be total honesty with our employer, our co-worker, our employees, and

our customers."(3) This is a difficult principle to adhere to. James 3:2 says this is where we often fail, but if we can control our tongue we will be able to control the rest of our body as well. The Living Bible best sums it up in Romans 12:17 which says, "Do things in such a way that everyone can see you are honest clear through." We must ask ourselves, are we totally honest in reporting our use of time, money, and accomplishments?

The third principle is **being a servant**. Someone has said Christians like to be *called* servants, but don't appreciate being *treated* like servants. To serve God sounds glorious, but to serve others is another matter. As usual, Jesus Christ is our example. Matthew 20:28 says that Christ did not come to be served, but to serve others, in fact, to give up his life for others. The value of a business is its service. How well it serves the needs of its customers will determine its success. The business, in turn, is made up of people who must do the serving. The value of the employees is in how well they serve the customer's needs. This is putting the needs of others before our own and then trusting God to meet our needs in the process.

The fourth guideline is **personal responsibility**. We must take full responsibility for our own actions and decisions. We should not try to excuse our actions based on pressure within our business or organization to do what we know is not right. We all fail at times to do what we know we should do. We must then accept the responsibility for what we have said or done and not try to pass that responsibility on to someone else or try to blame it on some set of circumstances. Romans 12:2 warns us about the danger of allowing the world to shape us into its mold.

Finally, there is the issue of **reasonable profits**. This principle is quite a bit harder to get a handle on, but it is still vital to have guidelines to follow. What is a reasonable profit? This is something each person has to deal with on his

own. Luke 6:31 is a great help on this. It says that we should treat others the same way we would want to be treated. Put yourself in the other person's shoes and ask yourself how you would want to be treated in a particular situation. To the business person this is the price of our service or product above our cost. To the employee it is the amount of our wages for our service to the organization. Luke 3:14 says to be content with our wages, but the Bible also reminds the employer in 1 Timothy 5:18 that the laborer is worthy of his wages.

It is all too easy to rationalize our way around many of these principles, but God will hold us accountable in the end. Ultimately it is God whom we serve and to whom we must give account.

The Cost of Living Ethically

The media is awash with reports of faulty business ethics: frauds, manipulations, thefts, industrial espionage, corruption, kickbacks, conspiracy, thefts, tax evasion, embezzling, and unfair competition proliferate. Either a lot more unethical acts are taking place today or those behaviors that have always existed are being exploited more in contemporary society. A Gallup report concluded that "you can't trust Americans as much as you used to." The Wall Street Journal reported that churched persons appear only slightly more likely to walk the straight and narrow than their lesspious compatriots.

Why is it so hard to walk the straight and narrow in our business dealings? We are continually under the stress of performance on the job and in the competitive work environment. Often our very livelihood is threatened under pressure of the job. Usually we know what we should do, but we count the cost of doing the right thing and then back down due to pressure from people or circumstances. If we feel that we must do whatever is necessary to keep our jobs, we may end up

serving the wrong master.

Steven Covey, in his book Seven Habits of Highly Effective People, (4) addresses the issue of the need to become principle-centered individuals. Are we living principle-centered lives? This means that there are some principles that are more important than the success or even the continuance of our business. Are there some ethical standards for which we are prepared to die if necessary? Those who let their business die rather than set aside their ethical standards can return to do business again someday, since they were able to maintain their integrity and their reputation. Those who cave in to the pressures to keep the business alive may be caught and end up losing their reputation and thus deprive themselves of a platform from which to rebuild their lives and businesses.

Ten Global Principles for Success

We are going to close this essay on business ethics with *Ten Global Principles for Business and Professional Success* from the booklet *Mega Values* by Colonel Nimrod McNair. (5) These principles are modeled after the Ten Commandments.

The first principle is, "Show proper respect for authority." This is the invisible superstructure of productive enterprise. God clearly commands us to respect those in authority over us. God uses this command to bring order out of chaos. Authority is a necessary prerequisite to order.

The second rule is, "Have a singleness of purpose." Divided purposes dilute effectiveness when interests conflict. We cannot serve two masters effectively. We must evaluate our time, talent, and resources and make sure we are using these God-given elements in a way that ultimately brings Him the glory.

Precept number three is, "Use effective communication in word and deed." Complete communications and predictable follow-

through are the basic expressions of personal integrity. It means doing what you say you'll do, even if it is uncomfortable or inconvenient. This commandment is honored when promises are kept and accurate recounting of transactions is given.

A fourth truth is, "Provide proper rest, recreation, and reflection." This ensures a quality of life that will be reflected in creativity, productivity, and motivation. Rest is a necessity for effectiveness. Recreation guards the mind against mental and emotional fatigue. Reflection promotes self-monitoring, allows for mid-course corrections, and ensures single-mindedness. The fifth tenet is, "Show respect for the older and more experienced." Our parents, teachers, coaches, employers, pastors, and other elders in our lives have an investment in us. It is to our benefit to honor that investment and to draw fully from the wisdom and expertise of those more experienced than ourselves.

The sixth axiom is, "Show respect for human life, dignity, and rights." This encompasses product quality and service, the work environment, health and safety, personnel policies and responsibilities, and competitive practices. It is simply the Golden Rule—treating others as you would want to be treated.

The seventh principle is, "Maintain a stability of sexes and the family." Wisdom and good business practice dictate equal regard for men and women as persons irrespective of gender or marital status. Respect for the family structure as the crucial foundation of our cultural system must be reflected in our decisions regarding the conflicts between business demands and the value of the family and personal life.

Precept number eight is, "Demonstrate the proper allocation of resources." Two fundamental responsibilities and privileges of business are optimal use of material resources and wise leadership of people. We must treat all our business assets, whether they be people, funds, or materials, as a gift from

the Lord.

The ninth truth is, "Demonstrate honesty and integrity." Integrity is the cornerstone of any good relationship. Without demonstrating the willingness to give and the worthiness to receive trust, no business can survive or prosper. A reputation for honesty is a comprehensive statement of both a person's character and how he or she treats others. It is a fundamental mindset against stealing, lying, or deceiving.

The tenth and final business commandment is, "Maintain the right of ownership of property." Those who are disciplined, creative, prudent, and industrious are entitled to the fruits of their labor. We must not covet that which belongs to another.

Business ethics is more than a list of do's and don'ts, but these principles can help us get off to a good start.

Notes

- 1. Chuck Colson, Jubilee (October 1989).
- 2. Jerry White, Honesty, Morality & Conscience (Colorado Springs, Colo.: NavPress, 1978).
- 3. Ibid.
- 4. Stephen R. Covey, The Seven Habits of Highly Effective People (New York: Simon and Schuster, 1989).
- 5. Colonel Nimrod McNair, Mega Values: 10 Global Principles for Business and Professional Success Written in Stone (Executive Leadership Foundation, Inc., 2179 Northlake Pkwy. Suite 119, Tucker, GA 30084-9885).

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The New Absolutes

William Watkins' book The New Absolutes says that Americans are not relativists, we're actually absolutists. Rather than abandoning absolutes, we're adopting new ones in place of the old.

Reality in the Balance

When Christians take a stand on a given moral issue—on abortion, for instance—what are some typical responses? Someone might say, "What right do you have to push your morality on the rest of us?" Or, "Abortion might be wrong for you, but it's not for me."

What these people are implying is that such beliefs are relative; that is, they are related to something else—an individual's desires or circumstances, for example. Because people change through time, however, something that is true or good for a person today might not be so tomorrow. Nothing is true or good for all people at all times.

Have you noticed, however, that many of the same people who claim that truth and morality are relative can be found denouncing certain political views, or actively pushing the social acceptance of a formerly rejected lifestyle, or fighting for new rights in one area or another?

Author William Watkins has noticed, and he's recorded his thoughts in a new book titled, The New Absolutes. Watkins believes that despite the rhetoric, Americans are in fact not relativists; we are in reality absolutists. He says that, rather than abandoning absolutes, we are simply adopting new ones to replace the old.

It is now believed, Watkins says, "that truth and error, right and wrong, beautiful and ugly, normal and abnormal, and a host of other judgments are determined by the individual, . . .

circumstances, or . . . culture. . . . There is no transcendent God or universal natural law we can point to that can inform us about who we are, what our world is like, and how we should get along in it."

What is the source of this thinking? Watkins points to three elements: a loss of belief in absolute truth, a strong belief in tolerance, and a detachment from people and institutions as a result of pessimism and distrust.

If Americans have concluded that ideas and morals are relative, however, why does Watkins say Americans are really absolutists? We are betrayed, he says, by our behavior.

Evidence that Watkins is right is seen in the glut of lawsuits in the courts, calls for law and order in politics, moral outrage over various offenses, cries for human rights, and the spreading of liberal democratic ideas to other countries. Americans have an idea of what is right, and we think others should agree with us. This is not relativism.

More significant, though, is how an absolutist mentality is seen in those who typically espouse relativism. For example, those who scream the loudest for tolerance often restrict others to saying and doing only what is politically correct. In the name of pluralism secularists push religion out of the public square. And multiculturalists condemn the West for its cultural practices. It seems that what is sauce for the goose is not sauce for the gander.

The average American who has come to accept relativistic notions of truth and morality might fairly be accused of being only inconsistent. But those who are real activists in the current fight for cultural change must bear the charge of blatant hypocrisy.

Old Absolutes vs. New Absolutes

In his book *The New Absolutes*, William Watkins contrasts ten traditional beliefs (old absolutes) with the ten beliefs that are replacing them (new absolutes). Though these new beliefs might not be "absolutes" in a strict, philosophical sense, they *function* as absolutes in contemporary society.

In this essay I'll look at three issues Watkins discusses—prolife versus pro-death beliefs, religion in the public square, and political correctness and tolerance—to see if, indeed, the social activists mentioned earlier are really the relativists they claim to be. As we consider these topics, I think you'll come to agree with Watkins that the culture war is not being fought between absolutists and relativists, but between two groups of absolutists.

Death: What a Beautiful Choice

First, let's consider the pro-life versus pro-death question.

According to Watkins, the *old* absolute was: "Human life from conception to natural death is sacred and worthy of protection." The *new* absolute is: "Human life, which begins and ends when certain individuals or groups decide it does, is valuable as long as it is wanted."

Two issues which bring this new belief to the fore are abortion and physician-assisted suicide. Few practices are as fiercely opposed or defended as abortion. Opponents say abortion is morally wrong for all people. Proponents say it is a matter of individual choice. Physician-assisted suicide draws similar responses.

It is easy to overstate the thinking of those espousing the new absolute of the value of life. Probably very few would say that they "love death" or would think of death as a "good" thing ranking up there, say, with riches and great health and freedom. Rather, death is more often thought of simply as the

lesser of two evils.

Nevertheless, there *are* many who think of death as a positive thing, as something to be embraced, as the best answer to suffering or to certain hardships of life that many people experience.

Whether they think of death as a good thing or not, however, they think of it as a right not to be tampered with. It is rooted, they say, in a Constitutional "right to privacy."

In claiming this right, however, any foundation in relativistic thinking must be abandoned. For the very "right" proponents claim is itself an absolute. They are saying that the right of individuals to decide for themselves should be observed by everyone else. When they say it is wrong for prolifers to try to press their beliefs on others, they are stating an absolute. If they say that the value of human life is a matter of its quality rather than of intrinsic worth, they are stating another absolute.

Some relativists will try to wriggle out of the charge of absolutism by saying that their position might be right for now but not necessarily for all times and all places. Nonetheless, their ideas about the value of human life and the option of death as a solution to human suffering function as absolutes in our society today.

Watkins is correct. The stubbornness of abortion advocates and assisted-suicide proponents in defending their "rights" is good evidence for the claim that Americans, despite all the talk, are not relativists after all.

Freedom From Religion

It used to be held that "religion is the backbone of American culture, providing the moral and spiritual light needed for public and private life." Now, according to Watkins, we have a new absolute: "Religion is the bane of public life, so for the

public good it should be banned from the public square."

Certainly there are those who are this adamant about the place of religion. These are the ones who raise a fuss when a prayer is uttered at a public school graduation ceremony or who complain when a nativity scene is set up on public property at Christmas.

Probably the majority of Americans are not this combative about the issue. However, for a variety of reasons many believe religion should be kept separate from public life.

One reason is a misunderstanding of the First Amendment. We have been told over and over again that the separation of church and state requires that the government must not be involved with religious matters in any way. The new absolute is this: religion and public policy should be kept separate.

We don't often notice, however, that strict "separationists" do not talk much about our nation's beginnings. A study of our founding documents shows that religion was an integral part of Americans' lives; references to the Bible and Christian beliefs are often cited in the construction of our new government. Amazingly enough, the writers of the Constitution did not see in it the "wall of separation" current interpreters do.

Another reason people think religion should be kept a private matter is a misunderstanding about religion itself. Having been "schooled" in relativistic thinking, many (perhaps most) Americans believe that whatever they believe is true for them, but not necessarily for other people.

But this cannot be so. Religions provide an explanation of what is ultimately *real*. Either there is one true God or there is not. Either there is salvation through Jesus, or there is enlightenment through meditation, or there is some other way to find fulfillment. Not all of these can be true *in reality*.

This issue gets really tangled up when we bring in the matter of rights. The idea that everyone has the right to worship as he or she chooses has been transformed to mean that each person's choice of religion is true. "I have the right to believe as I wish" becomes "My belief is as true as yours." The fact that I believe something makes it true.

But is that how things work in other areas of life? If I believe that I am a millionaire, does that make me one? With respect to religion, does believing there is a God put Him there? Or does believing there is no God produce a god-less universe?

The new absolutism with respect to religion is a very real concern for many Americans. As Christians we are taught that our beliefs have meaning for all of life, not just for the prayer closet, yet bringing such beliefs out into the public arena has brought some Christians great difficulty.

It is ironic that, in a nation which began with a strong desire for the free expression of religious beliefs, people are now being forced more and more to leave their beliefs at home.

Does this sound like relativism to you?

The Politically Correct Life

The hypocrisy of the new absolutism is seen more clearly than anywhere else in what is now called "political correctness" or PC for short.

To be politically correct is to be in line with certain ideals promoted by the new cultural reformers, ideals such as abortion rights, multiculturalism, gender feminism, and homosexual rights. To say or do anything which goes against these ideals is to be politically incorrect.

It is easier to understand PC if we think of it as the end of

a chain of thinking.

First is the acceptance of relativism, the idea that there are no absolutes. This belief, taken with our democratic idea of equality, results in the belief that everyone's beliefs and choices are equal or equally valid. There should be no discrimination against other beliefs or lifestyles. This is the *new tolerance*, the prime virtue of the new reformers.

When history is viewed from this perspective, it seems clear that history is the story of the strong taking advantage of the weak. The weak—or disadvantaged—are victims who now require extra help to attain their rightful place of equality. Merely belonging to a victimized group is enough to expect this extra help regardless of whether a given individual has been victimized. The advantaged must now be sensitive to the "needs" of the disadvantaged to avoid making them feel any more victimized and must work to protect their rights. Finally, the advantaged must not do or say anything which could be interpreted as differentiating the disadvantaged, of showing them as different in a negative way. Being sensitive to the plight of the "oppressed" and avoiding doing or saying anything which might make them feel marginalized or inadequate or looked down upon . . . this is political correctness.

It is certainly true that there have been and are people who oppress others. This must be opposed. The problem with political correctness, however, lies in over-correcting the wrong.

For example, in *The New Absolutes*, William Watkins lists some words some real estate agents learn to shun in an effort to avoid offending potential buyers. *Executive* has racist overtones since most executives are white. *Sports enthusiast* might make the disabled feel left out. *Master bedroom* creates images of slavery. *Walk-in closet* could offend people who can't walk.

Author Stan Gaede [pronounced Gay-dee], in his book When Tolerance Is No Virtue, says that "the overt goal of PC . . . is to enforce a uniform standard of tolerance, regardless of race, gender, cultural background or sexual orientation. The problem is that the items on this list . . . are not precisely parallel to each other. Though each is the basis for discrimination in our society, they involve very different kinds of issues. So the question immediately becomes: What does it mean to be tolerant in each case? . . . PC allows each group to define tolerance for itself."

We have now come full circle. The relativism which purportedly undergirds the new tolerance gives way to exactly what it was trying to be rid of, namely, absolutes. That is, the reformers make their own ideals the new guidelines for society. We are all expected to abide by them. These are the new absolutes.

How should Christians respond to all this? Next, we'll look at how the new absolutes are promoted, and we'll think about how we might respond.

Absolutely For the Common Good

It's a myth that America is a relativistic society. The truth is, Americans are a very moralistic people. What is alarming, however, is how cultural reformers are seeking to establish new absolutes which go against traditional ones. Watkins shows how these reformers are setting up new rules we all must follow.

How shall we understand the contradiction between claims of relativism on the one hand, and the imposition of new absolutes on the other? Watkins believes the claim to relativism is an attempt "to rationalize . . . misbehavior and disarm . . . critics." For example, individuals might fall back on relativism to justify sexual activity once held to be deviant. However, the supposed relativist quickly becomes an absolutist when he wants *others* to agree with *him* on a given

idea or issue.

But if everything is relative, how are relativists able to convince others of the rightness of their own beliefs? They can't appeal to a foundation of unchanging realities and objective truths and be consistent with their relativism.

So how do they do it? Calling opponents names, "fundamentalist" is a popular term, or repeating simplistic clichés—"safe, legal abortion" for example—are a couple of their favorite means. The media play a strong role in this process, especially television. Captivating images, clever writing, strategically placed laugh tracks, and other elements persuasively convey ideas without logical reasoning.

It is crucial that we step back to see what this situation sets us up for. If we are conditioned to be persuaded by sloganeering rather than by rational discourse, we are prepared to be taken in by any smooth talker. All our clamor for rights and for the authority of the individual has the unexpected result of preparing us to *lose* our freedoms at the hands of charismatic tyrants.

What can we do to turn things around?

First, Watkins believes that reality itself is on our side. The new absolutes go against the way the universe is. Many women who opt for childlessness, for example, find themselves late in life confronting their own maternal instincts. We can point out these facts to those who believe we can do anything we want and get along quite nicely.

Second, we can learn to recognize sloganeering and insist that the cultural reformers use sound reason when promoting their ideals.

Third, we can point to the hypocrisy of so-called relativists. Homosexuals who barge in on church services demanding tolerance for their lifestyle must see how intolerant *they*

are. Those who demand freedom of thought and expression cannot reasonably exclude religious beliefs from public discourse.

As strange as it might sound at first, William Watkins calls us to a renewed *in*tolerance. He says, "We must violate the new tolerance and become people marked by intolerance. Not an intolerance that unleashes hate upon people, but an intolerance that's unwilling to allow error to masquerade as truth. An intolerance that calls evil *evil* and good *good*."

To reestablish the old absolutes, Watkins calls for the acknowledgment of certain beliefs, such as: all life is precious; relativism is false; the moral law is real; and, religion is essential. A return to these basics will return us to sound public policy-making, to greater civil order, and to moral progress.

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