

Angela Rogojanu, Liana Badea  
*Academy of Economic Studies from Bucharest, Romania*

## **BUSINESS ETHICS AND EDUCATION – AN INTELLIGENT SOLUTION OR A SUSTAINABLE DEVELOPMENT?**

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**Abstract:** Nowadays, ethics seems to be a very important issue when speaking about the way of doing business. Many economists ask if it is necessary to study the way ethics are transmitted to the next generations of businessmen and if business ethics comes from education. Finally, does it have anything to do with the sustainable development. It is a known fact that there are numerous dimensions of education – sustainable development linkages. Rapid expansion of education has not necessarily been accompanied by rapid economic growth in many developing countries. There is a series of variables to be taken into account when talking about the connection between education and sustainable development. First, it is very important to realize that the educational system influences the way a country develops. Second, the development of a country also influences the educational system. That is why it is necessary to analyze a bidirectional connection, where identifying the difference between a simple educational system and a functional one is of vital importance. Starting from such aspects, this paper aims to emphasize the connection existing between the three concepts: education-business ethics-sustainable development. Using qualitative methods and also statistics, this paper offers an analysis of the way ethics and education influence the development of economy.

### **Introduction**

Nowadays the global economy is characterized by significant uncertainty. Growth has resumed, following in many countries important injections of government stimulus spending aimed at counterbalancing global recession. Yet, economies are advancing at different speeds and still there is the risk of a “double dip” in a number of countries (WEF 2010, p. 3).

Since mid 2008, the world has been hit by a major financial crisis, which quickly turned into a global recession. According to the IMF, the world economy shrank by 0.6 percent in 2009 and while the global output is expected to grow by around 4.5 percent in 2010, the recovery is still fragile in many regions of the world, particularly in parts of Western Europe and in the United States (Legatum Prosperity Index 2010).

Economies still face continuing difficulties such as persisting unemployment, weak demand, and spiralling debt, while still struggling with reforms in the financial and labour markets, among other challenges. Governments try to find the right way to put the economies back on tracks.

Nowadays, starting from the economic context, some economists ask what role business education plays in the unfolding of this crisis? Is it insufficient concern about ethics and the increasing complexity of financial products to blame?

The academic study of ethics is at least 2,300 years old. Questions of right and wrong were discussed at length by both Plato and Aristotle during the classical period in Athens and have been dealt with by Western philosophers since then. In Oriental philosophy, such discussions first appeared even earlier. By comparison, business ethics is a very young field (Gilbert 1992, p. 5).

It is said that efficiency in the economy is not, as it might seem, independent of the moral behaviour of those who take part in the economic game.

The interest in ethics is justified, mostly, by the eternity of the declared aim of the economic action – welfare. The mixture of the aim and the means, which are sometimes difficult to be arranged, raises doubt, lack of confidence and free arbiter.

The society is for sure going through a moral crisis, characterized by a severe moral disagreement of the responsibility taken by the individuals in the society.

Looking for the agreement, some may notice the importance given not only to rules and clear regulations – laws can make “wonders”, but not when we mention people’s feelings – but also to the identification of some moral principles to cover the real “black holes” of human behaviour.

In all this historical flow, connected with the creation of the economist’s identity, some questions related to the necessity and opportunity of the behaviour rules show up as related to the business environment (people and institutions) dominated by the capital: Did capitalism emerge due to the greedy and despotic people behaviour?

Did the whole system, recognized to be the most efficient, appear and build its power because some people had no longer a God? Does capitalism have special ethics which conserves the cultural inheritance and the intellectual traditions generating trust in the system?

We shall try to elucidate these issues by using the most significant moral principles taught by the business environment, such as: *Freedom, Responsibility, Trust, Loyalty, Reputation, and Prestige*.

## **Business ethics. A short history**

**For a long time, economics and** economic occupations were perceived as opponents to the moral values. This so called hostility towards economy and to some economic activities has deep roots whose beginnings may be found in the first economic writings. It has prevailed until today since for years it has been propagated as a view opposite to the current moderation principle. However, many of the moral values of the ancient era and Middle Ages were transmitted over time, and secular values were merged with Christian morals; among other things, moderation and wisdom (savings) were transmitted as fundamental principles supporting the traditional capitalism. Throughout the time, some moral values have been assaulted by ideologies, producing a stronger polarization of the language of morality.

The economic diversity and the specialization of economic occupations occurred in the nineteenth century, when the physiocrats in France called themselves economists, thus being preoccupied not only with the study of economics, but also with the study of business ethics.

Physiocrats, often called “salon economists”, although they dominated economic thinking for a short period of time, 1758–1778, proclaimed the undoubted economic freedom as a moral value and invented a slogan and a symbol of the market economy – *laissez-faire*. They also created the image of the “spirit of brotherhood” of economists. More pronounced, the moral values of the capitalist economy are reflected in the work of Adam Smith (Rogojanu 2007, p. 3).

The economic theory developed by the “father of economics” has a psychological and economic background – the personal interest. The engine of any economic activity created by the “invisible hand” is the principle of efficiency, according to which, people seek maximum results with minimum effort.

In this world, with a high degree of complexity, the personal interest is arising from:

- the natural human propensity to exchange,
- the diversity of occupations,
- the need for cooperation of people living in society,
- the benefits of sharing and selfishness of men.

The moral criteria of the participants in the economy activity are endorsed by the “sixth sense”, meaning the common sense, which, incidentally, some of the people have or not. In any case, the *laissez-faire* principle accompanied by some fundamental values – private property, freedom, fair competition, market policy, free trade etc. – depict the moral free society guarantees. The emergence of the first departments of political economy at the beginning of the nineteenth century and of the first economic universities was the first step to analyzing the role and the attributes of “the academic economists, mentors and disciples”. They were meant to ensure the teaching of economics to all the people interested

in it, starting with stakeholders, businessmen, lawyers, politicians etc. The great economists of the nineteenth century were among the most devoted to the idea of designing a fairly pure economic science, where freedom of action, free competition, and spontaneous economic regulation acquired the status of moral values. Rules of conduct were governed by the moral sense (Rogojanu 2007, p. 4).

The beginning of the twentieth century marked a clear identity of an educated economist who, being now an expert in economy, is an indispensable element of the system he created. The centre of morality has clearly shifted to the activity and values of the most active players in the economy: business people, bankers, financiers, speculators, professionals etc.

During this historic process of building the economist identity, there occur a few questions about the necessity and appropriateness of the rules of conduct in relation to the business environment dominated by capital: Did capitalism emerge thanks to the covetous aims and despotic nature of people (Rogojanu 2007, p. 4)?

In this context, can we still talk about the existence of business ethics? What does it mean today? This is a question with different answers as the meaning of business ethics varies in different cultures.

First of all, one must separate good ethics from good business. In this sense, Trevino and Nelson (2007) quote the ethicist Michael Josephson: “Goodness does not guarantee winning. And unless we can teach that to people, they are always going to look for the angle...ethics [is a] separate independent evaluation of conduct...Ethics is like your skin – it goes with you everywhere. Ethics is a moral perspective that asks you to judge your conduct in terms of what is right and wrong, what is the right thing to do” (Trevino, Nelson 2007, p. 43).

Nowadays, for many individuals, the word “ethics” means something obscure, that is far removed from reality and that comes from ancient times. For instance, Donaldson (1989) recognizes ethics or moral philosophy as the customs or standards which a particular group or community acts upon or is supposed to act upon (Issa, Pick 2010, p. 76).

Others claim that “ethics is the study of morality, and morality is a term used to cover those practices and activities that are considered importantly right and wrong; the rules that govern those activities; and the values that are embedded, fostered, or pursued by those activities and practices” (De George 1999, p. 19) However, this definition must be read taking into account the fact that the morality of a society is strictly related to its traditions and civilization, to its customs, to its laws that add legal prohibitions and sanctions to many activities considered to be immoral.

Some may claim that defining ethics, and implicitly business ethics is a simple thing to do, but respecting it in the current activity is a difficult task. This difficulty applies to teaching it, because ethics requires individuals to be concerned about the rights of well-being of others, it requires individuals to transcend the simplistic equation of “me, myself and I” (Issa, Pick 2010, p. 77).

Gini and Marcoux (2009), quoting Louis P. Pojman offer the following perspective on understanding what ethics is: "...The central purpose of ethics is to secure valid principles of conduct and values that can be instrumental in guiding human actions and producing good characters. As such it is the most important activity known to humans for it has to do with how we are to live" (Gini, Marcoux 2009, p.1).

Starting with such definitions, one may apply them to business. Thus, we agree with the definition assuming that business ethics consists of principles of morally right and wrong behaviour and their application to business situations (Gilbert 1992, p. 6). The majority of the economic agents involved in the economic activity and preoccupied with obtaining profit ask themselves whether it is compulsory to respect moral principles, whether it is essential or ordinary to talk about ethics when talking about the market, whether this business ethics should be taught in business schools.

Business ethics is essentially obeying the law. It is wrong, however, to see law and ethics as identical. Moreover, most ethicists agree that all citizens have a moral obligation to obey the law so long as the law does not require clearly unjust behaviour. This means that, in most cases, it is immoral to break the law.

One way to argue that ethics should be brought into business is simply by pointing out that, because ethics should govern all voluntary human activities and because business is a voluntary human activity, ethics should also govern business.

## **Economic and moral crisis, business ethics and economic development**

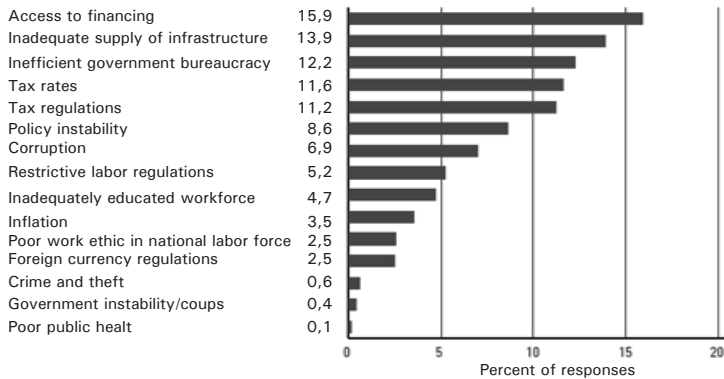
Taking into account the fact that the crisis hit even the developed economies, one may ask whose business ethics we should study in research and follow in practice. Are the companies of the world's most powerful nations the dictators of business ethics? Does the development of the group of major countries with regular meetings reflect also the increasing acceptance of cultural differences in business ethics?

What should we do in Romania concerning business ethics? First, we have to emphasize the fact that in Romania, unfortunately, people's perception of business in general is not good, thus being reflected, as we are going to see on the next pages, in different international ratings of the aspects related to ethics (the majority of the Transparency International reports regarding the Corruption Perception Index realized in the last three years show that in Romania people have little confidence in the business environment beside all others sectors, as they consider corruption to be an actual and common phenomenon). In Romania, the transition from a socialist economy toward a market oriented one, implied, besides other phenomena, a sophistication of corruption, together with tax avoid-

ance, free-riders, black markets, thus lowering the economic performances and the trust capital of businessmen in the economic environment (Merton 1965). As Hirschman emphasized: “No economic, social or political system is able to guarantee that the individuals, the companies or organizations will always act in a functional manner and that they will constantly have an efficient rational conduct, in the virtuous respect of law” (Hirshman 1999).

According to World Economic Forum, in Romania, among the factors that are negatively influencing the economic environment, we may identify corruption, a well known phenomena, very difficult to eradicate, as it is like an octopus, which is born from different sources; one of them being the breaking of business ethics (figure 1).

**Figure 1. The most problematic factors for doing business**



**Source:** World Economic Forum (2010, p. 284).

In Romania, business ethics is not considered a management strategy that brings profit. Private business field now follows a different logic, different dynamics. Ethics is often perceived as a “me too” strategy, a strategy based on imitating the policies of successful brands or, as it is the case of multinational companies, ethics is applied as a strategy borrowed from the mother companies. In other words, ethics is practiced mostly because it is a trend.

Moreover, Romania occupies the 92<sup>nd</sup> place in a list compiled by the World Economic Forum concerning the ethical behaviour of the firms. The rating referred to the corporate ethics (ethical behaviour in interactions with public officials, politicians, and other enterprises) of firms in 139 countries. Romania obtained a score of 3.6 points, where 1 = among the worst in the world and 7 = among the best in the world (WEF 2010 p. 382).

An interesting study of HR-Romania entitled “Ethics in Romanian business”, regarding the question “Are business moral standards in Romania in a continuous decline?”, pointed out that although the majority of the subjects (54%) are of the opinion that the economic activity should be guided according to morality

and ethics principles, there are still enough people who, in some situations, are inclined to forget about this mentality and manifest unethical behaviour (<http://www.hr-romania.ro/>).

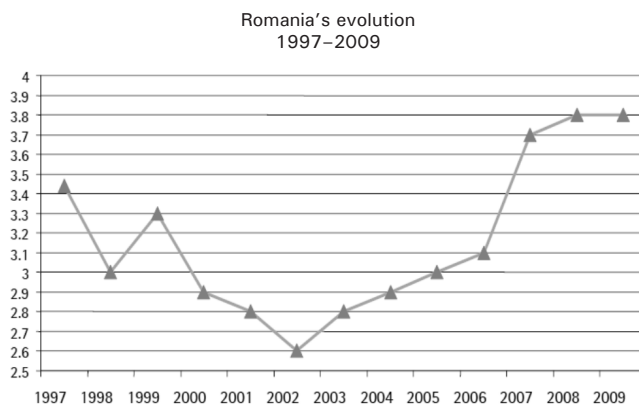
This is also enforced by the fact that 65.71% of the subjects believe that the main goal of business is profit, and the means by which it is achieved can be chosen taking or not taking into account the ethics “imposed” by theory (<http://www.hr-romania.ro/>).

Corruption is an important problem of the Romanian business environment . Basically, in Romania, corruption is understood in two ways: as an illegal conduct or altered behaviour, and as a breach of basic social values (morality, honesty, integrity, ethics etc.). Given the first conventional meaning, the most frequently invoked form of corruption is bribery. The familiar connotation for this word, “spaga”, is part of everyday life.

Another frequent phenomenon strongly associated with this type of corruption is the reciprocal unlawful relationship between public officials and important citizens at the local level, figuratively called “local barons” and allowing those persons to enjoy important economic positions at the local level, be on good terms with people with political power and thus have control over local resources. Similarly, kinship relations are also frequently related to illegitimate connections between public officials, or between public officials and citizens, and represent one the most habitual foundations of corrupt conducts (Transparency International Romania 2009, p. 25).

Unfortunately, Romanians continue to perceive measures taken to fight corruption as ineffective. Moreover, the situation corresponds with the downwards trend recorded by Romania in recent years: in 2010, the majority of the population considered anticorruption measures taken by authorities to be inefficient (figure 2).

**Figure 2. Transparency International – Corruption Perception Index**



Source: Transparency International Romania 2010, p. 27.

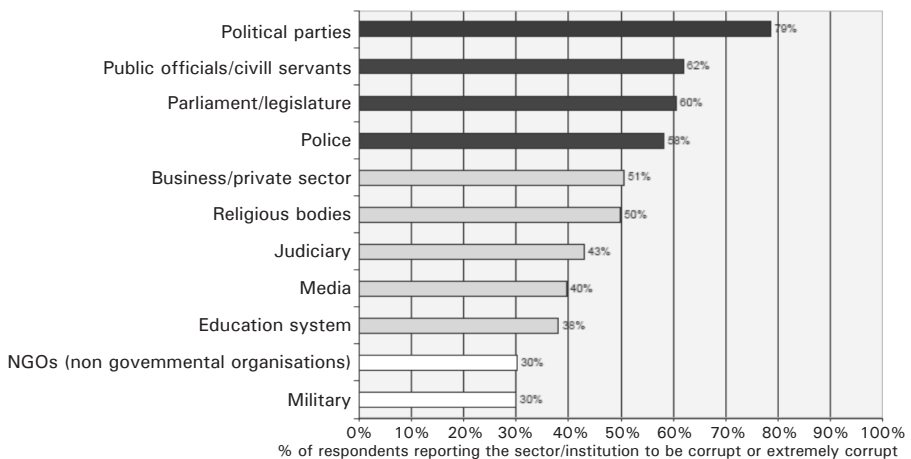
According to the *Transparency International Global Corruption Barometer 2010*, one can see that at the global level, corruption is a vital problem. It is clear that the business environment is considered to be a corrupt one and this is not happening only in Romania, but in other countries too.

At the global level, political parties are judged as most affected by corruption: almost 80 per cent of all respondents think they are either corrupt or extremely corrupt. They are closely followed by a second group, including public servants, parliaments and the police.

A third group of institutions is formed by the private sector, religious bodies, the judiciary, media and the education system.

Respondents worldwide consider the military and non-governmental organisations least affected by corruption, although 30 per cent still considered them corrupt or extremely corrupt (figure 3).

**Figure 3. Corruption at global level**



**Source:** Transparency International Romania 2010, p. 9.

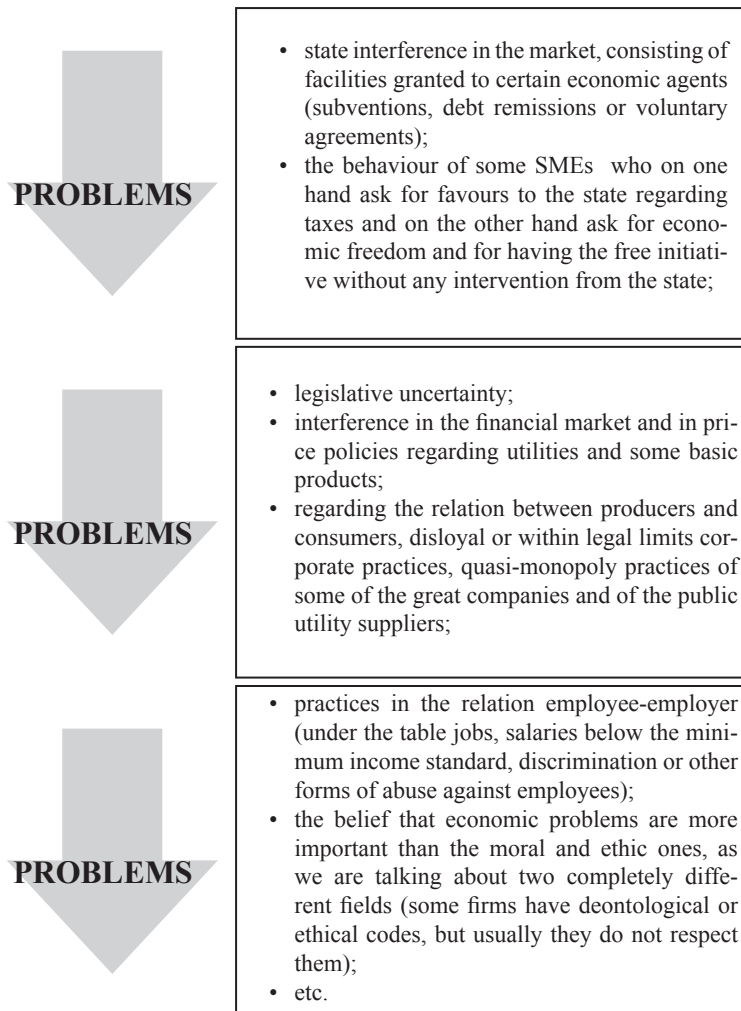
At the global level, one may see that people living in the community, cooperating with each other not only need good doctors, good teachers, honest merchants, honest lawyers, honest police officers, etc.; they also need non-violent, non-conflicting, professional, fair attitudes and behaviours in order to generate confidence in the economy. People need food, as well as they need the respect coming from others. Just to preserve harmonious relations among people with jobs, education and different emotions, a minimum of moral rules of coexistence in the community, and a minimum of rules of conduct is necessary.

In Romania, people say they respect such rules of conduct, as there is an old saying according to which, every person is taught in the first seven years of life how to live honourably in the society. It entails respecting the norms and the



moral values. However, when it comes to business ethics, things become complicated. As it may be seen in the figure 4, some major sources of ethical problems in Romania can be identified:

**Figure 4. Some sources of ethical problems in the Romanian business environment**



**Source:** own work.

Lately the media (national papers, such as „Gândul”, „Academia Catavencu”, „Evenimentul zilei”, „Adevărul”, „Jurnalul National” etc. and TV programs, such as RealitateaTV, Antena3, ProTV etc.) have emphasized as possible sources of the unethical behaviour of economic agents the following:

- an excessive politicization of the activity of the government;
- increased bureaucratization, meaning not an increase in the number of bureaucrats, but in the number and inconsistency of the law, which makes it more difficult to act in the area of business (see the needed forms and stamps and signatures one needs in order to access European the funds);
- taxation or partial taxation of some activities in the trade area (smuggling, sale of expired products, counterfeiting, the confusion between validity and guarantee, etc.);
- the accusation of some local agents of the existence of collusion between the government and private corporations in setting national economic priorities;
- not harsh enough social moral punishment of the businessmen who break business ethics.

Given the above, it may be assumed that people are no longer stimulated to respect the norms, moral values, as they perceive those who break them as more powerful and richer. Hence, there is a risk of not transmitting the old moral values forward to the next generations. Thus, it is very important to show that the educational system plays a very important role in conserving and passing the norms, institutions, laws to the next generations.

## **Education and business ethics**

Nowadays, specialists are asking whether the current state of economy has been determined by a bunch of factors among which greed of the economic agents and unethical activities may be included. Given that, one may ask where the educational system went wrong in transmitting the moral values. Critics claim that business schools must have ignored educating students on topics such as ethics, social responsibility and integrity. They imply that finance and economic courses taught students how to create “innovative” financial instruments and then to use these tools to maximize personal gain. People make decisions based on personal values that are formed throughout their lifetime, and reflect the whole spectrum of external and innate sources (Patry 2010). Still, is it fair to put all the blame for the current state of economy only on the educational system?

Business school graduates are not programmed like robots during their education experiences to do evil things. However, if someone decides to use their knowledge for personal gain at the expense of others, they may very well create problems in our society.

Kish-Gephart, Harrison and Trevino (2010) ask: “is higher education abdicating its responsibility to advance the ethical development of students?”(Kish-Gephart, Harrison and Trevino 2010, pp.1–31).

Natale and Sora (2009) suspect that the recent flood of programs in professional and business ethics represents somehow a kind of reaction to current ethi-

cal problems which occur in the business environment. According to them, the new curricula in the academic world include all sorts of training techniques in decision-making, and other models of applied ethics (Issa and Pick 2010, p. 78), but in Romania one may see that at the universities there are a few faculties where subjects like business ethics are studied. For example, in The Academy of Economic Studies in Bucharest, there are some master programs, such as Communication in Business which includes the subject called “Economic Deontology”.

During the last years, Romanian high level educational system suffered a lot of changes connected with the trend implemented by the Common Declaration of the Ministries of Education of the European countries, signed in Bologna in July 1999. Romania adopted the declaration which provides a high compatibility and possibility of comparison between different high level educations systems. Bologna settlements have ruled upon the development of specialisations for the last few years. Thus, taking into account the economic evolution at the global level, one may ask why business ethics as described above should be given more attention to in a business school curriculum.

Some advocated for the importance of assuring that business ethics courses achieve the goal of “teaching greater ethical awareness or reasoning” (Weber 1990, p. 186).

Brady (1990, p. v) maintained that ethical thinking is already widespread among business managers, but that there is a need to “connect ethical theory more closely with management practice.”

The key question is whether it is better to teach (or even require) the course early in the curriculum to inform the students of individual functional disciplines, or to teach it at the end to make use of the knowledge gained in these courses. A number of major business schools from rich nations have a module on ethics early in the curriculum and encourage faculty in the functional courses to introduce considerations of ethical issues in their course material.

At present, in Romania there are no doctoral programs in business ethics. However, there is ample precedent for the development of new subject areas and their gradual professionalization. Thirty years ago, there were no doctoral programs in strategy or in computer science. Today, both are considered by many to be full-fledged disciplines (Gilbert 1992, pp. 5–9).

Business education should fully encourage and stress the importance of socially responsible and honest conduct. Yet, as the modernists taught us, humans are imperfect creatures. Actually, this is the cornerstone of modern political philosophy and economics, as the works of Machiavelli and Smith make clear. The fundamental lesson is that one should not design institutions that require the highest moral qualities from all. Consequently, if we are to understand human behaviour and influence it, we must recognize self-interest and, unfortunately at times, greed and opportunism (Patry 2010).

Managers, among others, should be asked and strongly encouraged to conform to the highest ethical standards and, simultaneously, to be prepared to deal with departures from this standard.

However, we must be conscious that teaching business ethics and deontology does not immunize students and graduates against engaging in unethical behaviour. This is something we have to live with, like in other clinical professions such as medicine or law. We live in a brave new world where business schools are challenged to prepare, not just good financial engineers or accomplished management technicians, but also global citizens. Business schools can do only that much, and ethical standards must be taught earlier. Standards and respect have to be taught from kindergarten. If a four-year-old does not respect principles, there is not much a business school can do later. It is hard to change the embedded values in someone who is 25 or 35 (Patry 2010).

In order to observe a moral code one has to understand and to accept its role in the society, otherwise “codes” or “pledges” for graduating students will be treated cynically as an empty ritual. From the practical point of view, voluntary work and community service can certainly help. But can we impose it on our students?

We believe, however, that a host of policies, institutions, and beliefs will emerge from the crisis in very different forms. There are calls for more responsibility amongst business practitioners; calls for greater attention to sustainability and long-term thinking; calls for managers to rediscover an ethical and moral compass; to look differently and more deeply at risk and reward.

With the importance given to business ethics by professional and accrediting bodies and business worldwide, which seems to revive whenever countries or global market are hit with scandals or crisis, business schools must reconsider their position in order to allocate resources for developing business ethics units.

### **Business ethics and education for sustainable development**

Nowadays many specialists talk about the need to provide a higher educational system fit for the education for sustainable development (ESD). This means that the educational system must be the one which develops a certain way of thinking, regarding the attitude towards environment and ethical aspects too. There are a lot of controversies in the concept of “education for sustainable development”. Some are analyzing the concept from an ethical perspective. Jickling, for example, maintains that: *Education is concerned with enabling people to think for themselves. Education “for” sustainable development...or education “for” anything else is inconsistent with this criterion* (Jickling 1992).

The goal of education is the optimal development of people, with an emphasis on autonomy and critical thinking. The analytical framework provided by

Yves Bertrand and Paul Valois is useful to critically examine the discourse about *education for sustainable development*. They emphasize the fact that the ESD is related to: “competitive needs”, “education for productivity,” “human capital,” etc. (Bertrand and Valois, 1992). Moreover, education is first and foremost perceived as a “central economic investment for the development of creativity, productivity, and competitiveness,” and as a transfer process where scientific and technical knowledge is favoured (UNESCO 1992).

At the same time, education and the transmission of moral principles have a great impact on social sustainability allowing a significant growth in returns for the individual and society as well as the improvement in health status, employment, social connections, and engagement in civic and political life (2009, pp. 46–47). Thus, the sustainable development requires an educational system in which the values transmitted to the next generations are in accordance with the ones of ESD.

Unlike traditional studies, recent analyses are focused on the results of the educational process consisting in competencies of the students who are educated in schools and universities and not on expenditures and investment in education (2011, p. 80). Nevertheless, the intriguing issue of studies on education is not necessarily the lack of data, but rather the missing relation between education and dimension of sustainability on individual level (2009, p. 47).

No matter what kind of studies we are going to conduct, it is easy to observe that the ethical problems are a very important issue, as they may become real obstacles in the case of sustainable development.

## **Conclusions**

Thus, one may conclude that in order to achieve economic sustainable development, Romanian economic environment must change. Companies are just like hubs in a network, so that the crash of one may cause a chain crash of various companies. Success and failure are shared. Even in Romania successful companies have to be the ones that prove an ethical behaviour.

In order to see applied business ethics, we must start to adapt our educational curriculum to the requirements of the business environment.

The requirements of proper exercise of the rules and duties of occupations stems both from the need to prevent adverse effects caused by the deviation from the ethics, and the need to prevent the risk of damaging the reputation of a profession with great social impact. In other words, it can create major damages and incalculable losses to people in general when a segment of the economy is affected by the defiant actions of moral values. In principle, the protection of both the social prestige of a profession or occupation in business and of the proper practice related to those occupations, are faced with a series of threats – conflict

of interest, professional risk, deception, bad faith, blackmail, quacks, corruption, duplicity, greed etc.

The basic requirement for a functional business environment is the **compliance of duties**, which generates respect and trust and goodwill in economic action, namely safety and social stability. Of course, there are many questions that we ask ourselves when we find a screw in bread, when food restaurant mixes human organic remains, when children are poisoned from foods that are fed to the kindergarten or in camps, where toys are dangerous for the life of a child, when newspapers tell lies etc. Clearly something is wrong! Unfortunately, business is about much more than business people, means a lot of “employees”, who have learned that “business works no matter how.” Indeed, there is a control that can offset the effects of irresponsible behaviour, but the market remains the best means of selection (Rogojanu 2007, p. 6).

**Moral integrity** correlates the public image with moral transparency of each businessman, generating the idea of an institutional correct management of the moral capital. Immediate requirement of moral integrity of action requires an honest, fairperson accountable directly for its own choices. Cheap Machiavellianism like “the end justifies the means” is testimonies of savagery, of poor education, and of a poor social cohesion (Rogojanu 2007, p. 6).

**Professionalism**, therefore, is based, first of all, on proficiency in the activity of businessmen. In other words, businessmen are heavily censored in all actions undertaken by their response to people’s expectations. Frequent demonization of businessmen, under various pretexts, from political to personal ones, undermines the confidence in the authority of professional decision and in business performance, making it vulnerable to amateurism, imposture, and primitivism (Rogojanu 2007, p. 6). Secondly, professionalism is based on attitudes and behaviours which are consistent with both legal requirements and the common morality. In this area, undoubtedly, the first moral requirement is the fair competition.

**Moral responsibility** entails guiding a businessman’s economic action to show respect to others, avoiding also causing others harm. The concern expressed by many businessmen for the community takes some perverse forms.

**Tolerance** gives the measure of the degree of civilization and education of the businessman. Effective social cooperation requires evident respect for civilized behaviour, civilized communication, heightened language, no personal attacks, no insults and no intolerance. The harassment of opponents on the ground of race, sex, religion, political affiliation is contrary to the assertion of individual freedom and represents a source of the environmental degradation, generating the premises of increasing hostility and tension. Harassment is manifested by persistent intimidating behaviour by verbal and physical threats, humiliating and insulting criticism, abuse of power and trust.

**Fairness** refers to any intellectual product – contracts, inventions, and innovations, copyrights – appropriated and used in accordance with legal and moral

force. Award of contracts by deceit, by falsification of identification data, the fake auction are just a few tricks that media scandals have brought to the forefront. As shown, unfairness and dishonesty are serious obstacles in the pursuit of any occupation, not only for the businessman.

**The freedom of business** increases the need for a minimum of standards of conduct in business. Ethical rules relating to a business domain are rules of conduct that set limits and are included in codes of conduct or ethics of each occupation. Some rules of conduct included in codes are mandatory – those relating to non-violent attitude, caring in relation to the others, full of kindness and courtesy, polite attitude, adequate mimicry and gestures; while other rules of conduct are only desirable in some cases – those relating to dressing, surrender or refrain from vicious habits during working, the elevated use of language etc.

Ethical and professional rules as a whole, are intended to prevent conflict or even moral disagreement about the practice of an occupation with economic and social challenges, such as business, and create not only a competitive image of this occupation, but also sets confidence in the professionalism and moral integrity of practitioners.

Although anti-government campaigns are made with some noble purpose, they have little chance of being taken seriously, because of the wrong orientation of the fight against corruption – the target is set on people instead of being set on behaviours and attitudes. Educational and social emancipation would have more chances to punish moral violations than any other action.

The business environment in Romania has for many years now a strong support for the consolidation of multinational companies whose corporate culture plays an important role in training, in shaping the change of behaviours and attitudes of Romanians. However, one must take into account the fact that it is a dual phenomenon. On the one hand, some of the multinational companies use ethical codes, but on the other hand, they start exporting corruption, as shown by the Bribe Payers Index of Transparency International.

The fact that multinationals operate in more than one country produces ethical dilemmas for their managers, such as:

- the ability to shift its operations between countries enables the multinational to escape the social controls that a single nation might attempt to impose on the multinational and can allow the multinational to play one country against another.
- it can sometimes transfer raw materials, goods and capital among its plants in different countries on terms that enable it to escape taxes and fiscal obligations that companies limited to a single nation must bear.
- they often have the opportunity to transfer a new technology or set of products from a more developed country into nations that are less developed.
- it is often faced with the quandary of deciding which of these different norms and standards to implement in its many operations.

Thus, there remains an open question: how to conserve and correctly apply business ethics codes? How, when and where to teach business ethics? Do we assist a global change of scale of values? And if so, are we, as simple people, entitled to ask whether it is good or wrong?

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