



Seven deadly sins

– a Gandhi series

*Business should be run in accord
with honest, decent, ethical standards
– avoiding the mere pursuit
of power or profit*

John Gallaher

Commerce without morality

Periodically we see scandals emerging somewhere in the commercial sector, as yet again someone in a position of trust has succumbed to greed and self-interest. As a result many would say that “the more things change, the more they stay the same”, and there is an absence of ethics, of a defined moral code in the behaviour of these people.

Very often the organisation which employs them will have a *mission* or *values* statement as part of their corporate philosophy. Ideally this is designed to provide a touchstone for employees, a statement of morality that they should embrace. But all too often this is given lip service, as the pursuit of power and profit dominates absolutely.

I well recall a 1987 movie *Wall Street* that revolved around one character, Gordon Gecko, whose catch-cry was “greed is good”. In other words

Commerce without Morality pays. But, as the 18th century Scottish moral philosopher Adam Smith stated, “self-interest leads to the common good only if most people in society have internalised a general moral law as a guide for their behaviour”.

*“self-interest leads to the
common good only if people
have internalised a general
moral law as a guide
for their behaviour”*

And yet, time and time again we see individuals and Corporates rationalising their exclusively profit-driven behaviour. No one is denying the need for businesses to be successful, but when the pursuit of profit becomes the most important focus of businesses large or small, morals (or ethics) are very often disregarded, or reinterpreted to suit the desired outcome.

After 30 years in the commercial world, I believe that a moral foundation is fundamental to creating successful economic (and political) systems. The degree to which the capitalist model continues to be successful is not, in my view, because we are all profit-driven to the exclusion of everything else. It is because we recognise that in order to create and maintain a successful business we need to ensure fairness between all parties and have a very clear understanding of the consequences of our actions.

The capitalist model in its simplest form is a system of voluntary relationships inside a legal structure that protects the rights of the individual. Since capitalism is based on freedom of choice, it can promote morality and character development, but it cannot guarantee a moral society.

It is in this context that the ‘seven deadly sins’ as enunciated by Mohan-

das Gandhi have so much relevance to our everyday conduct, in our business and personal lives. To my mind the word *conduct* is the key. In the same way that the duty of a Trustee is to be prudent, one can easily argue the same test for anyone working in the commercial sector. According to Trustee Law, prudence is a test of conduct, not an absolute measure. Our ability to pursue commerce with morality should be seen in the same light.

One of Gandhi's many quotes provides a very clear insight into his thinking. His philosophy is founded on his faith in the power of the individual; he states: "As human beings, our greatness lies not so much in being able to remake the world – that is the myth of the Atomic Age – as in being able to remake ourselves".

Therein, I believe, lies the challenge to each of us as individuals to interpret the seven deadly sins in the context of today's fast-moving and self-centred world. The answer lies within us, each in our own way, to change the course of history if we can embrace the natural balance, the elegant simplicity that each of the seven social sins represents.

In the same way as we cannot expect "success without effort", the notion of "commerce without morality" makes little sense. Again Gandhi has captured the essence, the logic of the interrelationship and its importance to each of us who participate in the business sector in some way. "A person cannot do right in one department while attempting to do wrong in another department. Life is one indivisible whole".

Perhaps the better way to consider Gandhi's seven deadly sins is to add the prefix: "you cannot have...". *You cannot have* commerce without morality. The two aspects are then clearly linked – success in one (commerce) requires application of the second (morality).

Many would argue that the definition of morality is just too complex, but

I suggest this is a case of the means justifying the end. It is a pretext for ignoring the moral imperative. We need to get rid of the belief that because something is permissible, by definition it is proper – or because it is legal, therefore it is ethical or moral.

Equally we need to understand and embrace what morality means to us. As I reflect on this, I realise that this is a substantial challenge. Morality is the quality of being in accord with standards of right or good conduct. For us to define morality, we will most likely use the rules of right and wrong that we follow everyday.

But these will be interpreted according to our cultural and religious beliefs. In the final analysis, the value is in simplicity. A system of standards that we can use to produce honest, decent and ethical results, I would argue, should be considered as moral, thereby defining our morality.

The test will be – can we conduct ourselves in a commercially successful environment in a morally acceptable manner. Yes, I believe we can, but it requires a shift in focus away from the *profit at any cost* motive and a very clear



Adam Smith (1723-1790)
18th Century Scottish moral philosopher.
He is regarded as the 'father' of free market economics

understanding of consequences of one's actions or inaction.

If this is able to be embedded in the corporate culture, then integrity in all aspects of the business becomes a reality, the win-win philosophy has meaning, and our behaviour includes the desire to act in a fair and mutually beneficial manner.

Is this overly idealistic? No, I don't believe so. ■

John Gallaher is Dunedin Manager of Forsyth Barr Ltd

The seven 'deadly sins' of modern society as Gandhi saw them:

Politics without Principle
Wealth without work
Commerce without morality
Pleasure without conscience
Education without character
Science without humanity
Worship without sacrifice

January 2008 will be the 60th anniversary of Gandhi's death. He was assassinated at the very moment when Indian independence was about to become a fact. He is truly the father of modern India. With all its ups and downs India has consolidated as not only the world's largest democracy but a country where different races and creeds live together with a degree of mutual tolerance.

This series is being put together to commemorate Gandhi's heritage. We offer it not only to our readers but also to secondary schools. We have a limited supply of copies of the July, August and September issues which we are happy to make available for senior students at minimum cost (to cover printing and postage). Contact the Editor: tuimotu@earthlight.co.nz