The production of this report was possible by a grant of the EETEK Holding Zrt.
Contents

7
Preface

9
About Us

11
Conferences

17
Courses

27
Lectures

39
Projects

49
Publications

73
Sponsors
This report celebrates the 15th anniversary of the Business Ethics Center of Corvinus University of Budapest. It documents the Center's continuous fight for genuine business ethics in the years 2004–2008. Our teaching, research and networking activities at home and abroad aim to broaden and deepen the view that scholars, businesspeople, and policymakers take when facing pressing ethical issues of economic and societal life.

Our interests cover a wide range of topics including Ecological and Human Values in Business, Responsible Business, Collaborative Enterprise, Responsible Competitiveness, Ethical Institutions of Business, the Extended Stakeholder Theory, Responsible Decision Making, Moral Economic Man, the Paradox of Business Ethics, Costs and Benefits of Socially Responsible Behavior, Honesty and Trust, the Future International Manager, Limits of Business, Frontiers of Business Ethics, Interdisciplinary Ethics, Business Ethics as Critical Thinking, Corporate Social Responsibility across Europe, Transatlantic Business Ethics, Europe–Asia Dialogue, Buddhist Economics, Globalization and the Common Good, International Justice, Accounting for Future Generations, Alternative Globalization Strategies, Spirituality in Management, Spirituality as a Public Good, Spiritual and Economic Aspects of Frugality, Deep Ecology, Green Economics, Global Ecopolitics, Climate Change and Biodiversity, Water Privatization, Ethics in the Global Network Economy, Limits to Privatization, and the Politics of Public Services. In the last five years we have been active in researching, publishing and lecturing on these topics.

In addition to teaching different courses in business ethics at our home university, we taught at various universities abroad, including University of Oxford, Vienna University of Economics and Business Administration, Bocconi University, Milan, Helsinki School of Economics, Norwegian School of Economics and Business Administration – Bergen, Bodø Graduate School of Business, EHSAL Brussels, Copenhagen Business...
From 2004–2008 we presented 25 papers in conferences and workshops in Europe, North America and Asia, including the Catholic University of Eichstätt-Ingolstadt (Germany), University of the Aegean (Greece), ESADE Business School Barcelona (Spain), Catholic University of Leuven (Belgium), University of Antwerp (Belgium), University of Gent (Belgium), CNAM in Paris (France), University of Leiden (The Netherlands), Norwegian School of Economics and Business Administration – Bergen (Norway), Bodø Graduate School of Business (Norway), EHSAL Brussels (Belgium), Chamber of Labor for Vienna (Austria), Mansfield College in Oxford (England), Eni Enrico Mattei Foundation in Milan (Italy), INSEAD, Fontainebleau (France), Shanghai Academy of Social Sciences in Shanghai (China), The Wharton School, University of Pennsylvania in Philadelphia (USA), Jagiello University in Krakow (Poland), University of Nottingham (England), SDA Bocconi School of Management in Milan (Italy) and University of Brno (the Czech Republic).

From 2004–2008 the Business Ethics Center and its members published 10 books and more than 50 papers, and 34 articles and media presentations appeared about our activities.
The Business Ethics Center of the Corvinus University of Budapest was established in 1993 by Jozsef Kindler and Laszlo Zsolnai. The mission of the Center is to promote ideas and techniques of business ethics in higher education, academic research, and business life. The functioning of the Center is based on the conviction that ethics is a relevant aspect of all levels of economic activity, from individual and organizational to societal and global. Complex economic problems require, we believe, multidisciplinary approaches using models from economics, management science, psychology, and ethics.

The ecological, communitarian, and feminist perspectives contribute significantly to our understanding of contemporary economic and social reality. Business ethics is practiced by the Center as a postmodern kind of scientific inquiry where normative and descriptive elements are not separated but intermingled. The Business Ethics Center has an active interest not only in business ethics but also in environmental ethics, information ethics and international ethics. We try to create a practical synthesis of interdisciplinary ethics focusing on the new reality of business and society in the 21st century.

The Director of the Business Ethics Center is Professor Laszlo Zsolnai. Members are Associate Professors Zsolt Boda and Laszlo Fekete. Zsuzsa Gyori is a Ph.D. student at the Center. Katalin Feuerverger serves as secretary for the Center.

A number of well-known scholars are members of the International Advisory Board of the Center. They include Professor Edwin M. Epstein (Berkeley), Professor Stefano Zamagni (Bologna), and Professor Henk van Luijk (Amsterdam).
Further information about the Business Ethics Center can be obtained on request from the following address:

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From 2004–2008 the Business Ethics Center was active in organizing and co-organizing scientific workshops and conferences on different aspects of business ethics.

Europe–Asia Dialogue on Business, Ethics and Spirituality

Jointly with the European SPES Forum, the Business Ethics Center conducted the “Europe–Asia Dialogue on Business, Ethics and Spirituality” international conference from June 30–July 2, 2006, in Budapest. Nearly 50 scholars and practitioners participated in the conference representing Austria, Belgium, China, France, Germany, Hungary, Italy, India, Indonesia, Norway, Sweden, the UK and the USA. The most important presentations were as follows:

- Bengt Gustavsson (University of Stockholm): “Globalization and Values in the Indian Context”
- Tibor Héjj (Pro-active Consulting, Budapest): “Holistic Stakeholder Value Matrix at Spiritual Companies”
- Prakash Sethi (CUNY, New York) & Rev. David B. Lowry (Christ Church, Manhasset, NY): “Coping with Cultural Conflicts in International Operations: Modern Corporations and Tribal Societies – The Case of Freeport-McMoran in Papua, Indonesia”
• Henri-Claude de Bettignies (China Europe International Business School & INSEAD): “Leadership and Responsibility in China: Relevance of Chinese and Western Approaches”

• Bronwen Rees (Anglia Russkin University, Cambridge) & Tamas Agocs (East–West Research Institute, Budapest Buddhist University): “The East–West Crucible: Exploring the Application of Buddhist Theory and Practice in the Modern Organization”

• Diethard Leopold (Vienna): “Zen-Coaching”

• Martin Büscher (Institute for Church and Society, Iserlohn and University of St. Gallen): “Macro-Spirituality: The Spirit of Society, Hermeneutics and Economic Rationality”

• Katalin Botos (Pazmany Peter Catholic University, Budapest): “The Role of the Business Ethic Teaching of Religions in East–West Dialogue”

• Luk Bouckaert (Catholic University of Leuven): “The Spiritual Identity of Europe”


• Peter Verhezen (CIMAD & C-Consulting): “Guanxi: Instrumental or Pragmatically Ethical?”

• Suzan Langenberg (Project21.be): “Spirituality on Critical Organizational Boundary”

• Knut Ims (Norwegian School of Economics and Business Administration, Bergen) & Ove Jacobsen (Bodø Graduate School of Business): “From Welfare to Well-Being”

• Henk Opdebeeck (University of Antwerp): “Frugality-based Economics”

Economics with a Buddhist Face

The Business Ethics Center and the East–West Research Institute of the Budapest Buddhist University held the 1st Conference of the Buddhist Economics Research Platform under the title “Economics with a Buddhist Face” from August 23–24, 2007 in Budapest.


In the “Economics with a Buddhist Face” conference, 40 participants attended representing Australia, Hungary, Indonesia, the Netherlands, Norway, Sweden, Thailand, the UK and the USA.

*The program of the conference was as follows:*

- Laszlo Zsolnai (Corvinus University of Budapest, Hungary): “Western Economics versus Buddhist Economics”
- Peter Daniels (Griffith University, Brisbane, Australia): “Buddhism and Sustainable Development – Shaping Economic Systems”
- Apichai Puntasen (Ubon Rajathanee University, Thailand): “Why Buddhist Economics Is Needed as a New Paradigm towards Happiness”
- Bronwen Rees (Anglia Ruskin University, Cambridge) & Tamas Agocs (East–West Research Institute, Budapest Buddhist University): The East–West Crucible: “Exploring the Application of Buddhist Theory and Practice in the Modern Organization”
- Rene Brohm (Free University of Amsterdam, the Netherlands) and Heidi Muijen (Thymia, the Netherlands): “The Art of Living in Organizations: Organizing as a Dance”
Panel Discussion: “Buddhists in Business” at Diamond Way Buddhist Center. **Moderator:** Ferenc Antal Kovács (Energy Efficient Technologies). **Panelists:** JoZach Miller (Euronet Worldwide), Miklos Kiskovacs (tax consultant), Bela Bocsi (personnel development professional), Botond Feher (Hypo Investmentbank AG), and Roman Laus (Diamond Way Buddhism Association, the Czech Republic)

- Knut Ims (Norwegian School of Economics and Business Administration, Bergen, Norway) and Ove Jacobsen (Bodø Graduate School of Business, Norway): “Quality of Life’ – The Golden Mean between Materialistic Consumerism and Spiritual Existentialism”
- Colin Ash (University of Reading, UK): “Happiness and Economics: A Buddhist Perspective”
- Kanoksak Kaewthep (Chulalongkorn University, Bangkok, Thailand): “A Radical Conservative Buddhist Utopia: The Asoke People”
- Yulianti (Syailendra Buddhist College, Indonesia): “Crossing the Crisis: Success Story of Progressive Indonesian Buddhist Entrepreneurs”
- Linda Eggleston Nowakowski (Ubon Rajathanee University, Thailand): “Parallel Developments in Sufficiency Economy Concepts”
• Suntharee T. Chaisumritchoke (Chulalongkorn University, Thailand): “Sufficient Economy, the King’s Philosophy: An Application of Buddhist Economics to Develop Thai Local Pharmaceutical Industries for Sustainable Well-Being”

• Joel C. Magnuson (Portland Community College, USA): “Mindful Economics: Integrating the Core Values of Buddhist Economics into the Community Corporation”

• Wanna Prayukvong (Ubon Rajathanee University, Thailand): “An Overview of A Buddhist Economics Approach to Corporate Social Responsibility”

• “Buddha in Budapest” – Visual presentation by Tamas Ortutay at the “Green Point” Human Ecology School

The conference proved to be a great success. The decision was made to hold the second Buddhist Economics Research Conference in December 2008 in Thailand.

The Collaborative Enterprise

Jointly with the Business Ethics Center, the Bocconi University Milan held an international workshop entitled “The Collaborative Enterprise: Creating Values for a Sustainable World” from June 5–6, 2008, in Milan. The workshop aimed at exploring alternative ways of organizing and doing business to the currently prevailing competitive model. The current management mainstream seems incapable of facing the challenges related to more sustainable patterns of development. All over the world innovative approaches have been developing with interesting outcomes. Enterprises are seeking to build long-term, mutually beneficial relationships with all of their stakeholders while trying to produce values for their whole business ecosystem.
Papers presented in the workshop include

- Antonio Tencati (Bocconi University Milan) and Laszlo Zsolnai (Corvinus University of Budapest): “The Collaborative Enterprise”
- Johan Wempe (Saxon Universities of Applied Sciences): “The Responsibility of the Collaborative Enterprise”
- Hendrick Opdebeeck (University of Antwerp): “The Collaborative Enterprise as a Linkage between Principle and Practice”
- Ove Jakobsen (Bodø Graduate School of Business) and Knut J. Ims (NHH, Bergen): “Real Authenticity and Cooperation”
- Zsolt Boda (Corvinus University of Budapest): “The Collaborative Enterprise: The Ethics of Working with Civil Society Organizations”
- Alan Strudler (Wharton School, University of Pennsylvania) and Eleonora Curlo (Zicklin School, Baruch College, The City University of New York): “After Cooperation: A Negotiation Model for Corporate Decision Making”
- Margit Osterloh and Hossam Zeitoun (University of Zurich): “Views of Firm Governance and the Employees’ Well-being”
- Tibor Hejj and Rita Hejj (Proactive Management Consulting Ltd., Budapest): “Socially Responsible Clusters – as Sustainable Alternatives to Pure Competition and Separated Donation”
- Giacomo Mojoli (Slow Food): “The Slow Food Movement”
- Francesco Perrini and Clodia Vurro (Bocconi University Milan): “Developing an Interactive Model of Social Entrepreneurship”

Based on the presentations and other invited papers, the organizers of the workshop intend to develop a book on the topic of Collaborative Enterprise.
Members of the Business Ethics Center developed and taught a variety of courses in business ethics and related subjects from 2004–2008.

Ecological and Human Values in Business

The Business Ethics Center conducted the “Ecological and Human Values in Business” Blocked Seminar for the International Master’s Program of the Community of European Management Schools (CEMS) from August 29–September 4, 2004, in Monoszlo, near Lake Balaton, Hungary. Faculty included Knut J. Ims (Norwegian School of Economics & Business Administration, Bergen), Ove Jakobsen (Bodo University), Nel Hofstra and Aloy Soppe (Erasmus University Rotterdam), and Laszlo Zsolnai and Zsolt Boda (Corvinus University of Budapest).

The seminar explored the ecological and human values perspective for transforming business into a more ecological and human form. Business is considered an existential enterprise because its decisions and policies greatly influence the fate and survival of nature, society and future generations. Ecological and human values provide limits for business within which it is legitimate and productive. However, by transgressing ecological and human values, business activities become destructive and self-defeating.

The following topics were covered in the seminar: Business as Existential Enterprise; Buddhist Economics, Ecology and Economics; The Governance of Global Commons; Sustainable Entrepreneurship; Banking as if Nature Mattered; Personal Responsibility and Ethical Business. In addition to the faculty presentations, invited speakers Matthew Hayes (Community Supported Agriculture Project), S-P. Mahoney (Enterprise Ireland Ltd.), and Geza Varga (Galgafarm) presented their experiences about alternative business practices. Judit Vasarhelyi (Independent Ecology Center) organized a visit to sustainability projects in the region.
Twenty-five students participated in the seminar and represented such CEMS member universities as the Helsinki School of Economics, Economics University Prague, Université catholique de Louvain, Bocconi University Milan, Albertus Magnus Universität zu Köln, Erasmus University Rotterdam, HEC Paris, and the Corvinus University of Budapest. The course also served as a presentation of a book edited by Laszlo Zsolnai and Knut J. Ims, *Business Within Limits: Deep Ecology and Buddhist Economics*, whose contributors were among the faculty.

### Teaching Business Ethics at the European University Viadrina


### On “Ethics in Business” in Oxford

“Business and Ecology” MBA Course in Vienna

In August 2004, Laszlo Zsolnai taught a “Business & Ecology” course for the International MBA Program of the Vienna University of Economics and Business Administration, Austria. The topics of the course were as follows: (1) Business and the Natural Environment, (2) Environmental Ethics, (3) The Stakeholder View of the Firm, (4) Corporate Social Responsibility, (5) Ethical Decision Making, (6) “Natural Capitalism” and (7) Sustainable Business. American, Austrian, Mexican and Scandinavian students participated in the course.

Business Ethics Seminar in Helsinki

From August 29–September 2, 2005, the Business Ethics Blocked Seminar of the Community of European Management Schools (CEMS) was held at the Helsinki School of Economics in Helsinki, Finland. Faculty included Laszlo Zsolnai (chairman of the CEMS Business Ethics Faculty Group), Aloy Soppe (Erasmus University Rotterdam), Tomasz Dolegowski (Warsaw School of Economics), Marja-Liisa Kakkuri-Knuuttila and Kristina Rolin (Helsinki School of Economics) and Sirpa Juutinen (PricewaterhouseCoopers). Zsolnai lectured on “The Moral Economic Man” and “The Cost and Benefit of Socially Responsible Business.”
Business Ethics Seminar in Milan

Another CEMS Blocked Seminar, entitled “Corporate Social Responsibility and Sustainability: New Perspectives on Business Management,” was held from September 5–10, 2005, at Bocconi University in Milan, Italy. Faculty included Knut J. Ims (Norwegian School of Economics and Business Administration, Bergen), Eleanor O’Higgins (University College Dublin), Antonio Tencati (Bocconi University Milan), Steen Vallentin (Copenhagen Business School) and Laszlo Zsolnai (Corvinus University of Budapest). Zsolnai presented the video “The Paradox of Business Ethics,” produced by the Business Ethics Center, and lectured on ethical business models in which managers consider the interests of the natural environment, society and future generations.

Teaching in Bodø

On October 11, 2005, Laszlo Zsolnai and Knut J. Ims taught an ecological economics course at the Bodø Graduate School of Business in Bodø, Norway. Zsolnai and Ims presented the interrelated ideas of Deep Ecology and Buddhist Economics for the students.
ESSEC–Mannheim EMBA Module


Visiting Professorship in Antwerp

From February–April 2006, Laszlo Zsolnai was UCSIA Visiting Professor at the University of Antwerp in Belgium. During his stay he taught classes on Deep Ecology, Buddhist Ethics, Buddhist Economics and Environmental Ethics in different programs at the University of Antwerp.

CEMS Blocked Seminar in Holland

In August 2006, the Erasmus University Rotterdam held the CEMS Block Seminar on business ethics under the title “Sustainability in a Competitive World.” The venue was the natural reserve island Ameland.
in Holland. Lecturers included Aloy Soppe, Nel Hofstra, Johan Wempe and Gail Whiteman (Erasmus University of Rotterdam), Steen Vallentin (Copenhagen Business School), and Zsolt Boda (Corvinus University of Budapest). Boda lectured on globalization and the ethics of multinational companies.

On Buddhist Economics in Bodø

From November 15–17, 2006 Laszlo Zsolnai taught a class on Buddhist Economics at the Bodø Graduate School of Business for the students of the Ecological Economics and Environmental Ethics master’s program.

EHSAL

From December 13–17, 2006, Laszlo Zsolnai taught a crash course in business ethics at EHSAL in Brussels. The module of the course included “The Moral Economic Man,” “Stakeholder Theory of Business,” “Ethical Decision Making” and “Ethics in Competitive Markets.” Nearly 70 students enrolled in the course from Europe, Asia and Africa.

“Responsible Business” Block Seminar in Bergen

From August 25–31, 2007, the Norwegian School of Economics and Business Administration (NHH) conducted the CEMS Block Seminar in business ethics in Bergen. The title of the seminar was “Responsible Business.” Knut J. Ims (NHH) served as course director. Faculty included Ove D. Jakobsen (Bodø Graduate School of Business), Eleanor O’Higgins (University College Dublin), Lars Jacob Thynes Pedersen (NHH), Kristina Rolin (Helsinki School of Economics), Antonio Tencati (Bocconi University Milan), and Zsolt Boda and Laszlo Zsolnai (Corvinus University of Budapest). Zsolt Boda’s topic was “Global Responsibility of Multinationals,” while Laszlo Zsolnai lectured on “The Nature of Responsibility” and “Buddhist Economics.”
About Risks and Norms in Paris

On February 13, 2008, Zsolt Boda taught a module called “Risks and Norms” in the newly developed Science and Public Policy master’s program of the University Pierre and Marie Curie – Paris 6. The module presented concepts such as risk society, postmaterialistic values, the principle of responsibility, and the precautionary principle, as well as their relevance for policy making.

Bocconi Visiting Professorship

From March–June 2008, Laszlo Zsolnai was visiting professor at Bocconi University in Milan. Jointly with Antonio Tencati, he taught in the Environmental Management and the Corporate Social Responsibility master’s programs of Bocconi University.
Copenhagen Block Seminar

A CEMS Block Seminar in business ethics focusing on Corporate Social Responsibility was held from August 18–23, 2008, at Copenhagen Business School. The host was Steen Vallentin (Copenhagen Business School). Faculty included Aloy Soppe and Nel Hofstra (Erasmus University of Rotterdam) and Laszlo Zsolnai (Corvinus University of Budapest).

Laszlo Zsolnai lectured on the Costs and Benefits of Socially Responsible Business.

Balaton CEMS Block Seminar

An innovative CEMS Block Seminar entitled “The Future International Manager” was conducted by the Business Ethics Center from August 31–September 6, 2008, in Balatonszemes at Lake Balaton in Hungary. The seminar presented a fresh look at the desired professional profile of future international managers in different aspects of business. It also provided the students with a new vision of the roles and duties of management in the context of globalization.

Laszlo Zsolnai (Corvinus University of Budapest), served as course director. Faculty included Mary Ann Danowitz (Vienna University of Economics and Business Administration), Knut J. Ims (Norwegian School of Economics and Business Administration), Eleanor O’Higgins (University College Dublin and London School of Economics), Antonio Tencati (Bocconi University Milan), and Zsolt Boda and Andras Nemeslaki (Corvinus University of Budapest).

The program of the seminar was as follows:

- “Business as a Profession” (Laszlo Zsolnai, Corvinus University of Budapest)
- “Achieving Environmental Sustainability” (Antonio Tencati, Bocconi University Milan)
- “Developing Social Responsibility” (Laszlo Zsolnai, Corvinus University of Budapest)
- “Managing Gender and Diversity in Organizations” (Mary Ann Danowitz, Vienna University of Economics and Business Administration)
- “Reinventing Organizations with ICT” (Andras Nemeslaki, Corvinus University of Budapest)
- “Holistic Problem Solving” (Knut J. Ims, Norwegian School of Economics and Business Administration Bergen)
- “Cooperating with Social and Political Actors” (Zsolt Boda, Corvinus University of Budapest; and Eleanor O’Higgins, University College Dublin and London School of Economics)
- “Engaging in Progressive Entrepreneurship” (Antonio Tencati, Bocconi University Milan; and Laszlo Zsolnai, Corvinus University of Budapest)

Among other things, participants completed their own tentative versions of a managerial oath for the CEMS Master's Program in International Management.

Lake Balaton, Hungary
Teaching in Bodø

In October 2008 Zsolt Boda was invited to the Bodø Graduate School of Business, Norway, by Ove Jakobsen, head of the Center for Ecological Economics and Ethics. Zsolt Boda gave a lecture about the role of civil society organizations in promoting responsible corporate behavior as part of the Philosophy, Ethics and Environment course for graduate students.
From 2004–2008 members of the Business Ethics Center made numerous presentations at scientific conferences. The most important presentations are as follows:

**Corporate Social Responsibility Across Europe**


*Corporate Social Responsibility Across Europe* is the first volume of its kind to bring together 23 national perspectives on this issue. The book provides a comprehensive and structured survey of CSR developments and progress at national levels. An overview and analysis is provided for each country. Topics addressed include business and societal mindsets in different cultural settings, national drivers for the current development of CSR, and future prospects for the individual countries. Furthermore, it contains three comprehensive pan-European analyses. The chapters also contain practical information and references to the Internet, as well as relevant printed literature, in order to support further research and stimulate business activities in this field.
ETHICOMP Conference

Laszlo Fekete participated in the Seventh ETHICOMP Conference held from April 14–16, 2004, at the University of the Aegean in Syros, Greece.

According to Fekete’s presented paper, “The Ethics of Economic Interactions in the Global Network Economy,” while a transformation in the rules of economic interactions in the global network economy certainly exists, it does not follow a clear path toward fair, cooperative and consensual agreements or trust-based relationships as imagined by the contractarian or communitarian advocates of the new economy. Briefly, the new rules are based on neither the communitarian virtue of trust nor on fair contracts between equal, cooperative, self-interested and informed parties. The new rules of economic interaction represent a brand of corporative “private legislation” that usually interferes with the interests and general welfare of clients, customers or consumers. So the contemporary contracts of the network economy are not reminiscent of agreements based on the cooperation of free, equal individuals who follow their values and self-interest, during which they take into consideration the increase of one another’s well-being as well as the mutual sharing of benefits and risks. This does not overthrow the validity of the philosophical, moral-philosophical and economic arguments brought up to support the contractual coordination of economic interactions. On the contrary! On the basis of the current setback in the development of the network economy, we could rather conclude that the business model, which is trying to expropriate the positive externalities of the network effect with legal and technical means, leads to a general decrease in social welfare. So this model of the new economy not only violates rights and contradicts moral principles, but it cannot be maintained in the long run from an economic point of view, either.
Transatlantic Business Ethics Conference in Barcelona

The *Transatlantic Business Ethics Conference Series* was initiated by the Business Ethics Center in 2000. The first Transatlantic Summit was organized in Budapest in September 2000, while the second was held in September 2002 at Georgetown University in Washington, D.C. The third one, entitled “Redefining Success in Business,” was held at *ESADE Business School* in Barcelona from October 1–3, 2004.

The conference was opened by the dean of ESADE, *Xavier Mendoza*, followed by *Josep M. Lozano* (ESADE), *Laszlo Zsolnai* (Corvinus University of Budapest), and George *Brenkert* (Georgetown University), who presented their reflections on the importance of the transatlantic dialogue.

Laszlo Zsolnai gave a lecture in the conference entitled “Succeeding Together: Business Performance in Multiple Value Perspective”.

Lecturing on Buddhist Economics in Leuven

Invited by the *Catholic University of Leuven*, the *University of Gent* and the *Flemish Business Ethics Network*, Laszlo Zsolnai gave a public lecture on Buddhist economics on October 20, 2004, in Leuven, Belgium. The lecture was opened by Professor *M. Vervenne*, vice-rector of the Catholic University of Leuven. In his lecture, Laszlo Zsolnai argued that the
principles of Buddhist economics could be applied in any economic setting. As an alternative to mainstream Western economics, Buddhist economics is rational, ethical, and ecological. It is an authentic way to reach happiness, peace and permanence.

Luc Van Liedekerke, professor at the Center for Economics and Ethics of the Catholic University of Leuven; Sigrid Hettinga, representing the Bodyshop Benelux; and Marc Bontemps, the director of Ethibel, all reflected on Laszlo Zsolnai’s presentation.

Laszlo Zsolnai’s ideas were well received. The most important Belgian newspapers published reports on the event. De Standard published a long interview with Laszlo Zsolnai entitled “Buddha as Economist.”

European SPES Forum

Initiated by Luk Bouckaert (Catholic University of Leuven), Laszlo Zsolnai (Corvinus University of Budapest) and Vincent Triest (Centre d’Action pour un Personnalisme Pluraliste), the founding meeting of the European SPES Forum was held from October 22–23, 2004, in Leuven. SPES is an acronym for “Spirituality in Economic and Social Life.” The Forum aims to promote spiritual and ethical reflection on the economy and society in Europe.

In the meeting the following papers were presented:

- Luk Bouckaert (Catholic University of Leuven): “Spirituality as a Public Affair”
- Laszlo Zsolnai (Corvinus University of Budapest): “Spirituality and Ethics”
- Peter Pruzan (Copenhagen Business School): “Spirituality and Leadership”
- Josep M. Lozano (ESADE Business School Barcelona): “Spirituality in Management”

The European SPES Forum organizes conferences on spirituality and globalization, and on spirituality in business (www.europespes.be).
Lecture at CNAM, Paris

Laszlo Zsolnai gave a lecture for a symposium devoted to the normative aspects of stakeholder theory, organized by Yvon Pesqueux at the Conservatoire National des Arts and Métiers (C.N.A.M.), on November 26, 2004, in Paris. Other speakers were Pierre Kletz (I.A.E. Tours), Jacob Dahl Rendtorff (Rosdilke’s University) and François Lepineux (INSEAD). Laszlo Zsolnai argued that nature, society and future generations should be included among the stakeholders of business. The extended stakeholder framework calls for a radical transformation of business into a sustainable, prosocial, and future-enhancing endeavor. In this way, business can regain its legitimacy in a world of ecological degradation and human disintegration.

Lecture in Leiden


NHH Bergen

On January 25, 2005, Laszlo Zsolnai and Knut J. Ims gave a joint lecture at the Norwegian School of Economic and Business Administration (NHH) in Bergen, Norway. They presented the main points of their book Business within Limits: Deep Ecology and Buddhist Economics.

On Buddhism in Brussels

On March 9, 2005, Laszlo Zsolnai presented a lecture on “Buddhist Economics and Business Ethics” at EHSAL – European University College in Brussels, Belgium. He explained the ecological, social and ethical implications of taking a Buddhist point of view in economics.
Water Privatization in Europe

Zsolt Boda gave a presentation about Hungarian water privatization at a conference conducted by the Association of Austrian Cities and Towns and the Chamber of Labour for Vienna on March 9, 2005. Participants inquired about the sustainability implications of water privatization – a phenomenon which is on the rise in the EU. The majority of the participants argued that water provision is a public service that cannot be secured more efficiently by the market than by community-owned water utilities. Zsolt Boda is a member of an international research project, launched by the UN Research Institute for Social Development, on the social effects of water privatization. A number of case studies from Europe, Latin America and Asia is used to investigate whether water privatization is beneficial to the poor, and what kinds of social policies might ensure that poor people not be disadvantaged by the commodification of water. It is well known that water privatization is promoted by the World Bank and also by the European Union through the GATS agreement of the World Trade Organization. However, the social benefits and costs of water privatization have not been systematically studied so far.

Presentation in Bodø

On October 13, 2005, the opening conference of the Center for Ecological Economics and Ethics at the Bodø Graduate School of Business took place in Bodø, Norway. Laszlo Zsolnai and Knut J. Ims were invited to present their book Business within Limits: Deep Ecology and Buddhist Economics. They reflected on the theory of Norwegian eco-philosopher Arne Naess for renewing economics on the basis of ecology and ethics.

On the Limits of Business in Gent

On March 15, 2006, the Flemish Business Ethics Network held an open debate at the University of Gent on the book Business within Limits: Deep Ecology and Buddhist Economics (edited by Laszlo Zsolnai and Knut J. Ims, 2006. Peter Lang, Oxford). Laszlo Zsolnai’s presentation was followed with reflections by Frans de Clerck (Triodos Bank), and Win Vandekerckhove (University of Gent) and Professor Balu (University of Gent).
Globalization from Christian and Buddhist Perspectives

On March 24, 2006, the University of Antwerp held an open debate on Globalization from Christian and Buddhist Perspectives. Johan Verstraeten from the Theology Department of the Catholic University of Leuven presented the Christian view, while Laszlo Zsolnai presented a Buddhist approach. There was a consensus that globalization needs ethical and environmental constraints for a more human and sustainable future.

Green Economics Conference in Oxford

On April 8, 2006 the First International Green Economics conference was held in Oxford at Mansfield College. As invited speaker, Laszlo Zsolnai presented a paper on “Redefining Economic Reason,” in which he argued for the reinterpretation of economic rationality in the light of ecological, social and future generations values.

On Responsible Competitiveness in Milan

From June 22–23, 2006, the Eni Enrico Mattei Foundation held its conference on “The Potential of CSR to Support the Implementation of the EU Lisbon Strategy” in Milan.

As one of the keynote speakers, Laszlo Zsolnai presented his paper on “Responsible Competitiveness.” He argued that the key to sustainable competitive advantage of companies is the “fittingness” in the ecological, social and cultural context in which they operate and their ability to serve multiple stakeholders in a nonsubstitutable way.
INSEAD Workshop

From September 17–18, 2006, Henri-Claude de Bettignies and Francois Lépinux offered an international workshop on “Globalization and the Common Good” at INSEAD, in Fontainebleau, France. Zsolt Boda and Laszlo Zsolnai were among the invited participants. Zsolt Boda presented his paper “Can Governance Structures and Civil–Corporate Partnership Manage the Global Commons?” while Laszlo Zsolnai lectured on “Nature, Society and Future Generations.”

Shanghai

Transatlantic Business Ethics Conference at the Wharton School

The Fourth Transatlantic Business Ethics Conference was organized by Thomas Dunfee and Thomas Donaldson at the Wharton School, University of Pennsylvania, in Philadelphia and held from October 5–7, 2006. A joint paper by Antonio Tencati and Laszlo Zsolnai on “The Collaborative Enterprise” was presented during the conference.

Leuven


On Corporations, Knowledge, and Society in Krakow

Laszlo Fekete participated in “The Role of Large Enterprises in Democracy and Society” conference jointly organized by the Observatoire de la Finance and Jagello University and held from October 26–27, 2007, in Krakow, Poland. In his paper “Corporations, Knowledge, and Society” he warned that while R&D spending is declining in both the state and corporate sectors in most European countries, sustainable development will require substantial investment in new knowledge generation.
CSR Conference in Nottingham

Zsuzsanna Gyori attended the CORE Conference III entitled “The Potential of CSR to Drive Integration in an Enlarged EU” at the Nottingham University Business School from June 18–19, 2008. She presented the Hungarian results of UNDP CSR 2007 research. It was a useful opportunity to discuss the situation of CSR in different countries as the Polish, Turkish and Slovakian research groups also joined the conference.

Lecturing on International Justice


Transatlantic Business Ethics Conference in Milan

The Fifth TransAtlantic Business Ethics Conference entitled “Business Ethics and Corporate Sustainability” was organized by Francesco Perrini and Antonio Tencati and held at the SDA Bocconi School of Management in Milan from October 3–4, 2008, in Milan. During the conference Laszlo Zsolnai presented his book project on “Just War – Just Business (An Inquiry into the Conditions of Legitimacy of Companies).” He suggested that the Just War theory provides an excellent methodological device for determining the conditions of legitimacy of companies.

The Just War theory promotes the view that a specific war is just if satisfactory conditions are met. The Just War tradition addresses the morality of the use of force in two parts: when it is right to resort to armed force (the concern of “jus ad bellum”) and what is acceptable in using such force (the concern of “jus in bello”). In more recent years, a third category – “jus post bellum” – has been added, which governs the justice of war termination and peace agreements, as well as the trying of war criminals.
Just War theory has different sets of criteria: the first establishing the right to go to war (“jus ad bellum”), the second establishing the right conduct within war (“jus in bello”), and the third establishing justice concerning the results of war (“jus post bellum”).

According to Zsolnai, in business ethics we can make analogous distinctions. A specific company can be considered just if the company's activities are substantively right, procedurally fair, and bring justice to the company ecosystem.

To be substantively right the company activities should be ecological, future respecting and prosocial. This means that (1) company activities do not harm nature or allow others to come to harm, (2) company activities do not violate the interests of future generations, and (3) company activities serve enabling people.

To be procedurally fair the company activities should treat all the stakeholders in a fair way. This means that (1) company activities ensure a decent livelihood for workers, (2) company activities provide customers with real values, (3) company activities practice fair trade with suppliers, and (4) company activities establish collaboration with local communities.

Bringing justice to the company ecosystem means that (1) the company pays the necessary contribution to the public good, (2) company activities provide transparency, and (3) the fruits of the company activities are distributed equitably.

If the company's activities are substantively right, procedurally fair and bring justice to the company ecosystem, then the specific company gains strong legitimacy. This means that the company's raison d'être, the company’s operations as well as the company's end results, are morally justifiable.
On Frugality

_Laszlo Zsolnai_ and _Knut J. Ims_ were keynote speakers in the Sustainable Consumption Conference on October 8, 2008, at the _Corvinus University of Budapest_. They presented the ecological, ethical and economic case for frugality, and argued that reducing the scale of the economy is necessary for achieving ecological sustainability.
The Business Ethics Center engaged in diverse research and publication projects from 2004–2008.

Frontiers of Business Ethics

In 2005 Peter Lang Academic Publishers launched a book series in Oxford under the title “Frontiers of Business Ethics.” Laszlo Zsolnai serves as editor for the series. The series is dedicated to alternative approaches that go beyond the literature of conventional business ethics and corporate social responsibility. It aims to promote a new ethical model for transforming business into humanistic, sustainable and peaceful forms. The series publishes monographs and edited volumes with fresh ideas and breakthrough conceptions relevant to scholars and practitioners alike.

Five volumes have thus far been published in the series:

Volume I

Volume II

Volume III

Volume IV

Volume V
Ethical Prospects

In 2008 the Business Ethics Center launched its annual publication *Ethical Prospects: Economy, Society, and Environment* published by Springer.

Ethical Prospects aims to present and summarize new perspectives and leading-edge results in ethics reflecting on interconnected economic, social and environmental issues. The periodical reports on innovative practices and policy reforms and provides a forum for discussion about groundbreaking theories. The main function of the periodical is to present ideas and initiatives that lead toward responsible business practices, policies for the common good and ecological sustainability. It seeks to form a value-community of scholars, practitioners and policymakers engaged in genuine ethics in business, environmental management, and public policy.

Editor-in-chief is Laszlo Zsolnai; associate editors are Zsolt Boda and Laszlo Fekete.

International Advisory Board includes Robert E. Allinson (Soka University of America), Luk Bouckaert (Catholic University of Leuven), Jane Collier (University of Cambridge), Georges Enderle (University of Notre Dame), Edwin M. Epstein (University of California at Berkeley), Wojciech W. Gasparski (Leon Kozminski Academy of Entrepreneurship & Management, Warsaw), Knut J. Ims (Norwegian School of Economics & Business Administration, Bergen), Alpar Losoncz (University of Novy Sad), Josep M. Lozano (ESADE Business School Barcelona), Yvon Pesqueux (CNAM Paris), Peter Ulrich (University of St. Gallen) and Stefano Zamagni (University of Bologna).

The contents of Ethical Prospect 2008 are as follows:

Part 1 – New Perspectives and Findings

- Edwin M. Epstein (University of California, Berkeley): “The Good Company”
- Imre Ungvári Zrínyi (Babeș Bolyai University): “Dialogic Ethics for Business”
• Eleanor O’Higgins (University College Dublin & London School of Economics) and Yvon Pesqueux (CNAM Paris): “Management Education – A Path to Business Integrity?”
• Robert Elliott Allinson (Soka University of America): “Value Creation as the Foundation of Economics”
• Laszlo Zsolnai (Corvinus University of Budapest): “Buddhist Economics for Business”

• Laura Albareda and Josep Maria Lozano (ESADE Business School), Antonio Tencati and Francesco Perrini (Bocconi University Milan) and Atle Midttun (Norwegian School of Management): “The Role of Government in Corporate Social Responsibility”
• Frank Dixon (New York): “Sustainable Systems Implementation”
• Laszlo Fekete (Corvinus University of Budapest): “Public versus Private Domain: Knowledge and Information in the Global Communications Network”
• James Robertson (Oxford): “Changing the Scoring System for the Game of Economic Life”
• Frans de Clerck (Triodos Bank): “Ethical Banking”

Part 3 – Opinions: The Challenge of Future Generations
• Benedek Javor (Vedegylet, Budapest): “A Speechless Mass Behind Sustainability”
• Paula Tiithonen (The Parliament of Finland): “The Right of Future Generations”
• Laura Nash (Cambridge, Mass.): “The Legacy of Business Leaders”
• J.M. Sampath (Arpitha Associates, Bangalore): “Enhancing the Quality of our Decisions for Nurturing a Sustainable World”
Part 4 – Debate: Republican Liberalism versus Market Liberalism

- Peter Ulrich (University of St. Gallen): “Republican Liberalism versus Market Liberalism”
- Stephen B. Young (The Caux Round Table, New York): “Comments on Peter Ulrich’s ‘Republican Liberalism versus Market Liberalism’”
- Jean-Pierre Galavielle (Sorbonne, Paris): “Who Can Civilize the Market?”
- Alpar Losoncz (University of Novy Sad): “Is Ethics Integral?”
- Gerhold K. Becker (Assumption University Bangkok & Hong Kong Baptist University): “Which Role for Business Ethics? Some Reflections on Peter Ulrich’s Statement”
- Peter Ulrich (University of St. Gallen): “Reply: Republican Liberalism and its Implications for Business Ethics”

The Future International Manager

Initiated by Laszlo Zsolnai, different faculty groups of the Community of European Management Schools (CEMS) engaged in a joint project entitled “The Future International Manager.” The project aims to develop the desired professional profile of future international managers. According to our definition the future international manager

- is a reflexive practitioner,
- is committed to environmental sustainability,
- exercises social responsibility,
- works with sensitivity toward gender and diversity issues,
- harmonizes information and communication technologies with processes and organizational culture,
- applies holistic perspective in problem solving,
- cooperates with social and political actors,
- is engaged in progressive entrepreneurship.
The planned contents of the book are as follows:

1) “International Manager as Reflective Practitioner”  
Sven Junghagen (Copenhagen Business School)

2) “Achieving Environmental Sustainability”  
Antonio Tencati and Stefano Pogutz, Bocconi University Milan; and  
Carlos Romero, EGADE Mexico

3) “Developing Social Responsibility”  
Steen Vallentin and Mette Morsing, Copenhagen Business School

4) “Managing Gender and Diversity in Organizations”  
Mary Ann Danowitz, Edeltraud Hanappi-Egger and Roswitha  
Hofmann, Vienna University of Economics and Business Administration

5) “Reinventing Organizations with Information and Communication Technologies”  
Paola Bielli, Bocconi University Milan; and Andras Nemeslaki,  
Corvinus University of Budapest

6) “Holistic Problem Solving”  
Knut Ims, Norwegian School of Economics and Business Administration – Bergen; and Laszlo Zsolnai, Corvinus University of Budapest

7) “Cooperating with Social and Political Actors”  
Zsolt Boda, Corvinus University of Budapest; Eleanor O’Higgins,  
University College Dublin and London School of Economics; and  
Kuno Schedler, University of St. Gallen

8) “Engaging in Progressive Entrepreneurship”  
Antonio Tencati and Francesco Perrini, Bocconi University Milan;  
Nel Hofstra, Erasmus University Rotterdam; and Laszlo Zsolnai,  
Corvinus University of Budapest

The book is coming out in 2009 by Palgrave.
Accounting for Future Generations

The Business Ethics Center plans to develop a future-generations accounting model. The position of future generations in a country is considered as a systemic, multidimensional phenomenon, which can be measured by a variety of indicators. We intend to use the four capital model of the economy to generate indicators for measuring the position of future generations. In this view the state of human capital, cultural capital, natural capital and financial capital together determine the fate of future generations.

We will define indicators, which show the position of future generations in Hungary in different dimensions. For example, dependency ratio, investment in R&D, ecological sustainability, and indebtedness of the state. The constructed future-generations accounting model and related qualitative analyses can give a solid basis for creating policies aimed at improving the position of future generations in Hungary and enhancing the future of the country itself.

Legal, Economic, and Cultural Barriers in the Development and Accessibility of the Global Communications Networks in Hungary

In 2007 the Business Ethics Center launched a new research project led by Laszlo Fekete that studies and analyzes the meaning of the information society and knowledge-based economy in the current development of information and communications networks in Hungary from economic, social, cultural and ethical points of view. The members of the research team believe that the oligopolistic market, the business policies and practices of the Hungarian information and communications service providers, including their pricing strategies, as well as the ineffective regulation, legislation, and public and private underinvestment in education, innovation and R&D delay the development of the information society and knowledge-based economy.
The comparative analyses based on the international statistics about the performances of the information and communications sector show that the development of information and telecommunications networks in Hungary lags behind in terms of space of expansion, size and cover, technology, services, and utilization. However, Hungary invests a lot in information and communications networks, services and technologies; the direct investment in information and communications infrastructure, technologies and equipment has hit 5.4–5.7 percent of GDP in the last few years. Even if the flow of investment capital into the information and telecommunications sector is quite considerable, the growing utilization of the new information and communications technologies has contributed in a measurable manner to neither labor productivity growth nor total factor productivity growth (TFP) in Hungary during the last decade. Briefly, the country cannot keep pace with the development of the member states of the European Union in creating the information society and knowledge-based economy.

The aims of the research project are (1) to study the information and communications policy of the European Union in order to promote the development of the information society and knowledge-based economy; (2) to analyze the relationship between the directives and guidelines of the European Union and their implementations in Hungary; (3) to investigate the business policies and practices of the Hungarian information and communications service providers and their business relationships with their clients; (4) to verify and to present a comprehensive view of the main economic, social, and cultural obstacles to the development of the information society and knowledge-based economy in Hungary.

**Ethics as Competitive Advantage**

Led by Laszlo Zsolnai, the Business Ethics Center started a research project in 2008 that aims to study the costs and benefits of socially responsible behavior in business in a Hungarian context.

The project is inspired by Robert Frank (Cornell University), whose book *What Price the Moral High Ground?* (2004, Princeton University Press) represents a real breakthrough in business ethics literature because it treats
ethics as an endogenous factor in economic life. Moral considerations are not externally forced upon economic agents but internally chosen (or not chosen) by them.

Frank challenges the central view of our era that competitive pressure makes it naïve to expect that people (and organizations) restrain themselves for the common good. Both economic theory and evolutionary theory suggest that human agents are willing to make sacrifices for the common good only if society confronts them with significant penalties. Using both empirical and theoretical results, Frank shows the emergence of prosocial behavior independently of external rewards and sanctions.

One of the main arguments developed by Frank is that people who are intrinsically motivated to adhere to ethical norms often prosper in competitive environments. It is a paradoxical phenomenon that people can often promote their own narrow ends more effectively by abandoning the direct pursuit of self-interest.

According to Frank there is a closer link between rationality and morality than many economists believe. A rational individual will often be unlikely to achieve his or her material ends if the moral emotions are missing from his or her character. An interesting collarary is that the ultimate victims of opportunistic behavior are often those people who practice it.

Frank also shows that socially responsible firms can survive in a competitive environment because social responsibility can bring substantial benefits for firms. So it might be a good business to sacrifice in the name of ethical concerns. And inversely, those who are performing dirty jobs should be compensated monetarily. There is a wage premium for morally suspect tasks. Frank argues that human behavior is highly context dependent and for this reason it matters a lot how we structure the environments in which people and organizations function. Good behavior is contagious, but so, too, is bad behavior.

Ethics involves higher costs but also brings special benefits. Major benefits of ethics in business include (i) opportunistic behavior can be avoided between owners and managers, (ii) getting moral satisfaction employees are ready to work more for less salary, (iii) high quality new employees
can be recruited, (iv) customers’ loyalty can be gained, and (v) the trust of subcontractors can be established. So firms are compensated for the higher costs of their social responsible behavior by their ability to form commitments among owners, managers and employees and to establish trust relationships with customers and subcontractors.

In our study we select 25–30 values-oriented enterprises operating in Hungary and test their experiences on whether responsible behavior gets rewarded in the categories predicted by Robert Frank. Also we would like to clarify underlying conditions within which the beneficial effects of ethics may work for companies.
Since 2003, the Business Ethics Center and its members have published 10 books and more than 50 papers. Thirty-four articles and media presentations have appeared about us. Our most important publications include the following:

**Ethics in the Economy**

In January 2004, the second printing of *Ethics in the Economy: Handbook of Business Ethics* (ed. by Laszlo Zsolnai, Peter Lang Academic Publishers) was released in Oxford. The book has been used in various academic settings including Oxford University, Erasmus University Rotterdam, Helsinki School of Economics, Copenhagen Business School, University College Dublin, Loyola University Chicago and Corvinus University of Budapest. The third printing of the book was released in 2007.

**Spirituality and Ethics in Management**

In August 2004 the book *Spirituality and Ethics in Management*, edited by Laszlo Zsolnai, was published (2004. Kluwer Academic Publishers. Dordrecht–Boston–London). The book is a collection of scholarly papers focusing on the role of spirituality and ethics in renewing the contemporary management praxis. The basic argument is that a more inclusive, holistic and peaceful approach to management is needed if business and political leaders are to uplift the environmentally degrading and socially disintegrating world of our age.

The book uses diverse value-perspectives (Hindu, Catholic, Buddhist, and Humanist) and a variety of disciplines (philosophy, ethics, management studies, psychology, and organizational sciences) to extend traditional reflections on corporate purpose and focuses on a self-referential organizational-existential search for meaning, identity and success.
The contents of the book are as follows:

- **Laszlo Zsolnai** (Budapest University of Economic Sciences): “Spirituality in Management”

**Part 1 – Spirituality: East & West**

- **Peter Pruzan** (Copenhagen Business School): “Spirituality as the Context for Leadership”
- **S. K. Chakraborty** (Indian Institute of Management Calcutta): “Spirit-centered, Rajarshi Leadership”
- **Luk Bouckaert** (Catholic University of Leuven): “Spirituality and Economic Democracy”

**Part 2 – Philosophical Approaches**

- **Robert Allinson** (Chinese University of Hong Kong): “The Birth of Spiritual Economics”
- **Alpár Losoncz** (University of Novy Sad): “Spiritual Motivation in Management”
- **Imre Lazar** (Semmelweis Medical School, Budapest): “Spirituality and Human Ecosystems”
- **Ole Fogh Kirkeby** (Copenhagen Business School): “Loyalty and the Sense of Place”
- **Kerry Cochrane** (University of Sydney): “Learning and Spirituality”

**Part 3 – Integrating Spirituality and Management**

- **Wojciech W. Gasparski** (Polish Academy of Sciences): “Beyond the Prose of Business”
- **Tibor Héjj** (Proactive Management Consulting): “The Economy of Sharing”
- **Mike Thompson** (The Good Brand Works, London): “Spirituality as Faith in Relation to Management”
- **Yazdi Jehangir Bankwala** (Singapore): “Organizational Transformation through Human Values”
- **William Miller** (Global Dharma Center, USA & India): “Spiritually-Based Leadership”
Part 4 – Prospects for the Future

Josep M. Lozano and Raimon Ribera (ESADE, Barcelona): “A New Chance for Management, A New Challenge for Spirituality”

The Webpage for the book is http://www.wkap.nl/prod/b/1-4020-2364-2

Journal of Business Ethics Special Issue


Global Ecopolitics


The market is undeniably expanding globally. It occupies more and more physical as well as social space. It has a growing role in coordinating social subsystems, and providing the environmental goods as well. Therefore, from an environmental point of view a crucial question is what will be the dynamics of the global market, and what rules and institutions will regulate the market players in order to promote social and environmental sustainability?

These rules should be worked out and implemented through a political process. Interstate cooperation and international organizations are in principle able to modify the rules of the game of the global market.
However, the institutional fabric of global governance is still weak, and progressive government policies are often paralyzed by a lack of cooperation from other governments.

Therefore, if in principle politics should lead the global transformation process into a sustainable world, in practice, civil society may have a greater ability to move global ecopolitics forward. The structural role of civil society in promoting a sustainable economy is certainly of great, and still growing, importance.

*The table of contents of the book is as follows:*

**Introduction** – The Crisis of Global Commons and the Challenge of Global Governance

**Part 1 – The Global Market**
1) The “Green” Market
2) The Ecological Effects of Globalization
3) Property Rights over Biological Diversity
4) The Markets of Climate and Water

**Part 2 – Global Politics**
5) States in International Environmental Politics
6) International Environmental Cooperation
7) The North–South Divide and the Ideologies of Global Governance
8) The Free Trade Regime and the Environment

**Part 3 – The Global Society**
9) The Global Civil Society
10) NGOs in Global Environmental Governance
11) From the Local to the Global and Back
12) Conclusion
Ethics Today

The “Tankonyvkiado” Publishing House published the *Ethics Today* book (ed. by Laszlo Fekete, 2004, Budapest), which provides an overview of the current ethical problems in the contexts of economy, politics, the state and its citizens, communications, scientific knowledge, technical culture and the environment.

The main insight behind the book is that the growing interest in ethical issues reflects not only the new types of social conflicts in our global society but also the process of the political and ethical emancipation of the individual. In this new situation the individual, and smaller or larger groups of individuals, has managed quite successfully, beginning in the 1960s, to question the conventional ethical principles and to accept the legitimacy of this manner of moral dissent. In fact, these stances in moral dissent demonstrate the pressing need for the re-moralization of human life.

The need for the re-moralization of life in our society has led to the renewal of moral philosophical reflection, especially of applied or normative ethics, since the 1960s. This re-emergence of moral philosophical reflection raises issues unknown to previous generations and moral philosophers of the past. In addition, twentieth-century philosophical ethics, or meta-ethics, has quite successfully freed itself from theological and metaphysical, as well as practical and moral, questions regarded as “naturalistic fallacy.” If philosophical ethics sometimes endeavored to set a clear measure of human conduct, its conclusions turned out to be, as G.E. Moore went on to admit, “trivial and insignificant.” In addition, it left the outside world, which endangered the moral integrity of the person, unexamined. The established ethical principles seem wholly inadequate to counter the continuous onslaught of political coercion, the destructive effects of political ideologies and hedonistic economy doctrines on human conduct, and the massive technical and technological control over everyday life. But faced with these challenges, we are not entirely powerless. In this new context, we have to search for ethical values that work as common measures for our actions. They must be worked out in free and reasoned deliberations and based, as Rawls stated, on a reasonable, overlapping consensus.
The authors of the book intended to provide a critical overview of the current trends in bioethics, science, research and technology ethics, business ethics, the ethics of information and communications, environmental ethics, public sector and government ethics, international ethics, and political ethics. The quest for ultimate ethical principles was not the intention of the authors. They rather wanted to simply call attention to the fact that our convictions, commitments, moral attitudes and values should always be critically reconsidered.

The content of the book is as follows:

- Laszlo Fekete (Corvinus University of Budapest, Business Ethics Center), Introduction
- Gabor Toronyai (Corvinus University of Budapest, Department of Philosophy), “At the Edge of Morality and Politics: Personal Responsibility in the Construction of the Outside World”
- Laszlo Zsolnai (Corvinus University of Budapest, Business Ethics Center), “Economic Ethics”
- Gyula Gulyas (Corvinus University of Budapest, Department of Public Service), “The Ethics of Public Administration”
- Zsolt Boda (Corvinus University of Budapest, Business Ethics Center), “The Ethics of International Relations”
- Laszlo Fekete (Corvinus University of Budapest, Business Ethics Center), “The Freedom of Expression and the Ethics of Communications”
- Laszlo Harsing (University of Miskolc, Department of Philosophy), “The Ethics of Scientific Research”
- Jozsef Kovacs (Semmelweis Medical School, Institute of Behavioral Sciences), “Bioethics”
- Laszlo Molnar (Technical University of Budapest, Department of the History of Technics), “Environmental Ethics”
- Laszlo Ropolyi (Loránd Eötvös University, Department of the Philosophy and the History of Science), “Ethics and Technics”
The Morality of Economic Man

In his paper “The Morality of Economic Man” (European Business Review, 2004. No. 4, pp. 449–454), Laszlo Zsolnai argues that economic behavior is multifaceted and context-dependent. Economic behavior is co-determined by utility calculations and moral considerations. Two major factors can explain the ethicality of economic behavior; namely, the moral character of the agents and the relative cost of ethical behavior. Economic agents are moral beings, but the ethical fabric of the economy determines which face of the Moral Economic Man predominates. Collective belief in the ethical norms, pro-socialness of agents, high cost of transgression, as well as transparency and accountability, are all major conditions for the proper functioning of the Moral Economic Man.

Ethics Matters

The Internet journal Ethics Matters, edited by the Center for Business Ethics of Bentley College in the USA, published Laszlo Zsolnai’s article “Genuine Business Ethics” (Ethics Matters, 2004 August). The author demonstrates that the mere opportunistic use of ethics in business is necessarily counter-productive and causes more harm than good.

Honesty and Trust

The paper “Honesty and Trust in Economic Relationships” by Laszlo Zsolnai in Management Research News (2004. No. 7, pp. 57–62) is a summary of his research project, which was part of the international research program “Honesty and Trust in the Light of Post-Socialist Transition” led by Janos Kornai at Collegium Budapest.

Laszlo Zsolnai’s departure point is the observation that trust is not a homogeneous phenomenon. In economic relationships, different trust structures are at work, including distrust, negative trust and the absence of trust. Perceived honesty and competence co-determine the trust structures the agents might have when interacting with others. Trust
structures influence the way agents are engaged in economic relationships. Honesty and competence should be developed to improve trust structures in economic relationships. Ethics is not a luxury; it is an indispensable means to fostering economic development.

**Alternative Globalization Strategies**

The *CEMS Business Ethics Group* produced a joint article on alternative globalization strategies entitled “Globalization and the Community” (*European Business Forum*, Autumn 2004, pp. 23–24. Laszlo Zsolnai with Zsolt Boda, Tomasz Dolegowski, Knut Ims, Josep Lozano, Eleanor O’Higgins and Antonio Tencati). They argue that if business follows the unhindered “market fundamentalist” type of globalization it could lose its legitimacy. It is better for global business to enter into an open dialogue with the global civil society and try to develop a cooperative strategy. Alternative globalization strategies can produce real progress. Companies and their stakeholders can win in a meaningful way. Only those companies that take the social and environmental challenges of globalization seriously, and are able to develop their strategies creatively and responsibly, will survive and secure future legitimacy.

**Business within Limits**


The book explores the Deep Ecology perspective and Buddhist Economics for transforming business toward a more ecological and human form. Business is an existential enterprise because its decisions and policies greatly influence the fate and survival of nature, society and future generations. Ecology and ethics provide limits for business within which business is legitimate and productive. By transgressing ecological and ethical limits business activities become destructive and self-defeating.
The ideas of Deep Ecology and Buddhist Economics are strongly correlated. The Deep Ecology perspective implies simplicity and nonviolence in lifestyle and production, while Buddhist Economics presupposes that nature and humanity are inseparable and both have intrinsic worth.

Today’s business model is based on and cultivates narrow self-centeredness. Both Deep Ecology and Buddhist Economics point out that emphasizing individuality and promoting the greatest fulfillment of the desires of the individual conjointly lead to destruction. We each need to find our greater Self, which is more inclusive and all encompassing than the identities standard approaches permit. Happiness is linked to wholeness, not to personal wealth. We need to find new ways of doing business, ways that respect the ecological and ethical limits of business activities. Acting within limits provides the hope and promise of contributing to the preservation and enrichment of the world.

The book is a product of the collaboration of 12 scholars from four continents.

The contents of the book are as follows:

Part 1 – Deep Ecology and the Buddhist Perspective
1) Knut J. Ims (Norwegian School of Economics and Business Administration) and Laszlo Zsolnai (Corvinus University of Budapest): “Shallow Success and Deep Failure”
2) Richard Welford (Hong Kong University): “Tackling Greed and Achieving Sustainable Development”

Part 2 – The Limits of Business
3) Ove Jacobsen and Stig Ingebrigtsen (University of Bodø): “Economics and Culture”
5) Peter Daniels (Griffith University, Brisbane): “Reducing Society’s Metabolism”
6) Nel Hofstra and Aloy Soppe (Erasmus University Rotterdam): “Finance as if Nature Mattered”
7) Zsolt Boda (Corvinus University of Budapest): “Respecting the Commons”

Part 3 – New Models of Economizing

8) Julie Nelson (Tufts University, Boston): “The Relational Firm: A Feminist Analysis”

9) Knut J. Ims (Norwegian School of Economics and Business Administration): “Take it Personally”

10) Mike Bell (Inukshuk Management, Canada): “Toward an Ecology of Spirit”

11) Laszlo Zsolnai (Corvinus University of Budapest): “Ethical Business”


Business Ethics as Critical Thinking

An article by Zsolt Boda with the above title was published in Ethics Matters (March 2005), the online magazine of the Center for Business Ethics, Bentley College, Boston. The article argues that business ethics as a discipline and as a practice may have several different functions. It interprets (describes) reality from its particular point of view, but it obviously also has a normative role to guide corporate behavior. It may also have the therapeutic function of healing ill organizations. However, we should not forget about its critical function, either, because business ethics must highlight the moral problems of today’s business. Without a critical component, business ethics may degenerate into an empty apology of business life.
Dutch Book on Ethics and Spirituality in Economics

The book *How Free is the Market without (Spiritual) Boundaries?* was published in Dutch in May 2005 in Antwerp, Belgium (“Hoe vrij is de markt zonder (spirituele) grenzen?” Suzan Langenberg & Kim Vanderkerckckhove (eds), 2005. Garant, Antverpen–Apeldoorn). The book contains Laszlo Zsolnai’s 2004 Leuven lectures and the reflections on them by professors from Catholic University of Leuven, University of Gent, and Tillburg University.


On Russell Hardin

*Laszlo Zsolnai* published a review article entitled “The Rationality of Trust” on Russell Hardin’s seminal book *Trust and Trustworthiness* (International Journal of Social Economics 2005. No. 3, pp. 268–269.) Zsolnai argues that Hardin’s theory should be enlarged, holding that the rational basis of trust is not only interest but can also be duty or love.

Limits to Privatization: How to Avoid too Much of a Good Thing

This is the title of a book edited by Ernst Ulrich von Weizsäcker and his colleagues, which was accepted as a report to the Club of Rome (published by Earthscan, 2005). The book investigates the social, environmental and economic effects of privatization – one of the cornerstones of neoliberal economic ideology. The huge number of sectorial and regional case studies point to the fact that without a proper institutional context, privatization does not lead to the expected economic results. Zsolt Boda contributed to the book with a chapter that overviews Central and Eastern European privatization policies (“No Limits? Privatization in Central and Eastern Europe,” pp. 115–222).
In 2006 the Business Ethics Center published an *Interdisciplinary Yearbook of Business Ethics* at Peter Lang in Oxford.


Extended Stakeholder Theory

Laszlo Zsolnai published a paper on “Extended Stakeholder Theory” in Society and Business Review (2006. No. 1, pp. 37–44.) His attempt is to create a normative redefinition of the “stakeholder” concept. Based on Hans Jonas’ theory of responsibility he argues that nature, society and future generations should be considered primordial stakeholders of business. He believes that the legitimacy and long-term success of business depend on the way business affects these primordial stakeholders.

Ethics in the Network Economy


He emphasizes that in the economic literature of recent years there is more and more reference to Ronald Coase’s 1937 study, which at the time of its first publication did not raise much interest. However, Coase’s original questions are exactly about the causes of the formation of huge economic corporations, the nature of their operation and the role of the coordinating mechanisms of the economy. According to Coase there are basically two coordinating mechanisms that operate the economy: one is the market; the other is the system of contractual relations. From the point of view of economic organizations these are the alternatives to choose from. The choice between the market and contract-based coordination of economic activities is after all decided by the transaction costs. Coase explains the causes of the emergence of large economic corporations with the high transaction costs of market coordination; that is why they place the coordination of a portion of their economic activities on contractual relations instead of depending entirely on the market. The neo-classical economics before Coase actually did not recognize the role of contractual relations in the economy. In these theories, there was even less space for the general social, political and legal contexts that affect the economic decisions or the various actors of the economy. That is, they used the familiar simplification that individual actors (striving for the maximalization of profit) make their rational economic decisions relying
exclusively on the price information of a perfect competitive market. Thus the individuals who follow their own interests provide the optimal allocation of resources of a society without any central intervention. Consequently, attention turned towards the self-regulating market, the sole institution of the economy, and accordingly the corporation had a role only as a production function while the consumer had only a utility function.

Laszlo Fekete argues that the emergence of the network economy made the original implications of Coase and the economy of transactional cost and contracts even more seasonable. The new forms of economic organizations whose emergence and operation were made possible by the communications network justified the accuracy of Coase’s definitions. It seems that these new forms of economic organization – often called network, modular, virtual, horizontal or boundless organizations – can really be interpreted as networks of contractual relations. In these organizations the economic interactions are based on network communication, and the contracts have a coordinating role in every single economic transaction. In other words, the order and operating ability of these flexible organizations with elusive boundaries are maintained by the formal and informal agreements born from the continuous negotiations of the participants, and not from the identification with mutual aims or the coercive power resulting from hierarchical relations. The contractual coordination of economic interactions has brought about especially conspicuous changes in the segment of the electronic economy (B2C) where the contracts are made between the economic corporations and their consumers, users or clients. As opposed to the practice typical of the earthly economy, the corporations of the network economy tend more and more to prefer contractual coordination instead of (or besides) market coordination. Every single economic transaction – often of little value – involves the making of written, carefully elaborated contracts that contain long-term rights and obligations between economic corporations and their consumers, users or clients. This business practice, which has become almost general, also undoubtedly argues for the fact that the system of relations of the actors of the network economy has to be described as a network of contracts, where for all participants the rights and obligations that result from the economic decisions are designed by normative rules and not by a self-regulating market.
Spirituality as a Public Good

In 2007 the book *Spirituality as a Public Good* edited by Luk Bouckaert and Laszlo Zsolnai was published in Belgium (Garant, Antwerp–Apeldoorn).

The book contains selected papers presented at the European SPES Forum conferences in 2004 and 2005:

- Luk Bouckaert (Catholic University of Leuven): “Spirituality in Economics”
- Laszlo Zsolnai (Corvinus University of Budapest): “Ethics Needs Spirituality”
- Mike Thompson (Good Brand Ltd., London): “Homo Spiritualis’ in Business”
- Lorna Gold (Trocaire, Dublin): “The Economy of Communion”
- Josep F. Maria (ESADE Barcelona): “The Many Faces of Globalization”
- Thierry Verhelst (Brussels): “A New Paradigm for a New Globalization”
- David Peat (Pari Center for New Learning): “World Religion and World Politics”
- Diana Schumacher (Schumacher Society, UK): “The Search for a World Spirituality”


Business Ethics Encyclopedia

Privatization and the Politics of Public Services

Zsolt Boda together with Gabor Scheiring edited the book *Privatization and the Politics of Public Services*, published in Hungarian (Budapest: Vedegylet – Uj Mandatum Kiado, 2008). The book analyzes the effect of public services privatization from the perspective of sustainability. It is divided into four parts. The first deals with theoretical issues concerning the concept of public services and their role in sustainable development and social justice. The second presents the institutional and political context of public services privatization, the policies of the World Trade Organization and the European Union. The third part comprises a number of case studies from Hungary, including health, railways, water supply and energy, and analyzes the factual or potential effects of privatization in those sectors. The last part of the book contains the Annexes, which present documents concerning the efforts of “Vedegylet – Protect the Future!” lobbying of the government against public services privatization. The chapters were produced by Zsolt Boda and Gabor Scheiring, as well as a number of contributing authors, either researchers or civil movement activists from Hungary: Ada Amon, Gyula Gilly, Gergely Horn, Tibor Klestenitz, Andras Schiffer, and Tamás Solymosi.

Frugality: Rebalancing Spiritual and Material Values in Economic Life

In 2008 the book *Frugality: Rebalancing Spiritual and Material Values in Economic Life* edited by Luk Bouckaert (Catholic University of Lueven), Hendrick Opdebeeck (University of Antwerp) and Laszlo Zsolnai (Corvinus University of Budapest) was published at Peter Lang Academic Publishers in Oxford. The book is the result of a three-year research project of the European SPES Forum, the University of Antwerp and the Business Ethics Center, which focused on the economic, ethical and ecological aspects of frugality.
The contents of the book are as follows:

I. Introduction

Luk Bouckaert (Catholic University of Leuven), Hendrik Opdebeeck (University of Antwerp) and Laszlo Zsolnai (Corvinus University of Budapest): “Why Frugality?”

II. Frugality in Spiritual Traditions

• Luk Bouckaert (Catholic University of Leuven): “Rational versus Spiritual Concept of Frugality”
• Rafael Esteban (Cambridge): “Frugality and the Body”
• Francis Kadaplackal (Catholic University of Leuven): “How Can the Idea ‘Created Co-Creator’ Contribute to the Nurturing of Frugality in Economic Life?”
• Laurie Michaelis (Oxford): “Quaker Simplicity”

III. Frugality in Socio-Economic Perspective

• Ronald Commers and Wim Vandekerckhove (University of Gent): “Frugality and the Moral Economy of Late Capitalism”
• Knut J. Ims (Norwegian School of Economics and Business Administration, Bergen) and Ove Jacobsen (Bodo Graduate School of Business): “Consumerism and Frugality – Contradictory Principles in Economics?”
• Hendrik Opdebeeck (University of Antwerp): “The Urgency of a Frugality-based Economics”

IV. Frugality in Business and Economic Policy

• Herman E. Daly (University of Maryland): “Frugality First”
• Ronald Jeurissen (Nyenrode University) and Bert van de Ven (Tillburg University): “Frugal Marketing: Can Selling Less Make Business Sense?”
• Robert Frank (Cornell University): “Progressive Consumption Tax”
• Laszlo Zsolnai (Corvinus University of Budapest): “Buddhist Economic Strategy”
The main conclusions of the book are the following: (1) The present unsustainable lifestyle of mankind requires drastic changes. Western-style consumer capitalism has resulted in global climate change, dramatic ecosystem degradation and biodiversity loss. Also, it has caused massive unhappiness and emptiness in rich countries and social disintegration worldwide. (2) The interests of nature, society and future generations require a considerable reduction of material throughput of the economy and a reorientation of our economic activities. This could become possible by employing a more spiritual approach to life and the economy. (3) By rational choice we can develop a more frugal and sufficient way of life, but material temptations can always overwrite our ecological, social and ethical considerations. But the spiritual case for frugality is strong enough. Spiritually based frugal practices may lead to rational outcomes such as reducing ecological destruction, social disintegration and the exploitation of future generations.

Europe–Asia Dialogue on Business Spirituality


The contents of the book are as follows:

• Laszlo Zsolnai (Corvinus University of Budapest): “The Europe–Asia Dialogue”
• Mike Thompson (Good Brand Ltd., London): “The Practice of Spiritual Dynamics in Business”
• Bengt Gustavsson (University of Stockholm): “Globalization and Values in the Indian Context”
• Katalin Botos (Pazmany Peter Catholic University): “Business Ethic Teaching of Religions and Economic Development”
• S. Prakash Sethi (Barruch College, CUNY) and Rev. David B. Lowry (International Center for Corporate Accountability, New York): “Coping with Cultural Conflicts in International Operations”
• Peter Verhezen (CIMAD Singapore–Indonesia): “Guanxi: Instrumental or Pragmatically Ethical?”
• Judit Hidasi (Budapest Business School): “Culture Change and its Impact on Business Ethics in Japan”
• Knut J. Ims (Norwegian School of Economics and Business Administration – Bergen) and Ove D. Jakobsen (Bodø Graduate School of Business): “Quality of Life – The Golden Mean between Materialistic Consumerism and Spiritual Existentialism”

Buddhist Economics Special Issue


In his paper “Western Economics versus Buddhist Economics” Laszlo Zsolnai (Corvinus University of Budapest, Hungary) presented Buddhist Economics as a major alternative to the currently dominating Western economic mindset. Buddhist Economics proposes alternative principles such as minimizing suffering, simplifying desires, nonviolence, genuine care, and generosity. He suggested that Buddhist Economics is not a system but rather a strategy, which can be applied in many economic settings.

In his paper “Buddhism and the Transformation to Sustainable Economies,” Peter Daniels (Griffith School of Environment, Griffith University, Brisbane, Australia) provided an overview of theoretical and practical synergies between the worldview of Buddhism and the concept of sustainable development. He discussed the analytical bases of Buddhism and its derivative livelihood, which fit well with the required reductions in society’s throughput or “metabolism.”

In his paper “Why Buddhist Economics is Needed as a New Paradigm towards Happiness (or Wellness),” Apichai Puntasen (Ubon Rajathanee University, Thailand) defines happiness as the opposite of pain, which implies peace and tranquility rather than the usual connotations of prosperity, pleasure and gratification. He emphasizes that the word “sukha” is similar in meaning to the reduction of pain from having an insufficient amount of materials to satisfy four basic needs; namely, food, clothes, shelter and medicine.

In his paper “Happiness and Economics: A Buddhist Perspective,” Colin Ash (University of Reading, UK) shows that the “dismal science” of economics is getting happy. In the happiness and economics literature it is widely accepted that, while income is a positional or status good, leisure
is not. Happiness research consistently reveals that once a fairly basic level of real income has been achieved, extra income or consumption gives very little additional happiness. But the ultimate goal of Buddhism is not happiness but the cessation of suffering. Buddhism could be viewed as a form of negative utilitarianism.

In his paper “A Radical Conservative Buddhist Utopia: The Asoke People,” Kanoksak Kaewthep (Chulalongkorn University, Bangkok, Thailand) provides an overview of the Asoke People and the nature of their practices of Dhamma and a detailed analysis of a Sisa Asoke Community in Srisaket Province, Northeastern Thailand.

In her paper “Sufficient Economy, the King’s Philosophy: An Application of Buddhist Economics to Develop Thai Local Pharmaceutical Industries for Sustainable Well-Being,” Suntharee T. Chaisumritchoke (Chulalongkorn University, Thailand) discusses the local pharmaceutical industries in the case where the Thai government decided to accept the free trade agreement on pharmaceutical products proposed by the US government. She recommends applying the “Sufficient Economy,” the King’s Philosophy, as a survival strategy for both local industries and Thai people.

In his paper “Pathways to a Mindful Economy,” Joel C. Magnuson (Portland College, Portland, Oregon, USA) stresses that institutions are key elements in the evolutionary transformation toward new systems. He emphasizes exploring systemic change by evolving economic institutions through mindful practices as taught in the Buddhist tradition, and integrating these mindful practices into the governance of community enterprises. He argues that a pathway for changing systems conditions begins at the local level where people and communities can, with appropriate mindfulness, evolve new institutions that will lead toward human and ecological well-being.

*The Webpage of the special issue:* http://www.akademiai.com/content/w1xx8106330m/?p=e3b49d0e8a734969a20f7524cb312567&cpi=1.
Hungary, Climate Change and Biodiversity

Zsolt Boda, together with Gyorgyi Bela (St. Stephan University, Hungary) and Zsuzsanna Pato (Corvinus University of Budapest), published a book titled Understanding Hungary’s Foreign Environmental Policy: The Case of the Climate Change Regime and the Biodiversity Regime (Bela Gyorgyi, Boda Zsolt, Pato Zsuzsanna: Magyarország a nemzetközi környezetpolitikában. Budapest, L’Harmattan, 2008, in Hungarian). It presents the results of a three-year research project aimed at understanding the factors that shaped Hungary’s participation in the climate change regime and the biodiversity regime. The research questions were the following: What was the motivation of Hungary in joining these environmental regimes? Which social actors and institutions influenced the decision of joining the regimes and the dynamics of the participation process?

The findings suggest that foreign environmental policy has been the overwhelming impetus for Hungary’s becoming an active and responsible member of the international community. Identity and imitation were the most important influencing factors, and “champions” or individual change agents also played some role. However, there is no evidence that Hungarian foreign environmental policy would have been driven by rational cost-benefit analysis to any extent.

Responsible Decision Making


Responsibility is unavoidably present in complex choice situations. There are ethical norms that represent different duties of the decision makers. Also, various stakeholders are always present who have conflicting values and interests that the decision makers should respect. The responsible decision making model developed by the author suggests the selection of the least worst alternative in the decision space of deontological, goal-achievement, and stakeholder values. The underlying principle is that the decision maker should find an optimal balance across different value
dimensions. The irreducible complexity of business and public policy decisions can be handled by the help of the maximin rule that permits only limited tradeoffs among different values.

The contents of the book are as follows:

1. Introduction: Responsibility and Choice

2. The Idea of Moral Responsibility
   2.1 Complex Choice Situations
   2.2 Differing Types of Responsibility
   2.3 Hans Jonas’ Idea of “Caring for Beings”
   2.4 The Moral Experience of Women
   2.5 Summary

3. Criticizing Rational Choice
   3.1 The Rational Choice Model
   3.2 Bounded Rationality
   3.3 Myopic and Deficient Choices
   3.4 Violations of the Axioms
   3.5 Rational Fools
   3.6 The Strategic Role of Emotions
   3.7 Social Norms
   3.8 The Communitarian Challenge
   3.9 Duty, Self-interest, and Love
   3.10 Summary

4. Norms, Goals, and Stakeholders
   4.1 Choice as Problem-Solving
   4.2 Ethical Norms
   4.3 Who are the Stakeholders?
   4.4 Co-evolving Goals and Alternatives
   4.5 Summary

5. Responsibility and the Diversity of Choices
   5.1 Rationality and Respect
   5.2 Deontology
   5.3 Choices People Can Make
   5.4 Summary
6. The Psychology of Choice
   6.1 Prospect Theory
   6.2 The “Matching Law”
   6.3 Incommensurability
   6.4 Summary

7. Modeling Responsible Decision Making
   7.1 What Is Responsible Decision?
   7.2 Deontological Pay-Offs
   7.3 Goal-Achievement Values
   7.4 Pay-Offs for the Stakeholders
   7.5 Evaluation from Multiple Perspectives
   7.6 The Maximin Rule
   7.7 A Geometric Representation
   7.8 The Procedural Model
   7.9 Summary

8. Real World Cases
   8.1 Donna’s Case
   8.2 The Ford Pinto Case
   8.3 The World Bank Environmental Policy
   8.4 Summary

9. Applications in Economics and Public Policy
   9.1 Responsibility and Social Justice
   9.2 The Paradox of a Paretian Liberal
   9.3 Responsible Agency in Prisoner’s Dilemma Situations
   9.4 Multidimensional Cost-Benefit Analyses
   9.5 Ethical and Social Performance of Business
   9.6 Nature, Society, and Future Generations
   9.7 Summary

10. Epilogue: The Responsible Person

One of the main conclusions of the book is that quality of life can be preserved and enhanced if decision makers pay equal attention to all the relevant value perspectives in the decision situation. Responsible decision making is not a luxury; rather, it is a precondition of life worthy to live.

Different grants and contributions make the functioning of the Business Ethics Center possible. From 2004–2008 the Center or its members received financial support or in-kind help from the following institutions:

- Corvinus University of Budapest,
- Community of European Management Schools (CEMS),
- MOL Corporation,
- Norwegian Ministry of Foreign Affairs,
- Bentley College,
- Norwegian School of Economics and Business Administration – Bergen,
- Observatoire de la Finance (Geneva),
- Copenhagen Business School,
- Bodø Graduate School of Business,
- European SPES Forum,
- UCSIA Antwerp,
- Government of the Republic of France,
- Antenna Hungaria,
- KPI Fund,
- Business Ethics Society – Budapest,
- Fair Trade Shop – Budapest,
- Diamond Way Buddhist Center,
- “Green Point” Human Ecology School,
- MALEV,
- Bocconi University Milan,
- EETEK (Energy Efficient Technologies).