

# **BLOWING THE WHISTLE ON DNWE**

*Background: DNWE is the German chapter of EBEN. The acronyms spell out to **Deutsches Netzwerk Wirtschaftsethik e.V.** [legal status as a charitable institution under German law] and the **European Business Ethics Network**.*

*The author of this piece, Cusanus, an early member (1990) of both EBEN and the – excellent – US-based Society for Business Ethics, was invited and travelled to numerous meetings leading to the foundation of DNWE in 1993. Before, in the late eighties, he had met up with a few of the pioneers of business ethics in the UK, where he had studied philosophy at the University of Kent at Canterbury in the early seventies.*

*(The civil name of Cusanus is contained in the footer. "Cusanus" is used here as a literary device. The name is also used in an effort to avoid or minimise certain search-engine machinations because the author, unlike the notables at dnwe, puts himself in the front line in the combat against underhand practices and already has reason to believe he has been blacklisted by certain big corporations. This is stated here only because of an accusation by a board member of dnwe that Cusanus has acted unethically in hiding his identity, an allegation that is shown further below to be completely unfounded.)*

It is crucial to note that the name of the association contains the words *Network* and *Ethics*. *Network* implies a *decentralised* organisation; *Ethics* implies, at

the least surely, that above-average emphasis must be placed on the high moral character and proper conduct of officers and members of the association.

The main contention here is that dnwe has betrayed these two principles. It has become **authoritarian, manipulative, anti-democratic, hierarchical**, and, through its emphasis on *image*, it is being developed as a vehicle of **public relations** without proper regard to its moral and intellectual remit.

A further, related, contention is that the moral character of some of the leading lights in dnwe is questionable.

A third contention, it too related, is that the organisation is guilty, on its tiny scale, of the same kind of moral failings that plague many corporations and other organisations. Such an organisation is ill-placed to issue "expert statements" on ethical issues (see the website [www.dnwe.de](http://www.dnwe.de)).

Apparently the rest of EBEN is puzzled at, and admiring of, the size of the membership of the German chapter. You need be puzzled no more. The admiration, too, should cease forthwith.

These are serious allegations, and it is right and proper that they not be taken at face value.

I.

A ruling principle of dnwe from the outset has been that it should be a fifty-fifty coalition of academics and businesspeople ("*Wissenschaftler und Praktiker*"). Originally this target was nearly kept to, and some achievements were made in specific industries (carpet manufacture, for example).

Meanwhile this balance has long ceased to hold in practice, though not in theory. Individuals offering coaching and consultancy, including public relations, market research and allied areas, not to mention one major audit company, are counted as coming from business ("*Wirtschaft*"). These are not what one might call industrialists, or indeed household names from the service and consumer-focused sectors. Nor are they small-time manufacturers, builders, artisans engaged in the repair and maintenance trades, nor indeed are they from high-tech start-ups. A glance at the provenance of the members of the board and of the *Kuratorium* (the supervisory body) shows that very few have serious credentials in terms of involvement in the creation of tangible wealth. Most are academics, or would-be academics.

*(For the record – because ad hominem arguments, for all their invalidity, are welcome among the semi-literate who have infiltrated dnwe – Cusanus is a translator who has earned his way working freelance for business over a quarter of a century.)*

Failure to adhere to the ideal of 50% academics and 50% practitioners would not, of itself, be objectionable. The problem is that the members who have made themselves prominent are out of touch with the realities on the ground. These observations are not irrelevant for an understanding of the background against which the allegations are made.

## II.

In the years 2010 and 2011 Cusanus wrote and published, in German, a series of articles analysing weaknesses of dnwe and making constructive suggestions about the way forward.

For those who can read German and wish to obtain a comprehensive picture, it is recommended that the articles be read in the sequence in which they were written. Originally Cusanus formulated an analysis of what a business ethics organisation might aim to achieve and some doubts, with all due circumspection. As his thinking progressed, these doubts took on ever greater compass. His conclusion now that dnwe – or rather, its "leadership" – fails by and large to measure up to what the public might expect from an "ethics" organisation has been slow in the making.

### III. EVIDENCE

Further below a particular incident is reported and analysed exhaustively. It might be thought that this shameful story is the making of one rogue member of the board and a couple of chance accomplices; and that the attention paid to it is out of all proportion. It will be argued, though, that it is symptomatic of a wider failure.

Notice was given by e-mail to members of the *Kuratorium* (the supervisory body) about the letter reproduced below on July 27, 2011. The members of the executive board had received a copy concurrently with the addressee. As at the time of writing (September 16, 2011) no member of either board had thought it necessary to contact the addressee or distance themselves from the tone and substance of the letter.

The story is not untypical of what happens in other walks of life, and not least in business. It is an object lesson in how some people contrive to build hierarchies where none are needed; how facts are disregarded; and how such characters seek to impose their immature value schemes on others; of how those with ambition (but little else) seek out like-minded mediocrities to support their ascendancy and so suppress initiative, competence and criticism.

### III. CASE STUDY, background

Cusanus is resident in Berlin, where nothing had happened relating to dnwe for some years. Cusanus had

indicated a preparedness to assist in organising something, if only others, too, would assist. Finally, in late 2009, some appeared to do so. Cusanus organised an excellent meeting place in central Berlin at no cost. There were three other dnwe-members from Berlin who attended, and a few others of no relevance here. As is universally the case, this group was unrealistically ambitious in its plans, and so Cusanus – no-one else – Cusanus alone, organised a further meeting, in a spacious and aesthetically pleasant setting in another reasonably accessible location (Steglitz). And a third meeting, this time on June 28, 2010, highly inconvenient for Cusanus, but, as all the others had committed to be there, Cusanus conceded. None of the other dnwe-members who had promised to come turned up!

No matter. Cusanus is not petty about these setbacks, but agreed (with the consent of the third, Willy for short) that the two "keenest" members of the steering group should, as they wished (it was not imposed on them!), finally organise a regular meeting for dnwe-members in Berlin. This was in the very early autumn of 2010.

Nothing happened. Nothing. Not even an e-mail to apologise or explain.

What did the two individuals entrusted with organising a regular meeting place do with their time instead? It transpires that they contrived to get themselves

entrusted by the board with the "leadership" of the Berlin regional forum. They did not inform anyone in Berlin about this, nor did the board. No-one knew them in Berlin. The following e-mail from a board member, contains information on this, although (it should be said) many incidental factual errors, corrected by Cusanus further below.

Before we come to this, however, a word on what happened subsequently. Since nothing had been organised, Cusanus organised from May 2011 a monthly meeting at a superbly central location (basically an art gallery & concert room) and invited everyone. Willy proposed and set up a website just for dnwe-berlin.

### III. CASE STUDY continued, SERIOUS EVIDENCE

The following translation errs on the side of being too literal, in order to avoid any accusation that the words of the author have been mis-rendered. Afterwards there are comments on specific passages in this remarkable letter, mailed to Cusanus on 12 July, with copies to the board and Messrs. Böl and Rohde. As reported above, Cusanus mailed the letter to all eleven members of the *Kuratorium* on July 27 with a terse accompanying note that they were being contacted in their function as supervisory body.

**Good Morning Herr Gregory,**

**There are a number of things, which originate with you, that alienate me a great deal. As the person to be addressed in the board for the regional forums I should like to notify this to you**

in this way and afterwards I should be pleased to communicate with you by telephone.

In the spring of 2010, Dr. Bül and Herr Rohde were engaged by the board to head the regional forum of Berlin-Brandenburg; preceding this, a number of conversations took place between the director of the board and myself. Herr Bül notified me last winter that, on account of personal circumstances, he was unable to fulfil this task at the moment, but that he wanted to become active at a later point in time. It was then agreed with Herr Rohde that he should assume the leadership of the forum on his own.

However pleasing it may be in practice that you and Herr Wihlenda are active in Berlin: having consulted Herr Rohde I cannot assume that you have engaged in coordination in this respect with the leader of the regional forum. There is therefore at least at the moment no authority for your activity. Maybe it would be a solution if you in Berlin – as we practice with great success in the Baden-Württemberg regional forum – build up a leadership team in which you and Mr Wihlenda and possibly other DNWE-members can become active together. But please in coordination with the leadership of the regional forums, otherwise you split the work and the members on the spot.

As a formality, I remind you here also that since the spring of 2010 there have been directives for the work of the regional forums, that were resolved by all regional forums as they then were. The directives also include rules for internet work: The regional forums should present their work on the DNWE website. The line of the DNWE-Internet work has always been to avoid a splitting up of the image of DNWE in the Internet and therefore not to institute any website of the regional forums of their own. I was somewhat surprised that you and Mr Wihlenda created facts without any consultation with the dnwe board (see [www.dnwe-berlin.de](http://www.dnwe-berlin.de)). I feel this to be very annoying.

Even more annoying to my mind are your comments on dnwe on your private website. In my opinion, under the pseudonym "Cusanus" not only do you violate Internet laws (no sender in the imprint, no legal announcements pursuant to TKD, etc.). You criticize the DNWE in an anonymous fashion and this in a manner that I do not consider appropriate. Quite apart from legal aspects: this is not a "signboard" for those who are active in our regional forums.

In the framework of the strategy process, DNWE has set up an intranet forum under dnwe.de, which will not have escaped your attention as a member. I ask myself why you do not place your very extensive comments on various aspects of DNWE where the discussion among the members is happening at this moment, but precisely where everyone can see and then anonymously?

With your criticism you may, granted, address a couple of weaknesses of DNWE. Your fundamental criticism that in dnwe things do not proceed according to ethical principles, is without any foundation. Things are interestingly exactly the other round around: With your "silent" takeover of the leadership of the regional forum or with your Skepsis website you violate both the fundamental rules of interpersonal dealings and fundamental ethical principles. In a conversation I should like to name some to you that I see as being massively violated.

I can be available to you for a conversation this week on Wednesday, 13.7.2011, in the morning or Thursday, 14.7.2011, 14.30 – 17.30. You reach me under ..... – I can then phone you back if you like under a fixed line number.

With friendly greetings

Martin Priebe

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Martin Priebe – Advice & Training

### III. CASE STUDY: Many comments

In the spring of 2010, Dr. Bül and Herr Rohde were engaged by the board to head the regional forum of Berlin-Brandenburg; preceding this, a number of conversations took place between the director of the board and myself. Herr Bül notified me last winter that, on account of personal circumstances, he was unable to fulfil this task at the moment, but that he wanted to become active at a later point in time. It was then agreed with Herr Rohde that he should assume the leadership of the forum on his own.

COMMENT 1: No public announcement was ever made of this appointment, which evidently took place **behind closed doors**, nor has the authority on which the "appointment" was made ever been explained, voted upon at a general meeting or otherwise justified. Such a procedure contravenes all normal understanding of democratic process. Nothing is known publicly about the qualifications, if any, of the individuals concerned.

However pleasing it may be in practice that you and Herr Wihlenda are active in Berlin: having consulted Herr Rohde I cannot assume that you have engaged in coordination in this respect with the leader of the regional forum. There is therefore at least at the moment no authority for your activity.

COMMENT 2: Since the "appointment" of Rohde had been kept secret, we could not have engaged in coordination even if we had held this to be appropriate. Since neither Bül nor Rohde had organised anything, notwithstanding their promise and although they had

had many months to undertake something, we (Cusanus & Willy) considered that they had effectively abandoned their commitment. The idea that "authority" is needed to organise a regular get-together for members of a network obviously stems from an authoritarian mindset. It is anti-democratic. It is also patently absurd.

Cusanus is unaware of ever having signed up to receive orders from anyone. A network is not a political party, and there are no rigid chains of command. One motivation for co-founding the network for business ethics was, on the contrary, to avoid such discredited structures.

The only explanation for the remarkable line taken by board member Priebe is that, in his minute way, he is obsessed with power, with hierarchy, with an urge to control, with self-importance (the latter apparently a concern of Böl and Rohde too). He also seems to be paranoid. What does he imagine Cusanus is up to in Berlin? Marshalling infantry in order to invade Priebe's homeland of Swabia? Which century is he living in?

<p>But please in coordination with the leadership of the regional forums, otherwise you split the work and the members on the spot</p>
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COMMENT 3: No work is being done here, nor (sadly) does Cusanus see any prospect of coordinated work being done. Cusanus has made proposals of topics that would merit attention and collaboration: e.g. the corporate practice of demanding multiple offers from freelancers and small businesses, but refusing to pay for

this time-consuming service; or else the proliferation and abuse of confidentiality agreements.

It is not the case that members have anything resembling a common line. There can, therefore, be no question of splitting them or their work.

As a formality, I remind you here also that since the spring of 2010 there have been directives for the work of the regional forums, that were resolved by all regional forums as they then were.

COMMENT 4: Again, Cusanus has never signed up to submitting to directives, and certainly not to directives resolved behind closed doors. Apart from which, one would have had to be informed of the directives.

The directives also include rules for internet work: The regional forums should present their work on the DNWE website. The line of the DNWE-Internet work has always been to avoid a splitting up of the image of DNWE in the Internet and therefore not to institute any website of the regional forums of their own. I was somewhat surprised that you and Mr Wihlenda created facts without any consultation with the dnwe board (see [www.dnwe-berlin.de](http://www.dnwe-berlin.de)). I feel this to be very annoying.

COMMENT 5: In the opinion of Cusanus, the DNWE website is chaotic, or rather, it would seem to be designed to deter any serious perusal of publications there. Cusanus believes it is beneficial to provide multiple platforms for the dissemination of ideas, with different styles and approaches. There is even something to be said for competition between different websites.

We may assume that by "image" board member Priebe means a graphical presentation. Cusanus contends that ethics is precisely not about image, and

refers in this connection to a tradition of moral thought stretching back two and a half thousand years.

It should moreover be said that the dnwe board is not known for its alacrity. Waiting to obtain a go-ahead would likely have vitiated the purpose of the project.

Even more annoying to my mind are your comments on dnwe on your private website. In my opinion, under the pseudonym "Cusanus" not only do you violate Internet laws (no sender in the imprint, no legal announcements pursuant to TKD, etc.). You criticize the DNWE in an anonymous fashion and this in a manner that I do not consider appropriate. Quite apart from legal aspects: this is not a "signboard" for those who are active in our regional forums.

COMMENT 6: Board member Priebe is ignorant about the facts. First, he uses the wrong abbreviation of the law he means, which is *Telemediengesetz* (TMG). Second, this law (more precisely, §5) does not apply because the website is not seeking to engage in trade. Third, even if a law were being infringed, there might be sound moral reasons for doing so. For instance, there is such a thing as justifiable civil disobedience. "Ethical" does not mean "law-abiding", though Priebe would seem to think it does.

It is untrue that the criticisms of dnwe made by Cusanus have been anonymous at any time. On the contrary, the civil name of Cusanus was and continues to be contained in the footer to every page, and sometimes elsewhere as well. Presumably board member Priebe did not bother to actually read the essays, otherwise he could not have overlooked this fact. He is moreover, clearly, not interested in engaging with the criticism,

only outraged that criticism should be made publicly and in a rhetorically effective manner (one headline of an article plays on the title of a best-selling book deploring – rightly or wrongly – the way Germany is going).

Cusanus has never sworn or implied an oath of allegiance to other members of the network.

One of the numerous benefits of an education in ethics (i.e. reflection on the moral intuitions we have inherited) is the ability to recognise and ward off attempts to insinuate a moral obligation where none exists.

In the framework of the strategy process, DNWE has set up an intranet forum under dnwe.de, which should not escaped your attention as a member. I ask myself why you do not place your very extensive comments on various aspects of DNWE where the discussion among the members is happening at this moment, but precisely where everyone can see and then anonymously?

COMMENT 7: The relevant texts were being finalised. The drafts on the *Skepsis* site at the beginning of July still contained many linguistic and orthographical errors. When a few days after Priebe's letter the revised and corrected versions were submitted for the intranet, they were there successfully concealed from view for all except the most persevering.

Cusanus would be flattered and pleased to learn that any significant numbers had viewed the *Skepsis* website, but, sadly, considers this most unlikely.

Cusanus is not in the business of concealing structural and other faults in dnwe in order to sell the association to potential members or else an

unsuspecting public. Priebe presumably is. Hence his opposition to transparency. The unfounded contention about anonymity has already been refuted. It should be said, however, that an argument can be made in favour of anonymity. At any rate, there are many situations in which anonymity provides much needed protection to those fighting for truth and justice, just as it sometimes protects persons and institutions unworthy of protection.

Over the years the powers that have insinuated themselves at dnwe have systematically rejected or indeed ignored efforts by Cusanus to stimulate debate and address ethical issues in a sustained and disciplined manner (see the Skepsis website for evidence). Even if there may have been a time when Cusanus had, on the basis of customary dealings between fellow members of an association, a weak obligation to prioritise discussion with those members, this moment has long passed. Obligations generally cut two ways.

With your criticism you may certainly hit on a couple of weaknesses of DNWE. Your fundamental criticism that in dnwe things do not proceed according to ethical principles, is without any foundation.

COMMENT 8: "without any foundation": this is a mere assertion; it is not backed up by any argument. Priebe refuses to engage in reasoning with the detail of the essays. Nor indeed at the time of writing has anyone else among the notables at dnwe.

Things are interestingly exactly the other round around: With your "silent" takeover of the leadership of the regional forum or with your Skepsis website you violate both the fundamental rules of interpersonal dealings and fundamental ethical principles. In a conversation I should like to name some to you that I see as being massively violated.

COMMENT 9: Priebe imagines that a regional forum exists and that it exists such that it can be taken over. This is phantasy, though Cusanus has been sorely tempted to let the phantasy play out in the mind of paranoid Priebe. Cusanus hosts a monthly meeting, to which he sends out invitations. Not many people come, and their approaches are too diverse for there to be any question of creating coherence. It is a place to meet, and, with luck, to meet among those who attend a few like-minded people.

An idiomatic English word for "silent takeover" would be "hijacking". This is what the likes of Priebe have done with the ethics network that Cusanus and some thirteen others established in 1993. They have assumed power by by-passing the general assembly and stifling discussion, for example, by ensuring that there is no adequate time to debate issues. They got themselves elected by systematically rushing the presentation time for candidates, who generally canvass on the (supposed) strength of their CVs rather than on policy.

"you violate both the fundamental rules of interpersonal dealings..." This issue has been addressed above. "...and fundamental ethical principles." It would be interesting to know what these principles are, then they could be subjected to critical analysis.

I can be available to you for a conversation this week on Wednesday, 13.7.2011, in the morning or Thursday, 14.7.2011, 14.30 – 17.30. You reach me under ..... – I can then phone you back if you like under a fixed line number.

COMMENT 10: Cusanus does not consider he has to answer to Priebe privately. Everyone enjoys on first encounter a presumption of respect, but this presumption can overturned quickly. Such is the case here.

#### IV. OTHER FAILURES OF DNWE NOTABLES

(i)

As mentioned above, elections have generally been conducted in great haste, and always without any proper debate among candidates on policy issues.

It is totally unclear how people come to be chosen for membership of the *Kuratorium* supervisory body. Cusanus considers that at least one current member is ethically unsuited to such an appointment. Most are simply inactive.

(ii)

A survey of dnwe-members was conducted early in 2011 by the consulting firm Roland-Berger. Cusanus has examined their report in great detail (see under dnwe at [www.CSR-Skepsis.de](http://www.CSR-Skepsis.de)). The survey report is replete with nonsense sentences (illiteracy), logical non-sequiturs, and to crown it all with a key arithmetical error (innumeracy). Its conclusion is that, because 53 (sic) members of a total of 633 (sic) were in favour of

addressing the target group "*media and the public*", this is what must be done. As it is common knowledge that consulting companies generally come up with the solutions they are instructed to produce, the conjecture is warranted that this absurd result was contrived in order to please those in the board and supervisory body who pressed for Roland-Berger to be hired in the first place. Governed by hybris, who would not wish to be exalted into media status?

Such strategems may be common practice among politicians, among media consultants, even among lawyers: in ethics they are desecration.

(iii) published drivel

Two prominent members of the Kuratorium, Klaus M. Leisinger and Josef Wieland, published in 2011 together with the theologian Hans Küng a high-profile, dual-language book "*Manifesto Global Economic Ethic*" (sic) with the dtv publishing house. Cusanus hopes to review their contributions soon. Meanwhile, anyone who believes their "contribution" is worth the paper it is written on is invited to elaborate on how and why. Cusanus contends that the gentlemen involved demonstrate zero understanding of ethics in any meaningful sense. They merely play with grand words in the manner of a Sunday sermon. In a word, they are intellectual (and moral) fraudsters.

dnwe publishes at great expense a glossy quarterly journal, *Forum Wirtschaftethik*. The physical legibility of this magazine has been repeatedly criticised, to no avail. Those responsible at dnwe have proven

themselves to be lacking in any responsiveness in this regard. (By contrast, what you are reading now is a pdf with an extra large font size.)

It would seem that the main concern among those in charge at dnwe is that the journal should look cute graphically. The quality of the writing, if one perseveres, generally reflects the physical illegibility, with little of substance (although apparently *Forum Wirtschaftethik* counts officially as an academic journal such that publication here counts for those seeking academic advancement!). In a word, *Forum Wirtschaftethik* is not designed to be read.

Much the same can be said of the dnwe book publications, that are too voluminous to be amenable to close analysis. Of a dozen contributions in one recent collection, two or three are readable and substantive, the rest – if a subjective value judgement is allowed – are turgid and seem to say nothing new. Nor, would it seem, have they had any impact. Has anyone ever actually struggled through the stuff?

(iv) anecdotal

Once, one member (meanwhile re-elected to the executive board) together with colleagues at her big audit firm invited Cusanus personally not once but twice to comment on the bright brochure they had issued on socially responsible investment. When Cusanus finally replied in detail some weeks later, attacking the intellectual and moral pretensions of the brochure, the lady and the two others failed to even acknowledge receipt (they had received it). When at a dnwe meeting

she was challenged in person (after avoiding eye contact for ten minutes or more), she said to Cusanus that he should consult a certain professor for a reply to his objections, implying that his objections must be matter of his own shortcomings. Yet she herself is listed as an author of the "study".

It should be said, leaving aside this particular case, that it is common practice that companies invite comment and (allegedly) criticism but, when the feedback is more demanding than they had reckoned with, they seize up. No company is obliged to invite comment (or necessarily to reply to unsolicited comment), but surely, if they do, then they are surely obliged to furnish a response. Failure to do so amounts to false representation. Cusanus is documenting cases of contravention of this principle, some of which may be viewed on the website [www.corporatehypocrisy.de](http://www.corporatehypocrisy.de)

(v) And so on.

Cusanus has other examples. An accusation of character failings is not easy to document in an objective manner, but it is often possible to indicate a trend. One acquaintance, a lecturer in business ethics, mailed to Cusanus at the time of writing (here translated):

As you know I have decided to no longer engage actively. I can no longer suffer the mentality of the people who have the say, or tolerate the sight of the unused potential of such a network. DNWE is against anything happening, against anyone making anything happen. The network is dead, and it will remain dead...