

Report on the run-up to and the opening of the AGM of
DNWE Deutsches Netzwerk Wirtschaftsethik – EBEN
Deutschland e.V. held in Berlin on June 15, 2013

I.

As a founder member Cusanus requested in a letter of March 9, 2013, that the board of dnwe publish details of the number of those who had left the association recently and their reasons for so doing. The background was the proud assertion at the opening of the Berlin office that new members had joined, contrasted with information held by Cusanus that there had been departures for reason of principle. His letter was received but details were not forthcoming.

Cusanus had been surprised at that reception to hear that, although it is constituted as a network and not as a political party or lobby, dnwe had set certain priorities, priorities that had not been democratically discussed or decided. Those priorities were compliance & integrity, CSR, and values management. Cusanus has analysed these concepts critically. It is not, Cusanus maintains, the task of a network for business ethics, or rather of its administrative officers, to press for a particular policy on these questionable matters, as distinct from allowing open discussion on them and leaving the debate – the free market in ideas – to decide.

Again and again, as here, the officers of dnwe have exceeded their powers, silenced or discouraged alternative perspectives, and have sought to impose their will in disregard of due process.

In his letter of March 2013, Cusanus drew attention

furthermore to the fact that, in the age of the internet (which did not properly exist when the statutes of dnwe were agreed), voting for board posts can meanwhile be done most democratically by secure direct remote voting as practised by the North American Society for Business Ethics. The current system is by way of proxies exercised by those attending the annual general meeting (AGM).

The latest directory of members had been published in February 2009 and was therefore completely out of date; besides, the possibilities for members to get to know each other (e.g. in order to find proxies they trust) were limited (networking has indeed been discouraged, as reported elsewhere on this website). Hence it is difficult or impossible for many members to vote. Professor Dr. Joachim Fetzer failed to address this complaint or provide an updated directory of members. Cusanus subsequently submitted a resolution to the AGM held in June 2013 that this deficit be remedied.

At that meeting, the chairman, Prof. Dr. habil. Josef Wieland, a lawyer by character but no ethicist, correctly pointed out that a change in the statutes would have required an earlier submission of the proposal. He failed to note that it could be then properly addressed at the following AGM and that the board, which he headed, had shown no interest in attending to this obvious and urgent change, although the matter had been brought to its attention in good time.

Cusanus also submitted a motion that all members should be enabled (or indeed required) to post on the dnwe intranet at the least, if not on the public part, a meaningful statement of their personal understanding of business

*ethics. This would seem to be essential to an organisation that claims to be a network for business ethics, and indeed, in view of the surprisingly naive conceptions of ethics evidenced by some members, imperative. However, before this motion was discussed, if it was discussed rather than dismissed, Cusanus was excluded from the association and had to leave (more on this further below). At the time of writing (end of August) there were no minutes on the dnwe website, nor had Cusanus received any information in this regard. He assumes that this and other resolutions he submitted to the AGM were rejected out of hand since *their general drift was to demand that the board members stop regarding dnwe as their personal fiefdom, put an end to cronyism, and start allowing critical engagement with business ethics instead of using it as a form of public relations or as a forum for their personal commercial interests.* The relevant German documentation is available on this website.*

As indicated, prior to the AGM the board had written to founder member Cusanus excluding him from the association. Cusanus made use of his right of appeal to the AGM, and so the board had to inform all members of the matter.

Or rather, misinform.

II.

The story is instructive about a collective mindset which seems still be prevalent in certain circles in Germany even though it is some 65 years since the Federal Republic of Germany was inaugurated in order to put an end to authoritarian habits of thought and conduct, and forty-five years since the landmark year of 1968.

Now it must be conceded that, although in the past he had triggered donations to dnwe, Cusanus had no desire to continue to pay dues so that dnwe could persist in its campaign to the detriment of comprehensive business ethics and in its promotion of the vanity of its leading lights. When it emerged that, by their own admission on a show of hands, some two thirds of the members attending had not consulted this website, contra-dnwe, Cusanus did not see any reason to demonstrate respect for his audience, nor, however, did he have time to do so, having been taken by surprise by the announcement by Professor Josef Wieland that he would be accorded 15 minutes only for the appeal (he had prepared, in line with his earlier notification to the board, for half an hour).

Cusanus had indeed already been prevented, out of hand, from giving a talk on the nature of business ethics at the conference the previous day although the right to give such a talk had in the past been a prerogative of members. Reportedly, the board members responsible for this arbitrary refusal were Frank Simon and Christoph Golbeck. It is instructive that dnwe has never issued to its members calls for papers or even, as far as is known, announced blind reviews. (Cusanus had incidentally also devised a short satirical performance on ethics as a toolkit, for which he has professional connections in the cabaret scene in Berlin. Maybe now for YouTube one fine day.)

Cusanus had been accused of disloyalty because the previous September he had submitted a resolution for the association to be wound up on the grounds that it had, among other things, persistently betrayed the cause of business ethics. The submission of this resolution was held as proof that Cusanus had sought to damage the association

and, indeed, in his summing up at the AGM, Prof. Dr. habil. Josef Wieland presented this aspect as the legal basis for the exclusion.

Previously, Cusanus had in his written demand for an appeal hearing, pointed out the truism that an association must have a purpose over and above its own existence (“*ein Verein ist kein Selbstzweck*”). This subtlety would seem to have been beyond the legalistic intelligence of a Prof. Dr. habil. Josef Wieland. At any rate, at no time has dnwe seen fit to address the grave and extensive accusations made on www.contra-dnwe.de in August 2012, accusations that it had proven impossible to discuss within the association.

The matter of loyalty is a curious one. At the reception mentioned above, Wieland had thanked the guests (including many newcomers) for their loyalty to the association although at no time did he deem to make mention of what business ethics is for, and why it is important, and what the point of the loyalty to dnwe, as opposed to the cause, might be.

Notwithstanding, loyalty would seem to be a matter of honour at dnwe. So much so that, at the AGM, Cusanus proposed it be incorporated into the dnwe mission statement. No-one (apart from his companion) seemed to notice the sly reference to the forbidden motto of the SS.

Loyalty has been sorely missing in the other direction.

High among the charges brought against Cusanus in order to exclude him was the assertion that he had been hurtful to various fellow members.

Indeed.

It is fervently to be hoped that he succeeded, although

he doubts that any hurt cut deep enough for its addressees to reflect and reform. This said, the hurt probably consisted merely in the addressees having their arguments ridiculed or their shallowness exposed.

As far as Cusanus can identify these unnamed individuals, they had first, unprovoked, insulted Cusanus or others. For the hurt they might first have caused, rather than later themselves received, but more importantly for the harm they certainly have inflicted on the campaign to bolster ethics in business, there have been no apologies or issues of regret. Meanwhile, harm in the form of rampant disregard in German business for straightforward principles of corporate governance has increased under the watch of dnwe. These are widespread violations of which the dnwe “expert” on German corporate governance, Professor Josef Wieland, would seem to know nothing. How could he, since his “expert” colleague Professor Joachim Fetzer had suppressed reports on the subject? (dnwe is fond of “experts” and “expertise”. Until Cusanus ridiculed them, they even used “expert” in their e-mail addresses.)

When people betray confidence and go behind your back; when people insult you in — unsolicited, but allegedly “private” — e-mails; when others suppress debate and trash the contributions of those keen to engage; when networking is discouraged; when democratically taken resolutions are ignored; when courtesy has been proven to be ineffective; — then it is not only right that the culprits be exposed in no uncertain terms: it is imperative. Moral condemnation is meant to hurt.

May you too, in such circumstances, dear reader, also have the verve to strike back, even at the risk of being bad-mouthed. It is an undisputed principle of justice that the guilty should be punished, and the punishment of hurt

vanity, as here, is surely the lightest of all.

DNWE and the market in indulgences:

dnwe claims to be an ethics association. In fact, it has proved to be a magnet for many who imagine that it will bestow a blessing or a springboard for their careers as consultants or academics. It has long been clear that virtually no members have any serious interest in ethics, nor even a concept of what this might be beyond the repetition of platitudes or drawing up codes and the like, whether legalistic or abstract. Many would seem not even to have any conception of business that extends beyond sparkle & dazzle.

There has never – Cusanus stands to be corrected – been any mention let alone discussion in the dnwe literature of moral growth or maturity; of moral courage, e.g. steadfastness in the face of bullying and disparagement; of resistance to group-think; scant mention of the moral autonomy of the individual within corporations; of the importance of the exercise of judgement; of discussion of when rules must be thrown to the hounds; or of when lies are imperative and truth betrayal.

Nowhere has there been talk of individual managers being blacklisted or expropriated for egregious moral failings. But then, of course, there is nowhere the thought that fake or superficial business ethicists should be called to account, and named, and shamed.

III.

In German, a distinction is often made between *Unternehmensethik*, which is business ethics at the ground level, and *Wirtschaftsethik*, which is at a more general level.

dnwe has shown itself to be uninterested in microeconomic ethics. Cusanus has heard it mentioned disparagingly in dnwe circles. For example, small-time traders are short-changed by big business daily, but Professor Fetzner rejected the proposal for members to be allowed to discuss this on the intranet.

Not, on the other hand, that dnwe is interested in discussion or even communication of forward-looking ideas on the grand scale of macroeconomics. For example: Cusanus suggested that members like might to know about and discuss the Health Impact Fund devised by Thomas Pogge (Australian, of German ancestry, I believe). It would have cost nothing. Prof. Dr. Joachim Fetzner chose to prevent the mere existence of this novel concept being publicised on the dnwe-Intranet. Perhaps he had in mind that one member of the Kuratorium (*oversight & advisory body*) is head of the Novartis Foundation, whose paymasters might object; perhaps he had other reasons; probably none at all. Unless his therapist knows something.

IV.

At the AGM in June 2013 Cusanus was cut short by Professor Josef Wieland and so prevented from dealing with him in turn. A vote was forced prematurely.

At the beginning of his address, Cusanus had asked the assembled members (mostly young people who may well have become members only in order to attend the preceding conference at a reduced rate, or otherwise have membership credited on their CVs) whether they had actually consulted this website www.contra-dnwe.de . Only a third raised their hands.

Before the vote, Cusanus requested that this be done by name. There was a short discussion about how proxy votes would be treated. Prof. Dr. Josef Wieland pointed out that there would then, in years to come, be a record of how the individual members present had voted. The matter was held to a show of hands. About two thirds were against standing up and being counted and named. Need more be said about the moral character – or rather, cowardice – of most of the fifty or so members of dnwe who attended the AGM?

Except for one young woman, who abstained, all voted to exclude Cusanus.

Yes, these are indeed mostly the descendants of Germans who, under harsher economic circumstances, and without the education dnwe-members have enjoyed, were compliant – compliance is everything – in preparing the way for the Germany of the early forties. These young Germans demonstrated no interest in investigating further the charge that Professor Fetzner had wholly misrepresented the events or the real reasons why Cusanus was to be excluded. Most had not done their homework. No matter: they could have abstained; or demanded an adjournment for reconsideration on a later occasion. It should be said, incidentally, that Cusanus did not see it as his duty to woo and win them. It was not a popularity contest. They had had long enough to consult this website. Ethics is not politics. Educated people who join an ethics association but prove to be – wilfully – ethically illiterate should be exposed for what they are, and not warned against self-incrimination. Cusanus had long realised that the only people worth communicating with were those who were leaving dnwe, or had failed to join in the first place.

It is against this background, but also the background of the many other failings of dnwe documented on this website, including transgressions undisputed by dnwe now a year after initial publication, that it is morally permitted to draw certain conclusions:

Deutsches Netzwerk Wirtschaftsethik is not a network, despite its name: Networking has been discouraged. The narrow concept of business ethics that dnwe propagates is tailored to the commercial interests of its leading members. These have got themselves elected by underhand means, having resisted the obvious electoral reforms that the internet has made possible. Alternative conceptions of business ethics and critical treatment, for example, of the dnwe preference for business ethics as public relations have been suppressed. Upstanding and committed members have left, while others have declined to join, leaving a majority who evidently are lacking in moral courage and have no serious interest in ethics — except of course for what lip-service to ethics can do for their careers and doubtless their self-image.

In view of how dnwe has developed in recent years, the word “Ethik” in the name is an abuse of words. The subject matter dealt with, for example at most conferences, has been political economy and legalistic, sometimes sociological. The German word “Ethik” and the English word “ethics” do not refer to compliance with the law or lawlike codes. If this were so, there would hardly be any need for the ancient word. By assisting publicly in the abuse of the word, dnwe has set itself again a core tradition of western civilisation. Confucius is quoted as saying that, if you want to destroy a civilisation, first set about destroying its language.

If the association had changed its name — as Cusanus suggested — and stopped using the words “*network*” and “*ethics*” it would no longer, as an association, be objectionable, although this would not make good the damage done the last dozen years or so to the standing of business ethics in Germany.

What would remain supremely objectionable is the immoral conduct of several officers of an association that claims to stand for ethics. Cusanus has laid separate charges against former and present officers, charges that have gone unanswered. Moreover, by resolving to exclude him on what are clearly indefensible grounds, the present officers must be charged with collective responsibility.

There is a mindset that unites them all: They have proven arrogant and authoritarian; hypocritical and superficial. They choose to avoid dialogue. They have not only suppressed criticism but also constructive contributions. They are manipulative. Should they not be awarded a prize? The Machiavelli Prize.