

**Management Education in an Age of Globalization:  
The Need for Critical Perspectives**

Darryl Reed  
Business & Society Program  
Division of Social Science  
York University, Toronto  
[dreed@yorku.ca](mailto:dreed@yorku.ca)

A final version of this paper will appear in [Rethinking Management Education](#), Charles Wankel and Robert DeFillippi, eds. Greenwich CT: *Information Age Publishing*, 2002, 209-236.

Processes of economic globalization over the last few decades have not only dramatically altered the way business is done around the world, but have also greatly impacted political, social and cultural landscapes. The purpose of this paper is to examine how the analysis of these processes of globalization and their effects should be incorporated into management education. A basic premise underlying the argument developed in this paper is that management is a profession and that, as such, it has a responsibility to critically examine the effects of how it functions and investigate how its contributions to society may be improved. Such a responsibility implies that management education cannot have a narrow (instrumental) focus on training (potential) managers how to maximize profits. Rather, the profession must introduce students to the larger questions about the role of management (and business more generally) in society and provide them with the conceptual skills to evaluate what it means for management and business to act responsibly. While these tasks are a challenge at the best of times, they are becoming increasingly more difficult as processes of globalization complicate the nature of corporate responsibilities and our ability to effect change. The basic argument of this paper is that in incorporating the analysis of globalization into management education, it is necessary to employ critical perspectives. The adoption of critical perspectives will be a key to enabling management education to meet the increased challenges of promoting responsible corporate behaviour in an age of globalization.

The paper proceeds in the following fashion. In the first section, an understanding of critical perspectives, in terms of Habermasian critical theory, is provided along with a brief discussion of the tension involved in employing critical theory analysis in management. As well, a distinction is introduced between three different forms of analysis – positive, normative and strategic. The second section then contrasts how mainstream and critical perspectives approach the positive analysis of globalization and suggests some implications for management education. The third and fourth sections follow a similar pattern, contrasting mainstream and critical approaches to normative and strategic analysis and drawing out the pedagogical implications for management education. In looking at the pedagogical implications, our focus is primarily at the level of curriculum content (including the need to incorporate more interdisciplinary perspectives), rather than pedagogical methods.

## I. CRITICAL THEORY, GLOBALIZATION AND RESPONSIBLE BUSINESS PRACTICES

In speaking of critical perspectives, our primary reference is critical theory. Critical theory has both a general and a specific referent. As a general term, critical theory refers to any form of social theory that is at the same time scientific, practical, normative and self-reflective.<sup>1</sup> The scientific character of critical theory refers to rigor in its social science analysis. Its practical nature is comprised of the fact that its analysis of situations of oppression frees agents to address the sources of oppression. It is normative insofar as its analysis of oppression implies a normative critique of the existing situation. It is self-reflective to the extent that it provides an account of its own conditions of possibility and transformative effects. As such the term critical theory could be understood to apply to a range of thinkers and schools from Marx to the Frankfurt School and postmodernists.

The more specific referent of critical theory is the tradition of social theory frequently referred to as the Frankfurt School, the origins of which can be dated back to Max Horkheimer's assumption of the directorship of the Institute for Social Research at the J. W. Goethe University in Frankfurt in 1930. The most prominent contemporary figure in this tradition is Jürgen Habermas. Habermas has developed the original project of the Frankfurt School in a variety of ways. *The Theory of Communicative Action* (1987), in which he reworks historical materialism on the basis of language, is his magnum opus and the foundation on which a variety of other works spin off. The most significant among the latter for our concerns are his theory of discourse ethics (1990; 1993) and his normative

---

<sup>1</sup> For the Frankfurt School, these four traits have more specific references. Their approach was "scientific" in terms of their commitment to undertaking a multidisciplinary research program which was directed at the formation of social theory which encompassed the social whole. The "self-reflexivity" of the tradition was rooted in its combining philosophical and social science analysis. It was most clearly expressed in its recognition of the social constitution of knowledge (especially as it is effected by the social relations of a capitalist society) and its use of immanent critique as a tool to address this problem. The "theory" of the Frankfurt School was "practical" in a particular sense that flowed from its self-reflexive stance. Horkheimer argued that, traditional theory, by failing to reflect upon its role in the process of social reproduction, contributed to the reproduction of oppressive structures. Critical theory, however, by engaging in immanent critique, was able to reveal rather than support structures of domination. Finally, critical theory was inherently normative in that its primary goal as theory was not the increase of knowledge for its own sake but rather the emancipation of society from oppressive structures (Horkheimer, 1972).

theory of law and politics (1996). In this chapter, I will primarily use the term critical perspectives to refer to the work of Habermas and other scholars whose perspectives are compatible with his general method and framework.

While critical theory, especially the work of Habermas, has been applied to management studies for at least a couple of decades (Mingers, 1992), there is some question as to whether there is a fundamental contradiction in undertaking such a project (Spaul, 1997). At issue is whether the tradition of critical theory, which historically has been hostile to capitalism can be conjoined to a basic function (management), which is key to the perpetuation of that system. Elsewhere, I have argued that the more recent works of Habermas – including the theories of communicative action (1987), discourse ethics (1990, 1993) and law and politics (1996) – do allow for the *possibility* that a capitalist business system could be normatively justifiable (Reed, 1999a). This possibility for justification is based upon two basic conditions being met. The first is that a capitalist economy (with its hierarchical, non-participatory and inegalitarian structures) could somehow be viewed as representing a common good. The second is that capitalist business can be effectively brought under democratic control so that public policy decisions are determined on the basis of societal discourse (and not other forms of social power). While I have argued that these conditions can be met in principle, in practice there will always be a very strong tension. The basis of this tension lies in the fact that the normal workings of the capitalist system provide the economic (and political) elite with disproportional material and other resources. Access to such resources typically allows the economic (and political) elite to undermine the conditions mentioned above which provide for the legitimacy of the system. It is important to note here that this tension is structural in nature and inherent in the system. The actual degree of the tension at any one time reflects the nature of the actual historical structures in place, in particular the degree to which the structures are subject to “communicative” control or, alternatively, reflect influence exercised through other sources of social power (e.g., wealth, military, technological, kinship bonds, etc.).

Processes of globalization involve significant changes in the economic and political realms at both the national and international levels. Incorporating the analysis of these process of change into management education is important insofar as they have altered the nature (and effects) of business practices, they have changed our understanding of what corporate responsibility entails and they have affected the prospects for promoting responsible business practices. Our understanding of how globalization may have effected such changes is largely determined by the types of analysis that we employ to investigate them. In what follows we will argue that mainstream analyses in different academic disciplines do not provide us with an adequate basis for understanding the full range of the causes and effects of globalization, the implications for corporate responsibility or what effective responses entail. The reasons for this include the tendencies of mainstream analyses to adopt forms of methodological individualism, to down play the role of power differentials in influencing public policy decisions, to assume the legitimacy of political and economic institutions, etc. Critical perspectives, by contrast, focus on the structural causes of change, highlight the role of power differentials in determining public policy, problematize the legitimacy of economic and political institutions, etc. Such characteristics better enable critical theory perspectives to understand, evaluate and respond to processes of globalization as they relate to corporate responsibility.

In discussing the incorporation of the analysis of globalization into management education, there are a variety of approaches that one might take. Taking our cue from a Habermasian distinction between different forms of discourse, we have decided to organize our discussion around three basic forms of analysis, each of which tends to dominate different academic disciplines that are relevant to management education. These include positive analysis (social sciences), normative analysis (ethics, political philosophy) and strategic analysis (management, public policy). In examining each of these areas, we will contrast critical approaches with mainstream approaches and then draw the implications for management education.

## II. GLOBALIZATION AND POSITIVE ANALYSIS

In using the term globalization in this paper, we are primarily concerned with processes of economic globalization (as opposed, for example, to the globalization of civil society) that involve the transnationalization of basic economic activities (viz., production, finance, marketing, etc.). Globalization, like all social science concepts, is open to contestation and may be conceptualized in different ways depending upon the intellectual traditions in which one is rooted. However, while a diversity of conceptualizations of “globalization” is possible, from the perspective of a (critical) socially responsible approach to management education, an adequate treatment of globalization must provide not only a description of the processes of globalization (with an eye to understanding how firms can maximize profits), but also some account of the causes of globalization and the full range of its effects. These latter aspects are essential for both an adequate normative evaluation of the acceptability of corporate practices and a better (strategic) understanding of how to promote more responsible business. In what follows, we will first indicate how globalization tends to receive a more circumscribed treatment in the business literature. We

will then go on to show how some traditions of political economy tend to take a more critical approach to the analysis of globalization and discuss why such a perspective is important for management education.

### 1) Mainstream Approaches

The business literature (somewhat in contrast to the business ethics literature, discussed below) has long been interested in and influenced by processes of globalization (Dunning, 1993). In fact, one could easily argue that it has been processes of globalization that have determined the major conceptual shifts evident in business fields such as strategy over the last few decades. Grant (1995), for example, traces early shifts in this field – from “corporate planning” in the 1960s to “corporate strategy” in the 1970s – to those events commonly associated with the origins of “globalization” (viz., oil shocks, stagflation, increased competition from Japan, etc.). Subsequent shifts in the field (e.g., to the analysis of industry and competition and the quest for competitive advantage) can also be related back to processes of globalization, even if they were not always conceptualized as such when they were originally elaborated. Similar shifts in other fields such as marketing, finance can also be documented.

While the mainstream business literature is clearly interested in globalization, the nature of its analysis is informed by a positivist methodology, is generally limited to economics and managerial sciences, and includes the underlying normative assumption that the primary/exclusive concern of business is to maximize profits (with a correlative assumption that maximizing profits contributes to a larger societal good). As a result of these factors, most of the mainstream analysis tends only to problematize the response of firms to the changing global business environment. It does not problematize the effects of business decisions on stakeholder groups, either at the micro-level (e.g., how local communities are affected by the decisions of individual firms) or the macro-level (e.g., changes in unemployment levels, patterns of income distribution, etc.).

This is not to say that the business literature never addresses such issues as the role of the state, the potential social impact of business decisions, the environmental impact of business, etc. Clearly, many authors do address such issues (though some seem to abstract from them entirely). Porter (1990), for example, is well known as being a strong exponent on the notion that the state (and other extra-firm dynamics) can play a major role in promoting competitiveness in a global economy. Similarly, other leading figures in the field of strategy raise important questions about the traditional “imperialist” approach of business when entering developing markets (Prahalad and Lieberthal, 1998). The point, however, is that in raising these issues, the focus of the authors is always on firms and how such stakeholder concerns impact profits. The emphasis is never on society, the state, the international order or the environment as objects worthy of consideration in themselves. The analysis only addresses the adverse effects of business on these entities to the degree that they can respond (or have an impact) in ways that affect the firm’s bottom line.

The positivist assumptions and the underlying strategic concern with promoting profits also get reflected in the causal accounts that mainstream approaches provide of the emergence of “globalization.” Typically, mainstream approaches do not concern themselves too much with such questions. To the extent that they do address them, it is argued that processes of transnationalization (in production, finance, marketing) have been largely induced by technological changes associated with the post-industrial revolution (e.g., in communications, transport, etc.) and innovations in organizational and financial theory and practice. The role of states is generally downplayed and/or viewed in a negative light – as overly bureaucratic (i.e., moving too slowly in response to objective conditions demanding change) and self-interested (e.g., engaging in “rent-seeking” behaviour). There is virtually no analysis of the role of business influence over public policy decisions (apart from their providing objective, technical advice). The (neo-liberal) form that globalization is taking is typically viewed as inevitable and irreversible.

### 2) Critical Approaches

In contrast to mainstream approaches, critical approaches to globalization, as exemplified in the international political economy (IPE) literature, are characterized by an interdisciplinary approach, attention to epistemological considerations and the incorporation of objectivist and subjectivist perspectives, including accounts of how structures shape and constrain the actions of individuals and organizations. From such critical perspectives economic globalization is understood as coming about as the result of a series of three interrelated structural changes that have occurred over the last few decades. These include a shift in production relations (from a Fordist to a post-Fordist model), changes in the form of state (from a Keynesian Welfare State to a Schumpeterian Workfare State) and changes in the international economy (from a Liberal International Order to a Neo-liberal Global Order).

The **first** of the three areas of structural change can be conceptualized as a shift from a Fordist model to a post-Fordist model of accumulation (Lipietz, 1987). Cox (1994) explains this shift in accumulation strategy in terms of a distinction between core and peripheral aspects of the production process. Increasingly over the last couple of decades, large firms have been retaining only core aspects of the production process on a permanent basis (viz.

research and development, finance, accounting, etc.), while contracting out other, more peripheral, aspects of the production process (e.g., production of component parts, maintenance, etc.). These changes in production relations are essentially designed to provide corporations with greater flexibility (which provide savings in terms of costs and advantages in capturing markets). While initially occurring within national boundaries (in Japan), the “outsourcing” of peripheral aspects of production has rapidly spread across borders. Accompanying the transnationalization of production has been a transnationalization of finance, marketing, etc. Firms can raise funds across borders with relative ease as international financial markets become increasingly integrated. Similarly, firms can develop global marketing plans based upon a standard set of products. While mainstream theorists incorporate the analysis of these changes, they do not link them to the other two processes of structural change. Nor do they adequately address the charges of critics (Korten, 1995; Mokhiber and Weisman, 1999) that (unregulated) processes of economic globalization have had a range of adverse social, political and economic effects.

The **second** area of structural change that helps to account for globalization involves the analysis of how states have been transformed in recent years. More specifically, countries around the globe have been “liberalizing” their economies and cutting back on social spending ever since the early 1980s and the Thatcher and Reagan “revolutions.” These changes in the state, which were essential in facilitating the changes in production relations noted above, are conceptualized by Jessop (1994a) as a shift from a Keynesian Welfare State (KWS) to a Schumpeterian Workfare State (SWS). Jessop (1994b) argues that the KWS underwrote the social reproduction of Fordism through: 1) state management of aggregate demand; 2) competition policy, infrastructure development, transportation and housing policies; 3) the promotion of full employment and big business and; 4) the management of social problems and the promotion of mass consumption through welfare rights and social expenditures. The key traits of the SWS, by contrast, include: 1) economic policy focused on the promotion of innovation driven structural competitiveness and; 2) social policy designed to enhance business flexibility and competitiveness in a global economy (rather than promote redistribution with the nation-state). (Jessop, 1993) Again, critical perspectives on globalization argue that these changes in the form of state have had adverse social and economic effects on significant sectors of society (especially the most vulnerable) as well as the democratic political process. Moreover, they argue, this shift in the form of state did not just happen as the logical result of public discourse and a commonly agreed upon objective analysis of the plight of the economy. Rather, it occurred as part of a conscious, well-financed and highly organized (and non-democratic) political strategy initiated by business leaders (and sympathetic politicians) in the largest, developed countries of the world (Cox, 1987; 1994).

Shifts in production relations and the changes in states that facilitated them are intimately tied up with a **third** area of change, viz., the international economy. Two aspects of the international economy are of particular importance for our concerns, viz., multilateral economic agreements and international financial institutions. Over the last two decades, as individual countries have liberalized their economies, a range of multilateral economic agreements (e.g., NAFTA, the Uruguay round of GATT, etc.) have been agreed to. These agreements not only allow for increased flows of capital and goods across borders, but also put in place provisions that severely limit the ability of subsequent governments to (re)impose restrictions. These agreements, of course, have been essential in promoting the transnationalization of post-Fordist production. They have also served as vehicles to encourage reluctant states in the developed world to introduce programs of economic liberalization. Again, the impetus for such agreements came primarily from big business in the dominant economic powers and operated through national governments as well as unofficial multilateral organizations (e.g., the Trilateral Commission, the Bilderberg Conferences, the Mont Pelerin Society, etc.) and official bodies (viz., the OECD, the G-7), etc. Critical perspectives argue that the dominant influence of business in these processes is reflected in the fact that non-business and non-trade agreements do not get institutionalized in the same ways. In the case of NAFTA, for example, environmental and labor issues were addressed through side deals that cannot be effectively enforced (Cox, 1987; 1994).

### 3) Pedagogical Implications

Critical approaches to globalization make important points with respect to both the causes and effects of globalization that are not addressed by mainstream theories. First, with respect to the causes of globalization, they note that the present form of economic globalization: 1) was not just the logical conclusion of a process of economic development based up technological advances, but; 2) came about as the result of concerted organizational efforts undertaken by large corporations to influence political policy on the basis of their material resources and political connections, and; 3) represents only one of different possible forms of what a global economy might look like. Second, with respect to their effects, critical perspectives argue that processes of economic globalization: 1) have greatly reduced the policy autonomy of individual states around the globe, 2) have resulted in a dramatic shift in power between firms and states (with corporations in many instances virtually negotiating with states on an equal footing); 3) have resulted in a significant redistribution of wealth in favor of the rich within and across countries

around the globe, and; 4) while inducing increased competition in some markets in the short run, may have laid the foundations for global oligopolies to dominant key markets around the world in the medium to long run.

These points of analysis have far ranging implications both for the normative analysis of management responsibilities and the understanding of how fulfilling such responsibilities can be effectively achieved (discussed below). A major pedagogical implication, therefore, is that critical analysis of processes of globalization (which highlight structural analysis) must be incorporated more systematically into management education. Without such a foundation, future managers will be ill-equipped to understand the context in which they are operating, unable to determine the nature of their responsibilities and incapable of effective response.

How such critical perspectives of globalization are to be incorporated in management education is an open question. A variety of possibilities exist, including inclusion in: 1) courses in individual management fields; 2) core management courses, and; 3) courses in other faculties/departments. Somewhat tellingly, however, processes of globalization are themselves undermining the prospects for incorporating critical perspectives into management studies.

Processes of globalization are extending the influence of business over universities and leading (post-secondary) education to be increasingly viewed as just another “commodity.” One way increased business influence operates is through government cuts to education budgets (leading universities to turn to the private sector for funds) and the reapportioning of budgets to favour the sciences and professions over the liberal arts. Government also actively encourages universities to turn to the private sector by linking funding (e.g., for capital projects, research, etc.) to matching funds from the private sector. Moreover, in countries like Canada, governments are beginning to allow for-profit universities to operate which, as little more than glorified trade schools, focus on professional programs and do not have any liberal arts programs. The net effect of all these changes is to decrease societal perceptions of the importance of the liberal arts, to increasingly delink professional programs from the liberal arts and to eliminate critical perspectives, including any alternative (non-neoliberal) conceptions of what business and society might be (Slaughter and Leslie, 1997; Slaughter, 1998; Smith, 1999; Tudiver, 1999).

### III. GLOBALIZATION AND NORMATIVE ANALYSIS

Globalization and associated processes of economic liberalization have created new opportunities for businesses literally around the world. Globalization also raises many questions about the obligations of business. An adequate understanding of the nature of corporate responsibilities in a global economy requires a critical perspective. Historically, the field of business ethics, including the newly emerging sub-field of international business ethics, has not been a particularly critical discipline. Nor has the field been quick to incorporate the analysis of globalization, or economic analysis generally (Enderle, 1996). Indeed, leading figures in the field are only just beginning to acknowledge that globalization is raising important theoretical and practical challenges (Boatright, 2000). In what follows, we will first discuss the non-critical nature of (international) business ethics, examine the challenges that globalization poses and indicate how mainstream approaches have not (yet) met these challenges. We will then go on to discuss the advantages of critical theory approach and some implications for management education.

#### 1) Mainstream Approaches

Concern about how transnational corporations should operate has generated a lot of academic discussion over the past few decades across a range of academic disciplines, e.g., political science, theology, etc. The field of business ethics has also demonstrated some significant level of interest in the activities of transnational corporations. Most of this interest has (and continues) to take the form of case studies or the analysis of individual issues. There has been relatively little systematic attention focused on normative theoretic issues as they relate to international business or transnational corporations. There are, of course, obvious exceptions to this rather general statement. Two of the most notable are Donaldson’s (1989) *The Ethics of International Business* and de George’s (1993) *Competing with Integrity in International Business*. In what follows, I will draw upon these works to illustrate the non-critical nature of mainstream approaches to (international) business and their failure to address the challenges raised by processes of economic globalization. This critique will be organized around three basic tasks of ethics, viz., the delineation of norms, justification and application.

**Norms** - One key task of any theory of ethics is to delineate the norms by which the various concerns of the field can be evaluated. A critically elaborated theory will provide a comprehensive list (at least in terms of the categories if not all the actual possible norms), which is grounded in some form of compelling logic (for why the norms listed are listed and others are not). In his work on international ethics, Donaldson proposes that international

business ethics should revolve around respect for ten international human rights. His position is problematic in several ways. First, there is no clear reason why the rights that Donaldson chooses should be the ten basic rights to be respected. (Indeed, many would clearly object that the right to property is not a fundamental human right.) Second, and more anomalous for a theory of international *business* ethics, as Velasquez (1995) has pointed out, is the fact that in limiting his criteria to “human rights,” Donaldson essentially abstracts from the analysis of business activities as business activities. He is, in effect, operating in the field of international human rights rather than international business ethics. While human rights are important and valid criteria for business ethics to employ, they clearly do not constitute the complete range of criteria that (international) business ethics needs. They tell us nothing, for example, about how we are to evaluate a range of questionable practices (e.g., the manipulation of transfer prices, tax evasion, etc.) that cannot be readily conceived as human rights violations. For his part, de George provides us with seven ethical principles. While most of these principles are relatively uncontroversial, there is no clear basis for the selection of these principles (and the exclusion of others). Also, the level of generality of these principles (e.g., produce more harm than good for the host country) leaves them open to a range of interpretations (and the obvious question of who determines, for example, what constitutes a balance of good over harm). While de George tries to further specify some of the implications of the general principles, we are given no compelling reasons why we should favour his interpretations over others.

One of the key normative theoretic challenges that globalization poses to the field of international business ethics, as Velasquez (2000) points out, is the tension between particular and universal norms. While there is no logical contradiction between the existence of particular norms and universal norms (though some theorists would clearly deny the existence of universal norms), conflicts do exist with respect to which norms can be considered universal and which merely particular. At issue is how we can provide a theoretical account and categorization of particular vis-à-vis universal norms. Neither Donaldson, nor de George offer much guidance here. While Donaldson upholds universal norms,<sup>2</sup> the closest he comes to discussing the universal-particular divide is a distinction between minimal duties (“a duty of which the persistent failure to observe would deprive the corporation of its moral right to exist”) and maximal duties (“whose fulfillment would be praiseworthy but not absolutely mandatory”). Instead of providing a theoretical account of this distinction, which does not really address the universal-particular divide, Donaldson offers only a few examples. For his part, de George accepts Donaldson’s notion that firms may have responsibilities that go beyond moral minimums. He also believes that corporate responsibilities can change with circumstances (e.g., when operating in developing countries), especially due to a lack of background institutions. These are questions of application, however. He, like Donaldson, fails to really take up (let alone provide a theoretical account of) the distinction between universal and particular obligations.

Another key normative challenge that globalization confronts us with is the elaboration of criteria to evaluate the operation of international organizations, treaties, practices, etc., which enable and regulate transnational business practices. Again, our authors have little to say on this matter. While de George assigns great importance to (the lack of) background institutions, and strongly advocates that corporations assist governments in promoting them, he has little to say on the criteria for developing such institutions (apart from offering a lukewarm endorsement of the form of current arrangements on pragmatic grounds). A failure to address the nature of international political and economic institutions is problematic from the perspective of critical perspectives for the following reason. The regulation of international relations is primarily carried out on the basis of “international law.” International law, however, has to a large extent been determined by historical power struggles in which political (and economic) elites in nation states have agreed to a *modus vivendi* based upon two basic principles, respect for sovereignty and non-interference in the domestic affairs of other states (McCleary, 1992). Historically, international law has served to provide a veneer of legitimacy to many clearly illegitimate regimes and enabled the larger powers in the world to dominate international relations on the basis of military and economic might. Because international law (and the regulation of international business) is not founded on the basis of democratic principles and institutions, this creates serious legitimacy problems for all international business (especially activities involving less than fully democratic governments). This is not a new problem, but it is one that is exacerbated by globalization in two basic ways. On the one hand, the sheer number of international transactions is increasing. On the other hand, the ability of citizens of nation states to determine their own future (and impose conditions on how corporations do business in their countries) is being undermined. This is happening because processes of globalization have served to increase the power of corporations vis-à-vis national governments and undercut the policy autonomy of national governments through international economic agreements, (structural adjustment)

---

<sup>2</sup> Donaldson, in his later work develops the notion of “hypernorms” to address the universal-particularist split. Again, this is not a critical approach as it relies on what is held to be an empirical consensus on norms, rather than a theoretical account of why these norms should apply to everyone.

conditions imposed by international economic institutions, the perceived need to attract foreign capital, etc. Under these circumstances, it is incumbent on international business ethics to develop/employ norms (in the form of a normative political theory and a normative theory of international relations) for the evaluation of international economic and political organizations.

**Justification** – Any critical theory of ethics needs a justification program that provides a compelling explanation of why the norms advocated (and not others) should be accepted. Donaldson attempts to ground his international ethics in the tradition of contract theory. The basic problem that afflicts his approach (and contract theory generally) is that he does not provide a critical account of the conditions necessary for a contract to be valid (e.g., conditions that can ensure that coercion is not involved). For his part, de George provides no justification at all for the seven rules that he proposes (apart from a statement that “one can derive or defend them from a variety of high-level principles”). Again, the problem of justification is not new. The problem, however, takes on increased significance, as Hartman (2000) points out, in a globalized world. With increased intercultural interaction, the need for a firm meta-ethical foundation (especially for norms which we wish to uphold as universal) increases because it is less possible to rely on background assumptions that are relatively uncontroversial in given cultures (as cross-cultural interactions make them increasingly controversial). Similarly, the increased power of corporations in the global economy makes justification programs more important so that norms regulating international business do not reflect the increasing economic might and political influence of corporations.

**Application** – A general task of ethics is to determine how norms are to be applied in different contexts and under different circumstances. Again, while this task is not specific to the context of globalization, processes of globalization have made this task much more salient. Both Donaldson and de George take up the question of application, but not in critical ways. Donaldson, for example, in relationship to the question of whether corporations should be involved in countries that do not respect human rights, proposes a “condition of business” principle which states that firms are not required to abstain from doing business in countries that have violated human rights, but only those that are systematic violators of the most fundamental human rights. Even then it may be permissible to engage in business, provided one’s business practices serve to discourage the violation of rights and do not benefit the government. What Donaldson fails to provide here are important indicators (e.g., what constitutes a lack of political participation, what constitutes helping an illegitimate government), a justification for such indicators and an indication of who is to determine whether the actual situation conforms to the indicators (e.g., the corporation, the corporation’s home government or the people most directly affected). It is interesting (and perhaps telling) that Donaldson (and many people in the field of business ethics) took up the high-profile case of South Africa, but did not address, say, the situation of gulf states like Saudi Arabia (where the activities of corporations clearly do help non-legitimate governments that consistently violate fundamental human rights such as the right to political participation). For his part, de George examines the manner in which corporations operating in different fields (e.g., banking, resource extraction, manufacturing, should operate in developing countries especially in the light of inadequate background institutions. Like Donaldson, however, there is a failure to provide effective indicators (both of what effective background institutions are and how corporations should perform in their absence) or address the question of the role of the local population in decision-making processes affecting them. Neither Donaldson nor de George takes up the question of how processes of globalization are affecting the application of norms to particular contexts.

## 2) Critical Approaches

Critical management theorists have not paid as much attention to business ethics as they have to the more traditional management sciences. There is, however, an obvious basis for developing a systematic critical theory approach to business ethics that is compatible with the concerns of critical management studies. This obvious basis is Habermas’ work on discourse ethics (1990; 1993) and law and politics (1996), both of which are firmly rooted in his theory of communicative action (1987). Habermas’ theory of communicative action, in line with the linguistic turn in philosophy in the twentieth century, looks to language as a basis for investigating fundamental questions of epistemology. The particular approach that Habermas takes to the analysis of language is to focus on its performative aspect. In this context, Habermas views the “speech act” (in which we make contestable claims) as the fundamental unit of speech. Habermas distinguishes a range of different types of speech acts (e.g., constative, aesthetic, pragmatic, ethical, moral, etc.) in which different types of claims are made (e.g., truth, beauty, effectiveness, goodness, correctness, etc.). His basic argument is that we can come to knowledge through a process (discourse) in which contestable claims are problematized. Meanwhile, his distinction between different forms of speech acts (and discourse) allows him to argue that there are different types of knowledge and that some of these types may be universal in nature while others are more limited.



**Norms** – One of the critical aspects of a critical theory approach to ethics is that it allows for a more systematic (less ad hoc) approach to the generation of norms. The key to this is the distinction between different types of practical discourses (ethical, moral and pragmatic) and the distinction between what might be referred to as three realms of normativity (ethics, morality and legitimacy). For Habermas, ethical norms relate to our (individual and communal) substantial conceptions of the good life, moral norms entail discursively agreed upon (universal) principles, while norms of legitimacy are constituted by the conditions necessary for the generation of legitimate law (the principles of the constitutional state and the system of rights). Corporate obligations in each of these three realms can be further specified. I have argued elsewhere that in the case of moral and ethics, this can be done through a slight adaptation to the use of immanent critique (Reed, 1999b). Immanent critique is a process through which theories are examined for internal consistency. In the case of morality, for example, we adapt this process by drawing upon standard economic theories (e.g., the neo-classical theory of general equilibrium) that develop arguments that the capitalist business system can represent a common good (i.e., everyone could agree to it) and then tease out normative criteria by which we can evaluate a full range of business practices. Such basic criteria would include whether or not firms generate profits on the basis of innovation (as opposed to limiting markets), whether firms discriminate against different groups of employees in hiring and promotion, whether hierarchical organization within firms contributes to efficiency, whether firms generate (negative) externalities, etc.

One of the problems that globalization poses, as we noted above, is the tension between universal and particular norms. Critical theory addresses this problem through its distinction between different types of discourse, most notably, between ethical and moral discourses. As we previously noted, ethical norms relate to our (individual and communal) substantial conceptions of the good life. Because such conceptions of goodness are inevitably related to the way that we have been socialized and the particular context(s) in which we have been raised, ethical norms are inevitably particular. Obligations relating to these norms are assumed by agents through their own actions and relationships to others. Critical theory then allows us to understand particular obligations as based upon specific (implied or explicit) conceptions of the good life and the particular relationships which corporations have developed with particular stakeholder groups. This is not to say that there cannot be rational discourse and agreement about them, but only that the scope of such agreements will be limited by the condition of common background or lifeworld (*Lebenswelt*) presuppositions. By contrast, Habermas argues that moral discourses, in which claims of procedural fairness are thematized, can result in universal norms. What allows for such universal norms is the fact that there is a universal logic inherent in language to which, as participants in discourse, we all have access. As such, then, moral norms necessarily reflect a (procedural) common good, for otherwise participants in the discourse would not agree to the norms. In this way, then, critical theory provides not only a clear distinction between universal and particular norms, but a theoretical account of the basis for the distinction and the conditions under which such norms can be upheld as valid.

A second problem that globalization raises is the need for norms to evaluate international economic and political institutions. Elsewhere we have argued how Habermas' normative theory of law and politics, which is again grounded in his theory of communicative action, can be directly incorporated into the analysis of business-state relations (Reed, 1999a). Characteristic of this theory is the emphasis on the importance of public discourse as the basis for the legitimacy of law. On this foundation, Habermas lays out the criteria under which citizens could be guaranteed the effective opportunity to actively engage in public discourse (viz., private autonomy rights, public autonomy rights and some minimal welfare rights) and the institutional criteria (viz., the principles of the constitutional state) under which such public discourses could effectively filter up through the formal political process and provide the basis for legitimate law. The practical implications of this theory for business-state relations would be a dramatic curtailing of the attempts of business to affect public policy through lobbying and other forms of influence. While Habermas has not expended as much energy in examining international space, he does argue that the same basic principles hold. Institutionally, Habermas (1999) would tend to see (a given conception of) the European Union and the European Parliament (rather than the Bretton Woods system and the UN) as the best model for understanding how international economic and political relations should be regulated.

**Justification** – As was mentioned above, the problem of justification is one that historically has not received much attention in business ethics. While the issue is beginning to be raised more in the context of globalization (Hartman, 2000; Velasquez, 2000), this has primarily been by way of allusion to the difficulty of the problem rather than providing constructive suggestions. The advantage of a critical theory approach is that it has a strong justification program that upholds the possibility of universal norms. Moreover, this justification program is not rooted in controversial (non-demonstrable or non-falsifiable) metaphysical premises, but rather in a theory of language that claims to admit of the possibility of falsifiability.

**Application** – As noted above, a general task of ethics is to determine how norms are to be applied in different contexts and under different circumstances. In the international realm, two basic sets of circumstances

arise. On the one hand we have (as Donaldson and de George rightly acknowledge) different levels of development, which may influence what appropriate standards are (e.g., for wages). On the other hand, as de George highlights, there is also often a lack of background (political and economic) institutions. In principle, if there were appropriate (legitimate and capable) political institutions in place, they could determine (on the basis of societal discourse) appropriate standards for corporate activities. In the absence of such institutions, then corporations take on greater responsibilities, either for determining what appropriate standards are or (in the case of extremely illegitimate governments) determining whether they should operate in the country at all. A key question, however, is how corporations are to determine this. A critical perspective demands that this be done in a way that reflects the will of the local community for they alone can provide corporations with a sanction to operate in the absence of a legitimate government. Processes of economic globalization complicate this situation in a practical way, especially for corporations operating in developing countries, by encouraging a worldwide “race to the bottom.” This means that even when apparently legitimate governments exist, they cannot establish appropriate standards. Under conditions of globalization, fair standards can only be effectively established through the generation of legitimate (discursively-determined) international standards. As a result, in a globalized economy without democratic controls virtually all official standards in developing countries must be treated with suspicion and corporations need to engage directly with local communities to determine appropriate standards.

### 3) Pedagogical Implications

Clearly one of the implications of a more critical approach is the need for courses and books in business ethics to move beyond what has become a standard model of presenting three approaches to normative theory (virtue theory, deontology and utilitarianism) and to incorporate more critical perspectives. While the literature in the field is beginning to move beyond this “holy trinity,” very few of the pedagogical materials (at least in the English-speaking world) have. In addition, much greater attention clearly needs to be given to the question of how positions are justified (or not) so that students (and future managers) are able to critically evaluate which norms they should be applying in given situations. An important implication of globalization is that business ethics courses need to move beyond ethical theory (narrowly understood) and incorporate normative political theory (including issues of international relations). In a global economy it is not possible to address the fairness of international business practices without evaluating the legitimacy and fairness of the political and economic institutions and policies that determine the context in which business is conducted and regulated. In addition, in a global economy in which business as a whole is (arguably) the primary beneficiary of a lack of adequate background institutions, questions of application need to be expanded beyond the responsibilities of individual managers and firms to the possible collective responsibilities of business. This would include issues of whether industries should set standards for firms in their sector and/or make specific recommendations (e.g., not operating in non-democratic countries). It is, of course, extremely difficult to incorporate all of these suggestions into a standard, one semester course in business ethics, so a final implication of the need for more critical perspectives is that more time needs to be found in the curriculum for business ethics. Ideally, this should probably involve both more time for standard business ethics courses as well as an integrated approach in which normative issues are addressed in the various field of management education.

## IV. GLOBALIZATION AND STRATEGIC ANALYSIS

Globalization poses new challenges to promoting responsible corporate behaviour. Understanding what is involved in responding effectively to such challenges requires an investigation of two fields that are primarily concerned with strategic analysis, management and public policy. In what follows we will first give an account of the inadequacy of mainstream approaches to management and public policy for promoting responsible corporate behaviour. We will then go on to examine the possible contributions of critical management perspectives and how these need to be supplemented by a critical approach to public policy (broadly understood). We will then investigate the implications for management education.

### 1) Mainstream Approaches

In addressing the strategic question of how firms can be most effectively encouraged to be socially responsible, it is important to look at both the level of firms and industries and the level of public policy. At the firm level, there are a variety of methods and tools that have been developed over the last couple of decades by firms and industries, e.g., corporate codes, social and environmental accounting, etc. While such methods are generally highly publicized by corporations that adopt them, there is significant reason to question whether they are having any

significant impact in effecting corporate behaviour (Frankental, 2001). A lack of significant impact could be due to either of two basic reasons. On the one hand, it might be argued that typically business does not take normative considerations into account (Ulrich and Thielemann, 1992) and that such methods are never intended to serve more than public relations functions. To the extent that this is the case, then the problem is largely one of moral formation and how one can inculcate more responsible attitudes, especially among senior management. Such an investigation is beyond the scope of our present concerns.

On the hand, however, it could be the case that these initiatives clash with the broader environment of corporations, including their employment of mainstream approaches to management. Historically, up until the 1970s all of the management sciences were dominated by “hard” (or positivist) approaches. Typical of such hard approaches, in the area of systems thinking for example, was RAND system analysis and Jenkin’s Systems Engineering. While such hard approaches have come under harsh critique (e.g., in terms of their positivist conception of enquiry and intervention, and realist epistemology), they still continue to operate. Such approaches do not readily allow for the inclusion of outside standards and goals. If these goals and standards are not effectively integrated into the incentive structures within the firm, however, then they are unlikely to be respected. What can typically happen then is that firms can formally adopt certain normative principles and values, but frustrate the prospects for their effective incorporation by employing traditional management practices.

If traditional management methodologies are incapable of effectively incorporating appropriate norms for the promotion of responsible corporate behaviour, then an alternative approach would be to incorporate incentives into the system through public policy, e.g., company law, regulatory agencies, etc. In principle, government regulation, properly enacted and enforced, allows society to uphold minimal standards while encouraging responsible action by well-motivated companies (by minimizing competitive disadvantages associated with being responsible) and discouraging irresponsible activities (through sanctions). It is sometimes argued that there is a price to pay for regulatory action – the two most common trade-offs cited being those between property rights of owners and socio-economic rights of other groups, on the one hand and those between growth and equity on the other. These trade-offs, however, can generally be justified from a normative perspective. Globalization processes, however, complicate the problem of regulating corporations to conform to justifiable standards. As discussed previously, processes of economic globalization involving programs of economic liberalization and deregulation have largely undermined the policy autonomy of states, including their ability to regulate corporate activities. Part of this lack of autonomy involves formal constraints in the form of international agreements (e.g., trade agreements), while part is based upon concerns about being globally competitive and the need to provide a favourable investment climate for business. In the US, this question has a previous life in the form of discussions around the Federal Corrupt Practices Act and the concern that such regulations put US firms at a competitive disadvantage vis-à-vis the firms of other nations.

In the face of impotent national governments, a public policy alternative to promoting more responsible corporate governance (and stemming an international “race to the bottom”) might be international regulation through multilateral agreements. The potential of a multilateral approach however is undermined by the nature of the multilateral process. Multilateral agreements typically take the form of conventions or protocols (e.g., the Vienna convention, the Montreal Protocol). The general practice in developing such measures is that national governments come to agreement on a proposed pact, generally under the auspices of a multilateral body (e.g., UNCEP). This pact must then be ratified by a set number of national legislatures before it can come into effect. There are several obvious weaknesses in this system. First, the system is based upon norms of international law (and constitutes a bargaining processes) rather than being rooted in a notion of political democracy (and involving processes of public discourse). As a result the interests that get represented in the bargaining processes are not necessarily those of a majority of the population (but rather the interests of a small elite – even in formally democratic countries). Second, individual countries cannot be forced to take part in negotiations concerning the pact or to ratify the pact (e.g., Norway and Japan have not ratified the international ban on whaling). Third, if they do not ratify agreements, countries are under no obligation to comply with its standards (e.g., Norway and Japan continue to whale). Fourth, even in instances when countries do ratify a pact, enforcement measures tend to be very weak or non-existent. (It has only been in the area of trade relations that governments have agreed to strong enforcement measures, including the use of domestic courts to sue offending parties). As a result of these characteristics of the international state system, typically: 1) it takes a long time to reach agreements; 2) agreements are generally reactive rather than proactive; 3) tremendous (often irreparable) damage is done before agreements are reached; 4) agreements are reached only on issues where there is a consensus among the dominant economic countries (and the dominant business interests within them), and; 5) there is little or no effective enforcement. In an age of globalization, these characteristics of the international state system have not helped to limit an international race to the bottom, but rather have facilitated it in large part. NAFTA provides a prime example of the problem of

multilateral regulation in an age of globalization in that it allows for enforcement of trade and investment related concerns, but not social, environmental and human rights concerns.

## 2) Critical Approaches

In the management sciences, there has been a growing movement, commonly known as critical management studies, that draws upon (Habermasian) critical theory. The first efforts to incorporate the work of Habermas into the field of management go back to the early 1980s (Mingers, 1992). The incorporation of critical theory perspectives was undertaken largely in response to methodological issues in the management sciences, in particular, issues of compatibility of different methodological approaches and the prospects for developing a complete managerial problem-solving framework. Particularly prominent among the proponents of critical thinking early on were theorists in the area of systems thinking. In early 1980s, for example, Jackson and Keys (1984) drew upon Habermas' (1978) earlier work, *Knowledge and Human Interest*, to try and address the problem of methodological pluralism. The result was the first metatheoretical framework - the system of system methodologies (SOSM). Flood and Jackson (1991) would later go on to develop another influential method to assist in the choice of methods for particular situations - total systems intervention (TSI). In the early 1990s efforts were undertaken to set out a comprehensive research plan for applying Habermasian critical theory across the entire range of management disciplines (Alvesson and Willmott (1992a). Another significant development in the field related to developments in Habermas' own thought, most notably his theory of communicative action (1987) but also his normative theory (1990; 1993; 1996). This led to new understandings of how methodological pluralism was to be conceived, such as Mingers' "critical pluralism" (1997).

While critical theory was initially employed in management studies primarily as a response to methodological problems, its general critical orientation provides it with the potential to better incorporate concerns about corporate responsibility. Many critical management studies theorists initially expressed this potential in terms of Habermas' (1978) understanding of knowledge-constitutive interests, specifically an "emancipatory interest." The development in Habermas' thought noted above, however, called into question the adequacy of this approach. More recent work on multimethodology provides an alternative understanding for how critical approaches can better help the incorporation of normative concerns into management science. A case in point is Mingers' critical pluralism (1997).

Mingers conceptualizes his approach in terms of three interrelated notional systems. The first of these, the Problem Content System, draws upon Habermas' later work for: 1) an analytic distinction of different (social, personal and material) worlds; 2) its basic categorization of normative theory and; 3) its epistemology (including an emphasis on the distorting effect that power relations play in the generation of knowledge). The second notional system, the Intervention System, involves the analysis of agents and how they weave together different methods under different circumstances in order to intervene in particular problem situations. The third notional system, the Intellectual Resources System, provide a framework for integrating methodologies for intervention. Here Mingers combines the three different areas in which intervention can occur (i.e., personal, social and material) with four different phases of intervention to provide a conceptual framework for mapping interventions (see table 1). While Mingers' primary concern is to explain how this conceptual framework can be employed to combine different methods (e.g., viable systems method, soft systems methodology, cognitive mapping, strategic choice, etc.), his problematization of the relationship between the three different notional systems, including his emphasis on questions of epistemology, agency and values (and the role of power relations in determining/ distorting these) provides an account of how appropriate norms can be critically generated and incorporated into the functional areas of management.

While critical management studies provides the prospect for more effective implementation of norms into the various functional areas of business, it is not without its limitations as a strategic approach. First, adoption of the approach does not guarantee successful implementation. It requires properly motivated and knowledgeable agents. Second, the successful operation of the system, when it does occur, involves "micro-emancipation" (Alvesson and Willmott, 1992b). Such micro-emancipatory benefits accrue primarily to those most closely associated with the firm (especially employees) and do relatively little to stem the questionable results of the system as a whole (especially the results emanating from processes of globalization including the international race to the bottom). Third, micro-emancipatory victories in organizations may not be unmixed blessings, for in addition to their positive micro-level benefits, they may also serve to reinforce, rather than oppose, larger (illegitimate) structures (Jackson, 1999). An example of this might be how the development of ethical codes by business is used to justify deregulation of business (and limits to their liability). Finally, there is the prospect that firms adopting critical management methods (especially to the degree that they seriously attempt to follow the implications laid out in Section III) may suffer from competitive disadvantages.

**TABLE 1. LINKING PHASES AND DIMENSIONS OF AN INTERVENTION** (cf., Mingers, 1997)

	Appreciation of	Analysis of	Assessment of	Action to
Social	social practices, power relations	distortions, conflicts, interests	ways of altering existing structures	generate empowerment and enlightenment
Personal	individual beliefs, meanings, emotions	differing perceptions and personal rationality	alternative conceptualisations and constructions	generate accommodation and consensus
Material	physical circumstances	underlying causal structure	alternative physical and structural arrangements	select and implement best alternatives

What all these limitations point to is the on-going need for regulation to promote responsible corporate activity. On the basis of our previous analysis, however, it would seem that the only viable (long-term) solution to regulation is some form of supranational regulation that is closely linked to democratic politics. The positive analysis above has indicated that with globalization there has been a tremendous shift in power between firms and states and with it an increasing lack of policy autonomy by nation states. The normative analysis has indicated the basic lack of legitimacy of the current interstate system (including international economic institutions and policies). The strategic analysis has argued that the national and international regulatory approaches to promoting more responsible corporate behavior are likely to be less effective than ever in a global economy. Under these circumstances, it would appear that only possible way to effectively promote responsible corporate behavior in a global economy is to somehow develop institutions that allow for the globalization (and democratization) of the process of regulation (Habermas, 1999).

This suggestion, of course, will strike many as naïve at best and possibly even dangerous (not to mention morally repugnant). One argument that skeptics generally raise is the lack of precedence. In this case, they would be correct, but only partly. There clearly are no global organizations capable of regulating the global economy. There is, however, a set of institutions that is quasi-supranational in character that does to a large extent regulate a regional economy, viz., the European Union. The European Union is a unique and diverse organization that is rather difficult to categorize. Historically it has often functioned more like a multilateral organization insofar as individual countries have had effective veto-power of significant decisions. Recent changes, however, are moving the European union more in the direction of a supranational body by eliminating the veto power of individual countries. In addition, moves to increase the power and roles of the European Parliament are injecting a more direct (i.e., not mediated by national governments) form of democratic participation in the regulation of European affairs. The emergence of such developments in Europe indicates that the primary obstacles to developing supranational institutions are not organizational or technical. Rather, more critical perspectives would argue, they consist primarily of the vested interests of national political (and economic) elites around the world.

A second standard response by skeptics appeals to the concept of pragmatism. In this instance such an appeal can refer to at least two conceptually distinct claims. On the one hand, it may be asserting that attempts to develop such a supranational system are unlikely ever to be developed or work effectively. On the other hand, the claim could be that existing problems are so urgent (and resources so limited) that we need to focus our attention on existing approaches (viz., self-regulation, national regulation and multilateral regulation). Our role here is not to speculate on the probability of the emergence of a supranational regulatory system or to deny that there are urgent problems that need to be addressed in the short to medium run through the tools and institutions that we have at hand. However, if one starts from the goal of developing effective measures for promoting responsible corporate behavior, then in the long run the only likely prospect for success is the development of some form of democratic supranational control over corporations. Such a solution is not only pragmatic from the perspective of the global economy. It is also the only practical solution for addressing the situation of well-intentioned managers operating in a global economy. Only a democratically-grounded global system of regulation is capable of allowing managers to operate both effectively (with respect to their business goals) and in good conscience, for only such a system can

ensure managers of the legitimacy of established norms while ensuring that they do not suffer significant competitive disadvantages by trying to be socially responsible.

### **Pedagogical Implications**

Two basic implications arise from the analysis above. First, there is clearly a need to integrate more critical perspectives into management education. How critical perspectives can most effectively be introduced is an open question depending upon a wide variety of constraints. Ideally, one might hope that critical perspectives could be introduced across the full curriculum as part of a comparative approach to specific management fields (e.g., operations research, organizational behaviour, accounting, etc.). As there is an increasing body of critical literature in each of these fields, resources do not present a primary problem here, but clearly other factors might inhibit such a goal. A more limited approach might be the development of specific (core) courses that focus on critical perspectives. A recent example of this approach is a new course offered at Warwick (Mingers, 2000). Second, there is a need for the incorporation of more public policy (broadly understood) into the curriculum. As government regulation largely determines the manner in which corporations compete, the promotion of responsible business cannot be separated from public policy. While managers are not the agents primarily responsible for public policy, they do need to understand how public policy enables or undermines the prospects for the promotion of responsible corporate behaviour. This is particularly true in a global economy where processes of globalization are undermining the prospects for effective government regulation. In such instances, managers, as managers, need to devise ways to enable corporations to compete in a socially responsible manner and, as citizens, need to contribute to the larger societal discourse of establishing effective regulatory systems.

### **V. Conclusion**

Processes of economic globalization have had a tremendous impact over the last few decades not only on how business is conducted, but on virtually all aspects of our lives. They have also complicated the question of what corporate responsibility entails and how managers can most effectively respond. As a result, processes of globalization have also raised significant challenges for management education. If management education is to enable (future) managers to understand how to operate in a socially responsible way in a global economy, it must ensure that they have an adequate understanding of the full range of causes and effects of processes of economic globalization. This requires the incorporation of critical international political economy analysis into management education. The possibility of effective response also implies that managers know what corporate responsibility entails. Helping managers understanding corporate responsibilities in an age of globalization requires that management education incorporate critical approaches to international business ethics and normative political theory. Finally, effective response implies both a critical micro and macro level understanding of how to effect change in the global economy. This means that management education needs to provide more critical management studies perspectives and integrate more public policy analysis. This is an ambitious agenda to set for management education. Nothing less, however, will adequately equip managers to confront the challenges they face in the 21<sup>st</sup> century.

### **References**

- Alvesson, Mats and Hugh Willmott, (eds.). 1992a. *Critical Management Studies*. Newbury Park, CA: Sage Publications.
- Alvesson, Mats and Hugh Willmott. 1992b. "On the Idea of Emancipation in Management and Organization Studies," *The Academy of Management Review*, 17 (3): 432-464.
- Boatright, John. 2000 "Globalization and the Ethics of Business," *Business Ethics Quarterly*, 10 (1): 1-6.
- Cox, Robert. 1987. *Production, Power, and World Order*. New York: Columbia University Press.
- . 1992. "Multilateralism and world order," *Review of International Studies*, 18: 161-180.
- . 1994. "Global Restructuring: Making Sense of the Changing International Political Economy," in Richard Stubbs and Geoffrey R. D. Underhill, eds, *Political Economy and the Changing Global Order*, Toronto: McClelland & Steward.
- DeGeorge, Richard T. 1993. *Competing with Integrity in International Business*. New York: Oxford University Press.
- Donaldson, Thomas. 1989. *The Ethics of International Business*. New York: Oxford University Press.
- Dunning, John. 1993. *The Globalization of Business*. NY: Routledge.

- Enderle, Georges. 1995. "Review of *Competing with Integrity in International Business*," by Richard de George, in *Business Ethics Quarterly*, 6 (1): 117-122.
- Flood, Robert L., and M.C. Jackson. 1991. *Creative Problem Solving: Total Systems Intervention*. Chichester: John Wiley & Sons.
- Frankental, Peter. 2001. "Corporate social responsibility – a PR invention?," *Corporate Communications*, 6 (1).
- Grant, Robert M, 1995. *Contemporary Strategy Analysis: Concepts, Techniques, Applications*. Cambridge, MA: Blackwell.
- Habermas, Jürgen. 1987. *The Theory of Communicative Action* (2 vols.). Boston: Beacon Hill
- . 1990. *Moral Consciousness and Communicative Action*. Cambridge: Polity Press.
- . 1993. *Justification and Application: Remarks on Discourse Ethics*. Cambridge, MA: MIT Press.
- . 1996. *Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy*. Cambridge, MA: MIT Press.
- . 1999. "The European Nation-State and the Pressures of Globalization," *New Left Review*, I/235 (May–June): 46–59.
- Hartman, Edwin. 2000. "Socratic Ethics and the Challenge of Globalization," *Business Ethics Quarterly*, 10 (1): 211-220.
- Jackson, Michael, and P. Keys. 1984. "Towards a System of Systems Methodology," *Journal of the Operational Research Society*, 35: 473-486.
- Jackson, Norman. 1999. "Review of *Making Sense of Management*," by Mats Alvesson and Hugh Willmott, in *Organization Studies*, 20 (2): 347-351.
- Jessop, Bob. 1993. "Towards a Schumpeterian workfare state? Preliminary remarks on post-Fordist political economy," *Studies in Political Economy*, 40: 7-39.
- Jessop, Bob. 1994a. "The transition to post-Fordism and the Schumpeterian workfare state," in R. Burrows and B Loader, eds, *Towards a post-Fordist welfare state*. London: Routledge.
- Jessop, Bob. 1994b. "Post-Fordism and the state," in A. Amin, ed., *Post-Fordism: A reader*. Oxford: Blackwell.
- Korten, David C. 1995. *When Corporations Rule the World*. San Francisco: Berrett-Koehler Publishers.
- Lipietz, Alain. 1987. *Mirages and Miracles : The Crisis in Global Fordism*. London: Verso.
- McCleary, Rachel. 1992. "Introduction," in Rachel McCleary, ed., *Seeking Justice: Ethics and Intentional Affairs*. Boulder CO: Westview Press.
- Mingers, John. 1992. "SSM and information systems: an overview," *Systemist*, 14: 82-88.
- . 1997. "Towards Critical Pluralism," in John Mingers and Anthony Gill, eds, *Multimethodology*. Chichester: John Wiley & Sons.
- . 2000. "What is it to be Critical? Teaching a Critical Approach to Management Undergraduates," *Management Learning*, 31(2): 219-238.
- Mokhiber, Russell and Robert Weisman. 1999. *Corporate Predators: The Hunt for MegaProfits and the Attack on Democracy*. Monroe, Maine: Common Courage Press.
- Porter, Michael E. 1990. *The Competitive Advantage of Nations*. New York: Free Press.
- Prahalad, CK, and Kenneth Lieberthal. 1998. "The end of corporate imperialism," *Harvard Business Review*, Jul/Aug. 76 (4): 68-77.
- Reed, Darryl. 1999a. "Three Realms of Corporate Responsibility: Distinguishing Legitimacy, Morality and Ethics," *Journal of Business Ethics*, 21 (1): 23-35.
- . 1999b. "Stakeholder Management Theory: A Critical Theory Perspective," *Business Ethics Quarterly*, 9 (3): 453-484.
- Slaughter, Sheila and Larry L. Leslie. 1997. *Academic Capitalism: Politics, Policies and the Entrepreneurial University*. Baltimore: Johns Hopkins University Press.
- Slaughter, Sheila. 1998. "National Higher Education Policies in a Global Economy," in Jan Currie and Janice Newson, eds., *Universities and Globalization: Critical Perspectives*. Thousand Oaks, CA: Sage Publications, 45-70.
- Smith, David Geoffrey. 1999. "Economic Fundamentalism, Globalization and the Public Remains of Education," *Interchange*, 30 (1): 93-117.
- Spaul, Martin. 1997. "Multimethodology and Critical Theory: an Intersection of Interests?" in John Mingers and Anthony Gill, eds, *Multimethodology*. Chichester: John Wiley & Sons.
- Tudiver, Neil. 1999. *Universities for Sale: Resisting Corporate Control over Canadian Higher Education*. Toronto: James Lorimer.

- Ulrich, Peter and Ulrich Thielemann. 1992. *Wie denken Manager über Markt und Moral? Empirische Untersuchung unternehmensethischer Denkmuster von Führungskräften*, Berichte des Instituts für Wirtschaftsethik der Universität St. Gallen Nr. 50.
- Velasquez, Manuel. 1995. "International Business Ethics: The Aluminum Companies in Jamaica," *Business Ethics Quarterly*, 5 (4): 865-882.
- . 2000. "Globalization and the Failure of Ethics," *Business Ethics Quarterly*, 10 (1): 343-352.