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Crisis of national ethical models – implications on learning business ethics in Romanian universities

Radu Florin Ogarcă^a^aFaculty of Economics and Business Administration, University of Craiova, 13 A. I. Cuza Street, Craiova, 200585, România

Abstract

According to the Corruption Perceptions Index, computed by Transparency International for 2011, Romania is on the 75-th place from 183 analyzed countries, with a score of 3.6 from 10 (in European Union, it is on the 25-th place from 27 states, being surpassed by Bulgaria and Greece). On the same basis, Global Corruption Barometer offers other worrying data for 2010: business environment/ private sector is perceived as a corrupt one (a score of 3.6 from 5); only 2% of the respondents trust the business environment/ private sector. In these conditions, present cannot offer many ethical models, especially from business. Worse, neither tradition seems more generous, two examples being relevant in supporting this assertion: in Romania, outlaw (in fact, a form of theft) was excessively overrated as a myth; in popular culture, there can be found elements being expression of some collective character flaws (see the Romanian proverb „Uncaught thief honest merchant.”). On this background, the following questions arise: How can we teach business ethics to students living in such a society? How can we convince students of the relevance/ utility of business ethics issues, when around them, things happen totally different? Trying to answer these questions, present article aims to investigate how anti-models can be used to build, over time, some valid models..

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1. Background

In Romania business men (business, in general) are regarded with reserve, if we gently express, respectively there is the quasi-generalized opinion that they accumulated their wealth in occult ways, beyond the limits of the morality and even of the law.

In order to not remain at the level of some simple considerations, we insert the synthetic results of several statistical studies related to this issue.

Thus, a sociologic study developed during the year 2012 (Dâncu, 2012) shows that 61% of the respondents have a bad opinion about rich people. In the same time, the respondents identify the following factors that generate the richness: 62% breaking the law, 15% relationships, 8% the luck and only 10% among them consider that work and personal merit are behind the accumulation of fortunes.

Another statistical study that was very recently realized, (in August 2012), on a sample of 1000 persons (exclusively from the urban environment), reveals similar aspects, worrying in the same measure: 65% of the

Corresponding Author: Rodu Florin Ogarca Tel: 37745747

E-mail: raduogarca@gmail.com

respondents consider that the entrepreneurs are getting rich at the expense of the employees (74% of the persons with elementary education and only 53% of those with higher education); 56% of the respondents consider that in Romania only those who are stealing are getting rich (satisfying, if one may say so, that only 51% of the respondents aged between 18 and 34 years and 41% of the respondents with higher education). On the basis of these synthetic results, Anghel Enescu, the president of the Association Triple Helix, one of the program partners “Champions in business”, having as declared purpose the identification of some true performer entrepreneurs, commented: “This difference of perception is explained by the lack of models from the public visor, coming forward only those who speak well and those who work are away, they work, are with the sleeves rolled up”.

To change these social representations, it shall correctly identify the causes. In the previously mentioned statistic study is formulated the observation that in Romania we are dealing with a Christian culture, where is well-known the biblical commandment: "It is easier to pass a camel through the eye of a needle than for a rich man to enter the kingdom of heaven".

This is an important point to start in the understanding of the causes that determine the aversion (at least to the declarative level) face to rich people, respectively the bad image of business men.

In the same study it is shown that, beyond the religious influences, the negative perception is determined by the self-perception of a lower status, explained with predilection by individuals through exogenous factors (destiny, generalized corruption).

We do not think that these are the only causes. Somewhat on the same coordinates with the aforementioned first cause, we can speak (it is true that the subject is a delicate one which does not need a more ample debate), at least as working hypothesis, about the deficiencies of collective character found in the Romanian society (in support of this hypothesis can be brought the elements of popular culture: the excessive mythicization of the phenomenon of Outlawry, in fact a form of theft, the existence of Romanian proverbs like "uncaught thief, an honest merchant") (Bălașa, 2007; Georgescu, 2010; Ogarcă, 2012).

Another cause could be the communist propaganda against the private initiative, very active for 40 years. Somewhat correlated with this, another possible explanation for the popular adversity face to entrepreneurs, could be related to the controversial biography of the initiators of the first private business after the revolution of 1989 (as startups or questionable privatization of former state enterprises) that, in large part were more or less connected with the old system (a rigorous analyze of the phenomenon realized by Stoica, 2004; a fresco of it is shown in the documentary film "Kapitalism: Our Improved Formula", of the Romanian stage director Alexandru Solomon, also known in the European space, being broadcasted, in the year 2009, by the channel Arte).

Finally, a last cause could be the high level of corruption in Romania in the last years. Romania is situated, according to the Corruption Perceptions Index calculated by the Transparency International for the year 2011, on the 75 place of 183 analyzed states, with a score of 3,6 of 10 (in the European Union occupies the 25 place of 27 states, being passed only by Bulgaria and Greece). On the same coordinates the Global Barometer of the Corruption for the year 2010 supplies other worrying information: the business environment/ the private sector is perceived as a corrupt one (a score of 3,5 of 5); only 2% of the respondents have confidence in the business environment/ the private sector.

Gabriel Liiceanu, a known philosopher in the current period, joins in an interesting and metaphorical way the last two elements: “The Communist regime in the Ceausescu version is today - hallucinating situation at first sight – regretted just on the background of the new corruption generated and redoubled by the offspring which were let alive and which came in cohort from the belly of the killed monster. Their recycling in two precise directions – business men and politicians – compromised in the same time the businesses and the politics and let a double false impression: a) either the business itself lead to the impoverishment of the majority and that the politics is a dirty thing; b) or that theft, thrive and corruption have ethno-metaphysical substance and, in Romanian, they are inevitable.” (Liiceanu, 2006, p. 70)

To keep our objectivity and do not come into a fatalistic note, should be noted that many of the phenomena mentioned above are not specific to Romania, they being encountered in all former communist countries in the temporal horizon of the transition.

Romanian students grew and educated in this environment, could not be influenced by these social representations. Under these conditions the study of business ethics in universities can be easily seen as futile,

devoid of applicability and utility in the real economic life (we mention that the opinions expressed in this paper are the results of the findings made during the teaching of a business ethics course, to the students of the second year from the first degree cycle, at the Faculty of Economics and Business Administration from Craiova).

We mention a single argument that can support the previous statement. The Global Barometer of the Corruption for the year 2010 shows that the young people are more predisposed than elderly people to pay bribes: 35% of the respondents who declared that they paid bribes during the last year are under 30, compared with only 21% of the respondents aged 65 and over.

2. Purpose of the study

The question to which we will try to give an answer, at least partially, is "How should teach business ethics for the students immersed in an extremely corrupt environment at all the levels (economic, political)?"

Based on personal experience, we propose a pedagogical approach in two stages: identifying business models appreciated by young people (and from the same experience they are in their majority anti-models); presenting some theoretical fundamentals concerning the business ethics, accompanied by the demolition of the false moral models, concomitant with the proposal of some true autochthon models (a difficult process in its second stage because these entrepreneurs who truly can serve as models of business ethics are not under the media spotlight and, consequently, they are difficult to be perceived by the students).

Marius Ghenea, a Romanian entrepreneur, not involved in acts of corruption (or at least without such involvement to appear in the media), in an interview given in 2011, was fairly optimistic, but he also notified the issue on which we will insist: "From 2007-2008 we have some models, but they should be promoted. Another problem with the model is that we do not know how to distinguish the false models from the real ones."

3. Main argument

For the circumscription, to some extent of our approach, we consider that in the specific conditions of the Romanian society, "the philosophy" of the ethical education should be derived from the theory of the virtues.

This approach is in accordance with some points of view (increasingly common in recent years) expressed in the specialized literature, which pleads for using in a more prominent way the theory of the virtues in the domain of business ethics (Dobson, 1997; Atkinson, Butler, 2012). Furthermore, the prescription of the theory of virtues as a way of approaching the fight against the corruption is founded at Everett, Neu, Rahaman (2006).

Returning to the Romanian landscape, Dăianu (2009) shows that in the terms of some lax local moral standards "the marginal cost of the Puritan conduct exceeds the marginal benefit." In these circumstances we need agents who "can develop the ability to be morally vertical without being compelled to howl like the wolves." He also adds: "Charismatic leaders, of a great moral probity, with vision and determination, play an essential role in the process of change for the better. But it is difficult to find such leaders."

Focusing on our proposal, we ask: "What are the models of business men for Romanian young people?" According to our knowledge, there is not such a national study, developed exclusively among the young people.

The Romanian Institute for Evaluation and Strategy (IRES, 2012) made such a study, but at all levels of ages. The conclusions, in synthesis, look like this: (the exact question was "Who is the business man in Romania you have the best opinion about?"): Ion Tiriac, 21%; George Becali, 20% (the other nominated people cumulate percentages under 5%); 29 % do not know; 10% have no model and 5% do not have a preferred business man.

Our experience shows that also among the students the two business men are much appreciated. It requires a brief discussion regarding them.

Ion Tiriac is a great sportive, who left in west before the revolution, where he accumulated a certain wealth; after the revolution of 1989 he returned in Romania where he sensitively multiplied this wealth. Although he was (at least by the media) associated with some scandals of corruption, he kept a good image. Somehow he is an unrepresentative business man for the class of the "overnight" enriching people, after 1989. At least at the level of

public declarations he could serve as model of morality in business (in 2011 he pointed in an interview: “The Romanian must learn what means the morality and fidelity”).

To make a wordplay, the second nominated, George Becali, is the perfect model of anti-model: disputed business man (most of his wealth being realized from real estate transactions, some of them dubious), the patron of the club the most popular in Romania, MEP, arrested for a short period (for the attempt to do justice on his own, after his car was stolen), a philanthropist who likes his charitable drives to be overly publicized, with a religious parade. He is a quite representative example for the new enriching people.

What makes him so popular? Banica (2007) synthesizes: “he is the typical product of a transition age, where the last traditional resources of a society that are looking for a sense and a future project explosively combined with the difficulties of the present and the mirage of the rapid, non-ethic enriching”.

How can we demonetize such anti-models? Cucuș (2009, p. 112) considers that: “In a period of models inflation (the crisis of formative models is not of shortage, but of overproduction), the accent will be put not on the isolation and the annihilation of the negative models (which will anyway circulate – their censoring could not be anymore a sure way to destroy them), but on the individual’s immunization face to the possible contagions came from the direction of false models. If there is a crisis of formative models, this crisis derives from our own position and orientation towards them. There are enough modeler stimuli around us, but we need to know how to detect and orient ourselves to the valid, genuine ones and not for others.”

In a Connect Euranet debate realized in the summer of this year at the European Parliament, about the relation between the corruption and the perspective of European young people, a participant made the following observation: “I am not sure that the solution would be to educate young people concerning the corruption. The solution is to unmask the adults who are corrupt. The problem is solved by the power of the example, not by gathering the children in the class and telling them how bad is the corruption. But certainly what is made in this matter is not enough, and I’m sure that the situation is the same throughout the European Union.”

Starting from the two points of view, the pedagogical demarche shall create to the young people the discernment for choosing the correct model. Returning to the object of our paper, at the course of business ethics, to obtain such a desiderate, the instructor shall assume different roles (expert, motivator, facilitator) according to the level of the moral development and students’ evolution (I projected a more ample model concerning this variability of roles, inspired by Colins – 2006).

4. Conclusion

Teaching the business ethics in Romania shall not be under the sign of the fatality: its introduction in curriculums will not change of any kind the situation; the corruption will remain at the same level; all that matters is the profit obtained as quickly as possible; students will treat it as a secondary discipline, without any relation to the real economic life. Maybe the causality relation should be seen in a different manner: introducing the business ethics, even at the educational levels prior to the university one, will create at any given time a critical mass of individuals, able to change certain social representations which are available today.

Therefore, besides the above proposal, respectively the introduction business ethics in the scholar curriculum earlier then to the university we can add: imposing in faculties (in those faculties with economic profile) as obligatory discipline and not optional or facultative, as it is presented in the majority of the Romanian universities; the involvement of other stakeholders of the educational process in making moral education (parents, church representatives, media, teachers of other disciplines); the awareness of teachers dealing with business ethics on the importance of their social mission; their concern to exactly understand the young people, to correctly appreciate the level of their moral development and to endeavor to convince their students through discussion around the local moral examples, about certain behavior or moral slippage reasoning, to adjust these slippages.

No matter how difficult it would be to identify such models in a Romanian society which is in a prolonged moral crisis, they exist and should be brought to the attention of young people.

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