

(p.139) are misleading and are based upon the distortion of fact and reality. The present volume with additional facts and arguments attempts to justify Weber's theses and views on Islam and Muslim societies. The contributors failed to appreciate and thus highlight the real spirit, philosophy and doctrine of Islam, and Muslims' struggle to manifest that spirit through their thought and action. They relied only on what appears and what people do without analyzing the subjective meaning that lie behind that. It is against Weber's interpretative sociology and contradicts his *verstehun* method.

#### Notes:

1. Bryan S. Turner, *Weber and Islam: A Critical Study* (London: Routledge & Kegan Paul, 1974).
2. *Ibid.*, 13.
3. *Ibid.*
4. George Ritzer, *Classical Sociological Theory* (New York: The McGraw-Hill, 1996), 254.
5. Ismā'īl R. al-Fārūqī, *Al-Tawhīd: Its Implications for Thought and Life* (Herdon, Virginia: International Institute of Islamic Thought, 1992), 17.
6. Emile Durkheim, *The Elementary Forms of Religious Life: A Study in Religious Sociology*, translated by J. W. Swain (London: Allen & Unwin, 1915).
7. Max Weber, *The Sociology of Religion*, trans. Ephraim Fischhoff (Boston: Beacon Press, 1964), 238-9.

**Ethics in International Management** edited by Brij Nino Kumar and Horst Steinmann. Berlin: Walter de Gruyter, 1998, ISBN, 3-11-015447-1, Pp. 461.

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Institutionalizing ethical practices in business organization is an arduous task for management under any circumstances, and it becomes especially problematic as corporations move into the international arena. Besides the usual barriers of custom and language, operating in foreign locations also poses another problem of different countries having value systems that vary widely, often leading to ethical norms and beliefs that are at odds with those of the originating Multinational Corporations (MNCs). The book under review deals with these issues.

The first and the most obvious set of conditions that give rise to the ethical problems grow out of the fact that the MNCs function in three domains: (1) a home base of operation where the MNC is headquartered; (2) a foreign base of operation in a host country; and (3) additional foreign markets beyond the two bases mentioned above. Each of these domains has a unique web of ethical beliefs and principles, which often conflict with those of the other domains. The problem is compounded by globalization that has made international competence crucial to the survival of business. To improve internationally focused business strategies, companies must develop new skills in multicultural collaboration and raise their level of cross-cultural awareness. At the same time, public demand for ethical accountability from leading social institutions requires businesses to take a more active role in creating and maintaining ethical work climate. Comprehensive integrating responses to these two concerns pose a particularly difficult challenge for MNCs.

Horst Steinmann and Andreas G. Scherer (Chapter 1) concede that under the current conditions of globalization, international firms are facing more cultural conflicts without suitable means of national or international law available for dealing with these conflicts. Therefore, they suggest that global firms determine their own policy and behave as moral actors, as for example, suggested under the *US-Model Business Principles*. Unfortunately, the *US Model Business Principles* do not discuss the processes of planning, decision-making and information in international companies. Nor do they give due recognition to the design of organizational structures and leadership style of a corporation. Harold Wohlrapp's suggestion (Chapter 2) of cultural integration seems appropriate because cultural integration is the overcoming of cultural differences in a process in which increasing understanding of the other and one's culture go hand in hand. Wohlrapp suggests three steps of cultural integration: experience, understanding and producing peace. However, the beliefs that religious ties, in so far as they do still subsist, belong to a private sphere and do not enter into reasoning for interactions among them will create disharmony. One should look for a position from which one can enter into communication reasonably with the members of various religions and cultural backgrounds. The author does not address other important values for cultural integration such as trust, caring, responsibility and tolerance. These values do play an important role in promoting cultural integration.

S. Prakash Sethi and Linda M. Sama (Chapter 3), however, argue differently. Their framework provides a systematic analysis of the interactive effects between different types of external market-based competitive conditions, institutional opportunities to engage in ethical behaviour and the likelihood that corporations would do so. The authors stress that competitive markets strive for productivity and thereby *serve* the general welfare even when the business firm is pursuing its own self-interest and is not concerned about *promoting* general welfare. Unfortunately the reality is quite different from this perception when applied to business morality. While productive markets may prompt firms to act smartly, they do not induce them to act ethically, and perfect markets are highly imperfect in their enforcement of business morality. The authors' framework of the relationship between the ethical conduct of the firms and their external market competitive conditions are too simplistic. Other important *internal* factors are also linked to ethical conduct of the firms. Given the existence of opportunities in the marketplace, an individual firm's choice of ethical and unethical behaviour would be influenced by internal factors such as corporate culture and managers' own ethical values.

Hans-Peter Meister and Henning Banthien's suggestion is more positive. They have discussed the role of International Industry Associations in development and implementation of corporate ethics in Chapter 4. It seems that the principle of dialogue is a key means for developing ethically sound judgments in the face of complex modernity. It may be noted that individual companies cannot solely achieve the creation of this framework. For this, the specific knowledge, initiative, and steering-competencies of industry associations have been recommended. The authors have proposed to the Industry Associations to establish a discourse on ethics in the market economy, beneficial to all stakeholders. However, the companies which are participants to a dialogue, compete against one another and do not have sufficient information at their disposal which would allow them to enter into cooperation and dialogue. Participants of a dialogue should get over the traditional ways of thinking in win-lose categories and introduce companies to the idea of win-win situations. It is in this context that Andre Habisch has argued for the ethics of win-win in Chapter 5. He stresses that overcoming dilemmas of distrusts and lack of cooperation will play a proactive role in creating "win-win" scenarios. Also of interest is the suggestion by Brij Nino Kumar and Ina Graf (Chapter 6) that MNCs in lieu of

government institutions must voluntarily shoulder the moral responsibility for the consequences of globalization. Equally handy is the suggestion by D. J. Clackworthy that a competent global Human Resource Management should master three competencies: cultural awareness, in order to understand the real intentions of the parties; cultural deftness, in order to translate this knowledge to the parties themselves in an understandable way, and cultural wisdom, in order to advise the parties on culturally and ethically acceptable strategies for overcoming the conflict (Chapter 12). The principle of “moving towards” method as suggested by the author states that “do unto others as we would have them to do unto us.” One needs to be cautioned about applying this principle in cross-cultural situations. We may want to be kind to people, but we want to be kind to them in our way; and should it happen that our way is not their way, they will most probably not understand and appreciate our intention of being kind.

This volume also analyzes the problems of bribery, extortion, and corruption in general as posing problems for ethics. Michael H. Wichen has rightly observed that corruption, as a global cancer leads to massive misallocation and wastage of resources and erosion of social and moral fabric of many societies (Chapter 8). In defining corruption, the author does not take cognizance of another form of corruption which frequently takes the form of price fixing or collusion, where the competing companies agree among themselves one of the companies will submit the lowest offer, while the others submit “protection offers.” Thus, the company with the lowest offer will succeed, and will reciprocate the favour by providing a similar chance to its collaborator in future. K.H. Lee expresses a genuine concern on the prevalence of such corruption in China and is of the opinion that the establishment of a legal framework that can be used to govern and regulate global business activities will solve the problems of bribery and corruption (Chapter 14). Iwao Taka has examined the issues pertaining to contextualism which is deeply rooted in Japanese culture as an individual tendency to take social context into consideration and decide a course of action from the viewpoint of the context (Chapter 15). This tendency has brought competitive edges to Japanese corporations but at the same has also been a source of business scandals in Japan. In order to rectify the problematic aspects of contextualism, there is a necessity to inculcate ethical norms and values into Japanese corporate culture. Sheila M. Puffer and Daniel J. McCarthy have examined the multifaceted issues of business ethics in “transforming economy” of Russia. The discussion about the

challenges pertaining to the Russian business practices of extortion, managerial buy-outs, breaking contracts, ignoring laws, and personal favouritism is very interesting and thought provoking, though no suggestions have been provided to rectify or even reduce these evil practices. As Russia becomes more active in the world economy, its business laws and practices are likely to become increasingly influenced by and aligned with the norms of the broader international economic order. Marvin T. Brown explores the relationship between ethics and diversity (Chapter 11). Instead of seeing diversity as a problem for ethics, he shows how valuing diversity enriches ethical reflections and highlights three different ways that ethics and diversity are related: through ethical principles, at the level of cultural assumptions, and through dialogue to connect ethics and diversity.

Shitangshu K. Chakraborty attempts a metaphysical-psychological survey of theoretical principles of ethics and morals from mainstream Indian ethos and lays focus on individual endeavour and transformation towards higher levels of consciousness (Chapter 13). Mohammad Saeed and Zafar U. Ahmed (Chapter 16) highlight the capability and strength of Islam for creating and sustaining a strong culture of ethical international marketing. It involves a discussion of some of the Qur'anic concepts which relate to ethical international marketing decision-making and the interrelationship among the Qur'anic concepts and four Ps of the marketing (product, price, place and promotion). Finally, Simon Webley (Chapter 20) has analyzed the different aspects of Inter-Faith Declaration of International Business Ethics, as an example of a code of ethics based on common and generally acceptable values of three major monotheistic religions—Islam, Christianity and Judaism. One can argue for a code of business ethics, based on external factors of Mega Business Environment, namely political, legal, social and cultural considerations, but without a moral commitment of all concerned, there is always a likelihood of lack of sincerity towards social obligations. There are also other factors which have heightened the need for codes of behaviour. These have probably escaped the attention of the author. Firstly, there is a considerable increase in awareness of moral dimensions of public life, including behaviour of business environmental issues. This is partly associated with more readily available information and also due to worldwide public attention being drawn to human rights and other issues via a series of well-publicized global United Nations conventions and conferences. Secondly, the worldwide accessibility to information as a

result of the information technology revolution has also created an urgent need of the codes of behaviour.

The new century is witnessing a wide range of major challenges with increasingly international implications such as sustainable development and poverty alleviation, fair and efficient markets with ethically acceptable environmental standards and working conditions, cultural and religious diversity, and common ethical grounds for international co-operation. The initiatives so far taken are only the early steps towards institutionalizing ethical conduct of business. There is a need for a professional, objective and sincere approach to provide momentum for effectively influencing multinational corporations. As globalization escalates with accompanying tendency towards ethical misbehaviour, it becomes increasingly critical for corporations to develop effective business strategies which should be ethically and morally profound. This book reinforces this need and exposes the reader to multi-dimensional and cross-cultural issues of ethics in International Management, and provides some worthwhile insights on emerging ethical issues which have escaped the attention of practitioners, educators as well as researchers in the area of business management.

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**New Trends and Developments in the World of Islam**, edited by Peter B. Clarke. London: Luzac Oriental, 1998. ISBN 1898942 17 x, Pp. 400.

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Contributions to this edited volume discuss Islam's response to profound political, social and economic changes brought about by the collapse of the Communist regime in East Europe, the Apartheid regime in South Africa, large scale migration to Europe and economic liberalism amidst political intolerance in China. This is an impressive and sobering study put together by a leading figure in the field. Peter B. Clarke is Professor of History and Sociology of Religion at King's College, University of London. He is the author of some 12 books mostly on the history and sociology of Islam and Christianity in Black