Nigerian Business Practices and Their Interface with Virtue Ethics

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I. Introduction: ethics, communities and virtues

This paper concerns the interface of a business ethics theory (virtue ethics) with an example from Nigeria where a communitarian notion of ethics appears to hold. We will argue that while communitarian virtue ethics theory assists in describing the ethical context of Nigerian business, Nigerian business also demonstrates why a certain kind of communitarianism is required in order to foster notions of individual autonomy. This kind of communitarianism, referred to as a mediating institutions approach, can also be a normative structure demonstrating how communities can treat other communities with a degree of respect and to live with other communities in peace. We wish to acknowledge fully that notions of autonomy bring with them a certain western bias. However, we will argue that these values can be integrated successfully within a Nigerian communitarian context.

In order to make this argument, we first spell out the theory of "business-as-community" and provide a brief overview of Nigerian business practices. Section II then details the context for Nigerian business practices. Section III summarizes these practices and proposes remedies that integrate notions of workplace freedom and equality within the culture's preexisting frame-work.

A. *Business-as-community: A brief summary*

Recently, the field of business ethics has witnessed the rise of an increasingly influential application of virtue theory to moral issues in economics. The most prominent of these theorists are philosophers Robert Solomon (1992) and Edward Hartman (1996) along with legal scholars Bill Shaw (1993, 1995) and Jeffrey Nesteruk (1995, 1996). The prominent philosopher/lawyer tandem of Thomas Donaldson and Thomas Dunfee have also incorporated a great deal of deference to the norms individual communities practice, although they subject such norms to standards of formal philosophy in order to determine the "authenticity" and "legitimacy" of the norms (Donaldson and Dunfee, 1994).

To make virtue theory work, one needs a community (Etzioni, 1996; MacIntyre, 1981; Hauerwas, 1983). In communities, individuals are socialized to see the virtues that ought to be practiced and the vices that ought to be avoided. While the community identifies, encourages, and enforces moral behavior, the hope of most communities is that individuals will at some point internalize the appropriate moral principles and seek to practice these virtues for their own sake. By doing this, individuals, in a classic Aristotelian sense, become virtuous people.

As social creatures, human beings do need communities and in communities their norms are formed for better or for worse. Thus, there is nothing particularly mysterious about the fact that communities are important to ethical development. As Solomon points out, this is true in business as well as anywhere else because businesses are human institutions.

Of course, simply identifying businesses as communities gets one only so far in evaluating ethical behavior. One can identify at least three reasons for this. First, communities of any kind, business or otherwise, develop norms for their particular community. Such norms may be

meaningful and appropriate for that particular community, but may make no sense, and may in fact be thought of as unethical to other communities. The inherent relativism of communitarian ethical theory troubles many, because it gives little ground for an ethic that can be applied in a global business context.

Second, communitarian theory can easily gloss over the fact that communities can be dangerous places. Michael Keeley has insightfully noted that one learns about the community, whether corporate or otherwise, through the pronouncements of its leaders. But just as reading an annual report of a corporation is rarely indicative of what actually occurs on a daily basis within the corporation, so any spokesperson on behalf of a community is unlikely to fully report how the community treats those who are not in power (Keeley, 1997). This may be sinister or it may be innocent, but the point is that those not in power may not have as rosy a view of the community as those who are on top.

Relatedly, neither may people outside of the community have a rosy view of the organization. People in a community often treat a "them" who is outside the community as a group having fewer rights and even less humanity. This, according to Keeley, is the story of slavery. In short, basing an ethic on the values of a particular community can create a grievous error by failing to note the problems within and outside of the community.

Third, communities, even if they do provide a sense of identity for its members, can still "miss the forest for the trees." Don Mayer notes that while communitarian business ethics makes advances, it leaves undone any consideration of the most pressing ethical demands facing humanity such as global degradation (Mayer, 1997). Communities then, can be shortsighted.

B. *Nigerian business: A first look*

Nigeria exposes the strengths and weaknesses of virtue theory. It also demonstrates the need for a particular kind of community to counteract the weakness of communitarianism. This is in part because of the vagaries of the country's demo-

graphics. Business environments in Nigeria are diverse and dynamic. The types of enterprises that operate in the Lagos differ in size and culture. Many private businesses tend to be family owned and operated. As a mixed economy, Nigeria's companies try to operate toward the capitalist end of the political-economic continuum while a dictatorial government keeps its heavy hand in the thick of the action. The tradition-driven citizens of the North continue to battle with the less rigid southerners, while the North struggles to hang on to its fundamentalist strictures and the South operates with the lasting influence of western colonization.

Many factors affect how business is conducted in the Lagos. To achieve some understanding of Nigerian business behavior, we will provide a brief history of the ethnic and cultural context in the following section. This is important because peoples' values and beliefs have a pronounced effect on how employers run businesses and on how employees behave in a business context. Then, we will discuss the history of industry in the Lagos. The evolution of enterprises will provide insight into why they appear the way they do today. Next, we will discuss management and the interplay between labor and management. Examining these issues will provide a perspective on how decisions are made in enterprises. Finally, we will address the responsibilities that Nigerian enterprises have to the community in which they operate.

II. Nigerian business context

A. *Ethnic context*

1. *Population.* Nigeria, a country of roughly 924,000 square kilometers, is inhabited by people of widely diverse ethnic backgrounds. Estimates of the total number of ethnic groups and languages together range from 250 to 500. Because of the dynamic political environment and shifts in the definition of defining characteristics, determination of the number of ethnic groups has been increasingly troublesome. Typically, similarities in dialect have determined the catego-

rization of these groups. However, an ongoing civil war and the creation of new states continue to shift this framework. Despite the large number of ethnic groups, the predominant ethnic groups are the Hausa, Yoruba, and the Ibo, which comprise over three fifths of the Nigerian population. An additional 15 groups make up thirty percent of the population, while there are twenty other groups which consist of 100,000 or more people. All of these groups together still only total around ten percent of the distinguishable ethnic categories (Anyansi-Archibong, 1988, pp. 74–77).

Nigeria is controlled by black Africans. Despite this, the country has been affected by the strong influence of British colonialism. British divided the Nigerian republic into three regions – the North, West, and East. The Northern region is dominated by the Hausa, the Southwest by the Yoruba, and the Southeast by the Ibo (Anyansi-Archibong, 1988, p. 77).

Historically, the Ibos and Yorubas regarded the Hausas as very tradition-bound and extremely conservative. This has always been one of the many sources of tension among the three groups particularly because Southerners have always been more adaptable to the technological advancements introduced by the British colonialists. Ibos have always been very competitive, and their society has always been free of a caste system. They place great emphasis on personal initiative and individual achievement. Therefore, they are willing to engage in any kind of work that offers them a better way of life.

The Yorubas are similar to the Ibos in that they also have great work ethic and strive for personal advancement. This common thread between the Ibos and Yorubas served to facilitate their transition to Western-induced change, particularly in the Southern region of Nigeria. The more tradition-driven North has been much slower to advance industrially. The Hausas of the North regard Southerners, especially Ibos, as non-Muslim, in almost an uncivilized sense. Northerners believe that Allah (God) created the wealthy elite and poorer classes. They believe in a class system where commoners should serve and respect the rich, while the rich provide food and care for the poor. The Hausas view any attempt by the poor to become rich as a violation of Allah's order.

2. *Language.* Language diversity has exacerbated the amount of ethnic rivalry in Nigeria. Apart from the 250 or more indigenous languages, English and "Nigerian Pidgin" play a significant role in communication among various ethnic groups.[1] English is the official language of Nigeria and is spoken most frequently in the workplace and in schools. Young Nigerians are first introduced to English in elementary schools, and it is used almost exclusively in secondary schools and universities. "Pidgin" is spoken among people with little or no formal education.

Circumstances force many Nigerians to become multilingual. Business activity throughout the country and across ethnic groups force people to learn the languages of the groups with whom they trade. The Hausas comprise slightly over one-fifth of the nation's population (Anyansi-Archibong, 1988, p. 79). They are the largest ethnic group. As mentioned, they are extremely traditional and conservative and refuse to study English. Their dominant population makes them an inevitable trading partner within the country. Hence, if you are going to trade with them, you must learn their language. It is no surprise that Southerners usually know the language of the Hausas as a second language.

3. *Religion.* The two most prevalent religious groups in Nigeria are the Muslims in the North and Christians in the South. According to a 1973 census, roughly half of the population was estimated to be Islam, while just over a third were Christians. The remaining citizens belonged to smaller, indigenous religious sects.[2] As in many western countries, Christianity in Nigeria is broken down into various denominations such as Catholic and Protestant. Within Protestantism, there are Methodist, Presbyterian, Lutheran, Salvation Army, and many others. Most of the educated people of the South are Christians. Catholic missionaries have been very active among the Ibos in the South (Anyansi-Archibong, 1988, p. 80).

Over the years, the Catholic church has made

education its primary mission, and the Church has played an important role in the education of the Ibos. Keeping in line with the traditionalist strictures of the North, Muslim leaders have heavily discouraged Christian missions to the North. Though there are divisions within Nigerian Islam (such as the Sunnis, Ahmadiyuo, Bori, Quadiriya, and Tijaniya), it remains the dominant belief among the people of the North. (Anyansi-Archibong, 1988, p. 80).

How do each of these three primary ethnic groups affect the economy? The Hausas dominate government policy by virtue of their numbers. The Yorubas dominate civil service positions in the government; and the more entrepreneurial Ibos dominate the area of startup firms and businesses (Anyansi-Archibong, 1988, p. 81).

B. *Industrialization history*

Nigeria gained her independence from Great Britain in 1960 (Anyansi-Archibong, 1988, p. 81). Eager to industrialize on her own terms, Nigeria implemented a six-year National Development Plan in 1962 (Anyansi-Archibong, 1988, p. 86). The National Development Plan aimed to move further from an agricultural export-based economy to an economy that refined more oil and manufactured more steel. Though well-intentioned, the plan failed to address an ongoing problem. As constructed, the National Development Plan was unevenly skewed toward the development of government owned corporations. The Plan did not do a good job in promoting private ownership of businesses. Lack of incentives for Nigerians and private foreign investors to invest in Nigerian enterprises brought on this increase in the number of government owned corporations.

Shortly after the National Development Plan, the government moved to address another problem in Nigeria – foreign ownership of businesses. By 1970, foreign ownership of Nigerian enterprises was at 70 percent. Therefore, Nigeria created the Enterprise Promotions Act of 1972 (Anyansi-Archibong, 1988, p. 87). With this act, Nigeria wanted to place indigenous people in management positions.

Further, the government sought to place more Nigerians in control of businesses. Under this program to indigenize businesses, the plan maintained three schedules of operation: 1) A Schedule I company is one that must be fully owned by a Nigerian citizen; 2) A Schedule II company must be jointly owned 40 to 60 percent foreign to Nigerian; 3) A Schedule III company must be 60 percent foreign to 40 percent Nigerian (Anyansi-Archibong, 1988, p. 87). The government has made a considerable effort to avoid confusing the various categories. They have often experienced problems in determining which category a particular business falls under. Other regulations placed on enterprises include approving of company status (Schedule I, II, III), immigration laws, royalty and earnings transfer laws, technology transfer rules, and loan capital application rules. Though the government wanted to increase the role her countrymen played in business, incentives were established to increase investment by indigenous citizens and foreign investors alike. For example, Nigeria set up the National Industrial Development Bank (NIBD) in order to provide loans to qualifying native Nigerians. Tax breaks in the form of accelerated depreciation of capital and excise tax reduction were also included to provide additional incentives.

Continued political unrest brought Nigeria another military ruler in 1985 (Anyansi-Archibong, 1988, p. 92). This new ruler drastically changed the face of national budgets, the economy, and how business had been done in Nigeria. In an effort to raise utilization of productive capacity of import dependent industries, the government began a Second-tier Foreign Exchange Market. Under this system, the Nigerians would free up trade by relaxing exchange controls, phasing out import licensing, and eliminating tariffs on imports. This more liberal trade policy posed additional challenges and more confusion to the Nigerian business community.

1. *Management in Nigeria: Family-owned firms*. In Nigeria, most of the privately held firms tend to be family owned and operated (Anynasi-Archibong, 1988, p. 14).[3] Therefore, we must

understand how family dynamics affect business in Nigeria. Generally, the chairman of a firm is also the firm's founder. The firm's founder, of course, serves as a member of the family and of the company. As a family member he must consider how his actions and behavior interplay with the values and expectations within his family. As a firm's chairman, he must balance these concerns with needs of the business. In Nigerian society, both concerns are important and must be examined to provide a better understanding of business management in the country.

In Nigeria, the concept of "extended kinship" (Anyansi-Archibong, 1988, p. 92) family is extremely important. Nigerians feel that obligations or responsibilities reach beyond the boundaries of immediate family. These obligations are based on the respective cultures and norms of Nigeria. The more gifted members of the family assume the responsibility of caring for the younger and less fortunate relatives outside of the immediate members of the families. These relationships, coupled with care for the welfare of others, has come to be known as the developing country's form of a social security system. Not surprisingly, Nigerian tradition generally requires respect for the leadership and wisdom of elders. Therefore, leadership and control of businesses are skewed in favor of older family members. Even if the senior officials of a business happened to be brothers, the reigns of power would be in the hands of the older sibling.

Companies in Nigeria have evolved from two primary structures: the holding/functional and the holding/decentralization (Anyansi-Archibong, 1988, p. 174). The holding/functional structure arose from a need of the patriarch of the company to operate the business while the heir apparent receives adequate preparation to assume chief executive responsibilities. While younger members of the family are in school, a company's founder would use professionals (not necessarily family members) at functional positions while the founder maintained control through the current holding structure. The holding/decentralization structure gradually evolved as younger family members graduated from college. Once children received adequate formal training, they were able to assume more

responsibility for operating the business. Over time, the founder began to relinquish some of his responsibilities as his younger relatives assumed more.

2. *Women in management*. Typically, Nigerian women are very enterprising. By and large, they are responsible for the marketing that brings food to the Nigerian populous. Typically, they have less formal training than the men of this country. As in many countries, the women usually adopt their husbands' names when they get married. To most Nigerian parents, a family name will be forgotten without a progressive male child to perpetuate it. Because of this, families were more willing to offer a male child opportunities for a better career than they were willing to offer females. Nonetheless, women became very involved in retail businesses soon after maturity and/or marriage. According to custom, wives receive some capital from their husbands and some land depending on each husband's socio-economic status and where they settled after marriage. Roughly two thirds of women become traders, while the remaining one third run small farms (Anyansi-Archibong, 1988, p. 215).

Traditionally, Nigeria is a very patriarchal society. It has frowned on men who demanded money from their wives or who depend on their wives for their livelihood. However, there are some parts of Nigeria that are becoming increasingly dominated by women and their enterprising activities that society is becoming more accepting of families with female "breadwinners."

C. *Labor relations*

As a developing nation, Nigeria necessarily must endure the changing culture of industrial relations. By industrial relations, we are referring to the social relations among workers and businesses in the production process. The relations proved to be critical to the development of business production and management processes in Nigeria. Nigeria's mixed economy (a semi-market system with strong government influence) suffers from sometimes tense relations among its workers and managers. This relationship arises

as a consequence of its political and cultural environment.

Nigeria must deal with the possible economic ramifications of tense labor and management relations. An industrialized western nation such as the United States has free collective bargaining among workers and employers. Only on occasion (such as in the case of a national emergency or crisis) does our president feel compelled to intervene. In the case of Nigeria, there are legal provisions for collective bargaining which are either voluntary or compulsory (Damachi, 1986, p. 118). Whichever the nature of the written provisions, the goal for Nigeria has been to strike a balance in which state powers are restricted and market forces modified in the conduct of labor relations. (International Labor Office Symposium, 1988, p. 26). While trying to strike this balance, there tends to be a lot more inter-vention by government in labor disputes than in the case of a country like the United States.

The ongoing chilliness of relations among Nigerian workers and employers has brought on the advent of more numerous and stronger employer associations and trade unions in the country. Increasing numbers of workers have sought membership into trade unions for a variety of reasons. First, unions enable workers to influence decisions that concern them. They feel that these unions better educate them. Furthermore, these organizations provide balance in the labor market making it harder for the government and their employers to bully them. Strengthening workers' unions has forced employers to respond in-kind with a growing number of employer associations. Employers feel that these associations serve to educate them in industrial relations, and it teaches them about the process of collective bargaining. These respec-tive divisions among workers and employers, though contentious at times, have attempted to protect the interests of all sides involved in disputes.

How are workers involved in management and decision making? In the case of Nigeria, the culture of family ownership of businesses makes worker participation in management virtually unheard of (Damachi, 1986, p. 136). Nigerian managers simply do not trust their workers enough to provide them with management opportunities. As workers become more skilled and better educated, they become better equipped to make managerial decisions. However, the nature of the Nigerian is so own-ership-oriented that workers are less inclined to contribute effectively to an enterprise in which they have no personal stake. Herein lies the dilemma. Employers are suspicious of workers, and the workers do not want to contribute to an enterprise in which they have no ownership. Therefore, there is little potential for worker involvement in managerial decision making in Nigeria.

D. *Goals and responsibilities of business*

The primary motive of all businesses is to sustain itself. Businesses achieve sustenance through profit maximization. The question now is, "Should businesses' only goal be maximizing profit?" Proponents of the notion that the sole motive of business is profit maximization generally agree that enterprises should only adhere to its obligations within the confines of the law, and that social problems should be left for government institutions to solve. On the other hand, others feel that companies necessarily have responsibilities to the communities that enable them to operate and to the people that lend its labor. Though still not very prevalent, the idea that enterprises have responsibilities other than profit maximization is a growing sentiment in Nigeria.

One of the many areas in which Nigerian businesses have been called on to be more responsible is in the area of consumer protection (Damachi, 1986, p. 373). Purchase of unsafe and hazardous products is quite common. False advertising is prevalent. Unfortunately for the people of Nigeria, there are no well-organized consumer protection groups nor well-developed government agencies to protect consumers from these kinds of abuses of the market by sellers. Therefore, people are trying to change the culture of sellers through societal pressure.

Enterprises are feeling greater pressure to become more environmentally sound (Damachi,

1986, p. 374). Public pressure may eventually lead to more regulatory actions by the government given the growing concern over environmental deterioration of cities. The growing populations in a few big cities in Nigeria (resulting from the increasing number of industries in them) are leading to more water and air pollution problems. Further, these cities must also confront the problems of industrial waste and noise pollution that inevitably occurs when people move into rapidly growing areas.

Finally, businesses are being called upon to feel a greater sense of responsibility for educating its workers (Damachi, 1986, p. 374). Traditionally, employers have not made a sincere effort to educate its workforce. Companies have left the training up to the colleges and universities. This, however, may not be adequate. Some jobs require specialized training by the specific company or industry for which a person works. In the past, Nigerian businesses have fallen short on both counts: formal education in preparation for managerial positions, and special education for a specific job or industry. Industry is being called upon to improve in both areas. Presumably, the better prepared employees are, the more valuable they are to the business.

E. *Recent developments (i.e. the unrest of 1998)*

For most of Nigeria's history since its post-British rule, the country has seen a great deal of political unrest and suffered under several dictatorships. Nineteen ninety eight was no exception for Nigeria. In June of 1998, Gen. Sani Abacha died of a heart attack, ending a brutal five-year rein of power. Immediately after his death, he was replaced by Major General Abdulsalam Abubakar, Abacha's Chief of Defense Staff. General Abubakar promised to hold democratic elections to determine the political future of Nigeria (*Newsweek*, June 22, 1998). True to his word, Nigeria held elections in February of 1999, and the people of Nigeria elected retired General Olusegun Obasanjo to be president. Although President Obasanjo promises to move toward a more open economy and deregulate business, the true effect of his election on the

business community and the long-term economy in Nigeria remains uncertain.

III. Interface with virtue theory

A. *Implications of the defining features of Nigerian business*

From the foregoing description, one can identify five relevant, defining features of Nigerian business culture. These characteristics indicate that the culture as a whole is largely describable as one in which a communitarian ethic would be well-suited, subject, however, to certain dangers.

First, the family-owned nature of most private businesses and the cultural notions of extended kinship suggest a propensity toward communitarian identity. Further, there appear to be strong notions of group identification according to ethnicity, language, and religion. These factors would be consistent with a sense of ethics and identity tied to one's community.

Second, individual groups seem to be controlled by a few within such groups. particularly those who are male and those who are older. This supports Keeley's notion that the things done by the community tend to be articulated by an elite and risks obscuring what occurs to those without power. While not necessarily negative itself, this structure does cause one to pause to ask how those out of power (inside and outside of the community) are treated.

Third, within business organizations themselves there appears to be little participation among employees. Fourth, (and perhaps relatedly) there is a significant degree of mistrust among employers and employees. Fifth, as events in 1998 demonstrated, a communitarian ethic must incorporate at least a measure of tolerance toward other communities or else violence and unrest are distinct possibilities.

Because of this atmosphere and although Nigerians are praised for individual achievement and open to a variety of jobs, there is little opportunity for "upward mobility" within a particular company. Management slots are more likely to be awarded on the basis of family affiliation or, in special cases, significant expertise.

There is little connection between individuals' notion of ethical responsibility at work and their stake in the business.

Within this context, is it possible to enhance notions of western autonomy which western moral theory supports so strongly without subverting Nigerian cultural identity? Or at least if such cultural norms are challenged, can they be challenged in such a way to foster individual autonomy with a minimum of intrusion into the cultural norms of the society? To address these questions, we would like to apply a version of communitarianism known as "business as mediating institutions" (BMI) that seeks to blend individual autonomy and communitarian identity. (Fort, 1996, 1997, 1998)

B. *Business as mediating institution*

Perhaps the most critical element that needs to be added in the workplace is a sense of participation by workers in the actions that affect them. As currently constructed, there is virtually no participation in decisions, no ownership in the company, little trust between management and labor, and little incentive for workers to work for the common good of an organization in which they have little stake.

Like communitarian theory, BMI suggests that individuals require communities in order to understand appropriate virtues and learn moral identity. However, it stresses that in too large of a group, the individual's ability to identify and connect with the organization can be overwhelmed. This can be tied to contemporary mediating institutions political theory (Berger and Neuhaus, 1977), and it can also be tied to contemporary findings in anthropology and psychology which argue that the neocortex of the human brain is sized so that it can process relationships with only about one hundred fifty people (Dunbar, 1996). Beyond this number, abstraction through bureaucracy is necessary, and as some sociologists have argued, it is exactly this kind of bureaucratization of the workplace that can undermine ethical obligations (Jackall, 1988).

Thus, fostering ethical behavior in business is more than identifying the correct articulation and combination of rights, justice, and utilitarianism (Frederick, 1995). Instead, it is about constructing the right kinds of organizations. Because mediating institutions primarily tend to the needs of the members of the organization, a corporation constructed as a mediating institution would and ought to primarily concern itself with the needs of internal stakeholders of the corporation. Outside constituents, such as the environment and the host community, remain important, but the primary obligation of a corporation ought to be to employees and shareholders. Such a limited focus of "stakeholder theory" (Freeman, 1988; Boatright, 1994) actually provides a workable model for integrating ethics into business (Fort, 1997).

In light of the unrest in Nigeria in the late 1990s, however, one must be careful to also create a mediating institution which is constructively disposed toward the outside world. To emphasize this point, we distinguish between a mediating institution and a quarantining institution.

In a quarantining institutuion, members of a community are isolated, usually from some kind of disease. In fact, the outside word is a carrier of dangerous disease and interaction with it could in fact even destroy the community. Thus, the outside world must be kept out and interactions with it must be seen as an altercation with a potentially lethal enemy. We suggest that much of the unrest in Nigeria can be traced to communities being quarantining institutions rather than mediating institutions.

A mediating institution stands between the individual and the outside world, particularly as the outside world is manifested in the form of megastructures such as nation-states and multinational corporations. A mediating institution, however, does not shut off contact with the outside world; instead it must assist individuals in adapting to the outside world. As William Frederick has written, a community that is not open to the outside world will not adapt to the changes in the evolutionary environment. Without such adapations, the community's own existence may be at risk (Frederick, 1999). Thus, a quarantining institution may not only foster violence by viewing the outside world as an

enemy, it may undermine the survival ability of its members.

We fully admit that our use of the term "mediating institution" is somewhat arbitrary. The term "mediating" itself does not necessarily possess the rosy attributes we attach to it. Neither does it stand apart from those attributes. It is, in short, a malleable concept. But using it in distinction to a quarantining institution clarifies the metaphor's efficacy so that it can become a normative concept combining the virtue-forming moral dimension of communitarianism with an awareness of the problems of intolerance otherwise associated with communitarianism. The example of Nigeria, in fact, demonstrates two things. First, it demonstrates that the internal participatory requirements for a mediating institution that enhance autonomy. Second, it shows how a mediating institution should be open to other ethnic groups in order to foster a basic acceptance of living together in peace rather than in quarantining terms where such outside groups are deemed enemies.

BMI thus provides a model for Nigerian business practices. With relations between employees and employers indicating little if any kind of affectionate bonding that would inspire ethical behavior and commitment, a first step would be to find organizational incentives which reward employees for committing to the business. One way that might happen is to offer increased rights of participation of individuals within the company.

As Robert Solomon has written, virtue may be its own reward, but unless it is rewarded by tangible incentives, it may turn a resentful cheek (Solomon, 1992). There is little reason to expect that workers will commit to a sense of ethical duty to a company that gives them no sense of participation in it.

At the same time, it would seem difficult to transform the Nigerian culture to construct some sort of workplace democracies in which individual workers had some corollary to stock ownership plans, let alone actual stockholder control of the organization. However, there remains a significant number of things that could be within the control of workers that may foster a sense of ownership and participation.

In a culture with strong notions of hierarchy, patriarchy, and group identity, workgroup problem-solving became a normal method of doing business. Japan took the Total Quality Management (TQM) messages of Americans W. Edwards Deming (1982) and Joseph Juran (1964) and made them very effective components of building loyalty and commitment within an organization. We do not wish to suggest that Nigerian culture is identical to Japanese culture after World War II. In fact, the greater diversity of Nigerian culture does create more difficulties in fostering trust within groups because of the conflicting group identities, which is why we wish to maintain the distinction between a mediating institution and a quarantining institution.

Nevertheless, giving workers more authority to control the work processes by which a product was made or a service rendered has proven to be very successful in a diverse American workforce, and it is possible that such a tactic may allow for the traditional Nigerian notion of ownership while also promoting individual control over the actions that affect them.

This control is also a form of ownership. Another form of ownership is education. There is, as has been noted, an increasing pressure on corporations to assist the educational system by educating the workforce. Such an effort has beneficial consequences for the corporation in terms of a more skilled group of employees, and it also creates "ownership" of the resulting knowledge by the employee.

In this sense, a "business ethics" solution could provide for internally consistent practices that are more responsive to the concerns of individuals than currently exist. It is unlikely, and perhaps inappropriate to suggest that Nigerian culture ought to change to insist upon employee "ownership" of corporate assets. But it is not so far of a stretch to insist upon employee ownership of their own skills and labor. By giving them the ability to have significant input on the work process itself and to enhance their skills, a sense of ownership may build increasing trust, commitment, and identity in relation to the organization. This ownership, of course, also enhances the power of employees and how employers deal

with this power may make a significant difference as to whether employees put their labor and skills toward the good of the organization. But it would seem that such ownership may be a prerequisite not only for a more competitive workforce, but for the reinforcement of a communal identity that makes internal ethics such as honesty, loyalty, and respect for persons a set of regular business practices.

In addition to the internal practices, Nigerian business activity suggests that in terms of interface with the outside world, coercive pressure may be the primary mechanisms to establish business responsibility. It is important to be clear-sighted that BMI does not by itself ensure "social responsibility." But since individual workers are members of a community affected by corporate advertising and environmental pollutants, a structure which allows for employees to voice concerns with the company as to proper corporate policy (but not one which attempts to cede ownership of the company out of the hands of traditional family arrangements) could provide a proxy for such external constituents to be heard in the corporation itself.

If this tactic is successful, there may be less need of coercive governmental intervention or public pressure. But if the tactic is only partially successful, and we do not wish to be sanguine about its potential efficacy, then external pressure must serve as a counterweight to communitarian shortcomings which do not fully value those outside of the community.

IV. Conclusion

Nigeria's cultural imprint and its virtually undemocratic political system has a great impact on its business environment. The laws in Nigeria are most likely inclined to show a more conservative and traditionalist slant due to the dominant influence of the Hausas on government policy. Therefore, we see a very male-dominated and familial business environment in Nigeria. The more pragmatic Yorubas and Ibos have been more adaptable to western influence and have demonstrated greater industriousness than that of the Hausas. These competing styles have con-

tributed to tensions in the evolution of business in this nation. Indeed, these groups in Nigeria affect the political and industrial economy in their respective ways, and understanding the interplay of these groups with the management and labor issues that arise is critical for understanding the dynamic business culture of Nigeria.

In light of these complexities, a communitarian business ethics presents both opportunities and risks. The risks are that the already existing insular communities can reinforce exactly the kind of problems warned of by theorists such as Keeley and Mayer. The opportunities are that a virtue ethic of business may be able to address businesses in a language that is familiar with them, but which extends the sense of community to members of the workforce in particular. Moreover, the emphasis on mediating rather than quarantining requires a sense of adapation to the outside world rather than demonizing that world. Thus, making Nigerian business into mediating institutions may be a way to make them more responsible while simultaneously respecting their extant cultural identities.

Notes

[1] Pidgen is a Nigerian form of broken English used mostly by ethnic groups in the South. Pidgin is spoken by Southerners particularly among non-Nigerians.

[2] Keep in mind, Nigeria suffers from a great deal of ethnic and national upheaval. Nigeria does not have an open democracy, nor the bureaucratic infrastructure to make census counts. Therefore, census counts are infrequent. However, assuming a normal distribution of population growth nationwide, the percentage of Nigerians affiliated with their respective religions is probably similar today.

[3] This phenomena of family ownership of the predominant number of businesses is probably due to very common social dynamic in developing countries. Opportunities, resources, and personal wealth are often greater for higher educated, elite classes in transitional economies. Hence elite classes use this great wealth of resources to enrich themselves and families. Income disparity among people tends to be greater in underdeveloped countries with military governments.

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