

Hubris and the Financial Sector: Making a Possible Case for Ubuntu

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Abstract

Global financial sector scandals have presented an opportunity for an examination of what is going wrong in the industry. Regulators have responded through structural and legislative changes that are aimed at arresting the highly criticised corporate culture. This article argues that while such measures are commendable, they are nevertheless inadequate as they do not address the root-cause of the problem. To that end it suggests experimenting with the norms of ubuntu. It contends that the ethos of ubuntu would arguably engender a new corporate governance regime which would address those human tendencies that are at the core of the maligned financial sector conduct.

Keywords: Ubuntu; Greed; Financial sector; New corporate governance; Community ethos and morals; Financial sector reform; Regulation; Culture; Development

Introduction

“...everyone now understands that something went very wrong with the ... banking industry and we need to put it right.... From excessive levels of compensation, to shoddy treatment of customers, to a deceitful manipulation...we can see that we need a real change in the culture of the industry” [1].

If we are to restore trust and confidence in the markets, we must therefore address what is at its root a moral question...the process of renewal has to begin with a recognition of the moral dimension of what has happened.” [2]

An upshot of the 2007-2009 financial crisis is unarguably the fact that it has translated into an indictment on the traditional supervisory and enforcement mechanisms. It is therefore not surprising that the bulk of the post 2007-2009 financial crisis measures and controls that have been implemented have been preoccupied with financial reregulation [2] and other strategies aimed at curtailing the exposed sector risks [4]. While the regulators’ attention has been centred on regulatory responses, their rhetoric has however been replete with calls for a cultural shift [5] in the governance and supervisory landscape of the sector. Calls for a new architecture are centred on the pressing need to re-instil trust in, and augment the credibility of the pilloried industry. Scholars such as Cabot [6], Galbraith [7] and James [8] among others, argue that the established corporate culture -- whose wreckage can be traced way back to the stock market crash of 1929, induces and nurtures insatiable greed. That culture has been despised as innately epitomised by “the seminal lunacy which has always seized people who are seized in turn with the notion that they can become very rich” Hoover [9]. Moreover, damning evidence from the 2007-2009 financial crises re-affirms a disconcerting fact: that ninety years since the catastrophic 1929 crash there are still signs of an unchanged behavioural pattern. Exponential self-preservation and untrammelled predatory governance, exhibited by inter alia, an egregious pursuance of higher risk investments for profit are still

passed as standard industry behaviour. The subsequent moral outrage and public antipathy manifested through intense condemnations (bordering on physical violence [10]) towards bankers is therefore explicable.

With a view to making a contribution to the on-going financial sector corporate governance debate, this article contends that when it comes to the resolution of the problems grappling the sector, there is room for both conventional and unconventional tools. Further, it is maintained that while indispensable, law and regulation can no longer suffice to redress what is now a moral issue and as consequence, cannot provide robust buffers against the recurrence of future crashes. Thus the global financial crises have provided incriminatory historical evidence to the effect that in so far as it does not impact on the underlying human conduct, the proscription of illicit behaviour through rules with a view to stimulating and maintaining financial sector growth and stability will remain inadequate to deter future scandals. This article contends that for as long as the regulatory environment is characterized by inherent and inevitable regulatory inadequacies, legislative gaps and enforcement challenges, any radical regulatory and structural reforms, though commendable, will not be adequate to a discourage deviance.

With a view to contributing to the available options, this article further avers that the complexities of the modern financial world “need a theory of global management consistent with our common human nature [11]”; one that is geared towards the transformation of practitioners’ habits and principles. This article, as the title suggests, it is designed to stimulate a debate on the possibility of exploiting other mechanisms to the problems facing the financial sector. Hence its essence is an attempt to show that while demands for a corporate culture shift are overdue, the proposed cultural transformation will be hindered by the fact that the touted proposals do not transcend calls for curbs on risk taking and rewards [12]. In the absence of an in-depth cultural overhaul, the prevailing culture-change rhetoric amounts to mere politicking which is unlikely to avail much.

By contrast, this article proposes a moral dimension to corporate conduct by exploring the applicability of essential qualities and standards built around the concept of ubuntu. The expectation is that

by transmuting values of ubuntu into a meta-norm, a new corporate architecture would be presented and it is hoped that a credible option in the quest for a new financial sector culture will be availed. It must be admitted at the outset that research relating to the concept of ubuntu being a possible tool in the corporate world is still not extensively developed and is still clouded by the fact that it is misconstrued as being based on an abstract concept. This generalization however, ignores the slow historical path trodden by other philosophies which have since been embraced as integral to the business world.

This article therefore holds that the idea of ubuntu has features which are valid enough to create a foundation for its analysis as a possible component of financial sector corporate governance. On the basis of the ubuntu notion, this reflection seeks to make a contribution to the scholarship which argues that culture has the capacity to enhance economic development by restraining human tendencies. It strives to accomplish this by exploring ubuntu's specific traits and through a demonstration of how these can facilitate the development of corporate integrity.

The Link between Culture and Economic Development

While the purpose of this article is not to engage in a debate about the links between culture and economic development, it is necessary that a foundation be laid upon which ubuntu, as a constituent of culture, will be premised and understood. This is because, as shown above, diagnostic discussions about what is going wrong in financial institutions have widely exhibited a heightened recognition of culture's importance. For that reason it is imperative that this article create a background to the issues discussed herein by outlining the link between culture and economic development.

According to scholars such as Smith [13] and Polanyi et al. [14], the standard acknowledgment and justification for culture's utility and its incorporation in the process of economic policy formulation can be traced to the 1880s. They maintain that prior to that era there was a reluctance to recognise culture as an economic driver. The contention for its inefficacy was that since it was too broad and existed in an environment where there were no clear avenues through which it could influence economic development, its usefulness could not be ascertained. However, the emergence of strategies facilitating a testable understanding of individuals' beliefs, preferences and cultural legacies meant that cultural-based factors could now be factored in assessing its economic development capacity. The same scholars assert that capitalism is intrinsically amoral, unethical and is steeped in self-interest and that rectifying these defects requires contraptions outside the legal, socio-political systems.

Such assertions are reinforced by La Porta et al. [16] who posit that when all factors have been aggregated, confining the development of the financial sector to market forces alone might be counter-productive to its development. It is on this contention that Roe [17], Goldschmidt [18] and Schwartz [19] among other scholars, have managed to construct a compelling case that establishes the linkages between culture and the development of financial sector. Furthermore, Tabellini [20] shows that good cultural values such as trust, beliefs in individual effort and generalized morality have an impact on economic outcomes and are associated with higher GDP per capita and growth. Likewise, Guiso et al. [21] demonstrate that cultural attributes such as "thrift, hard work, tenacity, honesty, and tolerance --

contrast with the xenophobia, religious intolerance, bureaucratic corruption..." are obvious drivers for a successful economy.

Additionally, Arrow [22] as well as Knack and Keefer [23] argue that cultural norms built on trust have an immense impact on economic outcomes. For instance, practically all business-related dealings demand an element of trust and that it is the level of trust that determines the conditions attached to any financial transaction. This truism is supported by regressions carried out using beliefs about trust to predict economic outcomes and Frederking [24] and Guiso et al. [21] conclude that such regressions demonstrate that trust is a prerequisite in international trade. The argument is that trustworthy individuals have a higher probability of entering into business and that it dissuades the parties from pursuing short run gains in transactions [25].

Equally revealing is a research alluded to by Goldschmidt et al. [18] which demonstrate that an environment which places emphasis on the moral equality of individuals and their autonomy is associated with greater rules compliance, accountability and experience minimal corruption. Hsee and Weber [25] have also established that national culture affects the way different societies perceive financial risk and influence financial investment choices as well as cross-national variation in corporate debt ratios. Likewise it has been accepted that culture may have an indirect effect on the establishment of financial markets by enhancing institutional quality and also has a direct effect on the establishment, not only of the financial markets, but also of the intermediaries. That is however, is on the condition that attitudes that minimise uncertainties within transactions are promoted [26-28]. In sum, Stulz and Williamson [27] as well as Kuada and Gullestrup [28] show that institutions are largely by-products of the prevailing culture, that culture affects the allocation of resources [29].

From this brief analysis it is fair to say that there is an acceptance of culture's input in economic development. In fact, the foregoing establishes that, "if we learn anything from the history of economic development, it is that culture makes all the difference [31]" and reinforces Ibrahim's [30] assertion that 'culture matters' as much as profit. The ensuing sections therefore seek to build on this and attempt to show how ubuntu culture can catalyse an over- due behavioural shift in the financial sector.

Ubuntu Culture and its Implications

The word ubuntu is derived from South Africa's Zulu (umuntu ngumuntu ngabanye) and Xhosa (ubuntu ungamntu ngabanye abantu) maxims. Loosely translated the maxim means that 'a person is a person by and because of other people.' Bennet [31], argues that ubuntu itself is not easily definable but forms the basis of pre-colonial and contemporary 'other-regarding' ethos embedded in traditional African communities, adds and states that 'humanness', 'humanity', 'African humanism' and 'personhood' are also synonymous with the concept. Nevertheless even these are inadequate embodiment of its diverse connotations or its cultural implications. Much as it has defied characterization, ubuntu's implications have been diverse and include, inter alia, the socialisation of individuals through, the recognition, that "what we do feeds through the interwoven moral fabric of social, economic and political relationships...[32-34]."

It is regarded as placing emphasis on interpersonal relationships, elevating personal moral responsibility and humanity towards others. Ubuntu is therefore characterised as "a metaphor that describes the significance of group solidarity...through brotherly group care and

not individual self-reliance [35].” Critical to this culture’s dynamics are values that induce moral uprightness through collective morality and a sense of shame for breaking the law. The central philosophy is a value system or regime under which abuse of authority is regarded as transgression against the whole community. In terms of governance the common view is that ubuntu engenders relational control in which “leadership resides not within leaders themselves but in their relationship with others [36].” In sum, ubuntu is arguably a practical social construction derived from the values and ideologies of the community.

Perhaps the operation of this ethos is best demonstrated in corporate South Africa where it has been embraced as business leadership and management concept (Ubuntu Management Philosophy). Through this concept, commercial decisions are crafted within boundaries designed to meet traditional norms and values. Khoza [35], Nkomo and Cook [36] show that as a progenitor of African transformational leadership, ubuntu emphasises on leadership that embraces, among many virtues; probity, integrity, trust, humility and goodwill [37]. Its merchants argue that it has the capacity to transform into a management theory for competitive advantage beyond Africa [38]. Such an optimistic outlook is perhaps justified on the assumption that organisations, regardless of their geographical location, cannot circumvent ubuntu’s components, mainly the “personhood of the people in the organisation ... [which] is the source of achieving true organisational effectiveness. It is what makes synergistic relationships within and without the organisation possible. Ubuntu is the foundation upon which organisations can build a strong and sustainable foundation [39].” In fact, scholars have so far noted “a degree of adoption of high-performance work practices such as team-based systems based on cultural precepts such as ubuntu [40].”

Its tentacles are also manifested in jurisprudence; none more than in the seminal constitutional case of *S V Makwanyane* [41] where ubuntu’s standards were endorsed as crucial for societal cohesion through interdependence, collective unity, co-responsibility, among other merits. It has also been felt in the criminal justice system where dispute resolution, especially the sentencing regime (aimed at restorative justice) is said to be underpinned by “African ideals of unity, compassion, and reconciliation [42]” and whose ultimate effect has been that of fostering reconciliation between the victim, community and the offender [43]. Likewise in administrative justice the judiciary has often beckoned the ethos of ubuntu with a view to dispensing discrimination-free pronouncements [44]. So perverse are the philosophical tenets of ubuntu that courts have branded it a relationship of mutual respect [44] imbued with the relational nature of rights [45] in which impartiality and civility are entrenched [46]. Thus while ubuntu has been accepted as a constituent of common law; its utmost recognition has been that it “provides the South African courts with a metanorm similar to the English notion of equity [47].”

The Possible Implications of Ubuntu on the Financial Sector

Evaluations have so far pointed to excessive leverage and poor risk control to be the key contributory features of the 2007-2009 financial crisis. Arguably, it is on this premise that much of the regulatory responses are premised. Based on this diagnosis regulators have embarked on vigorous and extensive reassessments of their supervisory and enforcement mechanisms. For instance, the UK’s regulator, the Financial Conduct Authority (formerly Financial Services Authority) has embraced a more muscular approach designed

to engender ‘credible deterrence’ through stiffer penalties, intensive and intrusive supervision. Likewise in the USA through the Wall Street Reform and Consumer Protection Act H.R. 4173 (‘Dodd Frank’) the government has sought to protect the consumer and buttress financial stability by improving accountability and transparency in the financial system. In like manner, Germany has embarked on measures aimed at stabilizing and strengthening the regulatory and supervisory frameworks [48].

While acknowledging that risk, excessive levels of compensation and leverage weaknesses were proximate causes of the ended and continuing financial malpractices [49]; it would nonetheless be folly to assume that these were the sole factors. Such an attitude disregards the underlying element upon which the alluded to causes are premised -- unethical conduct stemming from poor corporate culture [50]. As such the highlighted causes are mere derivatives of the culture slip-up within the financial sector and to base all regulatory responses on the symptoms and not the root of the problem neither bodes well for the efficacy of the regulatory responses nor protection of the financial sector.

It for this reason that the global financial reforms embarked on are rightly tainted with cynicism. Unless they are accompanied by an institutional cultural transformation, the proposed and implemented regulatory measures (viz tighter regulation, better risk management and structural reforms), though vital, can only achieve so much [51]. Such a censorious overview is not without foundation; the prospects of success of the re-organisation efforts are not as auspicious. From the start, the process appears patently cumbersome [52] and minimal, particularly seeing as the “protestations of reform have often seemed proforma, concealing a real desire to return as swiftly as possible to pre-crunch business as usual [53].” Furthermore, it is feared that such reforms will only engender a “formulaic conformity with the appearance of ethical probity [54]” and that in essence they amount mere posturing aimed at placating the investing public [55].

Even assuming that the diagnosis as regards the causes of the financial crises is correct, the response thereof has not adequately noted that the outcome has been an erosion of a core element of economic development; trust [56]. Even in the absence of such distrust these regulatory and structural responses are by themselves inadequate to effectively de-risk the financial sector against human tendencies which breed unbridled financial sector excess and rapaciousness [57]. Any genuine sense of optimism for a true culture reform is dashed when one considers that those who are mandated to bring about the cultural change – the legislators and political leaders are themselves “caught between admiration, incomprehension and intellectual subservience to the financial sector...are in awe of this enormous cash machine and loath to meddle with it [58].” In an environment where rules are preferred and where there is no recognition of the fact that better and ethical behaviour is not predicated on the existence of rules, it would be unreasonable to conclude that the proposed reforms provide a panacea for the problems besetting the sector.

Without necessarily attempting to legislate morality, the current environment as depicted above, makes a compelling case for experimenting with ubuntu. By emphasising on community-centred ethos, it is argued that ubuntu would isolate and address those homo economics [59] attributes that have historically triggered excessive economic scandals. This it would supposedly accomplish while at the same boosting competition and economic freedom. The cohesiveness of ubuntu, particularly its emphasis on fellow-feeling and positive communal relationships provides a tool that could arguably be used to

counter the financial sector's self-serving tendencies. The hypothesis is that it would channel those energies towards dissuading rampant individualism, perverted aspirations and excessive risk-taking that defy social group expectations in the name of trade. Indeed, the recent moral outrage and calls for penance on the bankers is an apt illustration of what happens when an institution or individual steps out of the moral and ethical boundaries of business conduct. Had the principles of ubuntu been in operation in the financial sector it is possibly unlikely that the scandals would have occurred; or if they had, their aftermaths would not have been to the magnitude witnessed recently.

The series of financial scandals; ranging from those leading to the 2007 financial crisis to the recent rate-rigging (of LIBOR in the UK and Tibor in Japan for instance) by major banks, symptomizes an erosion of integrity in the sector. So grave and paradoxical is the prevailing situation that even "banking and finance agents have stopped trusting each other and each other's aims and working habits [60]." In the light of the present realities it is argued that a positive culture like ubuntu would breed trust [61], curb profiteering and substitute it with an understanding that it is not through greed but trust that the growth of individual wealth would be attained.

Since ubuntu proffers personal success through a "pragmatic but humanistic approach to business that emphasizes cooperative relations among members of the community" [62], it can be conjectured that adopting its ethos and values would transform the current individualistic banking culture and by so-doing complement the measures designed to salvage the sector's much-needed trust in the financial system. In any case opting-in ubuntu would not be a major corporate departure; there is evidence that fundamentally, the financial sector is only as solid as the faith people have in it [63]. Economic values that would emerge from the ubuntu's emphasis on probity are therefore manifold. It is likely that the 'other-regarding preference function' [64] of the norms of ubuntu would engender contractual obligation-adherence and fairness.

For that reason ubuntu would be associated with minimal monitoring and enforcement costs as individuals would be inclined to adhere to the socially derived laws. In any case it has been shown that norms (such as the values of ubuntu) have the capacity to "influence people to comply with the law even when doing so would be against their own self-interest...people will accept a loss in a business transaction in order to establish a reputation that will bring them more business in the future [65]." In an environment where regulators' finite resources have been cited as a constituent of the constraints to the financial sector's effective supervision and enforcement [66], any measure that goes towards alleviating the ever-present enforcement constraints should be welcomed. Given the inadequacies of the current regulatory mechanisms, an inclination towards ubuntu would not only arrest the erosion of trust, but would restore "responsible" and "ethical" capitalism. As a consequence this would provide a cost-effective ex ante mechanism which has a capacity to boost compliance and support legislative and prosecutorial efforts. This is arguably what the financial sector urgently needs.

Ubuntu, Law and the Financial Sector

Though welcome, the current technical fixes and institutional reforms aimed at curtailing the recurrence of future crises are however, inadequate as a tool for a comprehensive reformation of the corporate culture. Such measures do not address the underlying

problem and neither will heavy-handed legislation ring-fence the sector from unredeemed greed or ensure ethical conduct. As discussed above, culture change cannot be attained by demanding new capital thresholds, tweaking or passing new legislation alone. Neither can the current philosophy of excessive risk-taking be curtailed by codification of corporate conduct. It is these considerations that make a case for ubuntu.

This article does not assume an overly simplistic view which ignores complexities that are related to norms as informal enforcement mechanisms. It takes the view that given the right support -- as demonstrated in South Africa -- ubuntu can be compatible with the law. In fact it has been shown that there are compelling parallels between ubuntu and other branches of the law. This is clearly the case in South Africa where its ethos has been embraced in criminal, constitutional and administrative law. In any case an analysis of the development of the law of equity offers hope as to the possibility of shaping and adopting ubuntu's standards into law. In fact, it is argued that as with ubuntu, the principles of equity emerged "to regulate the conscience of defendants so that they act with propriety in situations where, by following the letter of the common law, they could act unconscionably [67]. Such is the essence of ubuntu and by evading definitional rigidity, it is continually being moulded by scholars and if it this elasticity endorsed, ubuntu would provide a set of values and principles for our law [68].

Furthermore, though challenging, the cultural transmission, integration and implementation of ubuntu as an ex ante enforcement tool can be said to be feasible for a number of reasons. To start with, it has been demonstrated that given the right circumstances it is possible to internalise norms to an extent that it becomes practical to comply with them even in situations where the deviant is unlikely to suffer and adverse repercussion from non-compliance [69]. Individuals are said to respond rationally to incentives. For that reason, internalising ubuntu within the financial sector would be eased by the creation or existence of favourable economic and social environments that tend to reward virtuous behaviour. Individuals are likely to follow norms where there is evidence that such norms have the support of, not only of those they regard as being in authority, but also of others in the sector or society.

Since culture, unlike legislation, cannot be enforced using heavy-handed mechanisms, ubuntu can be effective if for example, through organisational mission statements it is delicately cultivated as a moral standard upon which the financial sector's ethics are premised and judged. For instance, South Africa's private sector organisations such as Colgate, Telkom, First National Bank, to name a few, have adopted ubuntu as a philosophical base and have made it the centre of their management styles [70]. It would therefore be incumbent upon owners, boards and management to externalise ubuntu's ethos through strategies that would not only stimulate compliance with the norms but also set the right and explicit culture [71]. Management could spell out the values built around inter alia, responsibility to the wider community, scrupulousness and trustworthiness within individual functions or in the general code of conduct. It would necessitate aligning management concepts and investor expectations with ubuntu to ensure the creation of moral communities that support the fundamental corporate fiduciary responsibility and collective needs of the society.

Further, conveying ubuntu in the financial sector organisations would be conceivable especially on the strength of demonstrations by anthropological findings, interactionalists and the human relations

movement [72]. The assumption is that society has the communication capacity to enforce norms through supposedly ordinary non-legal or informal social sanctions that lead to, for instance, loss of reputation. Supported by a sense of guilt, these mechanisms constitute a credible and potent force in behaviour-modification by forcing the delinquent to realise that the stigma emanating from acting contrary to social norms could be costly to their reputation and consequently to the profitability of the business [73]. Such unofficial sanctions have been widely recognised as constituting an auxiliary administrative enforcement strategy which complements the official criminal and civil sanctions in the regulation of capital markets [74]. Because ubuntu's censorious attitude towards non-conformists of societal norms, it can be argued that it provides a social control mechanism in the form of collective condemnation of the frowned-upon conduct. For that reason reviled conduct in the financial sector would constitute a breach of ubuntu necessitating offender chastisement for violating the corporate team's wealth creation ability.

It is in this context that corporate organisations are presented with a resource upon which an ubuntu's ethical values can be nurtured. This would engender an environment where the willing organisation's management focus can shift from share-holder-value maximisation to that of producing the utmost good for the larger community. Attaining this ideal would be facilitated by the fact that 'new capitalism' is being embraced globally and comes with an organisational consciousness and acceptance of the fundamental role of morality. Through this attitude organisations are coming to terms with an urgent need to regain public trust and this has seen them repackaging themselves in human terms including presenting themselves as having abjured greed-centred objectives. Moral sensibilities now induce a new corporate environment where organisations posture as having a soul; as being benevolent, socially aware and responsible. A synthesis of ubuntu with this rebranding process could yield a new culture whose ultimate effect would be the enhancement of 'capitalism with a conscience' and the restoration of the much-needed trust in the financial sector.

Having established the possible link between law and ubuntu, it is crucial that debate turn to the procedural requirements and strategies that might promote a wider inception of ubuntu into law. To begin with it is common cause that customs, in their oral form are regarded as a foundation of law. More specifically it should be highlighted that enforcing customs in general has proved to be both complex and effective. The German Code of Civil Procedure (s.253) serves as a perfect model from which lessons can be drawn. An outline of the preconditions for the recognition of customary law is provided by the German Federal Constitutional Court. These include a permanent and consistent practice of equal and general rules that are recognized and accepted as binding by the individual concerned.

To make them persuasive or even binding, customary law-based judgments would in general need to be transformed into written form ('codification of customary law') so as to provide a corpus. That way ubuntu would shed its uncertainty stereotyping. Further, the courts would need to be more proactive in pronouncing judgments based on ubuntu and likewise communities in which it is expected to exist (in this case, financial sector stakeholders) would need to recognise its legitimacy as a practical corporate governance ingredient. On their own, these institutions would not ensure the effective deterrent effects of ubuntu and so there is need for the state to intervene; state

enforcement of ubuntu's social norms would have the desired consequence of increasing cooperation.

In summary, Ubuntu's informal norms would deter misconduct while at the same time restoring the socially desired ethos through which the customers, and not the bankers, always come first. It is expected that 'responsible' capitalism under ubuntu would see financial organisations recognising their social and community responsibilities through ethical conduct. Just as manufacturers recall defective products from the market to avoid harm to their customers, it is argued that ubuntu would deter the financial sector from engaging in conduct which proffers pecuniary gain and yet causes financial ruin to investors through for instance, toxic products that were evidenced in the 2007-9 financial scandals. It is argued that these would offer a satisfactory starting point towards the enforcement of norms.

The Possible Limitations of Ubuntu

Just as the regulatory environment is insufficient to bring about a change in the sector's culture, ubuntu would not serve as a substitute for financial sector regulation. Rather, owing to its inherent weaknesses, it is anticipated ubuntu would merely play a complementary role. The most problematic feature is that by advocating for the eminence of ubuntu, the proponents are seeking to enshrine a 'market for morality' or 'market for values' in which all transactions are subjected to cultural, moral and social values in a bid attain a communally beneficial outcome. An elevation of these attributes above the preferences or character of individual market participants would however, be a desecration of the individuals' legal or moral rights. That, it is alleged, would be incompatible with modern capitalistic business objectives: it is socially and commercially divisive, fractures and factionalizes the market. Supervisory and enforcement tenets built around ubuntu -- as with all moral codes -- are generally weak and would consequently pose a threat not only to the commercial ethos but to liberal toleration as well. The fear is that a culture in which people are inclined to enter into a market built on cultural values eventually ceases to be commercial in nature, it essentially becomes voluntary and since it is unenforceable, participants find it easy not to acquiesce to the institutional arrangements.

Opponents of ubuntu – the nontuists would also argue that the effectiveness of the market exchanges rely not so much upon the selfishness of its participants but upon their nonchalance towards the interests or well-being of those with whom they are bargaining. By extension and by way of illustration nontuists would argue that the moral outrage directed at bankers, dealers and brokers is misdirected in that it focuses on their purported cupidity. If blameworthiness is to be brought into account it should be more for their lack of concern for the risky deals that led to investor and not the bankers' avarice.

It is also argued that on its own, ubuntu would not (and it is not argued that it would) be the complete solution for solving human conduct especially that of organisational leadership. Nonetheless it is accepted that it provides an effective starting point and guiding principle and addition to organizational conduct. As cautioned above, as a remedy to corporate misconduct, it is not assumed that ubuntu provides the ultimate solution to the cultural malaise gripping the financial sector. To do so would be presumptuous, if not delusional. Nonetheless, it should be noted that the fact that ubuntu has certain defects does not mean that as a management concept it is unworkable – there is ample evidence to the effect that numerous popular

management theories have not lived up to their billing in different environments.

Further, as briefly asserted above, the concept of ubuntu unlike other principles, lacks precision and so might lead to ambiguity. This lack of exactitude however, has been argued to be essential seeing as imposing a thorough definition would unduly restrict its function. Such definitional fluidity facilitates the assumption of suitable and contextual meanings befitting the changing social order. As such it is crucial that courts and the society have the latitude to coin appropriate meanings. Moreover, to its credit ubuntu has already been embraced as a management concept – “ubuntu management”.

Conclusion

Advocating for ubuntu as a global management concept is unarguably an ambitious objective. It is therefore not surprising that in the course of the financial sector development, belittling the efficacy of cultural ethos in the mould of ubuntu is easy and therefore common. However, much as ubuntu has several weaknesses, it cannot be said to be muddled or illogical; neither is it purported that it would resolve all the problems facing the financial sector. That ubuntu management is likely to be regarded with scepticism is not unexpected; the history of management philosophy is replete with styles that are now standard but whose advent was a subject of extensive disparagement. Over time however, as with concepts such as Six Sigma, Value Management and Total Quality Management (that are hyped for advancing good leadership and customer service through shaping corporate behaviour); ubuntu could significantly bring about the much-needed democratisation of the financial sector by tying corporate culture to social forces that constrain misconduct and engender norms of trust, responsibility and integrity.

Having been demonstrated to be effective in an African setting, the ethos of ubuntu undoubtedly transcend cynical utopian stereotyping and it is hoped that transplanting its virtuous norms into the financial sector would amount to an innovative tool that is capable of radically transforming the sector's much aspersed culture. It is only by changing the moral standards by which the financial sector participants live by that the sector will regain an aura of trust. As such “the time has arrived for ubuntu to be exported to the international area, because both employers and employees can benefit by applying a more human approach to management for better productivity and service delivery in an appropriate environment. As such, the “answer is not to launch a new moral crusade to shame corporations...into social responsibility, nor to build big bureaucracies to micromanage them...There is a better way forward: to experiment, test, and build new market structures on proper moral foundations (Friedman,2008,p. 181).” This acknowledgement presents an occasion to experiment with an innovative culture, one which has the capacity to complement the legal force of economic contracts through conformist conduct and voluntary abidance.

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