



Financialisation and the ethical moment: Levinas and the encounter with business practice

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Abstract

Purpose – The paper seeks to examine the tension between a Levinasian ethics and routine corporate activity in multinational business worlds. It investigates the calculative regimes around financialisation and places these against the absolute ethical responsibility to the other and the third, and the issues of justice and politics this produces.

Design/methodology/approach – The paper draws on the notion of the deconstructive moment and uses this to investigate the ethics of key decision making by a medium-sized international telco, Telecom New Zealand, in the construction of a submarine cable.

Findings – The paper details the irreconcilable ethical conflict between the acutely human responsibility of corporations and the sophisticated, dehumanising regimes of calculation which they both mobilise and in which they are embedded.

Originality/value – The authors utilise the notion of the deconstructive moment to investigate the ethics of corporate practice. They also show how this can be related not just to the other but to other others and to wider issues of justice.

Keywords Business environment, Ethics, Decision making, Financial markets

Paper type Case study

Can we realistically apply a Levinasian ethics to the complexities of the contemporary business world? Questions such as this arise persistently when the transcendental turn in Levinas's philosophy is confronted by the vast panorama of the global market, the interlocking network of financial centres and the digitised hyper mobile flows of cross-border capital. They are intensified by the continuing financialisation of economies and the pragmatic, operational logics of markets (Sassen, 2004). In a nutshell, markets and economies are essentially calculative (Callon and Muniesa, 2005) but Levinasian ethics is about a different order of things altogether. Can there then be any effective engagement or accommodation between them? This is especially in markets shaken by massive corporate and accounting scandals that run from WorldCom to Arthur Andersons (Moore *et al.*, 2006).

There are further dilemmas. Levinas's work provides us with analytical tools that potentially allow points of entry to such complex, unstable worlds. However, such tools are themselves inherently self-reflexive: they provoke questions about their own application at just the moment open human interaction to ethical scrutiny, as Levinas's later writing indicates (Levinas, 1991). They refuse closure, a paradox heightened when they engage with a market environment that demands closure as a condition of its existence (Callon *et al.*, 2002).

To explore these dilemmas this paper takes up a question which Critchley (2002, p. 18) describes as "Levinas's deconstructive turn". We use this idea as a starting-point to interrogate both the relationships and the tensions generated when a Levinasian



ethics engages with the world of business practice and complex accounting systems. Levinas's deconstructive turn involves according to Critchley, the possibility of holding open and reinvestigating the ethical moment as it emerges, without giving way to the insistent closure of the said (Levinas, 1981). It is this moment, when the radical alterity of the other is about to be appropriated to the same that the role of business activity becomes significant. In this sphere the persistently calculative, competitive and often routinised rationalities of the market act constantly to interrogate and undo Levinas's transcendental call of responsibility to the other. This creates a continuous series of tensions and paradoxes, which we explore by drawing on the recent history of a major Australasian IT company, Telecom New Zealand.

Telecom New Zealand's activities reproduce those of corporate entities worldwide (Newberry and Robb, 2005). This is evident particularly in its drive to maximise shareholder value and its use of sophisticated accounting systems to do so. We discuss recent decisions it has made which exemplify these practices and the ethical paradoxes they produce. More than this, Telecom's activities allow us to discuss how these reproduce typical repertoires of the larger financial systems in which they are embedded. We do this to highlight how a Levinasian ethics, despite its transcendental emphasis is grounded in, and worked through, specific social practices and social routines. Doing so enables the vulnerable, sometimes invisible role of the third to be brought to light and the accompanying issue of justice. More than that, it allows us to foreground the lived and material circumstances of this seemingly transcendental ethics, a point on which Levinas (1969) himself was always at pains to insist. This enables us to explore the material working-out of the deconstructive turn in specific and decisive social circumstances.

We develop these issues in part by discussing how accounting and audit systems are detailed ways of ordering and configuring the world (MacIntosh *et al.*, 2000; Quattrone, 2005). We link this analysis to the recent historic shift in western economic systems towards financialisation (Froud *et al.*, 2004, 2006; Krippner, 2005). We do this in order to explore how an ethics focused on self and other can be understood and mobilised within the context of groups, organizations and indeed, whole social systems (Hamblet, 2004).

Financialisation and representation

Here, we discuss the emergence of new forms of financial markets in the last quarter century, the elaborate accounting and audit systems that underpin them and the role of financialisation as an increasingly key mode of market activity. These developments have involved a number of tensions and we briefly outline them. In a later section we link this to the case of Telecom New Zealand and the way its career has been embedded in these same markets and regimes.

What we wish to emphasise is that both corporate activity and financial markets are complex collective undertakings: in short, they are inherently social and material in nature. As Zorn *et al.* (2004, pp. 286-7) note, firms often alter their behaviour not as individual entities but as ensembles; moreover they do so in response to the preferences of other ensembles: outsider groups such as investors, regulators and others. This raises a difficult question for Levinasian ethics where the element of analysis is commonly a clearly defined self and other. More than that, such behaviour takes place increasingly, not through face-to-face interaction but through the high-speed digital

and distanced transactions of global financial markets. Thus, collective activity is organised and represented through accounting instruments (Kalthoff, 2005) and media forms (Knorr Cetina and Bruegger, 2002). However, as Critchley (1999) emphasises, the issue of time and indeed, space is not the question: rather, it is the passage from the ethical to the political which takes place as a doubling of discourse. This is first, “to the singularity of the other’s face and secondly, to the word that makes community a communality” (Critchley, 1999, p. 227).

Financial markets have emerged over the past quarter-century as key drivers of economic activity. This is a point emphasised in both the US and the UK commentaries (Ertürk *et al.*, 2004; Krippner, 2005). As Knorr Cetina and Preda (2004) note, this is a long-term structural change that has seen the rise of new markets, new financial derivatives and new accounting tools. Financial markets “are not primarily associated with the production of goods or with their distribution to clients but with the trading of financial instruments not designed for consumption” (Knorr Cetina and Preda, 2004, p. 4). Such instruments include options, futures, equities, bonds, currencies or derivatives. The shift “from concrete funds to abstract entities epitomises the decoupling of financial markets from the ordinary economy of production, consumption, and exchange” (Knorr Cetina and Preda, 2004, p. 4) and has produced a massive and almost ceaseless speculation on price movements. Moreover, the abstract entities that are traded “may not even be pieces of paper but merely an entry in the books of respective parties” (Knorr Cetina and Preda, 2004, p. 4).

Such forms of representation have diverse consequences. They increase the speed of global transactions and they allow the creation of highly sophisticated trading instruments (Walmsley, 1998; Sosoosh and Ciesielski, 2004). Because of their intrinsically representational form, they enable the construction of complex “screen worlds” inhabited by financial traders: banks of monitors, electronic ticker-tapes and media analysis, each carrying streams of disembodied figures and commentary (Knorr Cetina, 2004).

There is another aspect to this representation and it takes place through the ways risks in all forms of trading are routinely managed. This is by translating the vast diversity of economic activity into the ordered documents and spreadsheets prescribed by accounting standards. The world and risk are in effect represented through figures and through associated financial reporting practices (Shortridge and Myring, 2004; Kalthoff, 2003).

Interestingly, “risk” in this context can be taken potentially as a form of encounter with the other: a destabilising moment of alterity. However, in contrast to Levinas’s emphasis on inter-subjective engagement, such activity is necessarily ordered, calculative and dissociated from face-to-face activity. This as we will discuss, typifies the activities of Telecom New Zealand in its own market spheres. Indeed, its business as an IT enterprise actually functions to construct the kind of distant electronic communication media on which the growth of financialisation depends.

Levinas and business

How then, can a Levinasian ethics be situated in relation to business? We answer by developing two issues which we then relate directly to the case of Telecom New Zealand. The first is the responsibility to the other; the second is the place of the third and the question of justice. We explore this by drawing on Levinas’s analysis of the

state of Israel to situate the question of ensembles and by extension, corporations with respect to the other and the third. We go on to link this to the notion of the deconstructive turn in order to show how Levinas's ethics might be worked out in relation to a specific business entity.

The calculative, distanced, commercial and competitive approach of business to relationships is in stark contrast to that articulated by Levinas. For example, Levinas frequently draws on the scale of the body to underline the humane engagement of ethical relationship. As Howitt (2002, p. 300) puts it:

... the hand, the face, the caress and Eros recur as motifs' in which the hand for example, "is an equivocal organ, offering both the threat of violence, of grasping, taking, acquiring, and also the prospect of more gentle and communicative touch, communication, comfort and caress." Such bodily engagement arises in a relationship of fraternity, non-indifference and responsibility.

As Levinas (1989, p. 148) says, out of this "the presence of the other is a presence that teaches us something". This is an intersubjective space, which while it may be equal "is not symmetrical" (Levinas, 1989, p. 48). This presence and the intersubjective relationship it produces is profoundly ethical. It is very different to the competitive, calculative thrust of distanced commercial activity already outlined. As Shearer (2002, p. 559) sums it up:

In the encounter with the other, the self is confronted with an obligation that antecedes the being of the self, a responsibility that subordinates the freedom of the self to the edict that issues from the face of the other: you shall not kill.

Thus, Levinas (1986, p. 27) argues that ethics precedes ontology, that "it is my inescapable and incontrovertible answerability to the other that makes me an individual 'I'".

Yet as Levinas often emphasises, there is not only an encounter with the other. Simultaneously, "the third party looks at me in the eyes of the other" (Levinas, 1969, p. 213). As Critchley (1999, p. 226) comments: "my ethical obligations to the other open onto wider questions of justice for others and for humanity as a whole". As Introna (2003, p. 6) puts it:

It is exactly this simultaneous presence of the other and all other others that gives birth to the question of justice. The urgency of justice is an urgency born out of the radical asymmetry of every ethical relation. Without such a radical asymmetry the claim of the other can always in principle become determined and codified into a calculation, justice as a calculation.

Such radical asymmetry calls complex questions into being. As Critchley (1999, p. 226) notes, this asymmetrical relation "at the same time, opens onto a relation to the third and to humanity as a whole – that is a symmetrical community of equals". It involves a doubling of discourse because of the incomparable relations – to the other and simultaneously to the larger human fraternity (Critchley, 1999, p. 227).

How is justice to be worked out? Derrida (1992) distinguishes between two kinds of justice: *droit* and *juste*. As Edgoose (1997, p. 4) sums these up, where *droit* is "universal and intellible" closer to the "mechanism of law" *juste* is a "caring justice, an openness to the other before universal language or reason". In short, it is out of the web of competing responsibilities: to the present other and the often invisible third that the issues of justice and calculation arise. These ask how is my responsibility to the other

to be reconciled with my responsibility to my neighbour? To do so involves the comparison of incomparables (Levinas, 1996, p. 168). As Bernard-Donals (2005, p. 2) comments:

It is this thinking, the comparison of incomparables, that allows the ethical actor to think the radical individuality of his act as something other than solitary or unique, and that makes politics possible.

It is exactly such ethical dilemmas, whether or not they are taken up, that are faced by such companies as Telecom with their multiple alliances, on and off-shore partners, shareholders and clients. This is the telecommunications community constituted and mobilized through Telecom's engagement with it: it becomes in effect a localized version of Levinas's human fraternity. Levinas (1990) argues, for example, that when an individual engages another in discourse it is as both host and guest. As Derrida (1999, p. 42) writes, there is a law:

... that would make of the inhabitant a guest [*hôte*] received in his own home, that would make of the owner a tenant, of the welcoming host [*hôte*] a welcomed guest [*hôte*].

This double relationship involves a displacement. This, as Bernard-Donals (2005, p. 1) points out:

... is not just a conceptual or epistemological one; it's also, potentially, a physical one. When the individual engages the other, she is both at home and in exile, neither completely apart from, nor completely a part of, the community or the location from which she speaks.

Such a displacement, he suggests, is as true of states as of individuals. Through diasporas and emigration Israel and other states are "both host and guest" part of a world culture and politics "that might be seen as one of both cosmopolitan and exile" (Bernard-Donals, 2005, p. 3).

Why should this be very different for corporations? Companies, including Telecom New Zealand, constantly act as both host and guest. They play host because they must invite engagement to strangers as part of the transactions of daily business. Guest because, as market entities, they are permanently displaced, seeking refuge with shareholders, regulators and others. Cosmopolitan and exile, many firms are members of several stock markets, constantly vulnerable to the vagaries of markets, to predation, takeover and reconstitution, no different to the threat of violence, of grasping, taking or acquiring that Howitt (2002) ascribes to the individual. However, at the most primordial level, the host is also homeless. Viewed from this perspective, the home that houses the hospitable gesture is an "inn" in that both of its inhabitants are self-admitted exiles (Levinas, 1981, p. 91).

It is the radicality of Levinas's ethical imperatives that highlight such profound complexities. We now turn to consider in more detail how these are instantiated in one particular set of business practices: those of Telecom New Zealand. We do so by drawing on what Critchley (2002, p. 18) describes as "Levinas's deconstructive turn". This according to Critchley involves holding open and reinvestigating the ethical moment as it emerges without giving way to the insistent closure of the said.

What does this involve? Clues are contained in Levinas's dialogue with Derrida, in which he engages with the difficulty raised by Derrida (1978) of articulating the alterity of the other without immediately reducing the other to the same. Levinas's (2000) response in "Wholly Otherwise" is, according to Bernasconi and Critchley (1991, p. xiii),

“not to have the ridiculous ambition of ‘improving’ Derrida’s reading; rather he wishes to draw Derrida into ‘a contact made in the heart of the chiasmus’.” This figure, the chiasmus or Greek cross, allows a double reading, one interlaced with another so that, where possible, without violence to the other, “the Saying is maintained within the Said as the permanent possibility of the latter’s interruption” (Bernasconi and Critchley, 1991, p. xiv). The interruption of the said involves the possibility of the deconstructive turn. We discuss this in relation to Telecom New Zealand and the series of ethical moments that arise in its interaction with the complex financial worlds and practices with which it routinely engages.

Telecom New Zealand

Each of the conundrums just outlined is inherent in the operation of Telecom New Zealand since the company itself is closely entangled with and reproduces larger market practices. Telecom itself was formed in 1987 from a division of the New Zealand Post Office and then privatised in 1990. Sold to two US-based telecommunications companies, Bell Atlantic and Ameritech, for NZ\$4.25 billion, both companies began, from 1993, to sell down their shareholdings, partly through public stock offerings and exchangeable notes, a practice continuing at present.

Nonetheless, Telecom New Zealand is also one of numerous major IT companies that have been implicated as part of a “Telecom Trade War” where according to Naftel and Spiwak (2000) telcos have attempted to meet their own narrow trade objectives over the larger interests of competition or consumer welfare. Its corporate career also runs adjacent to and has been complicit within, the emergence of financialisation and with shareholder valuation. For example, Newberry (2004b) has argued that it has engaged intensively in the widespread international practice of “pumping and dumping”. Following Enron’s collapse, New Zealand accountants engaged in intensive debate about the parallels between the US audit systems and regulation and the adequacy of New Zealand practice (ICANZ, 2002; Diplock, 2002; Newberry, 2004b), of which Telecom is part. For this reason, Telecom’s activities can be seen as typical of the routine practice of share valuation, corporate governance and regulatory oversight of the financial sector, although inevitably there are regional variations across economies (Epstein, 2001; Ertürk *et al.*, 2005). Indeed, as we note below, Telecom has been able to take advantage of these because of its membership of different share markets (Newberry, 2004b).

We detail examples as illustrative of its activity: in particular, Telecom’s development of a fibre optic cable and the use of special purpose entities (SPEs) or off-balance-sheet companies. In 1998, Telecom invested in three associated companies to finance it including Southern Cross Cable Holdings, in order to build a fibre optic submarine cable linking New Zealand, Australia, Fiji, Hawaii and the US West Coast. By 1999, this costly (\$1.1 billion) venture was in trouble (Griffin, 2003) through “over-optimism about the revenues to be earned” (Newberry and Robb, 2005, p. 15). Nonetheless, this subsidiary company still paid Telecom a dividend in 2001 of more than six times Telecom’s equity investment. Meanwhile, Telecom paid Southern Cross “an amount close to \$263 million, recording it in Telecom’s reports as an asset” (Newberry and Robb, 2005, p. 15). The chairman’s report in the 2001 annual report described this investment as “splendid”. In effect though, it involved a circular payment that hid Telecom’s investment in a loss-making company and simultaneously obscured Southern Cross’s debt. As Newberry and Robb (2005, p. 15) note, it exploited

overlaps in two New Zealand accounting standards (SSAP8 and FRS38) and “manoeuvred around differing jurisdictional reporting requirements for SPEs in New Zealand and the US where Telecom was also listed”. The result, Newberry and Robb (2005, p. 16) conclude, was that “the losses remained invisible”.

In a thoroughgoing analysis, Newberry and Robb have also listed a variety of other, similar accounting practices (Newberry 2004a, b; Newberry and Robb, 2005) in which Telecom has engaged. These include the differing treatment of audited and unaudited earnings; the valuation of intellectual property; the way dividend policies have been sequentially recalculated over time; share repurchase used to bolster refinancing programmes and other complex accounting arrangements. Taken together, these practices were part of the financialisation strategies adopted by Telecom to maximise shareholder value.

In addition, the intense focus on shareholder value has had a further outcome. As Newberry and Robb (2005, p. 20) put it:

Telecom seemed happy to take credit for its rising share price prior to 2000, but when the telecoms bubble burst in 2000, Telecom attempted to distance itself from responsibility for its falling share price.

In other words, regardless of either market context or corporate practice, Telecom’s aim has been to maximise shareholder value in a way consistent with the tenets of financialisation.

Telecom and responsibility to the other

How do we understand Telecom’s actions in light of a Levinasian ethics? Telecom’s activities with regard to SPEs for example, can be seen to stand as series of ethical moments, each before the radical alterity of the other is appropriated to the same. We can for example, bracket off several moments and look at their ethical implications. The moment of initial investment in order to build a fibre optic cable; the creation of a subsidiary company and the subsequent decisions to manage debt through it; the chairman’s statement remarks and their implications for Telecom’s shares and its shareholders; its exploitation of subtle differences in reporting requirements, and its manoeuvring around the jurisdictions in New Zealand and the US in order to obscure its financial position.

Identifying such ethical moments allows us firstly, to distinguish nodal points in a continuum of activity that is usually complex and often unclear. Secondly, it allows us to identify not only the other, whose presence is often only half-articulated in such complicated operations but also the presence of the third, fourth and others: those who are vulnerable and sometimes hidden but who are also affected. Thirdly, it breaks open the said: the regimes of calculation, the maximisation of profit, the sophisticated corporate shell companies and financial instruments. Doing so allows us to return to the moment of saying, the deconstructive turn where the figure of the other is again present (Critchley, 2002). Above all, it allows us to problematise such activity so that Telecom’s antecedent responsibility to the other becomes insistent and invisible before it incorporates and takes enjoyment of the other. At the same time, it opens up the claims of justice and calculation.

We take up the issue of the submarine cable as one, key illustrative moment. In itself, this moment incorporates several later, associated moments where SPEs and

other accounting arrangements were put in place. To address the cable funding, then, opens up ways of thinking about a linked series of ethical moments typical in many large commercial enterprises. Yet, to address these at all requires an attempt to reach back to the moments prior to the available published records, tables and reports when the full impact of a decision was first apprehended by its authors.

Why is this? Because, in themselves, the technical accounting instruments that enable the cable's financing, function as a reduction not merely to the said; they also do violence, through their calculative operation, to the humanity and recognition of the Other that founds a Levinasian ethics. Indeed, in Levinas's terms, they erase the possibility of a genuine ethics since the unstable moment of recognition of the other is translated into the abstracted form of the SPEs and other accounting practices. We are then left with these, not the tensions of ethical engagement that must be parallel to their mobilisation. Undoing and attempting to recuperate such moments as these involves, in Critchley's (2002) terms, resurrecting the ethical complexities founded in my recognition of the face of the other.

To begin such an act of retrieval activates not only the relation to the other but also incipient relationships to other others: the third, the fourth, justice and the unstable, awkward relation of Telecom as both host and guest within a larger series of corporate relationships. To understand this, we must follow how the human beings within Telecom are always faced with their ethical responsibility whether they accept or deny it. It is this we now attempt to recuperate.

Levinas enjoins us to consider the humanity of every party to an interaction. Here, with the production of an SPE, the managers and accountants who construct, arrange and activate each SPE are also human beings whose livelihoods, either individually or collectively, are at risk from the outcome of their decisions. The recent outcome of the Enron court cases illustrates just how great such risks can be for executives. If one uses a utilitarian or consequentialist approach it is possible for the managers and directors to argue that their behaviour was ethically justified, at the time they took the decision, arguing that it was in the interest of the company "as a whole" that they continue to attract investor confidence. Managers could have suggested that if they did not use the SPE then the company as a whole would have suffered and many employees might have lost their jobs. However, this is exactly Levinas' point. This is reducing ethics to the economy of the category, i.e. violence. Yet, in Levinas' perspective Telecom managers, those directly engaged in the construction of an SPE, or those in any other operational group (the 1998 Annual Report lists finance, services, HR, network, enterprises, information services and others), are all responsible to an other. Most immediately, as defined by the Annual Report (Telecom, 1998) the other is constituted by Telecom's shareholders: it is to them that Telecom holds itself responsible. To apprehend them ethically, we must see them not just as a category or as a clientele but as real people with savings that may be lost and investments at risk from Telecom's decisions. In short, from a Levinasian ethical perspective, the managers' humanity faces the humanity of their shareholders.

It is easier to imagine the humanness of the shareholders as members of the ordinary public who have bought into the company through two public floats (prnewswire.co.uk on 1997), real people who have their pensions and life savings tied to the company. However, the humanity of Telecom's institutional shareholders is equivalent; this is despite the trenchant criticism their actions have sometimes created (CAFCA, 2003, 2005). It is also easier to imagine when Telecom's chairman directly

refers to shareholders in 1998 as the “many New Zealanders [who] have taken the opportunity to participate directly in Telecom’s progress” (Telecom, 1998, p. 2), progress at the time the submarine cable enterprise was underway.

In the same Annual Report (Telecom, 1998, p. 2), the chairman underlines how the telecom executive understood its responsibility:

Despite the demands of our environment, Telecom has again produced a result which must be considered a sound achievement by anybody’s standards, and I am proud to present our shareholders with normalised earnings growth of 5.8 per cent, which translates to EPS growth of almost 12 per cent and dividend growth of 10.3 per cent. This solid performance is all the more pleasing to me because it is shared by so many of my fellow New Zealanders.

This complicated statement, which mixes its appeal to shareholders as ordinary individuals with its emphasis on the calculative outcomes of Telecom’s strategies, nonetheless articulates what it sees as its ethical responsibilities to the other. Here, then, the executive face the other as shareholder and says he has done what as manager, he sees as right: to keep the share price as high as possible. This short-term calculations exposes the shareholders to serious disappointments in the mid-long-term: when the telecoms bubble burst in 2000, Telecom management attempted to distance itself from responsibility for its falling share price avoiding/refusing then to face the other, individuals that have their savings invested, not categories. Clearly, the chairman’s statement hovers between the saying and the said, the ethical and the calculative. Equally clearly, we can locate the self facing the other as given in the figure of the shareholder. Also clear is that this relationship takes no account of the other others. In speaking to the other, how do Telecom managers reconcile themselves to the claims of the third, fourth and others glimpsed through the eyes of the other (Introna, 2003)? These others enable, secure and shape Telecom’s relationship with the other through their status as employees, partner firms, clients, regulators and public. Each of these others is also part of the human fraternity, each with families, obligations, pressures to perform, insecurities and vulnerabilities. Each also contributes to the very possibility of Telecom’s relationship to the other: how then, are these asymmetrical claims to be reconciled? This is what we will now illustrate through another ethical moment.

The joint agreement to co-construct the submarine cable illustrates these relationships, when in November 1997, Telecom, Optus Communications and MFS Globenet (later WorldCom), agreed to develop the project. They were joined by a further 29 companies “committed to leasing bandwidth on the link” and included “telecommunications companies in Australia and Asia, television stations, and even some smaller communications service providers” (Taggart, 1997). Here, in the formulation of this sub-community the anxieties, hopes and risks of these other others can be glimpsed: the risks, in particular, which so many sophisticated financial instruments, as noted earlier, are designed to manage. It is at this moment of engagement, first in a meeting in Sydney, that Telecom’s comparison of the incomparables becomes activated (Bernard-Donals, 2005): it is here that the web of competing responsibilities that mobilise both *droit* and *juste*, and a simultaneous politics come into play.

It also comes into play with Telecom’s responsibility to its employees. As Ross and Bamber (2000, p. 1) note, the cable building takes place “against a backdrop of deregulation, corporatisation and privatisation”. In this environment, Telecom,

amongst other firms, “pursued strategies of cost reduction through downsizing, outsourcing and the introduction of new technologies” with the ensuing impact and uncertainties on the lives of those affected. It also emerges in its responsibilities to the public, instantiated in just one way through its requirement to honour “the kiwi share” a set of provisions designed by the state to protect telephone users from excessive pricing or related activities by Telecom.

In short, in facing the other of the shareholders, Telecom simultaneously faces the other others, whether these are partners, employees, the public or other groups, so that the asymmetry of its relationship to shareholders is doubled in discourse by its responsibility to the larger community of equals of which it is part (Critchley, 2002). Here is the complex problem of calculating justice (Derrida, 1992).

Moreover, Telecom’s intricate relationships recall its double role as both host and guest, and its own location as exile. As the Annual Report (Telecom, 1998) attests, it is a welcoming host to its shareholders; they are its guests. As Derrida (1999) notes, such welcoming also points to an inevitable displacement. This involves the experience of exile in an often predatory, hostile and unstable world. In Telecom’s case this is vividly illustrated in two ways. First, by its status as a transient guest to the major shareholders who first bought the company and then sold it on to other onshore and offshore investors from 1991 onwards. As Bernard-Donals (2005) comments of Israel and its Diaspora, Telecom becomes both cosmopolitan and exile.

Second and simultaneously, while Telecom was building the world’s largest submarine cable (Taggart, 1997), it was faced with frenzied international telco competition in both satellite and cable construction (Evans, 1998; Henten and Skouby, 2004). With intense competition amongst communication firms, Telecom was threatened with marginalisation even within the Asia-Pacific region if such a major enterprise was not undertaken. It is in this predatory, calculative environment, one that moves from the individual level outlined by Hamblet (2004) to the corporate domain, that Telecom and its managers must still undertake the seemingly impossible task, both of ethical responsibility to the other and of engaging in acts of caring justice in relation to other others.

Conclusion

The Telecom New Zealand case illustrates a number of different ethical issues. Amongst them is how Critchley’s (2002) observation about how the deconstructive moment might be used to recuperate the highly complex ethical responsibility of a multinational business concern. This in a context where such an ethics appears effaced by the calculative regimes of accounting: regimes that reduce the acutely, human engagement of saying to the reproducible routines of the said. To interrogate a company’s practice in this way allows the potential for a Levinasian ethics of the whole human fraternity to remain alive at the same time as the issues of justice and politics are constantly mobilised. Yet, the ethical calculation this involves is, as we have suggested, very different to the commercial calculation of advantage implicit in the activity of financialisation. Instead, it is the ethical calculation that ceaselessly attempts to reconcile and compare the incomparable: self with other, self with third. Such an activity may also point to both the potential and limits of a Levinasian ethics with respect to business, the question with which we began. The potential is the ethical insistence to consider the responsibility to the other and the complex problems of

justice within the human community this necessarily engenders. The limitation is the pragmatic refusal by markets, economies or corporations – as in the case of Telecom New Zealand – to address or even acknowledge such ethical imperatives.

Our position is not to attempt to resolve such paradoxes but rather to show how employing Levinas's own suggestion of a deconstructive turn both reveals and opens them out. Such forms of investigation appear inherently inimical to the pragmatic activity of profit generation and deal-making routine in market operation, let alone the practices of calculation and the regimes of accounting and figuration, which totalise and reduce the possibilities of saying to the stabilisation of the said. Nevertheless, these are exactly the paradoxes as we have suggested with the case of Telecom New Zealand that Levinas' radical insistence brings into being. In addition, it opens up too the paradox that Levinas' potentially accommodates both the socially grounded and the radically transcendent. The deconstructive turn we argue, allows us both to engage this and problematise it. If this is so, then it suggests something of the possibilities and limits of a Levinasian engagement with the complexities of business practice.

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