COMMENTARY

New model for responsible business: ultimate Frisbee

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BP’s ruptured oil well. Goldman Sachs’s financial risk-taking. Massey’s mine explosion. With each new corporate calamity, we call for stronger government intervention.

But that’s like seeing a basketball player throw a punch and demanding more vigilant referees. We shouldn’t absolve athletes of responsibility, encouraging them to push the boundaries of acceptable conduct until they get caught.

Likewise, we shouldn’t depend on government to make business act in the best interests of society. We need to cultivate in corporate executives respect for not just the letter but the spirit of the law.

The harm those companies caused is anything but a game. But let’s inject a bit of levity into an otherwise dire set of circumstances and look to one game for guidance: ultimate Frisbee. The fast-growing sport (with some 700 college teams in the US alone) is like soccer with aerial passing but without referees. Players are expected to call their own fouls—and do. Even at collegiate and world championships, players hand the Frisbee to the other team if they’ve had unnecessary contact with an opposing player or held the disc for longer than the allowed 10 seconds—whether or not someone else calls them on it.

This ethos is known as the “spirit of the game.” I’ve played ultimate throughout the US, Europe, and Asia, and can confirm that the spirit of the game reigns everywhere. Business would do well to learn from it.

Some have argued that the sole responsibility of business is to maximize profits, the more enlightened among them conceding that they should do so within the bounds of applicable law.

But this, too, is misguided. From boycotts of Nike over their Asian sweatshops 20 years ago to community blockades of oil and mining installations from Ecuador to Zambia today, it’s clear that companies can’t just sit back and watch the cash flow in once they’ve obtained their legal license to operate.

Rather, to secure a social license to operate from the people their business touches. This requires ethical behavior, whether or not it is required or enforced by government regulators.

Indeed, in 2006 the International Chamber of Commerce wrote in collaboration with other global business associations that all companies "are expected to obey the law, even if it is not enforced, and to respect the principles of relevant international instruments where national law is absent.” This statement was part of a submission to a United Nations effort to clarify standards of corporate responsibility for human rights (which I advise).

This is not a call for self-regulation. This is an appeal to recognize that there is a spectrum of ways of holding actors accountable for their behavior; law is at one end and self-regulation at the other—and there is a lot between the two.

You and I don’t go about our days making every move based on what is legal and what isn’t. We act according to what our friends, family, peers, and colleagues expect of us; what we want to achieve; what resources we have; and the professional, religious, and other standards we’ve committed to.

Companies are also driven by multiple factors. Government edicts are important in determining what companies do, but so are customer demands, investor concerns, employee desires, advocacy campaigns, industry peer pressure, and media scrutiny.

Here’s a simple way to align business and societal interests: Require that bankers and other titans of industry join a weekend ultimate Frisbee game in their local park. They’ll spend a few hours in a world where there are no designated enforcers but everyone follows the rules—not just in letter, but in spirit. That would benefit us all.

Christine Bader played in the 2002 World Ultimate Club Championships, worked for BP from 1999-2008, and is now an adviser to the United Nations secretary-general’s special representative on business and human rights. The opinions expressed here are her own.