Ethics Address

PET's and Leadership Training Seminar, Presidential Representative Keynote address on Vocational Service History Address on "Integrity in Rotarians"

Members of the Family of Rotary My esteemed friends, Ladies and Gentlemen:

What a great privilege it is for me to have been invited to this ______ to speak. This is a most prestigious event and I am honoured to have been asked to attend:

A meeting where leaders of Rotary from every corner of the District gather to learn and to chart the course of Rotary. I congratulate all who have been elected to club office in this centennial year of the founding of the Rotary movement.

District Trainer _____ has asked me to reflect on two difficult Rotary subjects:

* The Governance of Rotary, and

* Vocational service and the Rotary principle of High Ethical Standards in business and professions

The first challenge is, perhaps, best exemplified from the position I find myself in when sitting around the boardroom table on the 18th floor of Rotary's world headquarters. Some will know that I was elected from one of the 34 Rotary Zones. Zone 22 is the largest in the Rotary world - covering 16.5 time zones. It comprises of all of Russia, east of the Ural Mountains, the State of Alaska (USA), all of Canada and the French Islands of St. Pierre et Miquelon.

These Zones are made up of districts averaging about 15 districts per Zone (530 districts in total). Given that there are 31, 600 clubs in the Rotary world, a lot of good governance is required.

From the boardroom on the 1 8th floor of rotary's world headquarters, you can look:

• Southeast to see both lake Michigan and the Chicago skyline.

- Nearby is a giant globe stands.
- Beside the large rectangle of tables around which rotary international officers have sat and deliberated for many years.

The globe is a reminder of the vision, which has evolved, in our great organization since 1905:

The vision of humanity as one great family.

And it is a reminder to the people around the table that their task is to serve Rotarians working around the world.

When I look at the papers piled high on these tables₁ I am humbled, overwhelmed encouraged.

• Humbled,

Because I am one of the nineteen directors charged with the oversight responsibility for the administration and perpetuation of the vision of Paul Harris.

Overwhelmed,

Because these documents represent the vision and work of Rotarians -- through project proposals and reports, financial statements and forecasts, and surveys and recommendations: the efforts of work from Clubs around the world, 114 RI Committees and task Forces.

• Encouraged,

Because our organization is growing from strength to strength, taking on new challenges in response to the initiatives of the rotary world.

• Gratified

Because every decision, which is made, is premised on the question: how will this impact on the clubs and Rotarians of Rotary International

- Will it be fair to all concerned?

-Will it be beneficial to all concerned?

- Will it build good will in our organization?

Paul Harris said of vision,

"The yearly, daily, hourly spirit of rotary should be the spirit of renaissance. We need men of microscopic visions who will explore the molecules, atoms and electrons, but we also need men of telescopic vision who will explore the unknown". As I look out over that Chicago skyline, I see a microcosm of the Rotary world. Indeed a very sophisticated city but at the same time, a city, for some ravaged by

- Poverty,
- Illiteracy,
- Inaccessible health care,
- Little hope and loneliness.

I am grateful that we have a Foundation to assist the world in a greater mission

• One dedicated to the fundamental decency deserving of all mankind!

Approaching the second century, we stand up in joyful anticipation of a new century, inspired to make the movement a real force for good.

However, the centennial year is not just a time for looking back. It is also a time for reviewing the present:

- Where are we today;
- What are we doing now;
- Are we heading in the right direction?

As we reach this historical landmark, it is a time to pause and take stock, to look at the road we have travelled and the mileposts we have passed.

Above all, it is also an opportunity to marvel at the international acceptance of the Rotary ideal of service and fellowship - and, what we stand for!

Personal involvement with Rotary begins in "club service": "giving back, through your club, to the community something of what you have gained.

You will all know that Paul Harris met with three friends on February 23rd, 1905 --Rotary was born.

He met for the purpose of recapturing the friendliness that he knew in a small town far from the busy, tough and growing noisy, shrewd city of Chicago. He met to share business ideas and enjoy the friendship of business colleagues in a club atmosphere.

As we know, in the unfolding story of Rotary, the basic idea of service to oneself and one's fellow club members in business gave way to the higher ideal of service and helpfulness to others in all aspects of life...

And eventually, service to all mankind.

It was at that point that the emphasis was changed from "getting" to "giving", as Rotarians learned that business gains flowed appropriately to those who demonstrated their interest in helping others.

It became apparent that small group needed something more meaningful than simply a network or business interest to keep them together --- something more meaningful than self-interest.

They needed a purpose - and - the ideal of service was born.

The vision of Rotary evolved:

Paul Harris attracted peers of high quality. Rotarians were soon recognized as a reservoir of talented leadership within the community -- a group that turned words into action -- a group where they really believed in what they were doing!

So, it is not surprising that the motto

"He profits most who serves best" soon evolved -- and,

Today, Rotary is a service organization dedicated to peace - fulfilling the humanitarian needs of people from all nations -- in far off lands -- and in our own back yards!

The Ethics of Rotary

A focus on business ethics has always permeated the evolution of the Rotary ideal! I have always had a deep feeling about business and professional ethics adopted by Rotarians. Coming from the profession as I do, I have been bombarded for 30 year with the Rules of Professional Conduct! The lawyer jokes I often hear and tell is a manifestation of the cynicism surrounding a perception, which is demeaning and not representative of that noble profession's concern for ethics in the practice of law.

Rotary created a "Business Methods Committee" in 1910, which was no doubt formulated to replace the Rotary emphasis on Sales swapping and business networking for personal gain. An extension of this early code was developed in Great Britain and became widely circulated in 1915.

It was called a "Code of Ethics".

Of course the 4 Way Test has always been a useful tool and considered to be the heart of Vocational Service.

But the practical cornerstone arose when, in 1987 PRIP Chuck Keller appointed a blue ribbon committee that gave special attention to ethics.

New life was breathed into the Vocational Avenue of Service and the emphasis placed on Business ethics.

The Committee recommended a new code of ethics. The Board at the time elected to call it the "Declaration of Rotarians in Business and Professions". It was offered to the 1989 Council on Legislation that adopted it unanimously. It has since been reproduced millions of time and serves as a wall poster in many offices around the world. At the Council on Legislation to be held in June 2004, the RI Board will propose a Resolution (# 290), which recites:

WHEREAS, one of the founding principles of Rotary International was its concern for and promotion of ethics in business and the professions, and

WHEREAS, this concern for ethics has been expressed as one of the four cornerstones of the "Object of Rotary," which states that a chief aim of Rotarians is to "encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster: High ethical standards in business and professions; the recognition of the worthiness of all useful occupations; and the dignifying of each Rotarian's occupation as an opportunity to serve society," and

WHEREAS, in the context of the current business environment, it is especially important that Rotarians, as business leaders around the world, reaffirm their commitment to ethics in business and the professions and serve as role models to others to do the same

IT IS RESOLVED by Rotary International that all Rotarians continue in their dedication to cultivate a life that exemplifies Rotary's commitment to ethics in business and professions.

IT IS FURTHER RESOLVED by Rotary International that Rotary clubs continue to build upon their significant record of attracting and seeking out individuals who exemplify the high ethical standards of Rotary as we move into the 21st Century and into our second 100 years of service.

Ladies and gentlemen, I expect that this resolution will be passionately debated and I believe it is the right message to send to the Rotary world.

I say this because I strongly believe that behind Rotary's rich, revered past is a 100_year story of Rotary service, a story of Rotarians caring for the needs of others, giving to their communities through their individual credibility manifest in their occupations.

Rotarians are known to be those of high ethical standards in the work place.

Rotarians are by nature successful in their own businesses. That is why the challenge of Vocational Service has never been so acute.

Never in recent memory, have the traumatic effects of our changing business structures cried out for thoughtful and creative initiatives from our caring service organization.

If your club has not in the past become involved in meaningful vocational service - now in the face of wrenching workplace upheaval may the sensitive and powerful impact of a Rotary Vocational program be most welcome and useful in your community! Rotary does care! Our history is replete with success stories:

To quote the remarks made by one of the great Presidents Rotary has ever produced, the late Jim Bomar:

"Today, the goodness of service minded Rotarians shines brightly. We face the future strengthened with a 'bag of tools and a book of rules' which have been carefully developed since 1905."

And yet, it is important to recognize that although we have made significant progress.

In the many areas of human activity, both in a material and spiritual sense, our business and professional lives continue to be plagued with scandals and corrupt practices.

That shift in ethical standards is clearly observable in many quarters, both in the business and political arenas, and it is spreading rapidly across society.

- The flouting of legal and regulatory provisions;
- The granting of monopoly privileges to friends, relatives, and financial backers;
- The preferential use of privileged information;
- Vote buying;
- Resource wastage;
- Public corruption, bribes and give-aways for political ends
- Human exploitation...

The list of abuses committed for personal gain is depressingly long.

One case in particular shocked the world and questioned the integrity and dignity of those people responsible in the operation of any institution.

Yes, I am talking about Enron Corporation, which collapsed and eventually drove accounting and auditing colossus, Arthur Andersen, into liquidation.

It is hard to believe that it took 16 short years for this company to become the world's biggest energy trader with annual revenues of over 100 billion dollars. It was the brightest star in the business world.

But, the lights suddenly went out in just one year.

Arrogant ambition and financial chicanery on a mind-boggling scale were disclosed along with the management's stretched accounting principles that led to one of the biggest failures in American corporate history.

How can we divert this trend or at least do something to prevent it from spreading out further in society and in Rotary?

Let's take a look at what can be done as far as Rotarians are concerned. We all know what sets Rotary apart, what makes it so unique. It is its classification principle.

To me this is really Rotary's 'trademark.' It is Rotary's fundamental characteristic, the manner in which it gives each Rotarian the privilege of expressing one's commitment to ethical principles of which life in society is always in need.

Each Rotarian is an ambassador from his or her Rotary Club and the principals for which it stands to his or her vocation. At the same time the Club benefits from the member being an ambassador from his or her profession or business to the Club.

Rotary has a great opportunity to impart two priceless ingredients into the relationship between individuals, between business firms, and between nations —

They are integrity and a sense of sympathetic understanding.

High ethical standards as we deal with one another have always been the paramount objective of Vocational Service.

However, this distinguishing characteristic in Rotary becomes evident and recognized <u>only</u> through the individual action of the Rotarian.

So, unless the Rotarian reflects the ideals and purpose of our association in his or her attitudes, in his or her social behaviour, and in the role as a citizen and professional, we will be unable to reach our goal to improve the world in which we live.

Lawyers depend of the credibility of colleagues with whom they interact on behalf of their respective clients. At the criminal bar, as an example, the administration of justice would come to a grinding halt and fall into disrepute were this not the case. Plea bargains and the confidence placed on joint submissions by both defence and crown counsels depend upon the reliance one has for the other in their personal relationship. As exemplified in a recent high profile murder case, a lawyer failed to follow an understanding, which had been reached, on an important joint submission. The integrity of the lawyer was impeached. Word soon spread within the small criminal lawyers bar. Once broken, the trust upon the word of this lawyer was suspect for a long, long time. A form of extricism followed. The need for absolute integrity within the profession was again confirmed.

Now, how is this connected to Vocational Service - Rotary's second Avenue of Service?

- Yes, Vocational Service is integrity and trust.
- Yes, Vocational Service seeks to improve the standard of business and profession...
- --- Not only among the public, but also more importantly, amongst the Rotarians themselves who care for each other and the world around them!

Yes, the world needs caring people.

Some of you may say we're not to blame for the state the world is in, we're not to blame for the mess people get their lives into. Well that's probably true, but you are to blame if you do nothing about it.

Much as it is uncomfortable to admit.

We are our brother's keeper.

Many of you have heard of that great Oxford scholar, thinker and writer, <u>C.S. Lewis</u> if you saw the lovely film "Shadowland", he wrote many books but one of them was a fascinating one entitled <u>"Screwtape Letters"</u>.

It's a series of letters from a senior devil "Screwtape" to a junior devil called "Wormwood" advising him on how to corrupt the world.

"Listen to this little bit of advise, Wormwood. It's not necessary to make people wicked, just make them indifferent. Don't worry about getting people to do bad things, just let them do nothing at all. Provide me with people who do not care. That's how he corrupts the world." But this world to be a better world we need caring people in the role of volunteer leadership. Some of you might say:

"Does it really make a difference how I live? Does it really make a difference if I'm a compassionate, caring, understanding person."

Well, it may not make a difference to your bank balance or it won't even increase your chance at fame or fortune but yes, it does make a difference it matters that you can care for the lives of others.

You can make an enriching difference in their lives and believe me your own life will be immeasurably enriched as well.

Edward Martham the poet said,

"There is a destiny that makes us brothers none lives to himself alone, what we send into the lives of others comes back into our own." Who cares?

So, I want to say "thanks" to the clubs and Rotarians of District _____. You are special Rotarians whose convictions will be such an important influence in the successes of service provided by your club!

Yes, you have in your clubs a great tradition of service to the community and to Rotary - this legacy of active Rotarians remains an inspiration for us all!

Paul Harris defined Vocational Service as being the maintenance of the highest ethical standards by each individual Rotarian in his business or profession.

PRIP Bhichae Rhatacul said:

"Yes, the crux of Vocational Service is the improvement of business and professional ethics, and in applying ourselves to this task we have to tread resolutely, but warily."

My fellow Rotarians, if you do not remember all the things being said here, at least remember one thing:

Remember how it was you became a member of your club:

The reason you were approached to join Rotary was because someone had enough faith and trust in you to believe that you were the one person best qualified to represent your classification and your vocation. We must ensure that this faith and trust is never betrayed.

When The Four Way Test proposed by our Past RI President Herb Taylor was adopted, it was meant to give us a guide for our business practice.

It was, and is, a useful yardstick for measuring the decisions that arise in our personal and business life, for if we can arrive at those decisions by answering, "yes" to all four questions, we can be assured of being on the right track and can proceed with confidence.

Just like yesterday, society is once again questioning the integrity and transparency in the operation of big and small corporations and of the work of NGOs, including Rotary.

I feel very strongly that the need to practice rather than preach The Four Way Test has never been more urgent than right now.

To be a Rotarian, I must at all times not only put into practice but also raise the level of high ethical standards in my home, in my business, and in my vocation what I know to be honest, fair, and proper.

My fellow Rotarians, at an assembly like this it is easy to pay lip service to the high ideals of Vocational Service.

But all this is of no avail unless we are willing to translate these ideals into action. To say we believe in The Four Way Test when at the same time we are more concerned with accumulating assets in inappropriate ways is a sheer hypocrisy.

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The stockholders of Enron who lost a great deal of money will remember for a long, long time. Yes, this is tragic, yet reality.

My fellow Rotarians, you will learn a lot from this assembly. And I am sure you will carry with you many happy memories and many rich experiences in order to lead your clubs and make a good district better.

In your effort to accomplish your task, let me emphasize once again that Rotary has two foundation stones — from the past and for the future — Fellowship and Vocational Service.

And if we ever forget this, Rotary is bound to decline and lose its influence.

This little Rotary pin, which we wear in our lapels, is meaningless unless it stands for something. Vocational Service is our testing ground. It is personal, and it is private. It is the conscience of Rotary and of Rotarians.

As Rotarians, we are all custodians of the ideals of Rotary exemplified by our symbol the Rotary pin - a common bond, worn by Rotarians in 166 countries.

We wear it with pride and:

The community knows that you are saying:

- "You can rely on me"
- o "I am dependable"
- o "I am honest"
- o "I am available"
- "I give more than I take"
- o "I add value"
- o "I serve"

Think about it! - Rotarians - over 1.2 million members around the world - promoting peace, good will and international understanding.

Rotary's challenge is our challenge.

Rotarians provide a bridge of hope to a world in need.

Your club lets your community be the beneficiary of the energy, which you collectively provide for the betterment of those around you -- we are all challenged to bring the best that we have to the opportunity for service!

Each Rotarian brings their special gift to the club! We have such unique diversity in Rotary that collectively, Rotarians provide an enormous force for good in the world!

WE have it in OUR hands to find new frontiers of service.

Rotary International -- Service Above Self

To quote Past RI President Raja Saboo's:

"Rotary stood up for ethical values in the past. Rotary will have to stand up again now with the demand of time and conditions of the society.

Times may have changed, but not the definition of integrity."

My friends, I am positive that if we take Vocational Service seriously and accept that it asks much of us, then the influence of our movement of friendly, trustworthy, and credible men and women will continue to increase.

The year ahead can be a rewarding to us as we care to make it. I care a great deal. I know you care a great deal. And we are convinced that Rotary's river of service will keep on flowing only as long as Rotarians continue to give themselves. It is a river that will never run dry.

Let us, therefore, leave this assembly, going forth to serve, capitalizing on the enthusiasm of the anniversary, as a means to further strengthen Rotary along the four Avenues of Service and the integrity, which is fundamental to it's ideal. Let us *Celebrate Rotary* and conceive this centennial year as a magic milestone and opportunity, not only for retrospection but, more importantly, for exploration of what lies ahead of us.

Let's tell the world that Rotary International started the "Service Club Movement _____ one of the greatest humanitarian activities of the 20th Century": An organization of Integrity!

The history of our great organization behaves us to look back on a Century of Service and forward to a Century of Success.

Let us walk out from this hall:

- Walking tall,
- Proud to be a Rotarian,
- Grateful for the opportunity and
- Privilege to serve as officers of our Rotary Clubs;
- Determined to right the wrong and,
- With humility, give our best to the cause we all hold so dear...

So that in generations to come people will say, as did a great leader of the 20th Century:

"This was their finest hour!"

Let us all prepare to Celebrate!