

Since the advent of industrial society, business has changed both in purpose and function. Businessmen have become primarily producers of goods and services rather than middle men, which they were up until that time. Specilization necessary for productive efficiency has resulted in a highly inter-dependent kind of business life and no business institution, large or small, can fully control its destiny. No society can function in an orderly manner except if its main business enterprises and activities operate in a manner which is congruent with each other and cognizant of the services it must render to society and services of other business enterprises on which it must depend. A modern business enterprise has ceased to be an organization built on the labors of a single person, on the capital of a single owner, or on the skill of one person. A business is an organic unit requiring the services, the skills and the resources of hundreds of thousands of people. While this is an indisputable fact, most men, including those who operate in business, still think of business as a private domain of a single or few individuals who organize other people for the sole purpose of making a profit. This state of affairs, while it still may be true on the periphery of business activities, is not true any more in its mainstream. The business of defense, of transportation, of food, of shelter, of clothing, of freight, of utilities is a public service in the free world conducted in a profit-making environment, but first and foremost it is a public service. Yet, most men in and out of business do not see business as a public service. To this extend there exists a significant chasm between reality and the image.

Business also has become a way of life in the contemporary society; yet, most men inside and outside view it primarily as a place to make a living -- there lies the second chasm. In recent years there is a discernable awareness that the

average citizen recognizes the public service character of business. The growing disenchantment and criticism of business by young people reflects the awareness, conscious or subconscious, of the importance of business to the orderly process of community life. On the other hand, consumerism represents a broad budding conviction of the general public that business has a public responsibility that goes beyond moneymaking alone. These manifestations of public sentiment are essentially evolving around a critical view of business activities. What needs to be done at this moment is to make clear that the business institution provides an opportunity to render public service in a most constructive way and a challenge for those who wish to see their personal impact upon the life of this nation to get involved in the business institution.

Business is an aggregate of people and its purpose is to serve people in a profit-making environment. Because business deals both with the life of men in their personal relationships and with the needs of men, business cannot avoid the problem of ethics. Anything that involves men opens the question of ethical conduct. To this extent, business must be either an ethical or unethical institution, it cannot be neutral.

The purpose of this book, hopefully, is to develop a clear statement in a language understandable to the mass of the American people of what modern business really is, what most people think it is, and what at best it could become.