Ceo's and foreign policy



This paper is a response to CEOs and Foreign Policy (Prestowitz, 2003). This words and phrases sound important, but when I considered moredeeply what his words mean, I came to understand that he has a talent for taking things out of context, mismatching analogies, and over-generalizing. I intend to argue, in this paper, that, although he actually has a significant point to make, he has done it by violating some consensus of sensible argument. This is a dangerous practice because people can be influenced to agree with a perspective if it sounds good. Conversely, people can be influenced against a strong truth, based on inappropriate presentation. He begins by explaining that CEO's can schedule a meeting with President Hu Jin Tao more efficiently than can the prime ministers of China's allies (Prestowitz, 2003). There is a fallacy, however, in this seemingly innocent statement. It implies, to a Western audience, that CEOs are more powerful than Heads of State. There are several problems with this implication. Not all CEOs have that much power to attract the immediate attention of President Hu Jin Tao. Only a small minority of the 297, 640 US CEOs (TrueKnowledge, 2011), for example, can do so. It is not the job title of CEO, nor power, necessarily, that attracts presidential attention. Relationship is of particular importance. Relationship is at the core of Chinese political and business alliances and their priorities (China Import Formula, 2011). Important relationships, for the Chinese, are based on dedication to honesty, honor, reliability, and personal connection over time, the promoting of relationships built on trust. This is the Chinese concept of Guanxi (China Import Formula, 2011). Meetings for formal purposes, where Guanxi does not play a part, are of far less significance than are meetings between or among people who share relationships of honor. Relationships between business and government are necessarily based on

Guanxi, not merely on power and wealth. Business and government visits are not the same thing, not for similar reasons, and not experienced similarly. Is the child of a president more powerful than the Secretary of Defense, because the president diverts his concentration to the child in need, but the Secretary of Defense must make an appointment? The two relationships are dissimilar and are experienced quite differently. In this same way, formalized relationships of ritual representation are dissimilar and experienced very differently from a long-cultivated relationship, based on guanxi, between the President and a CEO. Having illicitly established the dramatic power of CEOs, the author compares the structure of the CEO's major staff domain to the structure of a government chief executive's Cabinet, by drawing loose parallels between the supportive offices of Labor, Intelligence, Finance, Culture, Defense, etc. (Prestowitz, 2003). This analogy is a stretch, but I can comfortably follow along until he proposes that companies should have a position equivalent to Secretary of State. He suggests that the duties of this position would involve them in having input into government decisions. He feels that companies are affected by war and acts of invasion, and that therefore they should be consulted before the government acts in such a manner (Prestowitz, 2003).. Once again, the author invokes dissimilar contexts. Obviously, members of the company, who hold citizenship, have a right to representation. There are appropriate routes to this representation (writing one's congressional representative, lobbying, running for public office, writing letters to the editor, sponsoring and signing petitions, writing books and articles, performing political comedy, being a talk show host, doing political statement artwork, voting). If businesses are affected by government decisions and actions, then the individuals in the business

should self-activate and organize to support their political convictions, just as all citizens have a right to do in a democracy. While it is true that businesses are impacted by government actions, it is also true that all members and all interest groups in a nation are impacted. A foolhardy leap of illogic occurs when the author suggests that the government should be consulting companies about government decisions and that this would be more probable if companies had a position from which this duty could be facilitated (Prestowitz, 2003). Business and government are not synonymous. Democratic rights should not be based on productivity and budget. Prestowitz lost track of his core analogy with his argument that each company should have an equivalent of the Secretary of State, dedicated to guiding the government. The other positions listed in his analogy pertained to the specific business of the company. So why jump to defining a position that tends to the government's business (over and above what every citizen can and should do). I am not unsympathetic to his concern about anti-American sentiment abroad, how US foreign policy impacts business, and how China is displacing America as the key player (Prestowitz, 2003). I certainly support his belief that this is an ethical issue we have a responsibility to pay attention to. I just wish he would have presented his arguments in a more logical and consistent manner. I cannot help but feel cautious when argumentative evidence is presented out of context, analogies are mismatched, and statements are over-generalized. Inappropriate presentation leaves me less than persuaded. References China Import Formula (2010). Importing from China and Dealing with Chinese Factories. Retrieved May 30, 2011, from China Import Formula: http://chinaimportformula.com/importing-from-china-and-dealing-withchinese- factories/. Prestowitz, C. (2003). CEOs and Foreign Policy. Chief Executive, 36-38 TrueKnowledge. (2011). How Many Chief Executives Are There in the US. Retrieved June 1, 2011, from TrueKnowledge: http://www.trueknowledge.com/q/How_many_chief_executives_are_there_in_the_US