

Timothy L. Fort. *The Diplomat in the Corner Office: Corporate Foreign Policy.* Stanford: Stanford University Press, 2015. 224 pp. \$85.00, cloth, ISBN 978-0-8047-8637-9.

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In the face of increasingly complex geopolitical conflicts and the corresponding retreat of US international activism, business educators have become interested in “corporate foreign policy,” by which multinational firms can navigate the troubled waters of a globalized economy independent of the foreign policies of their “home” countries. In most cases, this takes the form of a purely instrumental strategy, as described in a 2016 *Harvard Business Review* (HBR) article, “Why Your Company Needs a Foreign Policy.”[1]

For Timothy L. Fort, however, a corporate foreign policy can also be a vehicle for world peace. A professor of business ethics, Fort argues that multinational corporations should take a more proactive role in building peace, rather than just benefiting from it as a free rider. The book lays out the principles by which businesses can do this, as well as the philosophical and theoretical justifications for these principles and examples of the principles in action. Briefly, they consist of economic development (jobs), support for rule of law (do not accept bribes), corporate social responsibility (policies that foster gender and racial equity, environmental sustainability, democratic processes, and mediation), and support of non-governmental cultural programs that facilitate dialogue between warring parties. What this adds up to, according to Fort, is “gentle commerce,”

which has all the civilizing benefits of regular commerce but with a moral commitment to progressive principles and peace.

Ford relies a lot on correlation to make his case, arguing, for instance, that the lack of gender equity, democracy, and educational standards in a given society correlates to violence, war, bribery, and famine, and thus business has a vested interest in supporting progressive elements to create peace, and not just stability. Indeed, if the *HBR* article cited above calls on corporations to adopt a realist foreign policy, Fort advocates for an idealist, Wilsonian corporate foreign policy that will spread democracy, which correlates with peace. Fort is aware of the academic critiques leveraged against imperialism, capitalism, and the whole “civilizing project,” but—drawing on Steven Pinker, Adam Smith, and Kant—he stands by the idea that trade has a civilizing effect that makes humans more cooperative and fosters democracy. As long as we operate under a global capitalist system, he says, let’s make it work for peace, like philosophers and social scientists have suggested it can.

For those interested in the history of the federal government, the book offers two very different directives. On the one hand, Fort sees the federal government in the United States and elsewhere as essential to the rule of law, job creation,

and regulations that incentivize “gentle commerce.” Government regulations have changed morals, he argues, especially with regard to gender and racial discrimination. Corporations should work with governments to develop these types of regulations, he seems to be saying in the last section of the book. On the other hand, however, he also urges companies to distance themselves from their “home” countries, to become neutral, independent entities, almost as if they are mini-governments themselves. This is advisable because a home country’s foreign policy may interfere with good business relations in another country or region. While Fort confirms that taxes still need to be paid in the home country, this merely highlights how this directive contributes to a troubling trend of legally unaccountable “stateless” corporations, which could in the long run undermine the power of individual nations to offer incentivizing regulation, or indeed any regulations at all.

This is an interesting read. From the historian’s perspective it seems a bit idealistic in its aims and reasoning, but it nonetheless indicates how business education is responding to and engaging with the questions raised by globalization.

Note

[1]. John Chipman, “Why Your Company Needs a Foreign Policy,” *Harvard Business Review* (September 2016).

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