



2007's 100 Most Influential in Business Ethics



These days, sustainability and responsibility are no small matter. However, ethical action—whether performed by large corporations or small, local nonprofits—is not something that just happens; it's brought on by inspired individuals. In honor of the New Year, we decided to bring together the forerunners of the business ethics world from the past year, wrapped together in a tidy 1 to 100 ranking.

In order to come up with nominees for this list, we reached out to a group of experts from major universities and institutions to assemble an advisory panel. With their collective expertise and the help of a working group of Ethisphere editors, reporters and fact checkers (and after much heated and lengthy debate), we assembled the names of hundreds of nominees and chiseled it down to a finely honed list of 100. The experts that weighed in on this story all belong somewhere near the top of the list in their own right but, unfortunately, they can't be. Those were the rules.

You may not agree with the politics, methods or actions of all of the people on the 100 Most Influential in Business Ethics for 2007. In fact you probably don't. However, the bottom line is that all of these people influenced business ethics and resulting business behavior over the course of the year, whether that be influencing customers to demand 'greener products' from companies, to requiring greater disclosure by corporations about product safety, to forcing companies to look at their anti-bribery or anti-competitive compliance programs. All were influential somehow.

On the following pages, the winners are broken down into the following nine core categories:

Government and Regulatory | p.20

Did the individual impact government rules or enforcement trends?

Business Leadership | p.22

Did the individual substantially transform a specific business' operational practices consistent with profitable ethical leadership, forcing competitors to follow suit or fall behind?

Non-Government Organization (NGO) | p.25

Did the individual impact a company's (or industry's) practices through external, non-regulatory leadership either through positive collaboration or negative publicity for a positive end?

Design and Sustainability | p.29

Did the individual substantially contribute to or lead a product or service redesign, which resulted in less natural resource use, or increased consumer acceptance of sustainability without diminishing the quality of the original product or service?



1 Neelie Kroes	26 Alexandra A. Wrage	51 Michael Schade	76 Patricia Harned
2 Myron T. Steele	27 Peter D. Kinder	52 Tan Sri Hassan Marican	77 Carol Cone
3 Jeffrey R. Immelt	28 Mark Parker	53 Matthew J. Kiernan	78 Richard Branson
4 H. Lee Scott, Jr.	29 Al Gore	54 Indra K. Nooyi	79 Allan Smith
5 Christopher Cox	30 Daniel P. Amos	55 Philippa Foster Back	80 Jay Bolus
6 Huguette Labelle	31 Danielle Brian	56 Paul Rice	81 Jon Williams
7 Anne M. Mulcahy	32 Milton Friedman	57 Jay G. Martin	82 Fred Krupp
8 Alan L. Boeckmann	33 Timothy Smith	58 Douglas M. Baker, Jr.	83 Bob Langert
9 Björn Stigson	34 Bennett Freeman	59 A mysterious employee	84 Lesley Gaines-Ross
10 Pascale Dubois	35 Wolfgang Schauensteiner	60 Todd Paglia	85 Wang Shouye's mistress
11 Stuart Rose	36 Kirk O. Hanson	61 Alan Vinegrad	86 Marc Gunther
12 Brian D. Miller	37 David P. Steiner	62 Jonathan M. Malis	87 Martin J. Weinstein
13 Thomas Bergmark	38 Peter Webster	63 Mark Lee	88 David P. Stangis
14 Mark F. Mendelsohn	39 R. Edward Freeman	64 Patrick J. Gnazzo	89 Alan Yuspeh
15 Serge P. Appel	40 Terry Leahy	65 Therese Martinet	90 David Logan
16 Greg Farrell	41 Maryanne Lavan	66 Marilyn Carlson Nelson	91 Mark Pieth
17 Michael Dell	42 Steve Driver	67 Jeffrey Swartz	92 Roy Snell
18 William Westwood Lockyer	43 Sarah Forrest, Anthony Ling, Marc Fox and Stephan Feilhauer	68 Hayward Bell	93 Ronald F. Duska
19 Eric Pillmore	44 Willard D. "Bill" Nielsen	69 Richard Edelman	94 Jon Lukomnik
20 Dan McDougall	45 Alan Knott-Craig	70 Howard Gardner	95 Gavin Newsom
21 Charley Situ	46 Arnold Schwarzenegger	71 Andrew Weissmann	96 Mindy S. Lubber
22 Thomas Donaldson	47 Tensie Whelan	72 Ethel Cormier	97 Jonathan Lash
23 Susilo Bambang Yudhoyono	48 Gerald Grinstein	73 Angel Gurría	98 Joseph Keefe
24 Humberto Garcia	49 Ira M. Millstein	74 James O' Toole	99 Mark Buckley
25 Jonathan S. Hoak	50 John Reid	75 Mark Tercek	100 Georg Kell

Media and Whistleblowers | p.30

Did the individual raise awareness on a critical issue or expose corruption?

Thought Leadership | 31

Did the individual conceive of new approaches or otherwise materially contribute to the field of business ethics theory in a way that could be easily applied by corporate leaders?

Corporate Culture | p.32

Did the individual show success to transforming the ethical culture and behavior of a corporation or institution, particularly if such corporation or institution previously had a less than ethical culture and values system?

Investment and Research | p.34

Did the individual impact corporate behavior through influencing investor decisions and the deployment of investment capital due to research or institutional fund management practices?

Legal and Governance | p.35

Did the individual impact any legal cases which set the precedents in corporate compliance, or influence trends or structure in effective corporate governance for public and/or private companies?



Government + Regulatory

1 Neelie Kroes | European Commissioner for Competition



She barked
(*and bit)

The European Union's top antitrust official bared her fangs in 2007. Several major companies that have not been prosecuted in the United States are finding that they aren't as lucky in Europe, as the EC prepares cases against Intel, Apple and IBM, among others. This past February, she fined ThyssenKrupp AG over \$700 million for conspiring to rig elevator prices, a new record against an individual cartel member. As she said in a recent interview, she is going to "fight like hell" to stop price-fixing and ensure companies get the message, adding she is prepared to raise the fines even further in 2008.

2 Myron T. Steele | Chief Justice, Delaware Supreme Court

He ruled

Judge Steele oversaw a ruling in *Stone vs. Ritter* in a fashion that upheld the landmark

Caremark standard of fiduciary duties for directors, emphasized their responsibility for corporate compliance programs and elaborated on the nature of the directors' responsibilities for conduct found to be in violation of law that causes losses to a corporation. Because of the ruling, a board may not escape personal liability unless it took action to implement a program to detect potential violations of law or corporate policy and exercised a duty of sufficient oversight. And, most importantly, companies can no longer indemnify directors against this potential liability.

5 Christopher Cox | Chairman, U.S. Securities Exchange Commission (SEC)

He stayed sane

Between criticism for past missed opportunities to catch financial fraud to pushback by corporations over Sarbanes-Oxley,

running the SEC is a difficult job. Cox is handling it supremely—bringing the SEC into the 21st century technologically, stepping up insider trading investigations and even showing humility when wrong (such as the bungled SEC terrorism "black list").

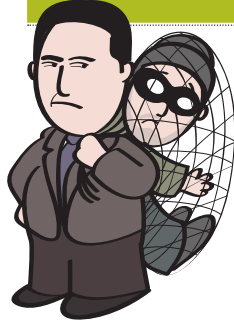
12 Brian D. Miller | Inspector General, U.S. General Services Administration (GSA)

He squinted

As co-chair of the National Procurement Fraud Task Force Legislation Committee,

Miller is pressing for higher ethics, compliance and self-reporting requirements of all government contractors, not just non-commercial suppliers. And, with the FAR rule that takes effect December 24, 2007, his hard work seems to be paying off already.

14 Mark F. Mendelsohn | Deputy Chief, Fraud Section, Criminal Division, U.S. Department of Justice (DOJ)



He prosecuted

In the past five years, the DOJ has investigated more international bribery cases than in the prior 20. More and more multinational corporations are beefing up their international compliance programs, as well as self-reporting to the DOJ any potential irregularities that they do find in hopes of lenience. The man behind the curtain who is making corporate counsel tremble with fear is Mendelsohn. He is responsible for all criminal investigations and prosecutions under the Foreign Corrupt Practices Act (FCPA), as well as principal policy responsibilities relating to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Those who know him say that there is one way to stay on Mendelsohn's good side: don't bribe. Mendelsohn himself is quick to point out that the DOJ has yet to bring charges against any companies that have had a "meaningful compliance program" already in place.

18 William Westwood Lockyer | Treasurer, State of California

He "tried"

Although Lockyer was replaced by Jerry Brown (remember him?) this year as State

AG, his legacy of aggressively targeting corporations lives on—including suits against consumer finance companies, HP over the pretexting scandal, automakers over greenhouse gas emissions, etc. Who can be surprised, as this is the same person quoted during the Enron trials as saying "I would love to personally escort [Enron CEO Kenneth Lay] to an 8-by-10 cell that he could share with a tattooed dude who says, 'Hi, my name is Spike, honey.'" The pending outcome of the AG's 2007 lawsuit against Mattel over lead paint could have far-reaching ramifications for all consumer product importers in terms of required up-the-supply-chain controls, tests and audits.

23 Susilo Bambang Yudhoyono (SBY) | President of Indonesia

He enacted

Earlier this year, SBY mandated CSR programs for Indonesia (specifically, he

didn't veto a bill requiring mandated CSR programs). Admittedly, the law is so vague that companies are left somewhat in the dark as to what constitutes a program to meet the legal requirements in the first place. That being said, this is a harbinger of things to come around the world, as corporations should expect more and more countries to enact CSR requirements in the coming years.

35 Wolfgang Schaupensteiner | Senior Public Prosecutor, City of Frankfurt (Germany)

He modernized

Schaupensteiner heads a tiny financial crime unit. Why does that matter? Well, it happens to be for Germany's financial

capital. According to him, his backlog of bribery, fraud and other white-collar crime cases runs into the hundreds. His solution? To advocate for U.S.-style prosecution laws, which would allow him to



prosecute corrupt corporations (instead of only individuals, as it currently stands). Without it, corporations have little incentive to prevent corruption or launch internal investigations. Schaubenstein warns, "Corruption is a booming market, and globalization is facilitating it."

46 Arnold Schwarzenegger | Governor, State of California

He made lots of new laws

When he ran for office, the environment was clearly not a high priority for him. Now, after Schwarzenegger signed the California Global Warming Solutions Act last fall, California has become the first state to mandate greenhouse-gas reductions at factories, utilities, refineries and other industrial sites. The law will cut emissions at these facilities by approximately 25 percent—in other words, back to 1990 levels. Sierra Club California attorney Bill Magavern characterizes this as "the most important global warming legislation in the country." Schwarzenegger has continued his environmental crusade throughout this year. Although he is no stranger to political controversy, one of our panelists may have summed him up best by saying, "I do wonder about Arnold Schwarzenegger, however he is undeniably a proponent of the environment."

50 John Reid | Member of Parliament and former Home Secretary, (UK)

He made companies liable

Reid, as sponsor of the Corporate Manslaughter Bill, is helping criminalize manslaughter when an individual is killed due to corporate negligence. This opens up the door to significant corporate liability for companies operating in Britain, as previously the only way a company could be found liable were if it was proven that the single individual at the very top of a company was personally guilty of manslaughter. Under the new law, the focus is on the responsibility on the working practices of the organization, as set by senior managers, rather than singular role of the boss at the top.

62 Jonathan M. Malis | Assistant U.S. Attorney, U.S. Department of Justice

He didn't prosecute

Early in 2007, it appeared as if the DOJ would potentially undertake an unprecedented prosecution of individual board members of Chiquita because the company had failed to stop illegal overseas payments in a timely fashion even after it had self-disclosed the conduct. For a number of years, Chiquita had been paying a paramilitary group protection money to ensure the smooth operation of its subsidiary in Columbia. In the end, at Malis' discretion, DOJ showed reasonable restraint and declined to pursue charges against the individual board members. Why was this important? Because going down the path of prosecution would have jeopardized the increasingly accepted self-disclosure doctrine, resulting in potential rapid diminishment in the number of companies cooperating with DOJ.

73 Angel Gurría | Secretary-General, Organisation for Economic Cooperation and Development (OECD)

He earned an award

Appointed in June 2006, Gurría runs the OECD, a group of some of the world's most powerful countries sharing ideas on how to improve living conditions and economies. This year he won the "Globalist of the Year" award from the Canadian International Council. He also recently began a program through the OECD encouraging corporate social responsibility in developing markets, such as Brazil, Mexico, India and China.

85 Wang Shouye's mistress | Mistress for the Deputy Commander of Chinese Navy

She got jealous

Ah, there's nothing like a woman scorned! Shouye's mistress (one of at least five), a young, unmarried woman whom the Communist Party of China declined to identify, blew the whistle on Mr. Shouye's involvement in \$20 million worth of kickbacks, bribery and other economic crimes. Not only was Shouye kicked out of the National Legislature and sentenced to death, but the CPC launched a new code of conduct and compliance/ethics drive in response.

91 Mark Pieth | Chairman, OECD Working Group on Bribery in International Business Transactions



He bashed governments

What comes to mind when you mention "a professor from Switzerland?" Perhaps a mild-mannered man hiking in knickers between yodels? Banish that when it comes to Pieth. Yes, he is a professor at the University of Basel but between co-founding the Basel Institute on Governance and chairing the OECD Working Group on Bribery in International Business Transactions, Pieth is too busy fighting crime than to stop and smell the edelweiss. As a member of the Independent Inquiry Committee into the Iraq Oil-for-Food Program by the UN Secretary-General, Pieth is doggedly ensuring that companies that paid kickbacks in the oil-for-food scandal are penalized.

95 Gavin Newsom | Mayor, San Francisco

He drank from a faucet

Like him or not, as mayor of San Francisco, Newsom has begun ushering in changes that will flow out (pun intended) to impact other state and local governments as well as corporations. Under Newsom's decree, the city government will no longer buy bottled water. This move will not only save the city money (up to \$2 million spent in recent years), but provide a model for how local governments may increasingly step into the middle of the sustainability and corporate services market. Up next? Probably green cleaning and hybrid transportation.

