



An Essay by
DJAMILA JABRA
Saarland University





Djamila Jabra

Erasmus University Rotterdam

Analyzing the political commitment of future CEOs requires a nuanced approach. Important factors to consider include the selection process, political sensitivity, and the potential for profit-driven decisions. It is crucial to uphold democratic values, but enforcing them on non-democratically elected representatives presents a challenge from a Western perspective. When considering a hypothetical scenario, the issue of sustainability is compelling as it raises questions about economic interests and the Sustainable Development Goals (SDGs). CEOs are already involved in politics through agreements such as the Paris Agreement. Therefore, the focus should be on defining their role in political arenas rather than debating their entry into politics. Financial benefits for companies can alleviate budgetary constraints and encourage innovation. The summary proposes a redesigned international treaty with a rigorous selection process. It also argues in favor of diplomatic exchanges to strengthen the relationship between politics and business.

The CEO of the future must enter the political arena. Do I agree? A more ambiguous and diplomatic answer would be that it depends on the interpretation of the statement. Which CEOs and in how many countries should this be considered? What 'political' issues are being referred to? Who selects the CEOs and can ensure political background knowledge?

Because political interest does not necessarily mean political knowledge. And wealth does not mean that money is invested in the right places with a clear conscience.

From a Western perspective, it can be argued that democratic values must always be at the forefront of any potential cooperation and form the basis for trusting collaboration. But how can democratic values be demanded of representatives who are not democratically elected? This is precisely the weak point that can run like a downward spiral through the thought process. It begins with the absence of elections, continues with the emergence of a grey area in a state's rule of law, and ends with the possible impairment of equality in participatory representation.

Corruption would be the result, as would the participation of semi-informed representatives of the business community, where decisions may be made on the basis of self-interest rather than the common good. There is also the phenomenon of too many players in the decision-making process, leading to delays when immediate action is needed. Finally, there is always the question of the impact of CEO involvement on the company in question.

So, if you want to construct a concrete case and play the mind game, a popular topic seems to be sustainability. The SDGs highlight the need for all stakeholders to contribute to the implementation of the 17 goals. Not only political representatives such as states, but also science, business and civil society. And this is precisely where the SDGs are criticized: are their own economic interests taking precedence over the implementation of the sustainability goals? And don't business representatives also like to use the goals for greenwashing? These are questions that should be asked about any issue.



At the same time, the idea of bringing CEOs into the political arena cannot, of course, be generalized. Generalized in the sense that the selection should be based on strict guidelines. It seems absurd, but to what extent can it be justified that CEOs of the arms lobby participate in foreign and security policy decision-making? The challenge for states is to create a transparent procedure to counter this and to justify their decisions (within the framework of cooperation) in the best possible way.

However, the realistic answer is: No, I don't agree, because CEOs have long since entered the political arena. This is evident through their involvement in initiatives such as the Paris Agreement of 2015 and the UN Global Compact. Therefore, a more appropriate statement would be: 'How should CEOs navigate the political arena in the future?' Even though the examples mentioned are institutional agreements involving multiple companies, current trends also demonstrate the close cooperation between a company/CEO and the state. For instance, in 2016, Tesla partnered with the government of South Australia.

So, if the principle of "corporate social responsibility" is to be followed, and it can be assumed that the companies and CEOs involved are aware that they are acting responsibly and as representatives of society to the best of their knowledge and belief, it can be an opportunity not only to bring new perspectives to global political affairs, but also to generate expertise where politics reaches its limits. However, it must be emphasized that this can only work in exchange and not in competition with one another. Which makes guidelines unavoidable.

Another very obvious advantage is the financial aspect. An insufficient budget often seems to set the limit of political/financial possibilities. National debt limits innovative measures and prevents thinking outside the box. However, as large companies have alternative financial resources to fall back on, other possibilities also arise. For example, additional sources of funding can not only have a positive effect on efficient crisis management, but can also lead to more investment in research and measures as well as the creation of a crisis fund.

These are all hypothetical thought experiments and potential limitations that could arise. But the reality is that it is impossible to predict what has not been tested in any form. However, we live in a time in which wars are becoming more complex, with more acute conflicts on the international stage, where nuclear weapons are no longer a worst-case scenario but a reality. We are also at a point where we should no longer be worried regarding that, as climate change is spreading so rapidly that we will eventually feel its effects very soon. But what if different times could bring different solutions, and we break free from conventional thinking?

As Albert Einstein once said, "The world is a dangerous place, not because of those who do evil, but because of those who stand by and do nothing". So, all people living in this world can contribute, or even have an obligation to do so, especially the richest and most powerful people who are all CEOs (e.g., Bernard Arnault, Elon Musk, Jeff Bezos, etc.). In which at the end of the day, the real question is what is not political and where can we draw the line when almost everything can be politicized in some way? One can anticipate the inevitable and act on it for the common good of humanity. However, it should be done ethically and morally "right", while maximizing the limits already illustrated.



And what is the best way to remove boundaries and bring control into the system? Through laws. Not the most creative suggestion, at least if you think of traditional laws or legal guidelines as in India. But what if we rethink the concept of an international treaty and turn it into a hybrid, including a strictly regulated selection process or "application" for companies to participate? A process that essentially discloses the guidelines and ethical intentions of the CEO and his or her company, proposing political education to ensure a well-informed political knowledge in the emerging discussions. But before reaching this "application" stage, the relationship between politics and business should be strengthened through a "diplomatic" exchange. It is on the principle that one of us will go to you and we will take one of you with us in return – for a short period of time. In higher education, for example, the importance of an exchange term to experience the culture, language and life of another country is more than recommended. Why not do the same at the political level? What better way to understand your counterpart than to show the person what work is like on the ground, to make encounters an experience? This, together with transparent developments, could reduce the risk of corruption at regular intervals.

However, it is important not to lose sight of this interplay, in which the idea of sanctions in the event of non-compliance with the terms of the contract applies not only to the CEOs but also to the political actors.

In conclusion, the role of CEOs in the political arena offers advantages and disadvantages, but above all opportunities. These opportunities need to be based on carefully crafted guidelines and ethical principles to avoid corruption and conflict. At the same time, attention should be paid to political education and a standardized selection process based on ethical considerations to ensure a meaningful basis for cooperation. Together with evaluations and sanctions, the involvement of CEOs in politics could therefore be an innovative solution, as long as it is in line with the well-being of society and clear ethical principles.