The traditional role of a discussant of an academic paper in the Anglo-Saxon world seems to be to criticise. This role raises its own ethical dilemmas. Especially in the context in which the primary author has done a great deal of work, without which the discussant would have no role at all. Indeed, in the present context criticism would be inappropriate for two reasons. Firstly, the author is an established expert in the field of business ethics, while the discussant is not. Secondly, there is almost nothing in the paper with which I could greatly disagree. However, I think it fair to comment that Professor Werhane stays on safe ground by focusing mainly on the identification of ethical dilemmas and less on the more difficult solutions. In the absence of disagreements it is, nonetheless, incumbent upon me to say something. So I thought that it might be helpful to add some observations from a British perspective.

Some of these observations are motivated by the issues Professor Werhane raises, while others are additional.

I. Short-Termism

I was very surprised to find Professor Werhane referring to short-termism as a uniquely American phenomenon. Before reading her paper I thought it was a uniquely British phenomenon! Could it be that this is a more widespread issue than either of us realises. Certainly it has been hotly debated in Britain over the last few years. Indeed, only within the last two weeks there
have been statements from both the Government and the opposition Labour Party supporting the view that pressure from financial markets for high dividends has harmed long term investment. The evidence from Britain is hardly supportive of this view. Many of the most actively traded companies are also the biggest investors in research and development. Names which spring to mind include three of the world's top drug companies, Glaxo, Wellcome and SmithKlein-Beacham as well as Rolls Royce, ICI, British Aerospace and GEC. The puzzle in Britain is, rather, why when we have so many successful big companies are we so lacking in successful small and medium size companies? The blame is more likely to lie in the shortage of entrepreneurship rather than in the short-termism of the financial markets.

One reason for this is that the country's brightest students have traditionally sought careers in the City or the professions (law, accountancy and civil service) rather than in manufacturing industry or commerce. This has meant a "class" difference between the financiers of the City and the industrialists of the North of England. The mutual mistrust which this has engendered goes back at least to the early years after the industrial revolution-early 1800s. A polite word for this mistrust seems to be short-termism.

II. Insider Trading

Insider trading has been around for a long time. In 1672 the English government (Scotland was still independent) stopped payment on its paper debt. A securities trader operating at the sign of the Grasshopper (a sign which can been seen today outside the Lombard Street offices of Banque Paribas) had advanced warning of this "Stop of the Exchequer" from a friend in government and managed to sell his holdings, and those of his main clients, before the market collapsed. The fact that the event has been reported in the history books suggests that his contemporaries were not too pleased with his behaviour.

An interesting footnote to these events is that, not surprisingly, no-one would lend to the government for a long time after that. A wheeler-dealer named William Paterson, who had failed to launch many schemes before, came up with a plan to launch a new bank. This bank was to raise a loan for the government in exchange for special privileges. These privileges included a monopoly of government banking, a monopoly of joint stock banking and