

THE
PINK MACHINE PAPERS

#15 – N° 2 / 2004

An Indecent Proposal

Thomas Lennerfors

#15
N° 2 / 2004

An Indecent Proposal

- Frivolity, seriousness and invitation related
ethical decision-making in procurement

Thomas Lennerfors

Royal Institute of Technology, KTH
Dept. of Industrial Management, INDEK
Stockholm, Sweden
thomas.lennerfors@indek.kth.se

The Pink Machine Papers

ISSN 1650 - 4062
Stockholm, 2004



■ Prologue – An indecent proposal

...based on a true story...

It is late. Nobody is present at the purchasing department. The last man to leave was purchasing assistant Mr. Andersson and he was seen leaving with a current supplier, Mr. Olsen. At the local pub the purchaser and the supplier are sitting around a table. On the table and in the gaze of the two people an ashtray, two packs of cigarettes and two pints of beer are situated without any seemingly order. Considering the other tables of the bar, the entities on top of the table of Mr. Anderson and Mr. Olsen are ordered in quite a normal manner. May I buy you another beer?, the supplier asks. The tone, the way of uttering the words indicates that a considerable amount of bourbon and beer is staining the interior part of his veins. Yes, please, Mr. Anderson says. The conversation goes on as usual for a while. Most recent occurrence: The empty pints are replaced with full ones. Most recent conversation issues: How the lawn mower market is evolving and women.

Maybe because of Mr. Olsen's affective state of mind, or possibly because he is used to inviting important people to bars, some words that were perceived as inappropriate by the purchaser slipped out of his mouth. The scene suddenly took the form of the ending act of a theater piece and will thus be presented as such.

MR. OLSEN

Would you like to go to Le Papillon [the local bordello]? I can get you a hand job.

MR. ANDERSON - CHOCKED

No, no...Probably I should leave now...

Suddenly, the night changed and the mood of the conversation abruptly transformed into an insecure stammering¹.

...

¹ Mr. Anderson, Mr. Olsen and Le Papillon are actually called something else.



The text: An indecent proposal?

Mr. Olsen had obviously gone too far. He was seen by Mr. Anderson as unserious and the whole event had severely decreased the possibilities for a sound personal relation between them. The purchaser Mr. Anderson thought that being invited to a couple of beers at the local pub was perfectly legitimate, given all the circumstances, i.e. Mr. Olsen being a supplier of Mr. Anderson during a couple of years, them having a rather good relationship, etc. However, the offer of a hand job was perceived as an insult. Perhaps the relation with the dark world of prostitution was what made Mr. Anderson perceive of the offer as completely illegitimate. Even if Mr. Anderson thought that it was easy to decide in this particular situation, it is not obvious what a purchaser might do when the offers are not that offensive. Once in a while purchasing agents have to make decisions on what they are willing to accept when suppliers offer them everything in the range from frugal lunches and key-rings to luxurious pleasure trips and suitcases replete with money. I recall an article in the Swedish newspaper Dagens Nyheter (2003-07-28) describing that Investor offered the possibility to the police force to utilize five UMTS mobile phones for free during the rest of the year 2003. Torbjörn Lindhe, the head of Institutet Mot Mutor², commented on the issue that it is in the “grey zone” for what is acceptable. This is surely true. Everything concerning bribing (or ethical issues in general) that is interesting to talk about is in the grey zone. I assume that many would agree that giving a purchasing agent a suitcase full of money is almost never justified and giving him a glass of water is almost always legitimate. The interesting cases are in between these extremes (see figure 1).

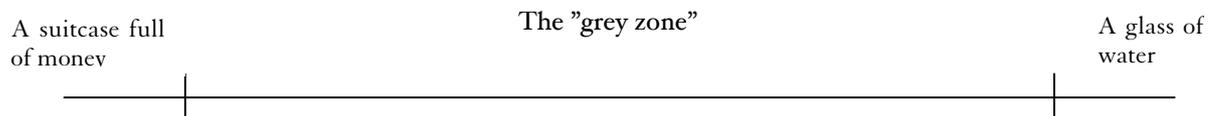


Figure 1

This paper aims at exploring the grey zone that constitutes the decisions on whether to accept a certain gift or favour. How do the procurers navigate through the grey zone? Or rather, how do the procurers argue about right and wrong when it comes to accepting gifts or favours? Although I will give a brief general overview on bribing and purchasing I will focus on invitations, i.e. not gifts or favours.

In the first part called ‘The Status of Procuring’ I will present the status of procurement and comment on how that relates to the bribing issue. In the second part called “Bribes and Bribing” the concept of bribe will be presented, and a tentative survey of what has been investigated regarding purchasing and bribing follows. The third part called “Talking about Making a decision” contains a quick entrance to the world of the people procuring in order to find

² Institutet Mot Mutor, or the Institute against bribes, is an organization within the Swedish chamber of commerce that is founded to work for the interests of fair business and the abolishment of bribes and corruption.



out how they argue about the issue of invitations and bribing. This will part from the assumption that seriousness and frivolity are important constituents in the decision making process. In the fourth part, the empirical findings from the preceding part will be discussed.

The Status of Procuring

Let me start with a proposition about business.

Proposition: When you are selling a product or service you are necessarily selling it to some entity, e.g. a human being, a company, etc.

This proposition entails that there will always be a buying person or company. Although this proposition seems so obviously true, the buying part has in business studies often been neglected, or at least not as studied as the selling side. The reasons for neglecting purchasing could possibly be that it seems easy to buy, everybody does it all the time, that the selling company is the active party which means that the purchasing department just have to wait for the offers and choose, or could it be that due to buyers lower salaries doing research in the area has not been seen as sufficiently glamorous?

The low status of the purchasing function has been discussed by some authors, and how to raise the status has been discussed by another few. The discussion in the latest years has regarded how to make practitioners as well as researchers understand that purchasing has a strategic relevance. In accordance with the strategic spirit purchasing has been integrated into supply chain management considerations, starting with the classic article of Kraljick (1983). However, there is not an unanimous agreement that purchasing in fact has a strategic relevance. A supporter of the sceptic side is e.g. Ramsey (2000).

Status has also been discussed with a direct connection with the issue that this article concerns, namely bribing. Badenhorst (1994) argues that one crucial factor for which the purchasing function has been considered as a low-status business unit is that other employees perceive of the purchasers as people who constantly receive offers of gifts and invitations. In addition to this Badenhorst claims that the occasionally immoral behaviour is a consequence of the low status of the purchasing function and that everybody is expecting the purchasers to receive gifts. This is one of the approaches of how to conceive of immoral behaviour in the purchasing function. Another possible reason for immoral behaviour in purchasing is the one put forth by Wood (1995a) who has made a review of literature on the perception of gifts both from sales and from purchasing. Wood means that the problems in the supplier-purchasing interface arise since what is a legitimate offering of gifts in sales is not considered as a legitimate receiving of gifts in purchasing.

Bribes and bribing

Although the purchasing side of the business relationship in many companies is considered as a low status function at least some view the purchasing function as important, i.e. the suppli-



ers. Buyers have, to some extent, control over the company's money. They are supposed to understand the market from which they buy products and have thus the higher company levels' credibility when making a recommendation. Looking at the issue from the other side, that is, from the selling company the purchaser is the one you must have a good relationship with. Since much effort is put into increasing the product sales, the ways of selling the products are not always what we would like to call ethical. The business ethics scholar Norman Bowie writes:

Since it is a fact about most business practice that there is little penalty for bad ethical decisions but often severe penalties for failure to meet sales or profit goals, there is often a built-in pressure for unethical behavior. (Bowie 1982: 98)

Basing an argumentation on this quote, it seems reasonable to assume that purchasing agents sometimes and in some occasions are under pressure. Suppliers call the buyers; suppliers try to convince the buyers that their products are the best; suppliers can even come to bribe purchasers. Bribing is in fact an obvious issue when regarding purchasing agents. This is due to the fact that purchasing agents are representing their employers' interests. The anatomy of a bribe, i.e. what constitutes a bribe, requires a briber, here e.g. a supplier and a "bribee", here the purchaser. It is crucial that the bribee is a person of trust, i.e. he is assigned a mission to act as to comply with the interest of the person that has assigned to him this trust, i.e. the principal. Bribing is not about that it is wrong to receive gifts, nor to go to the movies with a supplier, nor to have a luxurious dinner with a supplier. Bribing concerns two main things:

- 1) The influence: to prevent the judgment or corrupt the conduct of a person.
- 2) The trust: the fact that the bribee is a person in a position of trust is essential.

The information that these two points contain seems to have some consequences. First, if a purchasing agent is not influenced by the gift, the dinner or the recreation trip he has not been bribed. Second, if a purchasing agent is influenced by the gift, the dinner or the recreation trip but nevertheless does not breach the trust that was granted to him by his employer he has not been bribed.

Due to the bribing issue being such an obvious issue, it is in purchasing research not undiscovered. Although small introductions to the bribing issue appear in most of the textbooks on purchasing (e.g. Day 2002, Heinritz et al. 1986, van Weele 1996) not many scholars have put effort into really delving into the issue. An issue not undiscovered but definitely not sufficiently explored. Bribing, or gift-giving, in purchasing has to my knowledge been attacked from two different angles. The first one has been to investigate whether gifts and invitations constitute a problem for the purchasing agents. The results have been varied in different studies and the latest studies by Cooper et al. (1997a, 1997b, 2000) show that approximately 50 % of the purchasers perceive gift-giving as causing a moral problem. The second approach has been to investigate whether and to what extent the issue of bribing is present among pur-



chasers. How often does a purchasing agent get offered a bribe and what kinds of bribes do get offered? (see e.g. Janson 1988, Wood 1995b)

The research project that I am conducting is amongst other things supposed to investigate how purchasers make decisions on whether to accept or to reject an offer (especially in Sweden where research on purchasing and the ethics of gift-giving is, to my knowledge, inexistent). How do they argue about those issues and on what basis do they decide whether a gift/offer/invitation/service is legitimate or not? This could be elucidating because it is not easy to figure out, outside the theoretical anatomy of bribing, what is a bribe and what is not. When a spectator evaluates what is a bribe and what is not he simply try to figure out first, if the purchaser was influenced and second, is he breaching the trust that was given to him. Although this seems pretty straightforward to figure out, applying these two questions to a real practical case is most likely difficult (i.e. in the cases that do not entail suitcases full of money).

The interesting aspect when regarding purchasing agents is that they are not evaluating the offer from a spectator's point of view. The purchaser is making the decision from the actor's point of view; he cannot thus take the spectators perspective; he cannot look at himself from the future and see if he was influenced by the gift. Additionally, the purchaser cannot avoid making the decision. Once in a while some supplier will offer him or her gifts or entertainment and the purchaser cannot passively wait for the supplier to go away, he or she has to answer to the proposal. When it comes to invitations to lunches, dinners, Christmas dinners, a night at a bar, or offerings of birthday gifts, special discounts, the purchaser makes decisions on whether to accept or reject. And in making the decisions the purchaser is adopting an ethical standpoint for which he or she is responsible, which afterwards could be brought up to the light. This also raises another issue, i.e. who is responsible for the work situation in which the purchaser has to make decisions with an ethical content? I will consider this issue in another paper.

Talking about making the decision

As previously announced, I will only consider the invitations that regard the meeting of two or more people. In this vague term 'meeting' I will include business lunches, dinners, company presentations, etc. In the following I will present some points around which the interviewees tend to argue when it comes to meetings of the type hinted at above. The intervention one can make immediately is that what the interviewees communicate might not be exactly how they make the decisions but merely how they think that they should argue when someone asks them how they make the decision. Either if we believe that the reasons that they state or if we do not believe them we will in their argumentation find the points that are important or that are supposed to be important for them when making a decision. I let the reader decide which posture he or she wants to take. The empirical material on which I base the following part is interviews with 10 purchasing agents in different industries and 10 project managers responsible for ordering in the public construction industry.



In deciding about whether to accept a certain invitation or not, the purchaser has to take into account what others will think. In the best case everybody else also perceives of the invitation as acceptable. When others perceive of the invitation as illegitimate there could be severe consequences, such as the purchaser losing his job. One could argue that what is legitimate is what is considered as serious by other people. Claes Gustafsson writes in his book *Produktion av allvar* that seriousness is something that each culture produces. In occidental culture one of the most serious activities is work. Seriousness considering an invitation could thus be considered to be the degree of connection to work relatedness. Offers that are tightly bound to work are more accepted than offers that concern pure leisure. The main reason for this is supposedly that the purchaser and supplier have primarily a professional relationship. When they meet as purchaser and supplier the meeting has to be in connection to work.

Another aspect of the serious is that it is supposed to be necessary. Luxury is condemned as unserious, and focus is placed on the necessary³. Arguing along these lines a sumptuous dinner is less legitimate than a frugal lunch at the local restaurant. In order for an invitation to be serious, the amount of luxury in it should thus not be too big. As suggested in figure 1 the monetary value of an invitation is important.

Some of the interviewees argue along these lines. The interviewees describe how they perceive of the reason for a certain invitation, or how they estimate what is supposed to happen during the meeting. Here, the interviewees take into account how the invitation is connected to their work. Does the invitation have to do with work, or is it a pure leisure encounter? One project manager says what he thinks is completely illegitimate.

Ja, skulle de säga, ja du häng med på en vecka ned till hit och dit, det är klart, då har man passerat gränsen.

Well, if they would say, come along a week to this or that place, then it is obvious that they crossed the line.

A pleasure trip is for this project manager unthinkable. However, it seems plausible that the suppliers do not expressively state that the invitation is regarding a pleasure trip. More likely they invite the purchasers to a study trip where the supplier will show e.g. his facilities. However, in some cases the frivolous objective of the trip shines through so brightly that nobody could reasonably think that it is a study trip.

Another project manager has experienced an invitation to study the facilities of a supplier. He brings up an example of a situation that he thought had a close connection to the bribing issue. He told me that once he knew a Finnish consult who was interested in working together with him. On one occasion the consult asked the project manager if he wanted to come over

³ Whatever that is supposed to mean. I could mean biological necessity which should be rather easy to satisfy, or “cultural” necessity, i.e. necessities that are produced in the market, seeing how others behave, etc.



to Finland for spending a week-end. There the consult was going to amongst other things show his facilities. The project manager told me that he thought that it for some reason was so obvious that the trip had nothing to do with his work so he said no.

It seems that when it is too obvious that the invitation has little to do with the work that the inviting and the invited parties are involved in, the offer is more often considered as unsuitable. The judgment of what is considered as “very little to do with” has certainly some personal input. For some a dinner or a lunch has very little to do with work, and for others a study trip combined with copious amounts of entertainment do have a lot to do with work.

When asking about the legitimacy of having dinners with suppliers one project manager argued that

En middag kan ju vara ok i och för sig, det är ju inga större belopp
det handlar om.

A dinner could be ok, there is no big money involved.

However, the same project manager argues that he does not like to be invited to dinners.

Jag tycker inte om att bli bjuden på en middag bara för att de ska
presentera sig. Det kan man ju klara av med en kopp kaffe på rum-
met.

I don't like to be invited to a dinner just for them [the consults] to
present themselves. They could do that over a cup of coffee.

Here one can assume that the necessity aspect plays a part. Why do the consult want to invite to a dinner just to present themselves if that could be done over a cup of coffee? The project manager afterwards told me that this practice of inviting to dinners does not exist in principle.

Besides talking about the connection of an invitation to work and the luxury, procurers take into account many other aspects as well. One seemingly important aspect is the state of the relationship.

Ja, den [lunchen] ska vara direkt förknippad med att vi har ett sa-
marbete. Det är inte för att bilda ett samarbete. Det är inte för att
göra mig till en bundsförvant. Det ska vara att vi har ett uppdrag.

Well, it [the lunch] has to be directly related to us [supplier and
procurer] having a work relationship. It is not to create a relation-
ship. It is not about making me an ally. It should take place because
we have a mission.



This project manager finds a lunch with a supplier with whom he has no work relation inappropriate. The lunches are not supposed to create relations but they are there to strengthen already existing relationships. Other project managers agree on this point. If you have no work relation with the contractor or consultant, you should not have lunch with him. So how can suppliers that are not involved in any work relationship invite the procurers?

A form of invitation that is rather usual as described by some of the interviewees is the “open house”. The event consists of a presentation of the new products of the supplier, and normally a lunch or a dinner afterwards. This is an occurrence that the interviewees see as perfectly legitimate even if they have not had any previous contact with the supplier arranging the event. A business lunch with a potential supplier is perceived of as more questionable than an open house with accompanying lunch. This could possibly be due to the fact that an open house meeting does have a tighter connection to work than a normal lunch with a supplier. The event is supposedly based on the presentation of the new products and the lunch is just a way to round off the meeting.

A project manager tells us about an occurrence that he experienced in relation with an open house meeting.

Vi ska ju handla upp x och då är det en entreprenör som jag fick en VIP-inbjudan av. De hade ett seminarium där de skulle visa upp sina produkter och bjöd på en lunch. På sidan om detta skickade de en VIP inbjudan till middagen för vissa utvalda men eftersom jag inte hade någon relation med dem kontaktmässigt så tackade jag bara nej.

We are going to procure x (a construction work) and there is this contractor from whom I received a VIP invitation. They had a seminar where they were going to show their products followed by a lunch. Apart from this they sent a VIP invitation to certain picked out persons but since I did not have any contact relation with them I just said no.

This project manager argues that since he had not had any previous contact with the supplier, he did not find it appropriate to go to the VIP dinner. Once again the importance of previous work relationship is accentuated. There is however another point that the above project manager does not expressively mention but that may have an influence on the decision. A remark from another project manager will serve as a base for the argument.

Det är ok om det är en organiserad sak som riktar sig till en större grupp här inne, då känns det som att man har riktat sig till organisationen och inte till mig som privatperson. Och sedan om det också är förknippat med någonting annat affärsrelaterat. Men att ringa upp



mig och säga ”ska vi gå på hockey ikväll du och jag? Jag har två biljetter.”, det går inte.

It is ok if it is an organised thing that is directed to a large group of people in here [the building], then it feels like the invitation is directed to the organisation and not to me as an individual. And as well if it is connected to something business related. But to call me and say ”Want to come with me to a ice hockey game tonight? I’ve got two tickets.”, that’s not ok.

This points to the importance of the question, who is invited? Many other project managers agree with the above quote. If many people in the project manager’s organization have received the same invitation, it is more legitimate than if the invitation is individual. Could this have anything to do with the VIP invitation? Is it possibly so that since the VIP invitation was directed to only a few it was perceived as illegitimate?

The timing of an invitation seems to be of importance as well. The interviewees state that in some occasions lunches or other occurrences are strictly prohibited. The most prohibited time is just before a purchasing decision.

Innan en upphandling då tackar man alltid nej till allt. Det är inte hälsosamt, brukar man säga.

Before a procurement decision you say no to everything. It is not good for your health, we say.

Some purchasers argue that if you have met with a supplier just before making the decision and exactly that supplier gets the deal, many would probably ask themselves what happened during the lunch or meeting. Here it shows that this precaution is just to avoid problems.

Not only has timing to do with prohibitions, it also concerns permissions. For example, it is seemingly normal for suppliers to invite purchasers to Christmas dinners. A Christmas dinner usually costs around 50 € and this is way more expensive than the lunches during a business relationship. Being invited to a dinner for 50 € in another occasion would most plausibly be perceived of as inappropriate although at Christmas it is considered legitimate.

Another obvious issue that is of importance is whether the offer appeals to the procurer. A project manager tells me that due to her lack of interest in soccer, she is not even interested in the proposals of the contractors (even though she as well says that there are in principle no such invitations).

So in this tentative study several factors that do have importance in the decision have been identified. This list is probably not exhaustive but might be a starting point for my further research. The factors identified have been:



- The work relatedness
- The value (the luxury aspect)
- The state of the relationship with the inviting person
- The dispersal of the invitation
- The timing
- Is it interesting to the procurer?

Discussion

I started the presentation of the empirical material by focusing on frivolity and seriousness. I suggested that an invitation's legitimacy was "positively correlated" with its connection to work and negatively correlated with the amount of luxury. This implies that an invitation that regards the most necessary, the most basic part of a meeting should be considered as the most legitimate. But what is exactly the necessary when regarding business meetings? Some would probably say that a frugal business lunch is really necessary for meeting with your business partner. However, the most fundamental form of a business meeting seems to be a plain meeting in a room, containing no food, no fruit, no Pepsi-cola and no water. Nevertheless, in the concept of invitation we are most likely talking about something more than the necessary and once again the problem is how to establish what is acceptable.

Now I would like to tie up to the former aspect of seriousness, i.e. the relatedness to work. Is it really necessary to small talk about how the other person is feeling, the weather, the family, and whatsoever before and after the meeting? This is maybe not necessary, but how would you consider someone who interrupts you when you are asking how the other is feeling saying that it is not suitable that we discuss other issues than the ones that this business meeting calls for. And how would you, being a purchaser, consider a person who does not offer you a glass of water when you have expressively stated that your body is dehydrated? There certainly is some point of luxury that you have to accept and some amount of leisure in business that is acceptable. And certainly water, coffee, and small talk are such usual occurrences so we do not even think about them. This is a kind of wall of obviousness (Gustafsson, 1994) that we have to surpass. We might think that we only do what is necessary, but in fact we are doing so much more. We might think that our business meetings are purely business, but they are so much more. And this could possibly indicate that maybe it is not fundamentally the consideration of seriousness that constitutes a fundamental aspect of these ethical decisions but merely what we do and what we are used to do.

Could it not be so that a Christmas dinner is considered as legitimate, because in this sector of business, suppliers invite project managers to Christmas dinners? They have done so for so many years that it is perceived of as normal. Some of the project managers have talked about Christmas dinners but no one have mentioned the value of such a dinner. When I asked in general what they thought was a legitimate offer moneywise many of the project managers said that the informal limit of value that is legitimate to accept is 200-300 Swedish Kronor. Nevertheless Christmas dinners seem to imply no problem although a normal Christmas din-



ner exceed the value of 200-300 Swedish Kronor. This could indicate that it is such a common occurrence that nobody thinks about its value. It is what is normal; it is what usually happens at Christmas time. Maybe the first time that someone gets invited to a Christmas dinner he will ask others at the department if it is ok to go to such an event. In this sense the new employee will mold into the value structure of the others in the organization. Another influence is when experienced purchasers tell new purchasers how their work is going to be. One purchaser that I interviewed told me that when she started the purchasing agent that had her position before her uttered some interesting phrases. The former purchasing agent told her that she was going to be very happy because at the job everybody were going to invite her to theaters and operas.

As regarding expectations of how things are supposed to be one of the project managers describe that at a building meeting followed by a lunch, the supplier is supposed to invite. This is more or less an unwritten rule that most likely has acquired this form through imitation. What is considered as normal is thus that the supplier invites, and what is considered as normal does often not create any moral problems.

So, what is legitimate is what everybody do. Through processes of imitation the new employee adapts to the new environment, his working situation. One way of establishing what is appropriate behavior is observation. At a job you observe what the other people do. This seems to be the core issue about codes of conduct, which are sometimes used to mitigate unethical behavior. Even if you have a written code regulating what is supposed to be considered as legitimate behavior, it seems reasonable to assume that not everybody is going to follow it if the employees constantly observe illegitimate (according to the codes) behavior at their workplace. And more importantly, if you see that all the purchasers accept lunches and dinners without problem, you will probably do it yourself as well. Whether you will do it or not certainly depends on a personal aspect of seriousness.

Further support for the others deciding what is ethically legitimate are the project managers comments on the issue: inviting just me or inviting all? In some sense one can sense that if all are invited and if all accept the invitation, I could accept it as well. Everybody cannot be wrong. And in the case that everybody's wrong I will not be the only culpable.

At this point, when nothing is left to tell (here) I would like to go on for just another few lines. Recall the example of Mr. Olsen, Mr. Anderson and le Papillon. I just would like to end with some reflections on that occurrence. Two points. First, Mr. Olsen was maybe not sober, but he was neither drunk, he knew what he was proposing. Second, I do not think that he is stupid. If he proposed the "favour" to Mr. Anderson, he probably thought that there was some probability that the young purchaser was going to accept the offer. If not, at least we can say that he was courageous. If Mr. Olsen thought that Mr. Anderson possibly was going to accept the offer, the supplier had probably experienced some other purchaser accepting. Or, at least that the offer was perceived of as serious from Mr. Olsens perspective. The following epilogue is an invented story, that according to me and Mr. Anderson likely could be true...



Epilogue **–an indecent proposal, or just a normal one...**

The bar on the corner. 1.00 a.m. Mr. Olsen, supplier, sits with Mr. Berg, purchaser, at a table. On the table two glasses of beer, two packs of smokes could be seen.

MR. OLSEN

What a terrible day I have had.

MR. BERG

Yeah, and it's hard to relax in this atmosphere...

MR. OLSEN

Would you like to go?

MR. BERG

Yeah, let's go.

The two gentlemen walk out and head straight in the direction of Le Papillon.



References

- Badenhorst, J.A., (1994), Unethical behaviour in procurement: A perspective on causes and solutions, *Journal of Business Ethics*, Dordrecht, Sep.
- Bowie, Norman. (1982), *Business Ethics*, Englewood Cliffs, N.J.: Prentice-Hall
- Cooper, Robert W., Frank, Garry L., Kemp, Robert A. (1997a), Ethical issues, helps and challenges, *European Journal of Purchasing and Supply Management*, Vol. 3, No. 4, pp 189-198.
- Cooper, Robert W., Frank, Garry L., Kemp, Robert A. (1997b), The Ethical Environment Facing the Purchasing and Materials Management, *International Journal of Purchasing and Materials Management*, Vol. 33, No. 2, pp 2-11.
- Cooper, Robert W., Frank, Garry L., Kemp, Robert A. (2000), A Multinational Comparison of Key Ethical Issues, Helps and Challenges in the Purchasing and Supply Management Profession: The Key Implications for Business and the Professions, *Journal of Business Ethics*, Vol. 23, 83-100.
- Day, Marc. (ed) (2002), *Gower handbook of purchasing management*, Aldershot: Gower.
- Gustafsson, Claes. (1994), *Produktion av allvar*, Stockholm: Nerenius & Santérus.
- Heinritz, Stuart F., Farrell, Paul V., Smith, Clifton L., (1986), *Purchasing: Principles and Applications*, Englewood Cliffs, N.J. : Prentice-Hall
- Kraljic, Peter., (1983), Purchasing must Become Supply Management. *Harvard Business Review*, September-October, 109-117.
- Janson, Robert. L., (1988), *Purchasing Ethical Practices*, National Association of Purchasing Management.
- Ramsay, John. (2001), Purchasing's strategic irrelevance, *European Journal of Purchasing & Supply Management* 7, pp 257-263.
- van Weele, Arjan. (2000), *Purchasing and supply chain management : analysis, planning and practice*, London: Business Press.
- Wood, Graham., (1995a), Ethics at the sales-purchasing interface, *Journal of Marketing Practice: Applied Marketing Science*, Vol. 1, No.3, pp. 21-38.
- Wood, Graham., (1995b), Ethics in purchasing: the practitioners' experience, *Business Ethics: A European Review*, Vol. 4, No. 2, pp. 95-101.

Pink Machine is the name of a research project currently carried out at the Department of Industrial Economics and Management at the Royal Institute of Technology, Stockholm. It aims to study the often forgotten non-serious driving forces of technical and economical development. We live indeed in the reality of the artificial, one in which technology has created, constructed and reshaped almost everything that surrounds us. If we look around us in the modern world, we see that it consists of things, of artefacts. Even the immaterial is formed and created by technology - driven by the imperative of the economic rationale.

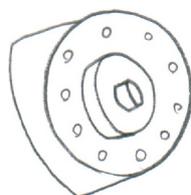
As Lev Vygotsky and Susanne Langer have pointed out, all things around us, all these technological wonders, have their first origin in someone's fantasies, dreams, hallucinations and visions. These things, which through their demand govern local and global economical processes, have little to do with what we usually regard as "basic human needs". It is rather so, it could be argued, that the economy at large is governed by human's unbounded thirst for jewellery, toys and entertainment. For some reason - the inherent urge of science for being taken seriously, maybe - these aspects have been recognised only in a very limited way within technological and economical research.

The seriousness of science is grey, Goethe said, whereas the colour of life glows green. We want to bring forward yet another colour, that of frivolity, and it is pink.

The Pink Machine Papers is our attempt to widen the perspective a bit, to give science a streak of pink. We would like to create a forum for half-finished scientific reports, of philosophical guesses and drafts. We want thus to conduct a dialogue which is based on current research and which gives us the opportunity to present our scientific ideas before we develop them into concluding and rigid - grey - reports and theses.

Finally: the name "Pink Machine" comes from an interview carried out in connection with heavy industrial constructions, where the buyer of a diesel power plant worth several hundred million dollars confessed that he would have preferred his machines to be pink.

Claes Gustafsson



www.pinkmachine.com

indek kth / 10044 sthlm / sweden