

# The Rotary Club and the Promotion of the Social Responsibilities of Business in the Early 20th Century

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**Mark Tadajewski<sup>1</sup>**

## Abstract

The separation thesis states that business and moral decision making should and can be differentiated clearly. This study provides empirical support for the competing view that the separation thesis is impossible through a case study of the Rotary Club, which fosters an ethical orientation among its global business and professional membership. The study focuses attention on the Club in the early to middle 20th century. Based on a reading of their service doctrine, the four objects of Rotary and the Four Way Test, the author argues that the example of the Rotary Club undermines the separation thesis. The Rotary message was conceptually ambiguous: it did not clearly differentiate business roles from social activities; rather both fed into each other, with the business tools developed by members and disseminated by Rotary, utilized in nonbusiness contexts with a view to enhancing societal well-being.

## Keywords

Rotary Club, corporate social responsibility, business ethics, service, codes of ethics, separation thesis

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<sup>1</sup>Durham University, Thornaby, UK

## Corresponding Author:

Mark Tadajewski, Durham University Business School, Durham University, Queen's Campus, University Boulevard, Thornaby TS17 6BH, UK.

Email: mark.tadajewski@durham.ac.uk

This article examines the role of the Rotary Club in promoting social responsibility among its business and professional membership, tracing activities from the founding of the Club until the middle of the 20th century. This examination responds to Bowen's (1953) assertion that scholars need to study a range of groups, not just large corporations, that have reflected on the role of business in society. The contention of this study is that the Rotary Club requires much greater attention from business and society scholars. This attention is desirable because of the continuing "invisibility" (Mayson, 2011) of small business activities in accounts of the development of corporate social responsibility (CSR; Spence, 2014).

The contribution of the Club is "little known" (Witzel, 2002). It is absent from histories of business ethics and CSR (Carroll, 1999; Frederick, 1994; Marens, 2008; Spector, 2008). There are many reasons why this omission might be the case, and these reasons mainly reflect the interests of academics in large visible corporations (Spence, 2014). Although each account published in recent years differs in terms of the genealogical tracing of CSR and the rise of interest in the ethical responsibilities of business, accounts tend to focus on larger actors.

N. C. Smith (2003) argues that the paternalistic social policies of 19th-century industrialists are similar to those found in contemporary business theory and practice. Freeman and Gilbert (1992) trace the roots of CSR to the critique of big business at the end of the 19th century and the public pronouncements of Andrew Carnegie (Windsor, 2006). This emergent discourse on CSR was a response to criticism of the profit motive and its impact on business conduct (Freeman & Gilbert, 1992). Frederick (1994) indicates that a CSR discourse was developing by 1913, and Lee (2008) links the history of CSR to the service doctrine articulated by Henry Ford in the second decade of the last century (Windsor, 2001). Marens (2012) offers a novel interpretation of the motives behind the propagation of CSR during the first three decades of the 20th century. As he explains, the operators of large corporations had to appease a number of stakeholder groups who viewed corporate activities less positively. Government, organized labor, and the consuming public were worried about the power these organizations possessed, given their documented ability to affect negatively social welfare and stability (Marens, 2012, 2013).

Smaller organizations thus effectively slipped off the radar of scholars (Knouse, Hill, & Hamilton, 2007; Marens, 2008; Spector, 2008; Tetrault Sirsly, 2009). But it is a mistake to assume they slipped off academic radars due to a nonexistent contribution or involvement with CSR and business ethics. Heald (1961, 1970) comes closest to acknowledging the importance of Rotary when he mentions the organization very briefly, saying its "popularity"

“signified a deeply felt need, especially among small businessmen, for fellowship and idealism in an increasingly organized and impersonal world” (Heald, 1970, p. 27).

Recalling the contribution of the Rotary Club with respect to the promotion of social responsibility is an important project for understanding the relationship between business and society for a number of reasons. In the first place, it is a suitable organization to study because of its influence globally (see Tables 1 and 2). It is not the largest “service club” (Charles, 1993), but it was the template for those clubs that followed (Rotary International, 1954b, p. 136), and has the “most extensive international presence” (Wikle, 1999, p. 49). It has been extremely active in leaving what historians call a “residue” (Jones, 2012) of its presence in terms of the books and periodical literature that is the focus of this article. This literature was distributed to its membership and not circulated through channels easily accessible to academics. This may partly account for the fact that the Rotary Club does not feature in historical studies of the CSR movement (Carroll, 1999; Frederick, 1994; Lee, 2008; Windsor, 2001).

Reinserting the contribution of Rotary into the intellectual history of CSR provides a parallel narrative to that repeated frequently in the literature. It highlights the development and extension of socially responsible business practices by small business owners, managers, and other professionals starting in 1911, thereby shedding new light on to a community of practice active in promoting an ethical orientation to business practice and national and international community relations. Their contribution is one of the earliest recorded instances of CSR discourse. This narrative, including the managerial advice offered to Rotarian members by the parent organization through their books and periodical materials, has not been previously explored in the level of depth provided in this article.

Focusing on Rotary is significant in view of the fact that Rotary’s membership was constituted by a majority of small business owners and managers (Heald, 1970), whose contribution to the practice of social responsibility remains largely unacknowledged (Acquier, Gond, & Pasquero, 2011; Besser & Miller, 2004; Bowen, 1953; N. C. Smith, 2003). Their activities also allow us to challenge empirically the separation thesis (Alzola, 2011). This thesis claims that business and moral decision making can be differentiated clearly and cleanly from each other (for critiques, see Freeman, 1994; Wicks, 1996). From this perspective, business practice has one aim in mind and that is the pursuit of profit maximization (Freeman & Gilbert, 1992; Sen, 1997; Werhane & Freeman, 1999). Self-interest is an overriding motive, with any contribution to the social good merely a fortunate by-product of business practice (Sen, 1997). On this reading, profit maximization and moral responsibility are incommensurable; they exist in a state

of tension with each other (Dienhart, 2008; J. D. Harris & Freeman, 2008). It remains a widely subscribed position, with scholars calling for the desirability of empirical challenges to the separation thesis (Alzola, 2011; J. D. Harris & Freeman, 2008) on a “case by case basis” (Dienhart, 2008). This empirical challenge is the task of the present article.

It would appear probable that evidence contesting the separation thesis can be found. As Black (1994), Sen (1994, 1997), Freeman and Gilbert (1992), Werhane and Freeman (1999), Wood (1996), Sandberg (2008), and others argue, the idea that business and ethics can be separated does not reflect the complexity of business practice. All “business decisions” (Werhane & Freeman, 1999) have some element of ethical reflection (Black, 1994; Sen, 1997; Werhane & Freeman, 1999), leading to the pragmatic blending of business and ethics (Freeman, 1994). The current study draws upon the history of the Rotary Club to question whether the separation thesis is consistent with the value system that this prominent organization articulated to its membership.

The literature disseminated by Rotary is a valuable means to examine critically the separation thesis, because this material speaks to the business issues that their membership faced at the time of writing. These business people and professionals were not unsophisticated. They knew that “economics counts” (Freeman, 2000, p. 173) and that being ethical has positive effects on business viability (Black, 1994; Sen, 1994; cf. Margolis & Elfenbein, 2008; Orlitzky, Schmidt, & Rynes, 2003). They were small business owners and their closeness to all relevant stakeholders helped humanize their business relations, blurring the boundaries between business decision making and ethical concerns. Reflecting this, they were close to their marketplace, knowing many of their customers on a personal basis and embedded in their local community, occupying a prominent position in social networks and this prominence influenced the decisions they made regarding their own business activities (Arnold, 1938; Black, 1994). In equal measure, small business owners and managers were not separated from their employees by elaborate levels of hierarchy, and close proximity should arguably entail greater levels of a visible commitment to social responsibility. They knew the people they employed and appreciated what was common-sense knowledge throughout the 20th century, namely, that they needed employees and community support for their activities (Black, 1994). Being ethical was a way to generate this support. As such, their closeness to their market, customers, and other stakeholders provides an ideal basis to stress test the logic underpinning the separation thesis that business and ethical decision making are mutually exclusive.

Accepting this starting point, this article explores the plausibility (Thomas, 2011) of the separation thesis via an historical case study of the Rotary Club. Case study research provides a suitable way to explore a particular institution

in detail (Flyvbjerg, 2006; Thomas, 2011), focusing on the key ideas promoted by this organization. In the first instance, the case analysis was motivated by an “intrinsic” interest in Rotary, with the intent being to understand the practices and commitments of this service association (Stake, 1995). Juxtaposing this emergent understanding with the literature on the separation thesis (Eisenhardt, 1989) led to a reorientation of the purpose of the analysis to an “instrumental” (Stake, 1995) approach. The latter strategy uses the “particularity” (Thomas, 2011) of the case analysis to illuminate or question a given theory, concept, or practice which in this instance is the separation thesis.

This article sketches the vision this service club disseminated during the first 50 years of the 20th century. Table 1 provides an overview of the key dates in the history of Rotary during this time frame. Table 2 summarizes the main ethically oriented activities undertaken by Rotary members. These materials are adapted from publications circulated mainly to Rotary affiliates (Table 1) and those distributed more widely to the general public (Table 2).

The time frame selected for this analysis represents the period when Rotary developed, refined, and expanded its “service” axiology (the study of values), disseminating its service discourse locally, nationally, and internationally. Methodologically, this study follows the conventions of American and European historiography. All available primary materials such as Rotary’s own publications were studied and interpreted critically to make sense of their understanding of the relationship between the business community and wider society. Context and interpretation are key to historical research and central to the analysis that is presented of Rotary’s own publications (Fullerton, 2011). The close reading of primary materials is supplemented with autobiographical reflections of key figures in this association along with appropriate secondary materials.

To make sense of a complex history, the structure of the article follows the four key elements of Rotary’s axiology (the “four objects”) which they communicated to all members through literature they frequently, although not exclusively, distributed solely to their association. Such publications have not been explored systematically in histories of the Rotary Club nor do they feature in business and society scholarship. Obviously, one should not take these materials entirely at face value (Witkowski & Jones, 2006). But to dismiss them wholesale would be equally problematic, as even critical commentators registered that Rotary’s ideas and ideals were often meant sincerely (Bahlke, 1956; Charles, 1993; Rotary International, 1948, p. 83). The article concludes by engaging with critical commentary and highlights the impact of Rotary on the business and nonbusiness community, using this impact to contest the separation thesis.

**Table 1.** Rotary Membership and Selected Dates of Interest.

Year	Event
1905	First club established in Chicago, Illinois
1908	Second club established in San Francisco, California
1909	Third club established in Oakland, California
1910	Number of Rotary Clubs accelerates to 16
1911	Rotary Clubs established in Dublin, Ireland; London, England; and Belfast, Ireland
1912	Rotary Club established in Scotland (Glasgow): Rotary has a total of 50 clubs (with 5,000 members)
1915-1917	Other service clubs established: Kiwanis Club established in 1915; Lions Club established in 1917
1915	200th club established in Columbus, Georgia
1916	Rotary establishes a club in Havana, Cuba
1917	300th Rotary Club established in Huntington, Indiana
1918	Rotary Club established in Puerto Rico (San Juan) and the 400th Rotary Club established (Fort Scott, Kansas); membership exceeds 40,000
1919	Rotary Clubs established in the Philippines, China, Panama, India, and Argentina; 500th Rotary Club established (Fremont, Nebraska)
1920	Rotary Club established in Japan (Tokyo)
1921	1,000th Rotary Club established (York, England)
1924	Membership exceeds 100,000
1925	2,000th Rotary Club established (Ketchikan, Alaska)
1927	3,000th Rotary Club established (Talca, Chile)
1929	Rotary Clubs established in Egypt, Palestine, Ceylon (Sri Lanka), Burma (now Myanmar), Honduras, Nicaragua, and Luxembourg
1930	Rotary holds "Silver Anniversary" convention: attendees represent 58 countries
1936	4,000th Rotary Club organized at Hanover, Pennsylvania
1939	5,000th Rotary Club organized at Rockmart, Georgia
1948	Publication of the text <i>Service Is My Business</i> , which appears in multiple languages (English, French, Spanish, Portuguese, Japanese "and other languages"). This book is "enthusiastically received by Rotarians and non-Rotarians alike" (Rotary International, 1960/1965, p. 107)
1951	42nd Rotary convention: 8,453 delegates were present from 46 countries
1953	44th Rotary convention: 10,107 delegates were present from 76 countries
1954	Global number of Rotary Clubs exceeds 8,000
1955	Rotary's Golden Anniversary: 8,776 Rotary Clubs with a total of 414,000 members
1955-1956	375 New Rotary Clubs established

Source. Adapted from Rotary International (1954b, pp. 135-141) and Rotary International (1960/1965, pp. 91-119).

Note. All Rotary Club locations are in U.S. states (such as Georgia) or territories (such as Alaska) unless otherwise identified by country.

**Table 2.** Ethical and Social Milestones in the History of the Rotary Club.

Year	Event
1905	Paul Harris starts the Rotary Club
1907	Begins community-oriented projects with the installation of public toilets in Chicago
1923	Concerted effort to produce and disseminate codes of ethics to industry undertaken
1932	Herbert Taylor devises “Four Way Test”
1935	The various objects of Rotary are revised to four core values
1939-1940	Rotarians call for “respect for human rights”—this call becomes “a model for the UN’s Universal Declaration of Human Rights” (Forward, 2003, p. 304)
1941	Rotarian Conference that led to the establishment of UNESCO
1947	Founding father of Rotary, Paul Harris, dies
1949	Four Way Test widely circulated
1954	Rotary members meeting regularly in 89 countries
1959	10,000 club mark surpassed; Rotary has 480,000 members
1962	Youth arm of Rotary established (Rotaract)
1966-1967	Clubs stimulated to pursue international service with funding and support
1976-1977	Annual donations to The Rotary Foundation surpass \$10 million
1983-1988	Rotary involved in a major program to eradicate polio from the planet (fund raising up to the period 2005 grew to \$500 million)
1985	Membership grows to one million active Rotarians
2005	Centennial anniversary
2015	1.2 million active Rotarians in 200 countries ( <a href="https://www.rotary.org/en/about-rotary">https://www.rotary.org/en/about-rotary</a> )

Source. Adapted from Rotary International (1960/1965, pp. 91-119), Forward (2003, pp. 290-326), and Rotary Foundation webpage.

## The Emergence of Rotary

The late 19th and early 20th century time frame was characterized by the rise of the Robber Barons, increasing power flowing to the banking industry, and the growth of the corporation (Galambos & Pratt, 1988). While some were able to reap the rewards of corporate consolidation, others, especially the business-owning middle-class, felt adrift in a marketplace they were unable to control effectively (Dennison, 1932; Hewitt, 1950; Spring, 2011). Producers were increasingly distant from consumers; some workers felt powerless in the face of bureaucratic corporate structures and at the mercy of entrenched interest groups able to control politicians and affect the social environment in undesirable ways (Harding, 1935; Kallet & Schlink, 1933; Lamb, 1936).

In their attempts to meet with like-minded individuals, American business people joined “service” organizations like Rotary Clubs, the Kiwanis, and the Lions (Charles, 1993; Putney, 1993; Schlesinger, 1944). Their emergence in the United States fit into a larger pattern of club membership and community activism. In the century before the foundation of Rotary, business people frequented “merchant clubs” that were set up to constrain competition to increase prices and profits (Wikle, 1999, p. 45). There were religious communities which undertook socially oriented activities and female groups that were extremely vocal in promoting a variant of the service discourse that Rotary later adopted as its axiology.

Rotary’s justification for its founding and its ongoing operations is more benign and outward facing than, for example, merchant clubs. It provided members with a stable and friendly atmosphere that was far removed from the negative press the business community received in national media in which its legitimacy was questioned. Furthermore, Paul Harris (1868-1947), the founder of the Rotary movement, called attention to his pragmatic motivations for starting the organization in 1905. He had moved to Chicago, Illinois, where he found the city riven with crime, pollution, and social tension, and generally a lonely place for someone used to a close network of friends and family (P. P. Harris, 1948; Nicholl, 1984; Rotary International, 1954b). He craved “fun and fellowship” (Forward, 2003). He was equally quick to appreciate that as a lawyer he needed to move in the same circles as potential clients. Harris went straight to a likely source: local business people. In doing so, he met new friends while cultivating business contacts. The initial meetings of Rotary thus had inauspicious origins: they took place at the offices of members, or at hotels and restaurants, switching locations each time. This rotational element provided the name “Rotary” as each member hosted the others “in rotation” (Hewitt, 1950, p. 2; Rotary International, 1954a, p. 18; 1960/1965, p. 29).

Originally only one club was permitted in each location, with only one male member from each occupation allowed to join (Hewitt, 1950, p. 23; Nicholl, 1984, p. 34), ideally the most well-respected individual, who owned or managed a business or was otherwise of professional status (Rotary International, 1945, p. 7). The benefit of membership restrictions was that it facilitated the representation of “something approximating a cross-section of the business community” that distinguished them from guilds or trade associations due to the fact that their members were from different occupations (Rotary International, 1945, p. 7).

Rotarians were only “loaned” the occupational “classification” they filled (ranging from working in the “aeronautic equipment industry” through to “fine arts” and ending in the “wool industry”) and their position was contingent upon



active participation in at least 60% of meetings (Hewitt, 1950, p. 6), and their ongoing commitment to spread the axiology of Rotary to their business and social contacts (Rotary International, 1954a, p. 33).

The pleasant surroundings of the Rotary Club were more than a sanctuary from external criticism. Membership provided an ideal opportunity for the furtherance of business networks. For at least the first 5 years (1905-1910), “business reciprocity” (Forward, 2003; Rotary International, 1954b) was a prominent element of their activity (Hewitt, 1950; Rotary International, 1945). This “business reciprocity” helped the “average” club attract around 50 affiliates, with just under half of clubs located in smaller towns (less than 500 total population; Bahlke, 1956, pp. 10, 75).

The Rotary Club constitution of 1906 included an emphasis on reciprocity. At this time, the function of Rotary was “*The promotion of the business interests of its members*” (Rotary International, 1948, p. 10, emphasis in original). Nonetheless, this function did not remain the sole focus, as those less interested in maximizing their business opportunities by membership wanted Rotary to pursue more socially beneficial activities (Brownlow et al., 1934; Forward, 2003; Levermore, 1924).

By 1911, emphasis had shifted from what businessmen did for each other—and it was only “businessmen” in Rotary for much of the 20th century—to what business people could do for their local communities. This shift was a response to the perception that focusing on business activities was not conducive to securing social legitimacy. This societal orientation was enshrined in the “service” discourse popularized by Arthur Frederick Sheldon (1868-1935). The modern business person, Sheldon averred, had to appreciate “that only the science of right conduct towards others pays. He comes to see that the science of business is the science of human service. He comes to see that he profits most who serves his fellows best” (Sheldon, 1911, p. 98). In this short quotation, Sheldon articulates the values undergirding the Rotary Club: “He profits most who serves best” and “Service Above Self” (P. P. Harris, 1948, pp. 234, 251). Generally speaking, the service discourse articulated by Rotary was operationally vague, offering a great deal of interpretive flexibility for members, while providing an ethos that oriented their actions. As Rotary International (1954a) explains,

... a Rotary club is an association of representative business and professional men of the community who have accepted the ideal of service as the real basis for attaining success and happiness in personal, business, and community life. And the ideal of service? In general, it is an attitude that relates persons and things with action—constructive action; thoughtfulness of others is the basis of this service, and helpfulness to others is its expression. (p. 8)

Members of the Rotary Club extended the practice of helpfulness to anyone in their orbit who required it. Being helpful was economically beneficial to the business concerned, but this benefit did not mean attention was restricted to activities related to the economic and financial health of any given organization. Rotarians had to seek out “every opportunity to serve society” (Rotary International, 1948).

The values embodied in the above discussion of Rotary’s service discourse are a mixture of teleological and deontological approaches: deontological in that they draw on precepts (such as the Golden Rule) derived from Christian religious teachings (cf. Stephens, 1927). Rotary emphasized by invoking the Golden Rule that business had to do good by their actions. The societal element of their activities speaks to utilitarianism.

To achieve the diffusion of their service discourse,<sup>1</sup> their ethical orientation, and their vision for improved business practice, they provided members with texts that taught basic and advanced business principles that were interwoven with ethical discussion. They—like the business and society literature today (Freeman & Gilbert, 1992; Marcus, Kurucz, & Colbert, 2010; Marens, 2008)—did not simply or neatly define how they understood “society.” Their concerns were more pragmatic than scholarly and intended to be practically useful and actionable to their membership. Highly abstract conceptual exegesis was not an aim of this group. Rather, influencing the relationship between their business membership and a range of different stakeholders in a productive fashion was the motive for their practical interventions in local, national, and international arenas. They did so via the “four objects” of Rotary.

These “objects” orient the account below, taking the examples from texts that Rotary distributed. These texts provided a means to stimulate business to modify its practices, both with an eye to improvements in the economic benefits they would derive and to encourage practitioners to weave ethically oriented practices through their day-to-day business relations. These texts blur the boundary between business practice and the everyday socially oriented activities of the membership of Rotary, thereby empirically supporting Freeman’s (1994, 2000) call for the rejection of the separation thesis.

## The Objects of Rotary

Rotary produced various guiding principles for their membership and eventually focused on “four objects.” If we think about the “objects” as offering guidance for life and business practice, then they merit being called an “ethics.” We should note that each of these objects are not mutually exclusive and can shade into each other. What it is important to appreciate are the key threads

that entwine regarding social responsibility, tolerance of difference, and attempts at dialogic interaction between labor and management, and Rotarians in different countries.

A book circulated to members, *Adventure in Service*, describes their axiology in the following way (Rotary International, 1954a, p. 10; see also Rotary International, 1987, pp. 19-20):

To encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

1. The development of acquaintance as an opportunity for service;
2. High ethical standards in business and professions; the recognition of the worthiness of all useful occupations; and the dignifying by each Rotarian of his occupation as an opportunity to serve society;
3. The application of the ideal of service by every Rotarian to his personal, business and community life;
4. The advancement of international understanding, good will, and peace through a world fellowship of business and professional men united in the ideal of service.

As attention has already been devoted to the first object, little further comment is required except to say that as the Rotary Club expanded from its U.S. origins to an international organization, the focus shifted from local club projects to forging relationships between clubs across the world.

## The Second Object: Improving Business Ethics

The second “object” involved inculcating an ethical sensibility among members and was linked with the “vocational service” expected of each Rotarian. As each affiliate was the only member of their industry in their specific club, it was their responsibility to reflect the highest degree of ethical behavior, and if they felt they could not do so, they might be subject to cross-examination by their peers (Hewitt, 1950, p. 84) or told to “resign” (Rotary International, 1948, p. 32). These comments were not as typical as those which underscored that good ethics can mean good business (Sheldon, 1921, p. 115). Their conclusions in this regard were at the vanguard of contemporary academic and practitioner perspectives (Black, 1994; White, 1927).

Good ethics would lead to repeat custom and members were expected to share this insight with non-Rotarians, spreading the “service” and social responsibility

discourse to employees, chambers of commerce, trade associations, and other groups (P. P. Harris, 1948; Hewitt, 1950; Rotary International, 1948, 1954a, 1959). All of these groups were good channels for improving “collective” business practice (Feiker, 1922), either informally or through mechanisms like the promotion of codes of ethics (Gundaker, 1922). This commitment to fostering ethical business behavior required the Rotarians to be attentive to the changing needs and requirements of their local community. There were always ways in which business and community welfare could be improved:

. . . no club can claim that business and professional relationships in its community are so perfect that there is no scope for Vocational Service. Such claims merely indicate that the Club has not explored thoroughly the possibilities and the need for such activities as courtesy contests, schools for better salesmanship, meetings between employers and employees, dissemination of the latest wrinkles on enlightened management, cultivation of cooperation between competitors for the public benefit, the education of children in the local schools in the highest standards of honesty and service, the spread of Rotary influence through members’ trade and professional associations, and a host of other projects. (Rotary International, 1954a, p. 34)

Prior to the codes of ethics developed by Rotary, there had been numerous calls throughout recorded history for business people to orient their actions by personal and religious codes (see Wren, 2000). Witzel (2002) charts the growth of ethical debate in the late 19th century (Bowen, 1952; Carroll, 1999; Heald, 1957). Rotary had been interested in the use of codes since 1913, ratifying its own general code of ethics in 1915 (Gundaker, 1922; Rotary International, 1960/1965). After World War II, Rotary exerted considerable efforts in promoting the production and dissemination of codes. Such was the uptake of code writing that one commentator remarked that “formulating and promulgating codes of ethics became one of the more popular business pastimes” in the 1920s (Heald, 1961, p. 132), with some citing Rotary involvement with “over 200 codes” (Bahlke, 1956, p. 135). With the encouragement of key figures (Gundaker, 1924), these codes garnered public attention, with Feiker (1922, p. 205) calling Rotary’s activities “outstanding.”

Rotary pressed associates to devise their own personal code (Levermore, 1924), circulating materials to remind their membership of other useful principles to guide business and social relations<sup>2</sup> (Rotary International, 1954b, p. 82; 1959, pp. 57-58; 1960/1965, pp. 66-68; cf. Gundaker, 1921, p. 322; Nicholl, 1984, p. 312). As a means to systemize this ethically oriented practice, the “Four Way Test” devised by Herbert Taylor required the Rotarian to reflect on four points in any decision episode that roughly conform to guidelines still recommended today (O’Boyle & Dawson, 1992). It is essentially a

codified list of “moral minimums” (Werhane & Freeman, 1999) for the Rotary members to use in orienting their business practices (Rotary International, 1948):

1. Is it the *Truth*?
2. Is it *fair* to all concerned?
3. Will it build goodwill and better friendships?
4. Will it be *beneficial* to all concerned? (p. 137; emphasis in original)

Rotarians were so impressed with this reflexive test that the questions were set into plastic frames that were to occupy a prominent position in places of business. The Club notably threw its collective weight behind this project (“Urge High Trade Ethics,” 1923) distributing “an average of two thousand such plaques . . . monthly” to international companies like Johnson & Johnson (Bahlke, 1956, p. 288), as well as to politicians (Rotary International, 1960/1965, p. 68).

However, while they were positive, Rotarians were not necessarily naïve about human nature. When making business decisions, they knew that rationalizations might be used to justify a course of action. The Four Way Test in conjunction with self-produced codes of ethics was thought to make this process more difficult (Dennison, 1932). Rotary further sought to overcome these problems by highlighting the profit-generating potential of reflexivity. Although this highlighting did not in any way, shape, or form constitute the only application of the Four Way Test—it did have implications for social responsibility via the “Fourth Object” (discussed below)—the progenitor of the Four Way Test did express the financial value of his instrumental-ethical orientation. Taylor’s company had been near bankruptcy. Applying the test, he recalled, reversed its fortunes: “We have gained in friends, in happiness, in gold. A bankrupt business has been saved. An investment of \$6,100 has already returned cash dividends of over \$600,000 in eight years” (Taylor in Bahlke, 1956, p. 125).

## The Third Object: Application of Insights

The third object reflects the requirement that each member should take the insights they derive from their experience with Rotary and apply them in their everyday lives, work environment, and community. This third object undermines the face validity of the separation thesis. Indeed, it is difficult not to think of their activities as an early application of stakeholder theory given the connections they make between different groups.

From this perspective, a firm has

obligations . . . to employees, suppliers, customers, communities, as well as shareholders. One could not run a business without employees and could not stay in business very long without customers, nor exist at all unless the community accepted commercial activity. (Werhane & Freeman, 1999, p. 8)

These interaction patterns cut both ways: “Organizations have obligations to their employees because they are human beings *and* because they are employees of the organization . . . Conversely, employees have role obligations to the organization that employs them” (Werhane & Freeman, 1999, p. 8; emphasis in original). Rotary’s business and ethical philosophy reflects an orientation to each of these stakeholders and serves to undermine the separation thesis by virtue of the explicit arguments offered by Rotary or the empirical undertakings of their membership.

In the explanations of how business could affect the wider social environment, essentially the patterns of influence worked according to a logic of cooperation and mutual benefit in the following way. In the first instance, those operating in a given community had to demonstrate their commitment to their customers, clients, and competitors, treating each as the Rotarian would like to be treated (Hewitt, 1950, p. 29; Rotary International, 1948, pp. 64–65; cf. Brownlow et al., 1934, p. 5). The value of this commitment was both instrumental and ethical. By cultivating trust between business and its customer base and the local community, the marketplace was more stable for operators and potentially less dangerous to consumers (Rotary International, 1948, p. 87; Sheldon, 1910, p. 28; 1921, p. 142).

A key conduit here was the employee. In serving the customer, it was not enough to remind staff to adopt a consumer orientation. The Rotarian literature acutely reflects an awareness that if a business was to cater to the customer effectively, then workers had to be well trained, happy in their employment, and remunerated appropriately (Burgess, 1938; Rotary International, 1948, pp. 66–67, 123). Rotarians in the United Kingdom were particularly adept on this front. At the tail end of the 1920s, they provided their workers with access to pensions, health care, and demonstrated transparency in hiring and promotion decisions (see Hewitt, 1950, p. 79). And reflecting on the early 20th century context (1905–1930), their acknowledgment of these issues is not surprising as employer–employee relations were contentious (Galambos & Pratt, 1988), sweated labor was not uncommon, and health and safety an afterthought (see Montgomery, 1989). Small business owners and managers, in some cases, were more attentive to their workforce than larger corporations as they could not afford to alienate their skilled labor (Marens, 2013, p. 459). They could, in equal measure, be “not-so-enlightened” as well (Marens, 2010, p. 67).

Treating workers badly in a small community was ethically dubious and potentially financially ruinous. Thus, the numerous books that Rotary issued contain comprehensive advice about how to ensure positive and productive labor relations. This advice would, in turn, help Rotarian employers avoid the strikes that were widespread during the early 20th century (Marens, 2012; Montgomery, 1989). Rotary encouraged its memberships to appreciate the contribution of their workers in economic and social terms. While there is no doubt a large element of self-interest driving the focus on workers, in equal measure the arguments put forward by Rotary challenges the “not-so-enlightened” view expressed by Marens (2010). However, just because these texts reflected an awareness of the importance of contented staff members does not mean that this largely middle-class audience of business owners, managers, and professionals was cognitively aligned with labor.

Even so, Rotarians explicitly asked questions about the processes involved in humanizing their business activities (Rotary International, 1948, p. 97). Consistent with the deontological ethics characteristic of Rotary, they were told to encourage dialogue between management and labor as part of an attempt to ensure that employees did not feel like “ciphers, robots, in the machinery of production” (Rotary International, 1948, p. 17). This dialogue had to be supplemented with the provision of infrastructure that demonstrated employer commitment to the workforce and, in turn, underscored that employees were “not . . . mere means of production, but . . . ends in themselves” (Rotary International, 1948, p. 110):

Treating employees as people involves inevitably the consideration of matters only remotely connected with their jobs. Tangible demonstrations of this friendly concern with the physical, social and spiritual wellbeing of employees are legion. Provision of comfortable and healthy working conditions carries over naturally to the furnishing of free medical care and hospitalization for the employees and . . . [their] dependents, economical housing, recreational facilities, paid vacations, and pensions. (Rotary International, 1948, p. 103)

Beyond industry-oriented initiatives, Rotary advocated members undertake visible projects to accentuate the social orientation of the clubs to external stakeholders. They saw themselves as “missionaries” intent on rehabilitating and recalibrating business practice wherever their clubs were located (Levermore, 1924). Rotary conducted research to determine the needs of their audiences: “as a club, we serve our community by studying its needs and problems” (Rotary International, 1954a, p. 37; see also Bahlke, 1956, p. 83; Rotary International, 1959, p. 103). Invariably though, these needs and problems were refracted through business interests and resource availability; so the commensurability of business and community needs might partially overlap, but was not guaranteed (Bowen, 1953).



Rotary gained a reputation for sponsoring and assisting disabled children who were ill-served by medical facilities (Gregg, 1922; Hewitt, 1950, p. 106; Rotary International, 1954b, p. 60). The case of a club in Ohio is illustrative of this work, and a Rotarian explained he had

... noticed on the back streets of the city, a youngster without arms or legs, laboriously propelling himself on a scooter-like device by the forward movement of his body. The club assumed responsibility for the boy's welfare. The members financed the necessary operations, purchased braces, and other appliances. The process was long and costly. But the club never faltered in its undertaking. (Rotary International, 1954a, p. 40; see also P. P. Harris, 1948, p. 261; "Rotary Reports Fund of Nearly \$100,000," 1930)

Other activities involved the support of families struck by death, illness, or natural disasters (P. P. Harris, 1948); the provision of hospital equipment (Charles, 1993); and tuition support for talented, intelligent students (Forward, 2003; Melville, 1926; Rotary International, 1959). They were active in support of scouting and youth movements (Errington & Gewertz, 1997; Rotary International, 1954a). On the international front, affluent clubs "adopted" affiliates in deprived areas (Errington & Gewertz, 1997; Rotary International, 1959).

## The Fourth Object: International Service

Rotary's international orientation springs, in part, from the founder Paul Harris, who had a long-standing interest in understanding different people and nations. In his autobiography, he talked about moving beyond the mediated representations of diverse cultures found in books and newspapers, calling for members to sample the lifestyles and experiences of other groups to deflate ignorance (P. P. Harris, 1948, pp. 217, 264; "Rotary Head Hits Race Persecution," 1934; Rotary International, 1954b, p. 53).

The focus on "fellowship," cross-cultural understanding, and peace took on greater salience in the aftermath of the First World War (see Levermore, 1924). The expansion of Rotary into Europe was a motive force directing greater attention to these issues (Hewitt, 1950) and aimed to nurture "understanding among men of differing nations, creeds, and colors" (Rotary International, 1959, p. 3). This motive was a concomitant of their membership: they were frequent travelers (Rotary International, 1954b, p. 53) and members of the "socioeconomic elite" who "had a vested interest in economic development and modernization" (Wikle, 1999, p. 47). Unlike other studies that have closely tied the diffusion of CSR discourse to Cold War tensions (Spector, 2008), Rotary's international expansion was pragmatic,



and the patterns of influence were bidirectional. Charles (1993), for instance, presents international expansion of Rotary activities as due to the growth of "American business interests all over the world" (p. 2). In much the same way, Rotary International (1954b) underscores how experience with Rotary in the United States led businessmen from other countries to establish their own clubs (p. 35).

As a means of further criticizing the separation thesis, it is worth noting that Rotary's commitment to international service was neither separated from their business concerns nor motivated by the self-interest we would expect if this thesis held (Wicks, 1996). The use of the Four Way Test for purposes that go beyond a business-instrumentalist orientation demonstrates this criticism. As one of the core texts that Rotary circulated explained, the Test could help foster reflection about other people and countries. The point was not simply to permit the Rotarians to expand their business connections elsewhere, but repeatedly linked with fostering a global awareness of cultural difference and similarity (Rotary International, 1959, pp. 34-35), thereby neutralizing the potential for misunderstanding and conflict between different people. It was meant, put simply, to enable a Rotarian to "get into the shoes" of people living elsewhere (Rotary International, 1959, p. 56). Blurring the boundaries between commerce, social responsibility, and international relations, Rotary International (1959) states,

Although this test was devised originally for use in a business faced with crisis and has been developed in Rotary initially as an adjunct to vocational service, it actually has wider application. Experience, indeed, has shown time and again that when a man earnestly uses The Four Way Test in his business or profession, the results are also evident in his conduct as a father, friend, and citizen. That this simple yardstick of human relations can be useful in international service also is the conviction of one Rotarian in the Philippines. In the promotion of Rotary's fourth avenue of service, the exemplification of The Four Way Test in the diplomatic relations between nations will certainly exert a tremendous influence. The world is flooded with so much propaganda that confuses our minds and distorts our views. There is so much distortion of the truth that leads to misunderstanding and mutual animosities . . . might not these four simple questions likewise prove helpful in the quest for the universal principles of justice. (p. 58)

From this perspective, the Four Way Test is a tool for critically oriented reflection by which the Rotarians probed their personal value system. The literature does not explain what is indexed by the phrase "principle of justice" but implies that it relates to the "judgment" of the individual. The Four Way Test applied to the international arena, then,

. . . does not tell him what to do. It merely asks him to look at what he thinks, says, or does in the light of his own standards . . . The Rotarian who is exploring the path of justice may wish to undertake the testing for himself. A critical examination of his own principles of justice is one way of upholding them, of proving that they are more than high sounding slogans. It may also reveal opportunities for him in making them world-wide. (Rotary International, 1959, pp. 58, 60)

A tool devised for use in business is thus given additional life in helping foster reflections on the social responsibility of different nations to each other. Linked to this fostering were international exchanges, journeys by members to clubs in different countries intended to cement cosmopolitan outlooks, along with activities like an “into-their-shoes conference.” This effort entailed studying the country of interest, its history, culture, food, and where possible interacting with people in the location (Bahlke, 1956, pp. 292-300).

For the Rotarians, it made sense to participate in international efforts. They had taken part in war activities in both conflicts, often serving on the front line, experiencing other cultures first hand. Rotarians were also business people and the United States had emerged from the cataclysmic confrontation of World War II relatively unscathed, with its industrial infrastructure expanded (Rotary International, 1948, p. 50). The need to find new markets, combined with the threat from Communism and the fear of nuclear war, therefore all influenced the stance of individual members (Carlson, 1962; Laharry, 1954; Rotary International, 1959, pp. 6, 37-38; “Something Remarkable,” 1961). Rotary called for business to be active in helping all people, from wherever they hailed to access needed and desired products and services. This helping was “the path of progress” (Rotary International, 1959, p. 42). Consequently, they sought to foster relations of trust between clubs operating in diverse economic and cultural circumstances with service activities reinforcing an interdependent capitalist system, humanizing business activities at the same time.

Reflecting the above, Rotarians performed a major role in conferences to promote cultural understanding after 1945 (Nicholl, 1984, p. 417). These meetings coalesced into what “became in due course the United Nations Educational, Scientific, and Cultural Organization, more familiarly known as UNESCO, an independent agency pursuing the goals of international understanding” (Rotary International, 1959, p. 105). They also helped promote the UN Children’s Fund (UNICEF; Rotary International, 1959, p. 47). This list does not exhaust Rotary’s international role which continues apace today.

Needless to say, with the prominence Rotary achieved through its local, national, and international efforts to improve the social responsibilities of business, it was predictable that their own practice would be subject to critical

evaluation. For some, including the Nobel Prize winning writer Sinclair Lewis (1932/2003), the lawyer Clarence Darrow, the journalist H. L. Mencken, the author George Bernard Shaw, the business journalist Bruce Bliven, and the writer G. K. Chesterton (Charles, 1993, p. 86; Fox, 1997; Hewitt, 1950, p. 148; Hines, 1967; Hobbs, 1925; Silberstein, 1926), Rotary's calls for service were less than convincing in that they wanted such groups to place business interests firmly in the background and social interest in the foreground. Rotary achieved a balance between these two interests that is meritorious but which did not satisfy all interpreters of their activities. The final section turns to the impact and criticisms of Rotary.

## **The Impacts of Rotary: Implications for the Separation Thesis**

Despite the efforts of Rotarians to improve the image of business in society, their activities were subject to criticism. Sinclair Lewis launched a very thinly veiled critique of Rotary in his novel, *Babbitt*. He disliked the first-name informality and gregariousness of Rotarians (Case, 1980). Clarence Darrow found their optimism and singing disconcerting, hiding their real desire to make more money (Brownlow et al., 1934, p. 88; Hobbs, 1925; cf. Rotary International, 1959, p. 69). And although Lewis later recanted some of his views and wrote for *The Rotarian* (Case, 1980; Nicholl, 1984, p. 117; Rotary International, 1954b, p. 24), he continued to describe himself as a "grump" where service activities were concerned, "infuriated by all this shower of rose water" (Case, 1980; Lewis, 1938, p. 62).

The nature of Rotary itself, being comprised of self-selected members of the business community, did not encourage intellectual and social pluralism within its ranks. Although those attending meetings did stress their interest in incremental improvements to the business system, this interest did not extend to radical critique. They were not, at least in one case, open to Marxist thought (Rorty, 1936, p. 124). Accordingly, Rorty (1934) questions the motives of club members, pointing to the status quo orientation that undergirded their pronouncements on social issues and the instrumental pragmatism of their charitable efforts (p. 352). At best, one can say that this critique was not well targeted. Given their position within the business community, it was hardly likely that radical-political critique would energize the membership of Rotary; neither would any social agenda that potentially increased environmental change and turbulence.

Despite their enthusiasm for service, Rotarians also somewhat omitted the problems that confronted putting these ideas into practice (Brownlow et al., 1934, p. 21; Levermore, 1924, pp. 13-14). As Wooster (1919) points out, "It

is recognized that some businesses may serve the individual against the public interest” (p. 50, Note 1). In a slightly oblique fashion, Dennison questioned the application of the Golden Rule in situations where there was limited knowledge about the marketplace or customer (see also Lewis, 1938): “Ignorant though benevolent applications of the Golden Rule, made without anything like adequate knowledge of what men most truly need, may sometimes be worse than crass selfishness” (Dennison, 1932, p. 19). Presumably, the micro-level actions of firms could potentially have societal ramifications not appreciated or more harmful than forecasted. Others offered more general criticism of the service discourse in circulation. Donham (1927) saw such service discourse as sometimes problematic, being invoked to hide bad business practices behind a veneer of social responsibility.

The Rotary case study provided in this article contests the separation thesis. Alzola (2011) summarizes the argument that “there are good reasons to believe that the separation thesis provides an accurate description of the way businessmen think and act about ethics in business” (p. 22). He continues by noting the lack of “empirical evidence to disconfirm the . . . separation thesis” (Alzola, 2011, p. 22). This study has provided the historical-empirical evidence that demonstrates that the membership of the Rotary Club were completely cognizant of the interpenetration of their business practices with ethical considerations. They acted upon their service doctrine and the Golden Rule in the local, national, and international environments, supporting needy groups and helping foster positive intercultural relations between clubs located in different countries.

The publications of the Rotary Club are replete with ethical concerns, demonstrating “compassionate feelings” (Alzola, 2011, p. 20) toward others suffering from physical disabilities, affected by natural disasters, or affected by the loss of loved ones. They broadened an ethically oriented conceptual framework—the Four Way Test—beyond the realm of business, using this framework to evaluate their everyday activities and interactions with other people. This account therefore firmly criticizes the idea that these business people were amoral, bracketing their business activities from their ethics. It empirically supports the theoretical arguments offered by Freeman about the futility of ongoing subscription to the separation thesis and thereby undermines the still seemingly widespread belief in the separation thesis that both Wicks (1996) and Alzola (2011) register.

Moreover, the criticism of Rotary is unfair when read against contemporary literature that acknowledges that business groups pursue socially responsible activities for multiple and competing reasons (Humphreys & Brown, 2008; Roberts, 2003; W. Smith & Higgins, 2000). As evidenced by the willingness of Rotary members to spend their free time and available resources

on the many varied campaigns undertaken at the club and international level, they exerted considerable energies to engage in local, national, and international efforts to reduce the hardships faced by others, and it is probably almost impossible to disentangle completely this engagement from the instrumental benefits they derived.

Notwithstanding the criticism discussed above, many commentators hailed Rotary's efforts as a success (Feiker, 1922), with Gundaker (1922) reflecting that "it is an odd coincidence that, concurrent with the increasing growth of Rotary, there has been a constantly increasing wave of public sentiment among business men, demanding a more exacting and more sensitive business conscience" (p. 229). Rotarians were successful in terms of the numbers of people they touched and for their contribution to what Donham (1927) viewed as the "central problem of business," namely, cultivating, "strengthening, and [the] multiplication of socially minded businessmen" (p. 406). Their service motto affected business scholarship in that it was often praised and cited as best practice for new recruits to the profession and for those seeking to achieve success in their chosen field. Correspondence schools communicated such supportive messages that sometimes reached large audiences of over 50,000 students (Knox, 1922; Tadajewski, 2011), and some textbooks presented Rotary as an organization to be emulated (Read, 1931, p. 12).

Newspapers acknowledged the appeal of Rotary. As one news article put it, the ideals of Rotary were "implanted in the life of one man" and adopted "by others, and a small group possessing the thought of unselfish service soon creates the desire in other men to do likewise. Hence the spread of the Rotary ideas" ("Service Above Self," 1922, p. 19). Larrabee (1924), likewise, registers the growth of the "thought of Service above self . . . gradually penetrating the minds of men," connecting this thought with the Golden Rule and the Rotary Club (p. 5). Other writers were equally willing to signal the significance of Rotary activities. The continued diffusion of "service" to society was explicitly attributed to the prominence of the "Rotary clubs and the adoption . . . of Service as their motto" (Kitson, 1923, p. 418). In an extension of this point, Trentmann (2009) indicates the centrality of Rotary's international activities in fostering "a worldview of peace, democracy and best practice that were important in spreading American material civilization" (p. 203).

In spite of the cynicism with which some authors have viewed Rotary, it now has 1.2 million members all of whom have been and continue to be exposed to the "objects" of Rotary, codes of ethics, and the Four Way Test (Clarke, 1914; Errington & Gewertz, 1997; Forward, 2003; Gundaker, 1921, 1922, 1924; Rotary International, 2012; Trentmann, 2009; cf. Carroll, 2000). Just during the time period that this study covers, Rotary grew from a small

local base through to an international presence with around half of clubs located outside of the United States by the end of the 1950s (Bahlke, 1956, p. 184). Their work has been and continues to be hailed as a force for social good in most cases.

## Conclusion

Rotary has been an important conduit for the diffusion of the idea that business had a greater responsibility to society. Its role has rarely, if ever, been fully appreciated by writers in the domains of business ethics and CSR. This lack of appreciation is perhaps because the historical literature has focused on the socially responsible activities undertaken by larger companies, bypassing the varied projects embarked upon by smaller business owners, managers, and professionals. Responding to the call made by Bowen (1953), this article has documented some of the activities engaged in by the Rotary Club, using this material to underscore the lack of validity of the separation thesis in this instance, thereby providing historical-empirical research to supplement the theoretical arguments against the separation thesis.

This article has explained why focusing on small business operators and business clubs is important for CSR scholars. These groups were—and remain—close to their key stakeholders (Jamali, Lund-Thomsen, & Jeppesen, 2015; Spence, 2014). Their business activities often have direct effects on their communities and if they wish to remain in operation, a single-minded profit focus can lead to a reduction in community and stakeholder goodwill. In the case study explored in this article, being ethical and perceived to be a responsible member of the local, national, and international community was a key method of ensuring the legitimacy of their activities (Freeman & Gilbert, 1992; Sen, 1997).

Although this is an historical case study of a single organization, the experiences of Rotary indicate that greater engagement with small business enterprises, “service” clubs, and other similar community organizations can provide a means to further illuminate the complex dynamics between business practice and ethical responsibility. What this study suggests is that the proposition that the separation thesis accurately reflects the practices of small business operators should be viewed critically. This is not to claim that all small- or medium-sized enterprises are likely to exhibit ethical credentials as the available empirical evidence on this front urges caution, particularly in developing countries (Jamali et al., 2015). Rather, it implies that much greater attention is needed with respect to the activities of smaller enterprises, as well as business associations like service clubs (Hamann, Smith, Tashman, & Marshall, 2015).

As small organizations constitute an important force in the economic system (Jamali et al., 2015; Spence, 2014), close scrutiny of their activities using

multiple case study analysis, combined with all pertinent data collection methods, is likely to enable the development of a nuanced understanding of the role of business in society (Yin, 2003). Certainly, it can help contribute to a more informed analysis of the relationship between the pursuit of private wealth and general welfare (Windsor, 2006) than is evidenced when the focus of analysis is on multinational organizations with legal obligations to provide maximum returns to their shareholders (Bakan, 2005). The implications are wider than this, however. The separation thesis is not only central to business and society scholarship, it is a view that has permeated popular culture, with business practice frequently depicted as “amoral” (Werhane & Freeman, 1999). Undermining the empirical veracity of the separation thesis through an extensive program of research that details the close connections between business practice and ethical responsibility can provide the intellectual tools to start to revise negative public perceptions.

To stimulate this process, future research should link the type of historical analysis conducted in this article with interviews with current organizational members. This would help explore how far the ethical injunctions that are articulated in business club literatures, for instance, are translated into practice, identifying where they succeed and fail. It would also permit the exploration of whether the belief systems of the owners or managers of small- or medium-sized enterprises are adopted by their staff. The Rotary Club, it must be appreciated, was constituted by owners, managers, members of professions, and senior staff within organizations. The ethical values that are explicated in this article consequently reflect those of the upper practitioner echelons. Commensurate with the arguments of Jamali et al. (2015), it is desirable that “employee voice” regarding CSR initiatives is incorporated into our understanding of small- to medium-sized organizational activities and business club practices.

Furthermore, the major service clubs—Rotary, the Lions, and Kiwanis—all adopted an international orientation. Engaging with their histories and current practices thus provides a response to the calls for research on CSR activities in developing countries (Jamali et al., 2015). It would also refine our knowledge of the extent to which these social responsibility activities are welcomed when they are exported beyond the national stage. The experiences of the Rotary Club were largely positive, but it should not be assumed that business commitments to socially oriented endeavors will necessarily be appreciated in all contexts.

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## Notes

1. The Club strove to promote itself through various mediums, distributing its own magazine, *The Rotarian*, and even hiring a public relations agency at one point (Brownlow et al., 1934; Charles, 1993). As Bahlke (1956, p. 197) highlights, Rotarians viewed their organization as a “product” to be sold in the marketplace of ideas.
2. The production of advertising often figured in discussions of ethical reflection, as did interpersonal interaction on the sales floor (Rotary International, 1948, pp. 54-59, 62, 65). Treating people well, being honest with them about the products and services on offer, all positively affected confidence and trust, leading to repeat business and better relations all round. The reverberations of “a gesture of appreciation or an expression of willingness to serve . . . starts a chain reaction of wide influence” (Rotary International, 1948, p. 70). The approach moves from micro-level interaction on the shop floor to meso- and macro-level impacts: “Every gesture of courtesy lights a torch that is passed from hand to hand, lighting for each one, new vistas of opportunity for better human relations and better service” (Rotary International, 1948, p. 69).

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## Author Biography

**Mark Tadajewski** (PhD, University of Leicester) is professor of marketing at Durham University, United Kingdom. His research interests revolve around the history of marketing theory and thought. His research has been published in *Business History*, *European Journal of Marketing*, *Journal of Historical Research in Marketing*, *Journal of Marketing Management*, *Marketing Theory*, *Organization*, and many others.