Foreword by DEBORAH POLLACK-MILGATE,
THE PARITY PODCAST

ANDREW C. M. COOPER

THE ETHICAL IMPERATIVE

LEADING *with* CONSCIENCE TO SHAPE THE FUTURE OF BUSINESS

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To my mother, Beatrice Devean Cooper. You are my guiding light and the embodiment of leadership in its purest form.

And to the late Dinisa Folmar and Wilhelmina Nesbitt. Never forgotten.

Contents

Foreword

It is fitting that *The Ethical Imperative* begins by describing a conflagration, a burning house in which a family member dies. The burning house was a predictable consequence of years of neglect. One might say we find ourselves today in the moment just before the house catches fire. If we do not act at once, there will be demise. The conflagration is predictable. One might argue convincingly that portions of our house are already smoldering.

Yet Andy Cooper comes from a place of hope. While this hope may be naïve, my urgent wish is that it is not. We only know one thing for certain: the need for hope is profound. Andy's *Ethical Imperative* cannot guarantee success, but we know without the strategic vision he offers, we are stuck biding our time. Living in the moment, we are hopeful only that the next disaster—COVID, wildfires, gun violence—at least leaves our immediate family and friends unharmed. The instability and constant worry encourage us to retreat to our corners and hoard our resources for ourselves.

A corporation may choose to do the same, and lawfully so. We are stuck urging, but not compelling a company to care about community interests. Andy notes that a corporation's relentless pursuit of profits at the expense of the greater good may result in it collapsing in on itself. I couldn't agree more. The wish to avoid collapse may be what we need.

Thankfully, Andy also understands nuance. While Bernie Sanders rails on about "corporate greed," Andy knows that the picture is more complex. Corporations do not have one essence, and they are, importantly, made up of human beings. Andy reminds us of the enormous treasures that are today's companies, and he knows that chastising companies into submission isn't productive.

Andy's approach is pragmatic, especially in the context of these United States. We may wish to solve our problems at the government level—one would have

hoped that better building codes would have saved his cousin—and yet our anti-government strain runs deep and gets in the way of our ability to solve problems quickly. It is fitting that Andy would look to an entrepreneurial, corporate-led effort. It is not clear companies will take up this challenge, but we have seen increasing efforts.

Andy offers a path for those who are ready to act. The strength in his approach is its focus on both the corporate institution and the human beings that make up the institution. *Growing relational assets* is groundbreaking in its recognition that relational growth must be nurtured throughout the corporate institution and its lifecycle. The path does not end at promotion. *Human capital investment* is necessary to maximize corporate value. Employees are invested in their companies when they are themselves valued and challenged to grow and contribute according to their unique talents. Importantly, nurturing relationships and freeing up employees to contribute to the institution does not overlook *Strengthening on a program*, which ensures that feedback is routine and built into all levels of the organization. *Corporate dynamism* may be Andy's most significant contribution yet because "malleability" in a world where the challenges appear different every day is critical.

Lastly, as an IP attorney myself, I hold in my heart a special affinity for *Brand Integrity*. To me, a company's identity as an organization must permeate at every level within, to stream outward to consumers. It's the glue of the organization that keeps everyone moving toward a common goal. The *Ethical Imperative* is well-advised to be cognizant of the power of this glue.

I have known Andy for more than a few years now, and know him to be engaged, thoughtful, hopeful, forward-looking, and never at rest. I share his confidence in Gen X, Millennials, and Gen Z. Thank you, Andy, for giving us a much-needed framework just when we need it.

—Deborah Pollack-Milgate
The Parity Podcast

"...America has lost the moral vision she may have had, and I'm afraid that even as we integrate, we are walking into a place that does not understand that this nation needs to be deeply concerned with the plight of the poor and disenfranchised . . . I fear I am integrating my people into a burning house."

– Martin Luther King Jr., *a conversation with Harry Belafonte*

Introduction: The Conflagration

The structure, they say, went up like a match. It had been grandfathered through generations of building codes, and on February 9, 2021, at 4:30 a.m., it became a mushroom cloud above the small neighborhood of Sandhill in Walterboro, South Carolina. The smoke coming from the 100 block of Ann Court could be seen for miles.[1]

Its occupant was nowhere to be found.

The Colleton County fire department later discovered that my cousin Meme was inside. Her government name was Wilhelmina Young Nesbitt.[2] Meme had naturally long and silken black hair that hung low down her back. Her piercing hazel eyes were deep and inviting, and her cheekbones were raised and proud such that she appeared to be smiling even when she was not. But from what I can remember, she was almost always sad.

At only 53 years old, Meme became the first fire fatality of the year in the small town of Walterboro—population 5,400. Perhaps it was failing infrastructure. They say the roof of the home, an ugly umber color that stood out from its neighbors, had already collapsed in the rear of the building before the firefighters arrived. Or, perhaps, it was something else.

Officially, the death was an accident, but the truth is that Meme died from a maelstrom of failures. The community she grew up in, my community, offered few opportunities for her. Few jobs with health benefits, poor mental health services, and a virtually nonexistent state social safety net that created a void that nearby relatives could not fill.

When I was a boy, Meme came to church dressed from head to toe in black. In our small, Free Will Baptist Church, her attire was somewhat unusual for a "regular" service. There, in my grandfather's church, she veiled herself, walked to the pulpit, and kneeled in front of the congregation while chanting gibberish just as Pastor Gregory Clayton (also my cousin) reached a crescendo in his preaching. My father, Reverend A. L. Cooper, who then went by his initials to avoid confusion with me, sat on the rostrum with other clergy offering a searing gaze of concern.

Pastor Clayton stopped cold in the middle of his sermon. I can't remember the topic, but I was about nine years old then, and probably wasn't listening anyway. What subsequently ensued was over an hour of direct, corporate prayer and "laying of hands" for Meme—the entire church together. One minister suggested we "cast out the demon within her." I can remember thinking, even at a young age, that the thing Meme actually needed in addition to prayer was serious mental health intervention, the kind that was not available in Walterboro.

The episode, and Meme's untimely demise, is emblematic of systemic failure. She came from a poor community. Local services were inadequate and even her home buckled under the neglect of resources. She and I were both products of the same, undervalued social construct. We were America's working poor and therefore unseen. But, as Michael Caine's character says in the movie *The Dark Knight Rises*, "Sometimes the pit sends something back." Unlike Meme, I made it out. And, three decades later it occurred to me that, in the panoply of preventable deaths, I have a real opportunity to save people like Meme.

Since the day I left my family's single-wide trailer on Viola Court, I could not stop thinking about my reasons for leaving. All that I loved was in Walterboro, but all that I needed was not. So, I left for Washington DC; then to Atlanta, Georgia; then to Kansas City, Missouri; and on to Louisville, Kentucky—each place yielding a credential and a host of life lessons. But Walterboro was never far from my thoughts. At 32, I became the youngest general counsel of an American airline, and subsequently a senior lawyer for the world's largest social media company. Each turn focused my heart on the important role corporations can, and do, play in our daily lives.

In 2018, when I joined the corporate leadership team of United Parcel Service Airlines, I had no clue that pandemic, social unrest, and even political turmoil would be immense challenges to navigate during my tenure. But there, in the thick Kentucky bluegrass—through lockdowns, social anxiety stoked by the killing of Breonna Taylor, and political unrest emanating from Washington DC—I cut my teeth on leadership. First, I had no employees to supervise, then

I had three, then eight, then 30, and then I joined a leadership team of 20,000. And each day I saw a little bit of Wilhelmina in each of my employees. Some worked mightily to make ends meet, others to get an education or health coverage, and still others to secure a promotion to buy a modest home and achieve the proverbial American dream. Each relied on the possibility borne out of work, and it was my job to lead *for* them.

America's Millennial generation, my generation, are often maligned as entitled and whiny, but in 2020 we became the largest generation in the U.S. workforce, and I believe we have an urgent message for America's corporate leaders. The message is clear to me because I have been on the messaging apps, received the direct messages on social media, and engaged on a consistent basis with my contemporaries, many of whom are inclined to burn down the edifice of America's free enterprise system as swiftly as Meme's house. If we want to preserve the very best of American enterprise, then corporate America must become better, and soon.

There is no shortage of critics who would prefer to see the enormous wealth of private firms diminished. To be sure, they point to valid examples of greed and excess. But they overlook the enormous social good and social mobility enabled by enterprise. I have a front-row seat to the good companies *can* do, if only they will. For example, during the 2019–2021 COVID-19 pandemic, I worked with thousands of UPS workers around the globe to deliver over 1 billion vaccines during the unprecedented global health crisis.[3] It was a feat no government could accomplish alone. More catastrophes like COVID are on the horizon as climate change, natural habitat destruction, and ecological disasters present challenges that only large and competent organizations will have the capacity to solve.

On July 19, 2022, the United Kingdom recorded a temperature of 40.3°C (104.5°F). At the time, it was the highest ever recorded temperature in UK history.[4] But it was foretold. Five years earlier, the International Monetary Fund urgently reported that domestic policies alone cannot fully insulate countries from the consequences of climate change. "Higher temperatures," the IMF stated, "will push the biophysical limits of ecosystems, potentially triggering more frequent natural disasters, fueling migration pressures and conflict risk."[5] Today, western governments appear impotent, and the "hope and change" of the fleeting Obama years have lost their luster, leaving young people to turn to extreme economic ideas. This is the environment in which I assumed corporate leadership, and the need to level up could not be clearer.

Millennials, like me, have come of age in a conflagration of crises—not unlike Meme. In this environment, profits and positive earnings raise more questions about how results were achieved, rather than the results themselves.

Organizations that navigate what authors William Strauss and Neil Howe call the next generational "turning" will either have a thriving business or go up in flames like 100 Ann Court. It is an existential challenge, and the solutions require a new breed of leader willing to look *inside* the besieged homes of consumers to see, as Jack Swigert famously said on the *Apollo 13* mission, "Houston we have a problem." Today, we need corporate leaders to make decisions with greater appreciation of impact, and I need you to be one of them—a conscientious leader who appreciates the human element in a total cost equation.

When I was younger, my father and I were on a long drive together. We were leaving our home in coastal South Carolina, to a town in the interior; one of those places where there was only one church and a gas station. We would often get into philosophical debates on the road.

My dad was a cynic. He contended that young people would end up just like the generations before them. Millennials, in his view, would not change much about the world. Of course, I couldn't let that go. An acolyte of Gene Roddenberry's work (the maker of *Star Trek*), I was programmed from a young age to be hopeful.

I responded with visceral anger that Millennials would change all of the things that were wrong with the world: racism, hate, inequality. My dad just smiled at me and shook his head disapprovingly. "You'll see," he said. "You'll be just like all the other generations before you. Just keep living."

Time will tell who is right—my dad or me. Or, perhaps, neither of us is right. A split decision is a possible outcome as well. Still, the weight of this question hangs over the entirety of society as we approach a generational junction. The direction we turn will have major implications for America's corporations and free enterprise as we know it.

In the American economy, the start of the twenty-first century can be characterized as a time of rising inequality, where those living in the Walterboros of the world struggle to maintain their financial footing. Social mobility is giving way to a permanent underclass. Corporate leaders seemingly abandon any pretense of responsibility to society in favor of shareholder value at any cost. This has led to a series of corporate scandals and an accelerating decline in public trust. Change is urgently needed, but it will only come about if corporate leaders are willing to, as Millennials say, level up.

The remainder of the twenty-first century will be critical for the future of capitalism in America as generational divides widen over the appropriate role of corporations in society, and government's oversight of them. It remains to be seen whether corporate leaders are up to the challenge.

Something must change but this much is clear: the answer does not lie in abandoning our free enterprise system, but rather improving it so that all members of society have an opportunity to benefit. This will require corporate leaders to listen to the concerns of younger generations and implement solutions that help our businesses improve in the face of rapid generational and social change. If you want your business to thrive through this tumultuous period of change, then this book is for you. The preservation of capitalism depends on mitigating the outcomes that have left small towns and rural communities reeling from underinvestment, lack of education, and poor job opportunities. This whirlwind of issues seeds many untenable social outcomes like isolation, resentment, and depression that have huge implications for domestic tranquility, health, labor movements, and population growth.

This book continues a 20-year conversation with my father. It is also written for those, like him, who I've met in corporate leadership through the years and who understandably have genuine skepticism about the imminent and fundamental change upon our society, and the dangers that it could pose if we do not respond appropriately to the challenges. Like Meme, there were breadcrumbs along the path of life that signaled a need for help, but few listened, and the result was tragic.

So, I have two objectives for this book. First, to influence new generations to view business as a transformative force for positive change rather than an immovable obstruction to progress. And, second, to influence business leaders to think conscientiously about a corporation's role in local communities and our broader society.

The book is divided into three parts. The first part, Chapters 1–3, explores the conditions fueling a sociological fire spreading across American society, and the urgent need for corporate leaders to respond. Part II, Chapters 4–9, outlines who the conscientious executive is, and what qualities will be needed to address the challenges detailed in Part I. Finally, Part III, Chapters 10–15, discusses five crucial moves for a leader to level up, and how to strengthen the qualities enumerated in Part II for effectively responding to the urgency of the moment described in Part I.

The hostility felt by those shut out of the American dream is like faulty electrical wiring inside an old wooden house. But the house need not be demolished. Capitalism need not be supplanted wholesale. Free markets need not be subsumed by planned economies. With proper care and attention, investment and compromise, even old things can be made anew. This book explores ways to rewire outdated and perilous corporate behaviors and how we may reinvigorate the moral leadership that the future demands of its leaders.

PART I

The Burning House

"The world we know is gone. But keeping our humanity? That's a choice."

– Dale, *The Walking Dead*, Season 2, Episode 11

1 Forgotten Towns

A forgotten town—that's how I describe the South Carolina hamlet where I was born. It's so small I usually say Walterboro is a stone's throw from Charleston rather than pinpoint its location. Even so, it used to be a more vibrant setting in the countryside. When I drive east from my home in Atlanta, Georgia, I pass through forests, farmland, and tiny towns before reaching the outskirts of Walterboro. Then the scenery starts to deteriorate as I journey past a funeral home, an abandoned gas station, Interstate 95, a Walmart Supercenter, and many fast food restaurants to get downtown. When I finally cross the old railroad tracks, I see shuttered mills sitting in the empty industrial park, a constant reminder that all the good jobs disappeared decades ago.

It wasn't always that way, of course. No town is founded in hopes that one day it will fall into a state of decay and disrepair. Originally known as Walterborough, my hometown sprang up in 1783 as a summer retreat for White farmers trying to put considerable distance between themselves and the threat of malaria that was racing through the countryside unchecked. Like most of the American South, it became better known once a county courthouse was constructed in 1820, a landmark that stands to this very day in Colleton County. The local courthouse still attracts the occasional visitor to town, most recently because of the trial of disgraced attorney Alex Murdaugh, convicted in March 2023 of murdering his wife and son. Netflix made a docuseries about the Murdaugh murders. But the three-part limited series only mentioned the town in passing; alas, that's the kind of place it is.

When the Civil War ended and emancipation came to the South, the Black community built its own traditions and establishments in Walterboro. I was

born in one of those predominantly black communities at what was then a regional hospital (now essentially a limited-service clinic).

Workers moved to Walterboro when a railroad brought industry to the town. My grandfather Harvell was one of them. He and my grandmother Viola gained title to a small patch of unwanted land next to the railroad and built a wood-framed house that would later anchor the neighborhood called Sandhill, a reference to the unpaved sand and dirt easements peppering the hilly area. There they raised six children, including my mother, Beatrice, who attended the same schools during integration that I would later attend some 30 years later. Harvell built a church on a small plot and gave the church the land as an offering, and he then divided the rest amongst his children—each of whom would have two to four children of their own. My mother, Harvell's middle daughter, placed a single-wide trailer on her parcel in front of Harvell's house, and that is where I came to know life, in the shadows of a church steeple and my grandmother's front porch.

Walterboro's most notable addition to the twentieth century was the airstrip built in the 1930s that made the town home to the Walterboro Army Airfield, one of a vast network of army air training facilities during World War II.

Even the big city feel came to Walterboro for a time when Interstate 95 was built through the town in the 1960s, making it a resting place for those living on the East Coast in big cities like New York, Philadelphia, and Washington DC headed to Florida and back up again.

To be sure, Walterboro is not forgotten by those of us who love the people and the place. But for corporate America, my hometown offers few incentives for investment beyond fast food for interstate travelers. To really thrive, in most cases you must leave—and so I did. I aspired to have more.

Many towns like Walterboro dot the landscape of the Deep South: Yemassee, St. George, Cottageville, Smoaks, Ehrhardt—towns seemingly forgotten. But for a poor boy like me, growing up between the Spanish moss and sweetgum trees of the low country, the existence of these places was both an inconvenient truth and an invaluable reality.

The railways that ran through town in the early 1900s served the corporate interests of Rockland Bleach and Dye Works, as well as other construction, lumber, and turpentine businesses. Because these industries needed manual laborers, working class folks of all races were able to find some work in Walterboro for a time. Grandpa Harvell spent some time dipping turpentine, which ultimately helped him buy a few acres of land near the railroad. It wasn't the best land. The harsh sand and poor earth made better sandbags than turnips. And the presence of pollution from nearby factories made the surrounding area prime real estate for dumping waste of all kinds.

In addition, the existence of the railway meant the ever-present potential of disaster—a fact that became all too real for the people of East Palestine, Ohio, on February 3, 2023, which saw one of the worst train derailment disasters in U.S. history. East Palestine, population 4,700, is another Walterboro. A place so often forgotten and frequently home to the poorest Americans. But, despite the risk of disaster, the exploitative use of the area by corporate interests, and marginally good earth, it was still home. It was what we could afford to call home.

In many ways, an early alignment of corporate interests was integral to my family story. The capital from the rail industry led to a meaningful opportunity for a poor family to acquire a homestead, though by the time I was born in the 1980s, Rockland and subsequent businesses had faltered, their discarded industrial complexes and mills arrayed the main arteries of Walterboro like dinosaur bones jutting from the sand.

My cousins and I would run up and down the now long-abandoned rails, playing and laughing as we tried not to fall. But as an adult, I saw them as a testament to how the capital project's failure had sapped Walterboro's economic development, making it even more improbable for White and Black families alike to climb out of poverty.

As a corporate lawyer who has worked in and for some of the world's largest companies and law firms, I am captivated by the coexisting life and death of Walterboro's economy, having seen this story repeated in towns and cities across the nation. Corporate success fosters a mosaic of prosperity across the towns it touches, while its failure leaves a concomitant trail of dying communities. Walterboro is an exemplar of this unbroken story that plays on repeat across the decades of American history.

In some ways, the Walterboro railroad could be analogized to the Tennessee Gas Pipeline, a massive project that started in 1943. The project was a set of natural gas pipelines that ran through Texas, Louisiana, Arkansas, Mississippi, Alabama, Tennessee, Kentucky, Ohio, and Pennsylvania, and all the way to New England, New York, New Jersey, and even West Virginia.

The biggest sections of the pipeline couldn't go through the big cities because they had too much sewage and subway infrastructure below ground. So, the backwoods towns played host to these massive industrial efforts. For brief periods of time, those little boroughs became boomtowns full of men needing places to live, food to eat, clothes, entertainment, company, everything that a small traveling army requires. Depending on the work conditions and the weather, sometimes workers would stay for six weeks, other times for half a year, but the boom always ended, and they moved on to the next staging point,