

Peter Drucker

The first management guru

THE FUTURE > The Corporations Is In Decline

The corporation is, has been on the decline the last 30 years. Steady decline. Pick just one figure. In the Eisenhower years, not quite 50 years ago, business and especially big business, employed a full third of the American labour force.

Today it's about 8% to 9% and going down. Ten years hence you can see a huge global corporation which employs nobody—except 50 people in the head office. Everything else is outsourced. We are getting there very fast. And the job then would become far less running things as writing the score. Strategy.

SOCIAL RESPONSIBILITY > Fire All Socially Responsible Executives

Every executive, everybody has to believe that his or her specific performance area is the most important one or he or she won't do a good job. And everyone but, yes, here, if you have a business executive who really wants to take on social responsibilities, get rid of him fast. He doesn't have the right sense of priorities and will do a poor job running the business.

HISTORY > IBM: Watson Acted Morally

Mr. Black simply does not understand the 30s. Mr. Watson acted on orders from his President Roosevelt. So did all American companies. The policy was to appease. And Watson himself was - I don't know.

But GM's Opel was equally at the service of the Third Reich and Ford's Cologne plant and everybody else. And in the first place they had no choice under Hitler. You didn't control your company. If you were the manager of, take Coca Cola Germany, and you didn't do what your orders you got from government, you were in a concentration camp. And very fast.

... It was American policy 'til the war actually broke out, not to provoke the Germans. But to appease. We were committed to neutrality with an enormous isolationist pressure on the administration and nobody was more isolationist than the man who was in charge of international economic affairs in the State Department and Assistant Secretary of State. His name was Messerschmidt. I knew him well. Who had orders from Roosevelt directly. Our Secretary of State Cordell Hull was much less - but Roosevelt had strict orders to Messerschmidt. I

discussed it with Messerschmidt many times. To make sure that no American company would provoke the Nazis.

There's no moral problem once you are at war. You have no control. What do you mean? But Watson could have given orders after the war had broken out to a German subsidiary? Don't be... Are you crazy? The German subsidiary, the shares, they are put into a special deposit. The commissar for foreign property was the boss. And if Watson had tried to be in touch with them he would have been in jail in this country for treason.

It would have been grossly immoral for Watson to make his own foreign policy against his, illegal for an American citizen. The foreign policy of the US was to appease Hitler and this was the order. Roosevelt didn't suggest to Mr. Watson to appease Hitler. He ordered him. It is your duty. Oh, no. Nothing immoral. The policy of the government may have been the wrong policy. I thought so and said so.