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Shallow Success and Deep Failure

In our modern society, we tend to favor and celebrate short-term success, pseudo-solutions and window-dressing activities at the peril of ignoring long-term consequences. An obsessive hunt for short-term gains, often concretized as profit, produces detrimental effects for all life conditions in the long run. In the functioning of today's corporations, and in whole societies as well, we find many activities that result in grave failures rather than the creation of real solutions to pressing problems.

1. The Problem

“A Pyrrhus victory” is a nice metaphor for a seeming success that, all things considered, finally costs too much. The term can be traced back to King Pyrrhus, who won a battle against the Romans in 279 B.C., but the victory was too expensive. It would have been better for the King and his army to avoid that battle. During our modern history we find too many similar examples, and one recurring question is how to avoid painful and destructive failures. Can we under certain conditions be better able to know in advance what to do and what to avoid and restrain, and thereby not waste resources or harm man and nature? There are many examples of the strong forces in organizations that work in the direction of treating symptoms rather than underlying problems (Cyert and March 1963). One interesting concept formulated by Zappfe (1996) is the distinction between a real-solution and a surrogate-solution. It is typical to run away from problems (and responsibility) and stick to a surrogate or pseudo solution.

The terms “shallow” and “deep” as used here demonstrate the inspiration we received from Arne Naess and his work on Ecosophy. By shallow, Naess means a reformist

approach to the relationship between man and nature. The shallow approach represents a conventional anthropocentric perspective in which the central idea is to secure the health and affluence of people. In contrast, the deep approach favors a relational, total field image, looking at organisms as knots in intrinsic relation.

In his opus magnum “On the tragic” (in Norwegian, 1996), Zappfe discusses the concerns of the individual entities and a scale of abilities. Concerned individuals (sentient beings) attempt to realize their potential by using their abilities. The abilities may be inadequate (deficiency) or adequate (sufficiency). An interesting issue arises when there is a surplus of ability related to the demands of the situation. Such a surplus of abilities may have destructive consequences. Zappfe cites an example of this in the case of a huge red deer (*megaceros euryceros*) with antlers that grew excessively from generation to generation through natural selection. The huge antlers were at first an important means for the deer’s survival because they could be used for protection against other animals. But eventually, the antlers hooked into bushes and trees and became a heavy burden to carry. The antlers gradually became disproportionate to the deer’s body. The *strength* became *transformed* into a serious *weakness*. The long-term effect was that this species finally became extinct because of one-sided growth along only one dimension.

This case captures the essence of the tragedy of imbalance of abilities. Deer do not have a choice, but people do.

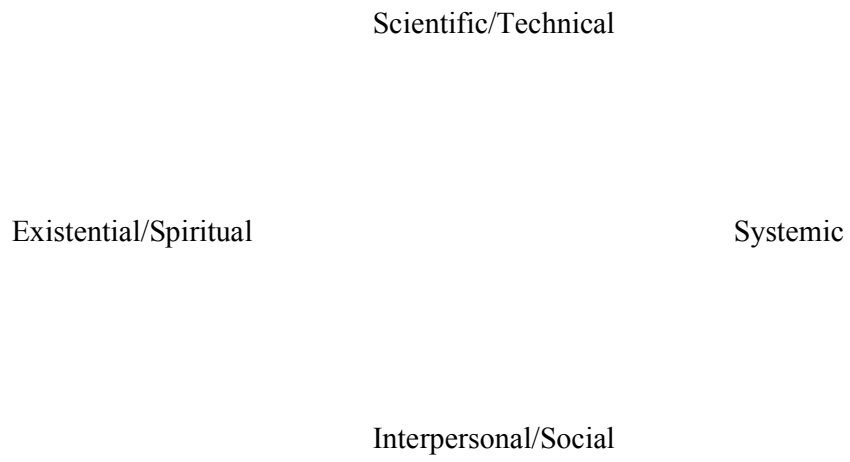
2. The Fallacy of Misplaced Techno-Centrism

The choice of interpretation determines how we respond to a certain event, and a deeper awareness of and competence in interpreting events, formulating problems and implementing solutions are essential. A theoretical framework by Mitroff (1998) illustrates a systematic way of looking at different kinds of problems and the consequences it has on which solutions we prefer. Mitroff’s framework will be used as a point of departure in order to arrive at different solutions to important problems. The logic behind the framework is that although generating knowledge to reach a deeper understanding is a detour, an indirect way to action, deeper insight is essential in finding appropriate solutions for urgent problems.

One fascinating concept used by Mitroff (1998) is the so-called E3 (Type III error) that relates to the problem-formulation process. E3 means *solving the wrong problem precisely*. We need critical thinking to solve the right problem. Even an approximate solution to the right problem is better than an elegant solution to the wrong one. Mitroff asks us to scrutinize the assumptions we hold about the stakeholders, and the importance of picking the right stakeholders, which generally means expanding the set of stakeholders. To manage the important problems in a fruitful way, system thinking is indispensable to avoiding E3.

Mitroff (1998, p 59) distinguishes among four perspectives one may take on any problem. The perspectives are scientific/technical, interpersonal/social, existential/spiritual and systemic (see Figure 1).

Figure 1 **Four perspectives on any problem**



(Mitroff 1998)

The scientific, technical way of thinking is the dominant perspective in our Western culture, which favors technical or economic solutions. This may easily lead to the so-called “*pig principle*”: one-dimensional growth that in the long run will change and pervert the quality of the dimension. The more, the bigger, and the faster—the better it is. This is a profound assumption. This is frequently a serious fallacy, because usually we do not need more of the same, but more of the right things.

We need a blend of efficiency and effectiveness. One example of connecting a technical solution to an existential problem is to see uncertainty in the organization as a bureaucratic problem efficiently solved with more rules. This is a quick and easy solution, which may cause serious dysfunctional effects in the situation because it may stifle ethical reflection and contribute to a reification of rules. Such rules might also create distance among individuals when proximity would have been the better choice. Only under conditions of proximity, and when encountering the other’s face, might the moral competencies of empathy and compassion develop as moral impulses capable of discerning what is good or evil (Bauman 1993).

The Mitroff framework is illustrated through examples inspired by Beck’s interesting work on “Risk Society” (1986). We may view the careless use of pesticides in the West, and in particular in the Third World, as a technical solution to a non-technical problem. We call this the *fallacy of misplaced techno-centrism*. The crops and associated profits were expected to increase by use of new toxic chemicals that killed the plants’ enemies. So the solution was to use DDT and other chemicals to increase the harvest. In the short run this was an obvious and tangible success, because the artificial fertilizers and chemicals increased the yields per hectare.

In the long run, powerful and latent side effects became visible. The fertility of the soil declined, many plant and animal species disappeared, and the lead content in the milk of nursing mothers increased. These secondary effects undermined the natural basis of agricultural production and created an ecological crisis. The secondary effects struck back like a boomerang. The pesticides used in the Third World returned to the industrialized countries in the imported fruit, tea leaves and cocoa beans. The lesson

to be learned was that the problem of unsatisfactory crop yields cannot be solved by artificial, technical means.

The problem might be better defined as a systemic one, with important second- and third-order effects. Some of the pesticides may produce irreversible threats to the life of plants, animals and human beings. It is better to think of the use of pesticides in a systemic way. They intervene in an ecological system in which everything is interdependent. This perspective encourages us to be much more reflective and cautious with the use of new and artificial materials that in the long run may endanger all life and civilization. As Naess suggests, “If we hurt nature, we hurt ourselves”—because nature and man are one - a unity. In this sense the use of pesticides, while having a systemic character, also has an existential effect on peoples’ lives. It might even threaten the existence of all life on earth.

Although pollution is one of the primary outcomes of advanced chemical plants, these hazardous industries have even more serious effects on the social conditions of people. Beck (1986) maintains that pollution has a democratic effect, because it affects everybody, even the polluter, in the form of a boomerang effect. But the hazardous effects do not affect the perpetrator and the victims equally. It is a known fact that the poor have a “systematic attraction” to extreme risk. Unemployed people, the poorest of the poor, settle close to the smokestacks of the chemical factories in the industrialized centers of the Third World. Poor people have a higher acceptance rate of extreme risk. Who were living close to Bhopal in India when the Union Carbide plant had a catastrophic outburst of toxic gas? The poor were. In a social perspective, poor people are leaving their local communities and their children to make money where they can. They move to the cities that gradually develop around chemical plants, which initially were localized far from established cities because of their risk potential. “People are living too close to the plant We built [it] in 1968 and no people were here. Now the people come closer and closer and we are bothered about this. The waste air made some people sick....” (Weir 1987). The social and existential conditions for the poor migrants living too close to the chemical plants of transnational corporations are often miserable.

If the problem of unsatisfied employees is defined as a technical problem, paying higher salaries might solve it. The underlying assumption here is that the most important incentives for man are external, and money is the primary motivational factor. This assumption corresponds well with the view of man as an empty shell equipped with rational preferences. There are, however, several examples demonstrating that the use of monetary incentives can press out (crowding-out effect) intrinsic motivation and lead to reduced activity (hidden cost of reward [Frey 1997]).

The Danish philosopher Knud Løgstrup is heavily inspired by Kierkegaard but strongly argues against some of his writings. Løgstrup cites the phenomenological conditions of man as consisting of compassion, trust, love (in the meaning of eros), the propensity for speech to openness and, finally, fidelity (1971). According to Løgstrup, we, as human beings, are in a profound sense interdependent. This implies that in any relationship we are vulnerable, due to the exertions of the other's power. Løgstrup writes that we put ourselves into the hands and power of other persons, and in any life encounter the self is confirmed, increased or reduced. Any encounter has effects on our self-image and our self-respect. Thus, our selves are always vulnerable to others. According to Løgstrup, trust is the way of living with anxiety.

Sartre focuses on the other's gaze, and he illustrates in a dramatic manner that a person is not an object but a relation. One of his main postulates is that any human is free, because in every moment we can step back (*se recule*) and reflect upon ourselves, and as a result we are able to transcend ourselves. Freedom implies responsibility, even if most people, according to Sartre, try to avoid freedom as well as responsibility. Emmanuel Levinas (1985, see also Kemp 1992) assumes a non-symmetrical responsibility for the *Other*. This asymmetric relationship belongs to the basic constitutions of the responsible subject. Levinas postulates that a person has a responsible relationship toward all human beings; the self of a person is born out of a union with other persons, stretching itself towards the other - living *for* the other, not only with the other.

Arne Naess (1989) develops the concept of self further. He assumes an ontology that implies that human beings are one with all nature, and that self-realization cannot be attained without taking a much deeper and broader perspective. Through

identification with others, you arrive at self-realizing consciousness, and your own self-realization depends on whether other beings have attained self-realization. As a consequence, non-violence as a general principle becomes essential. Naess' deep ecology is highly inspired by Buddhism, wherein the self does not have absolute boundaries. Everything has a living, flowing connection with everything else and there are no isolated entities. To ignore our dependency on our close partnerships with other forms of life has contributed to the creation of a master-slave role, which leads to the alienation of man from himself (Rothenberg 1989).

According to Zappfe (1996 p 43), abilities involve under certain conditions an inclination to manifestation, converting the capabilities into action. The abilities may be inadequate (deficiency) or adequate (sufficiency). An interesting case arises when there is a surplus of ability in relation to the demands of the situation, as indicated by the example of the giant antlers of the aforementioned, now-extinct deer. Human capabilities might also be detrimental to life in their maximal manifestation. Surplus in technical efficiency (material culture) is one example. The problem may arise when all material needs are satisfied, but the production of means does not stop. The capabilities get out of control and the tools - the means - become predominant. It is no longer the need that cries for the appropriate means, but the means that cry for a need. The supply exceeds the demand. The means become the goals and shadow for the purpose for which they should be used. We may with Zappfe say that technical insight and competence is exploited for a destructive purpose.

It is an existential fact that we have to live and choose within a world in which we do not know the consequences of our actions. Because our mega-technological means have become so powerful, we have to stop and reflect upon the situation of the Earth (Jonas 1984). Technology is double-faced and can lead to either good or evil. And even its good consequences have the potential of becoming perverted due to excessive growth along one or a few dimensions. "Thus moral responsibility demands that we take into consideration the welfare of those who, without being consulted, will later be affected by what we are doing now. Without our choosing it, responsibility becomes our lot due to the sheer extent of the power we exercise daily...." (Jonas 1996 p. 99). Even with the best intentions, we may face long-term effects that are

detrimental for future generations and all life on Earth. We need to be aware of this new magnitude of responsibility that we bear.

We need scientific and technological knowledge, but we also need a better understanding of the existential conditions of human beings to avoid the fallacy of defining most problems as technical/economical/scientific and solving them in purely technical ways. We should gain a better understanding of self-realization and what self-realization means in the perspective of deep ecology and sustainability.

3 Toward Real Solutions

Here we summarize the main themes and messages of the book, showing what deep ecology and Buddhist economics can offer for solving the most pressing problems of business, economic and social life in our contemporary world.

Self-realization

Arne Naess points out that *self-realization* is the realization of the deeper and broader self. It is identification with or seeing something of yourself in others. Your feelings are somehow adapted to those you identify with. This identification can extend to your friends, your neighbors and your country. It can even extend to the whole of humanity. You can also identify yourself with animals, plants and other natural elements. Through identification with others you find self-realization.

Self-digging means not developing the depth and broadness of the self and instead “digging” down to ego-fulfillment, as opposed to actualizing oneself through self-realization. You develop a cult of your own self-seeking. You have a reputation, a social image that enhances the feeling that you are somebody who does not need anybody else. Ultimately, you cut off identification with others to such an extent that you are left alone.

Diversity in every aspect of our existence should be a norm, whether it be biodiversity, cultural diversity or economic diversity. Diversity of ideas is also important. If we were to think that there is only one correct idea, one absolute truth,

one right way to sustainability, then we might end up creating a form of eco-fascism. It is only through multiplicity, plurality, diversity and inclusivity that we can find self-realization. There is no one final definition of self-realization. We all find our own meaning in this word. It is through practice that we find realization. Just as we all have our own bodies, we all have our own "realization."

Nel Hoftstra and *Aloy Soppe* note that deep ecologists go further than the more pragmatic environmental reformers and revisionists, who stress conservation and efficient use of resources and promote a more effective use of nature. They criticize the theoretical assumptions of modern economics and meet the weaknesses and contradictions in the "dominant social paradigm" of capitalism. Deep ecology can only exist if people act according to nature rather than making nature subordinate to human beings.

A *life according to nature* implies several directives: (i) to discern and respect "reason" in all things and life (system-thinking), (ii) to discern and respect "law" in all things and life (cyclical thinking), and (iii) to discern and respect the "divine" in all things and life (soul and humility).

Richard Welford stresses that there are many intrinsically valuable aspects of our lives that could be developed: love and appreciation of nature for its own sake, appreciation of aesthetics, honesty and integrity, self-respect and respect for others, humility, generosity, understanding and knowledge. An emphasis on economic growth and materialism has often led to little space for the development of these aspects of human existence.

We must recognize that self-esteem should come from who we are inside. Not external factors, but factors within our selves provide meaning, security, value and self-worth. None of this can be based on the human ego, only developed through a process of humility and inner development.

Greed

Welford states that the *ecological crisis* in which we find ourselves is a manifestation of a mindset that fails to recognize interconnectedness and complexity. Human beings, through their materialism, consumption and greed, are directly responsible for most of the unsustainable practices that we see. If there is to be a real move toward sustainable development, it will not be enough to rely on businesses, governments and other institutions. Change will have to occur within people and especially within those of us who live in the West.

In Western economies, people seem to believe that the pursuit of *money* and *material possessions* is the path toward greater happiness, satisfaction and contentment. But in many cases, no matter how wealthy people become or how high their standard of living, they often die without realizing contentment. Indeed, the greedier we become, the less likely we are to find happiness and contentment.

Nel Hofstra and *Aloy Soppe* note that in our contemporary world, the primary function of money and capital (i.e., its role as unit of account and unit of exchange) threatens to become subordinate to the *creation of financial wealth as a goal in itself*. A high interest rate increases pressure for economic growth in order to make the direct investment profitable. This accelerates pressure on future environmental resources and employee performance. A greedy and sometimes “violent” approach to future growth generates uncontrolled expectations and volatility of market prices.

Economism

Ove Jacobsen and *Stig Ingebrigsten* point out that throughout the last few decades, an increasing number of societal sectors have been subjected to privatization and the market economy in the quest to reach goals connected to economic efficiency. This trend is characterized as “economism.” *Economism* means that the economic value system plays a dominating role in society, ignoring or reducing other values.

The economic invasion of the life-world not only leads to an impairment of culture but also undermines creativity and thrust, two important pillars of the market economy. When economics invades culture, instrumental rationality replaces communicative rationality, functionality represses intentionality, atomistic

competition destroys integrated cooperation, consumption becomes more important than cultivation, and utility-converted-to-a-monetary-scale replaces value pluralism.

Zsolt Boda refers to *Karl Polanyi*, who, in his seminal work *The Great Transformation*, argues that the market economy requires a market society, where social interactions and activities such as labor and human relations, the cultivation of land, the management of natural resources, and even the evolution of culture, are coordinated by the logic of the market. Polanyi argues that the social and environmental consequences of this process are dramatic, because a single logic rules over all others.

Economic theory

John Gowdy points out that at the core of traditional economic theory is a concept of human nature that is devoid of social context, mechanically rational, and driven by an insatiable appetite for material possessions. The only outlet for human creativity and self-realization is the consumption of market goods. Responding to the desires of such a creature (*Homo economicus*) in order to maximize profits is the only ethical responsibility of business.

Research in behavioral economics and game theory has already shown that the self-centered model of *Homo economicus* is a poor characterization of human behavior. The evolutionary feasibility of strong reciprocity, that is, cooperative behavior not based on reciprocal altruism, is demonstrated. Also, experimental results and case studies show that sharing is a part of “normal” human behavior.

Relational ontology

Julie Nelson notes that deep ecology and Buddhism share a thoroughly *relational ontology*. In both deep ecology and Buddhist philosophy, what really *is* are relations and processes. Things exist in a state of dependence on the relations that constitute them. The diversity and elaboration of these relations and processes has value. The intrinsic worth of relationality, and the responsiveness of humans to this worth

through gratitude, compassion, and care, form the basis for ethics which permeates the ground of being.

Modern *Western thought* is based on a *substantivist ontology*. Relations are seen as secondary - as simply the way that pre-existing “stuff” is arranged in patterns with, or bounces against, other “stuff.” Since the rise of modern science, the physical world has been conceived of as a sort of ethically neutral clockwork, driven by the “laws” of physics. Some modern thinkers try to take a thoroughly reductionistic approach, seeing all issues of ethics, aesthetics and emotions as simply the epiphenomena of indifferent processes of evolution.

The insights of relationality extend to big, human-made and materially oriented institutions such as corporations and economies. Recognition of symmetric mutuality opens our thinking to ways in which co-workers might treat one another with respect. The recognition of asymmetric mutuality further opens up the possibility of thinking about relations of respect among people with different levels of power and different roles. Not all workers in an enterprise have equal abilities in leadership, inventiveness, or finance. Enterprises can be structured in ways that take advantage of people’s different qualities of power, while still retaining a fundamental attitude of mutuality.

Buddhist view of the World

Richard Welford stresses that *Buddhist philosophy* turns the whole Western mindset upside down. In contrast to the anthropocentric worldview commonly characterized by Western culture, the Buddhist cosmology has the entire universe at its center. Human beings are humble in the totality and are just grains of sand in the vast, limitless ocean of space.

The Four Noble Truths of Buddhism address the dynamics of human suffering and give us a starting point for moving beyond the barrier of over-consumption. We can see the *Four Noble Truths* as typifying the problems in the achievement of sustainable development:

1. *Life is suffering.* This has to be comprehended. With increasing secularism and dissociation from nature and the environment, and rising levels of expectations inside and outside work, people are becoming less satisfied with life and the lifestyles they adopt.

2. *The cause of suffering is desire.* Unchecked desire has to be abandoned. Heightened levels of dissatisfaction have implications for consumerism: First, there is the erroneous perception that purchasing goods is going to make us happy, and second, because we are increasingly dissatisfied and thus unhappy or stressed, we are unable to deal with the changes needed.

3. *The cessation of suffering is the cessation of desire.* This has to be realized. By becoming aware that there is a root to the general societal malaise of avoiding environmental and social responsibilities, we know that there is a way of stopping such complacency to begin a path to sustainability.

4. *The path to the cessation of desire is practice.* To stop doing what makes us dissatisfied, we have to realize the cause of that dissatisfaction and keep trying to behave in a more sustainable manner. Buddhism shows us that this is difficult and requires ongoing commitment and practice.

Buddhism points out that even if one attains what one desires in the short run, greater desires always emerge. The *ego mindset* cannot be fulfilled and its greed for more satisfaction and recognition becomes the source of its own destruction. This becomes a source of suffering because the human spirit becomes captured by the avaricious mind.

Happiness might be seen as the ratio between wealth and desire. The capitalist system has been successful in increasing levels of wealth and thus increasing happiness to some extent. But through the epiphenomenal increase in people's desires for more, stoking up avarice and greed, capitalism has not produced great increases in happiness overall. The Buddhist approach suggests that people reduce their desires so that even the maintenance of current wealth increases happiness. As people become detached from desires, their levels of happiness will increase. This may result in a reduced

demand for consumer goods. It is an opportunity for businesses to concentrate less on providing non-essential consumer goods and more on providing essential goods and services to developing countries, introducing technologies that will remediate environmental damage and serve the poor and needy. Indeed, business will then become less exploitative and damaging and more worthwhile and productive.

Buddhist economics

Richard Welford states that Buddhism can be the source of greater individual contentment and satisfaction and that this is more consistent with protecting nature and caring for the environment. There is a need to move away from mass-consumption economies toward a more environmentally restorative one.

While Western economics emphasizes self-interest and material development, Buddhist economics stresses interconnectedness and “inner development.” It would also place an emphasis on culturally appropriate economic approaches. A Buddhist approach involves an emphasis on a much more sustainable development, where both human beings and living creatures can realize their potential, and where inner development and economic development are compatible, all in the context of a just society and healthy ecosystem.

Buddhist economics sees little problem with activities that are beneficial to oneself, to one’s business and to one’s country, but only in circumstances of *non-harmfulness* to others. Establishing mutually beneficial transactions rather than exploitative ones is important. One distinguishing feature of Buddhism is that its adherents have never engaged in a religious war. Its emphasis on *peace* and non-harm needs to be translated into modern economics. Non-harm means respecting all human beings and all other creatures and developing a sense of respect for all life.

An economics based on respect would certainly help to reverse the mounting ecological crisis. Economics should be based on notions of fair “give and take.” If we are going to take something from the environment, we must be prepared to ensure that it can be replaced in one way or another. We need to develop a *restorative economy*

where whatever damage is done to the environment is either restored or fully compensated for.

Buddhist economics is based on a concept known as the “*middle way*.” Moderation reflects the knowledge that “things” and consumption are not the root of happiness and contentment. The search for true happiness is not a material activity but a spiritual one. Reaching the goals of happiness and contentment requires that we all spend less time consuming and more time contemplating—less time following prescribed roles and more time being creative.

Traditionally, businesses have considered natural resources as freely available for their use in satisfying the desires human beings have acquired. But a Buddhist business considers the stock of natural resources as potentially available for use by all generations, and therefore that stock has to be very carefully protected and used only when necessary. When we use natural resources, we are borrowing from future generations and the cosmos and they are not legitimately available for exploitation.

Material Flow Analyses

Peter Daniels emphasizes that “material flow analysis” covers several distinctive approaches. But they are directed toward the systematic physical measurement of the magnitude and “location” of material (and energy) flows. The flows cover environmentally significant materials as they move through the socioeconomic metabolism of human geographic systems. The main assumption is that the *impact of human economic activity* is a *physical phenomenon* caused by the magnitude, concentration, dissipation, and transformation of flows of material and energy.

Material flow analysis as the systematic analysis of the physical environmental consequences of livelihood activities is a way to identify how and where the socio-economy can be transformed into a more sustainable form. It serves as an important methodology for making *eco-restructuring strategies* the best prospect for operationalizing sustainable development.

The most important link between Buddhist economics and material flow analysis is that both are predicated on reducing the metabolism of human economies. The Buddhist view calls for minimum environmental intervention and human-induced material flows and transformations. An economic system founded on this caution would be supportive of technological and consumption-related savings of material and energy, recycling of products and waste (including closed-loop, integrated production systems), and the reduced toxicity and physical flows of pollution.

Physical growth in intervention will create imbalance and ecosystem instability. Flow accounting based on metabolism reduction, and Buddhist economics, are both built on comparable natural law principles that “scientifically” prescribe minimum disruption and violence, and livelihood and consumption patterns that are in harmony and balance with the external world.

Dialogue between culture and economics

Ove Jacobsen and *Stig Ingebrigsten* stress the importance of *dialogues* based on the principles of *discursive rationality* as a tool to combine the cultural life-world with the economic system without undermining either of them.

Dialogues involving all relevant stakeholders represent a force for changing the direction of development and domesticating the undesirable effects of market forces. Meanings are created, knowledge is developed, and learning takes place in the dialogue among different stakeholders. Dialogue-based relationships among the actors might contribute to strengthening values like sympathy and empathy, and to using learning and innovation as productive forces.

In the process of coordinating the interplay among the different stakeholders, a new institutional setting is proposed-- “*the communicative arena*.” In the communicative arena, the agents concord their “strong evaluations” through processes based on communicative rationality and coordinate their economic actions to bring about common ends. Sustainable development presupposes an arena where economic and cultural agents coordinate and evaluate their different values and norms through communicative processes.

Environmental commons

Zsolt Boda argues that we need *complex institutional arrangements* for securing the *global environmental commons*. Privatizing them is not a good solution. It pretends to provide incentives for protecting the commons but just the opposite happens: it voids the concept of the commons of its inherent ethical content.

Business must acknowledge and respect the inherent value of the commons. This claim implies the following three correlative *duties*: (i) Business shall refrain from appropriating common resources. (ii) Business shall take part in the governance of the commons and contribute to effective regimes to govern and manage them. (iii) Business shall contribute financially to the maintenance of the commons.

Theory of the firm

Julie Nelson argues that limiting possible relationships to either arms-length contracts or hierarchical control rules out the idea that values, group identity, mutuality, non-hierarchical structures or ethics could play a role within and among contemporary business organizations. Yet the evidence on employee behavior suggests otherwise. Real humans do not simply leave their needs for social relations, their values, their loyalties and their creativity at the workplace door. Many managers and researchers in organizational behavior share the insight that people work better when they are supported, empowered, and allowed to draw on their own creativity than when they are consistently treated as potential shirkers who have to be brought under control.

Buddhist thinking does not prescribe replacement of for-profit businesses with systems of small-scale and cooperative enterprises as the cure for economic suffering. The ethical merit of organizations cannot be pre-judged on the basis of size alone, or by the purposes written on their articles of incorporation. Organizations must be evaluated by what they do. Small, purportedly “loving” families are too often the sites of domestic violence. Small non-profit hospitals too often exploit their own workers for the sake of keeping costs in line. Large, for-profit corporations have at times taken actions that show that they can be good workplaces and responsible

members of social and environmental communities—when given a chance and especially when encouraged in these directions by consumer, shareholder, and political activism.

Personal responsibility

Knut Ims points out that *business* as a human and existential enterprise is a *personal* and *social activity*, and it consists of webs of interpersonal relationships and widespread cooperation. Emotions are a central feature of a person's character. It is the emotions and personal values that constitute persons as extended selves and enable them to identify with a larger community. *Personal responsibility* is not reducible to social, professional or organizational roles. Its essence is to respond to different stakeholders through an authentic and active dialogue.

Ecology of Spirit

Mike Bell stresses that we should see organizations in the context of the living universe. The "Ecology of Spirit" refers to a complex set of relationships and systems, infused with an inner life-force (or Spirit), that links the land and its creatures to individuals, people, communities, organizations, and to the entire universe.

If the land is living, and we are living, then our organizations must also be living. They have unique Spirits that are linked to our culture. Our organizations can only be as healthy as our culture; and our culture can only be as healthy as our organizations. As members of organizations, we are called to represent and serve our people and to care for and nurture the Spirit of our organizations. We must find a way of realigning our primary relationships and maintaining a balance of Spirit. Our primary relationships are our relationships with these: (i) the Spirit of the land, (ii) our own inner Spirit, (iii) the Spirit of our human community: our families, relatives and the people who are closest to us, and (iv) the Spirit within our organizations and workplaces.

Ethical business

Laszlo Zsolnai states that modern business activities considerably affect the fate and survival of natural ecosystems and the life conditions of present and future generations. For this reason, business has a one-way, non-reciprocal duty to care for the beings affected by its functioning. To become truly ethical, business should be transformed into a *sustainable, pro-social* and *future-enhancing* enterprise. Doing ethical business is not a luxury of advanced societies. It is a requirement for modern-day business to survive in a world of large-scale ecological disruption and social disintegration.

About the Future

Richard Welford insists that Buddhist economics is founded on *changes* at the *individual level*, which will eventually filter through to institutional change and later impact on the activities of governments and businesses. This is promising because, rather than waiting for radical change through the democratic process, each of us can begin that change. In developing a spiritual attitude of caring and compassion we can improve our own lives, the lives of others and the planet as a whole.

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