

Business must contribute to the common good to survive scrutiny

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A call for the project to globalise business to include an equally-cherished parallel agenda to globalise justice and human rights. Capitalism must reform itself, or be reformed.

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All eyes are on the WTO (World Trade Organisation) this weekend to see how the heartland of corporate power responds to the message fired into the mecca of western capitalism on September 11th. If the shock to our global economic house of cards hasn't woken business leaders to the inherent weaknesses of an economically interdependent world, it's hard to know what will. However slowly the truth dawns, the game is up on Project Free-Trade in its present form.

The response of most mainstream economists, politicians and business people - a rousing "Let's get back to normal" and "Let's keep the economy on track" - reveals a group in meta denial, clinging to a worldview that is wholly inadequate for a planet rendered socially and environmentally unstable by global free-trade and western economic ideology.

A far more enlightened response is to allow September 11th to reverberate right throughout all of our lives and reflect deeply on our responsibilities as business people, as investors and pension-holders, as workers, as consumers and as global citizens: until we have a world that works for everyone, we'll have a world that works for no-one.

At the very least the project to globalise business needs an equally-cherished parallel agenda to globalise justice and human rights and salvage what's left of the global commons - our food supply, our water, our natural world, even our genetic inheritance - from the ravages of unfettered profiteering. Of course, if pursued as doggedly as the WTO's free-trade agenda, this would expose the fact that global trade only makes financial sense when business pockets the profits while society picks up the cost of its collateral damage.

Free-trade's advocates claim that one of its chief benefits is increased competition, with a knock-on increase in consumer choice and lower prices. But stores crammed with multiple brands and overwhelming 'choice' for the world's privileged minority (that's you and me) masks the ultimate irony of unbounded competition - a highly monopolistic marketplace.

Just five firms account for nearly 70 percent of the global market in consumer durables. Five companies account for 77 percent of the cereals market. Three companies share 83 percent of the global banana trade. And three control 85 percent of the world's tea trade. In cars, airlines, aerospace, steel, electricity and electronics, the top five firms account for more than 50 percent of the global market.

But the impact of global business is even more ominous than the concentration of our essential goods and utilities in fewer and fewer hands. The unrestricted global money-market now allows these enormous companies to become amorphous - beyond the boundaries of the nation-state, beyond the reach of government, and so beyond the reach of citizens like you and me.

When the assets of the world's 200 largest corporations are equal to twice the assets of 80 percent of humanity, all the institutions of democracy are diminished, or at risk. Critical decisions affecting our lives, our social structures and our environment are subtly transferred from elected governments to the unelected boards of transnational corporations, and citizens everywhere on the planet increasingly find that social and environmental needs play second fiddle to the priorities of business and money.

That's why doctors and nurses, car mechanics and civil servants, farmers and factory workers have been protesting at WTO, World Bank, International Monetary Fund and G8 conventions. They simply want to be heard by the crown princes of the world's new empires.

Public expectation of business is rising rapidly as people wake up to the power of their dollar, deutchmark or punt. Research shows that 95 percent of Britons want socially responsible capitalism. More than 50 percent of Europeans say business doesn't pay attention to its social responsibilities. 86 percent are more likely to buy from a company engaged in helping society. And talented employees are looking for a company that treats people well, does good in society and actively protects the environment.

Ironically, this presents business with a world of opportunity. After all the mergers, synergies and downsizings have squeezed every drop of value from companies, there's nothing left but to become smarter. And in the emerging world order, a 'smart' company is a responsible company - one that expands its worldview and puts human- and earth-centred values at its core, alongside and equal to money values.

This is not about being 'nice'. It's about self-preservation. It's about business waking up to where the real world is going, and getting there first. If a company's goods or services butcher the environment, damage the social fabric, exploit people or harm customers, it will stand accused of misusing its capital and its power, and won't survive the growing scrutiny of analysts, shareholders, customers and ordinary citizens.

Capitalism must reform itself, or be reformed. Business must challenge its worldview, or be

challenged. Companies must broaden their agenda to include the world beyond their walls. And powerful rule-making bodies like the WTO must recognise that the only way to serve the self-interest of business, is to serve the common good. ||| **dya**

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She has a Distinction in *Communication Studies* and a Masters with Distinction in *Responsibility and Business Practice* from the University of Bath and has studied *Systems Thinking* at the Open University. Alongside her organisational development work she writes and speaks on the challenges and opportunities of system change.

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