

# The Role of Business in Enhancing The Prosperity of Humankind

by **William Walker, Jane Nelson, and Matthew Weinberg**

edited by [George Starcher](#).

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## Introduction

*by George Starcher*

An increasing number of thoughtful people question whether or not the seemingly universal drive for more growth, lower production costs, higher living standards, and more material wealth alone can lead us toward the kind of progress and prosperity they would like for their children and grandchildren. They and others are equally concerned about the deteriorating environment, global warming, growing inequalities, social exclusion, demographic trends, and human rights abuse.

What do we mean by "prosperity of humankind"? What is the role of business in enhancing prosperity and in contributing to the solution of social problems and environmental degradation? What can we do as individuals to make the world a better place for our grandchildren? These questions were uppermost in the minds of members of the European Bahá'í Business Forum when they endorsed the following statement of vision and mission:

**Vision:** to enhance the well-being and prosperity of humankind

**Mission:** to promote ethical values, personal virtues, and moral leadership in business as well as in organizations of social change.

This publication attempts to address these questions and seeks to encourage a dialogue on them by offering edited versions of three recent presentations by members of EBBF. The first two of them were given on 23 September 2000 at the EBBF annual conference. The third was given in a workshop organized by EBBF at the Geneva 2000 Forum. These presentations offer valuable insights into the meaning of prosperity. They show us that prosperity is not only a question of material wealth but rather embraces both material and spiritual wealth. Might it not be in the dynamic coherence of these two realities that we find the key to an understanding of true prosperity? Does it not demonstrate the

fundamental importance of the individual in finding meaningful ways to contribute to the betterment of society and in seeking a harmonious balance in his or her personal life.

The first paper is by William Walker, Managing Director of DuPont Luxembourg, who writes about "The Role of Business in Enhancing the Prosperity of Humankind". He reviews a selection of quotations taken from the Bahá'í International Community statement, *The Prosperity of Humankind*, which is included as section 5 of this publication. He underscores the important role that individuals can play. He gives numerous examples from his own career at DuPont about individual contributions and those of the corporation in responding to humanity's real needs. He emphasized the need for a behavioral shift from short term, profit-driven focus to long term, sustainable, developmental actions to serve society's true needs. As examples, he highlights moving from an adversarial to a consultative approach in decision making and from conflictual to cooperative actions. He quotes Tolstoy: "The sole meaning of life is to serve humanity." He also discusses the "DuPont Business Conduct Guide" which prescribes responsible and ethical behavior for all employees worldwide. Considerable emphasis is placed on environmentally friendly practices and sustainability, on collaboration, equal opportunity for women and men, and on achieving a better balance between work and private life.

Jane Nelson, Director of Business Leadership and Strategy at the Prince of Wales Business Leaders Forum in the United Kingdom, is the author of the second paper which is on "Building Partnerships". This chapter is adapted from her presentation at the EBBF Annual Conference on 23 September 2000. It is divided into three parts. First, she offers a number of reflections on the previous presentation by William Walker. Second, she describes her own organization and what it is doing in this area. Finally, she gives examples of how partnerships between business, government, and civil society can produce real benefits for communities and offer effective solutions to many social problems. She underscores the importance of the role of the individual in the prosperity of both individuals and communities. At the same time, as business has become such an important institution in society, its responsibility to contribute to resolving societal problems has also increased. Although many people remain skeptical about business, Jane Nelson calls upon us all to make its many positive contributions better known. She also calls upon businesses to offer managers greater recognition for their contributions to communities and society and to sustainability. Speaking of her own organization, the Prince of Wales Business Leaders Forum, the author talks about the ways in which it mobilizes business to contribute to society. PWBLF has a threefold mission: to encourage continuous improvement in socially responsible business practices, to promote and publicize best practices of member companies, and to promote partnerships of business with governments and civil society organizations throughout the world. A number of successful examples of partnerships are described.

The third paper, "Toward a New Concept of Prosperity," is by Matthew Weinberg, Director of the Institute for Studies in Global Prosperity, an agency of the Bahá'í International Community. It was given at one of the seven workshops organized by EBBF at the Geneva 2000 Forum in June 2000. To advance the prospects of peace and to enhance human well-being, the author emphasizes the need for new understandings of the role and purpose of economic and business activity. Economic systems and policies based solely on a materialistic worldview reflect a basic error of conception about human nature itself. He calls for developing a new concept of prosperity whose goal is not just efficiency but also the promotion of equity, service to others, justice, social harmony and cohesion, and the creation and preservation of beauty. This provides the basis for a new vision for private enterprise as a positive social actor and partner in the transformation of our economic systems. Rather than shareholder value we find service to society, cooperation, and open consultative decision making as core principles for economic activity.

The final section offers a selection of quotations relevant to business prepared by William Walker. They are excerpts from the Bahá'í International Community statement, *The Prosperity of Humankind*, which

was first published for the United Nations Social Summit in Copenhagen in 1995. EBBF was present at that Summit's NGO Forum and facilitated six workshops. Among these extracts are the following:

". . . unless the development of society finds a purpose beyond the mere amelioration of material conditions, it will fail of attaining even these goals."

". . . the governance of human affairs can be conducted along lines that serve humanity's real needs."

". . . there is increasing recognition that the world is in urgent need of a new 'work ethic'."

## **The Role of Business in Enhancing the Prosperity of Humankind**

*by William O. Walker*

I am very pleased to be here today at this EBBF Annual Conference to speak on the interesting but complex theme, "The Role of Business in Enhancing the Prosperity of Humankind". I must confess that as Managing Director in a large, multinational company here in Europe, most of my career has been dedicated to increasing profits and the return to our shareholders. I recognize that many people describe our motives differently, something like "increasing the wealth of the privileged few". But my company has not yet changed its mission to one of "spreading the wealth to the global masses." In fact, if I were to do that, you can imagine just how long I might remain in my current job.

So, in a sense, inviting me here today to speak on "The Role of Business in Enhancing the Prosperity of Humankind" may seem to be analogous to inviting the fox into the hen house to speak on hen house safety. But I hope we will be able to reconcile some of these apparent dichotomies during my talk this morning.

Today I speak to you as a businessman but also as a member of the European Bahá'í Business Forum (EBBF) and as a Bahá'í. As many of you know, Bahá'ís believe that mankind is now passing through a turbulent era and that these disturbances are signs of humanity's struggle toward a new age in its collective development. It is a necessary cleansing process which will eventually weld our society into a single, organic, indivisible, world embracing community.

In this perspective, it is obvious that the two subjects of peace and prosperity are inexorably linked. The eradication of poverty, the elimination of economic discrimination based on sex, race or religion, the just sharing of the world's resources by all the world's inhabitants, and the elimination of the inordinate disparity between the world's richest and poorest, are the same and necessary prerequisites for the establishment of a lasting global prosperity and for achieving a lasting world peace.

My presentation today is based upon a statement entitled *The Prosperity of Humankind*. This very important and interesting work was developed by the Bahá'í International Community as input for the World Summit for Social Development, sponsored by the United Nations and held in Copenhagen in March of 1995. This was on the 50th anniversary of the UN itself and the third of five UN sponsored summits at that time. The first of these conferences was the Earth Summit in Rio in 1992. It was followed by the Human Rights and World Population summits and the World Conference on Women's Issues held in Beijing in September 1995. Since then there have been other world conferences, including a 2nd Conference on Human Rights, Habitat 2, the World Food Summit, the World Health Assembly, Rio +5, and Beijing +5. While current news focuses on a few events like efforts for peace in the Middle East, for the first time in human history, there is a growing undercurrent of activity carried on by the community of

nations trying to deal with world problems on a global basis. Although they get relatively little publicity these activities are equally important to world peace and prosperity.

There is a very interesting story in connection with the Social Summit in Copenhagen which illustrates that individuals, however humble their origins, can have an impact in shaping world affairs and on peace and prosperity. The story is about Jaime Duhart who is Vice Rector of the Universidad Boliviano in Santiago, Chile, a non-profit, private university. The Rector of the University is Francisco Villo. The former President of Chile, Patricio Erwin, who had a close relationship with the University, was the person who first proposed the idea of a summit for social development before he left office in 1993. When the idea was accepted, he wrote to all of the universities and NGOs in Chile requesting their comments on a paper that he himself had prepared summarizing his own views on the subject. The Rector of the University passed the paper on to Jaime who responded, drawing his comments from the Bahá'í teachings on social development and from another statement, *The Promise of World Peace*. The Rector liked Jaime's comments and forwarded them to the President. Because of the quality of Jaime's commentary, the President requested his involvement in the preparatory sessions for the Summit. Jaime played an active role in four two-week preparatory sessions and was invited to read a summary derived from *The Prosperity of Humankind* statement to the plenary session of the Summit. Over 2,400 NGOs attended the summit but only four were selected to make presentations on the opening day. One of these was the paper presented by Professor Duhart.

The reason that I have gone into such detail on the contribution of Jaime Duhart is to demonstrate the potential impact that a single person can have in shaping world affairs. Jaime Duhart is neither a recognized world leader nor a particularly powerful speaker. But he was willing to get involved and to share his beliefs and ideas with others. I consider him a role model for all of us.

The main objective of the Social Summit was to get governments from all over the world to agree on the issues and a set of common principles to deal with problems of poverty, job creation and the social integration of the world's communities. This was the first time that governments had agreed to sit down and talk about these issues, a task made more difficult by differences in culture and in the stages of development of the many countries involved. Juan Somavia, then Chilean Ambassador to the UN and presently Director General of the International Labour Organization, chaired the main summit which was opened by Boutros Boutros-Ghali, then Secretary General of the United Nations. Over 160 heads of state attended, of which more than 115 eventually ratified the final document.

At the NGO Forum which occurred simultaneously with the main summit, nearly 10,000 NGO representatives attended and more than 120,000 people visited the stands each day. Thousands of copies of *The Prosperity of Humankind* were distributed. Members of the EBBF delegation to the Copenhagen Summit organized and led six workshops on themes relevant to social and economic development such as "Emerging Values for a Global Economy," "Encouraging Women Entrepreneurs," and "Basic Values for a Prosperous World". The final declaration and program of action developed at the Summit called for a more compassionate and people centered approach to economic development world-wide. It stressed the need to empower women and marginalized groups everywhere and asked for industrialized countries to devote more to the needy, whether at home or abroad. The Summit's final documents also urged governments to bring communities and private enterprise into a stronger partnership, affirming the importance of involving people at the grassroots level in formulating local and regional development policies. They stated that human rights, democracy, freedom, and spiritual and moral values are essential foundations for social and economic development.

Of course, many criticized this document, saying that the language was too lofty or that governments failed to include means for enforcing the agreements and specific monetary commitments to finance

initiatives. I prefer the view of Heydar Aliyev, the President of the Azerbaijan Republic who said, "This is the first time in history that heads of state and governments are assembled in a forum aimed at pursuing a co-ordinated policy to achieve social welfare for all the people of the world. This very fact bears witness that mankind is entering into a new and higher phase of development after the end of the 'Cold War'".

I would like to dedicate the remainder of this presentation to some practical examples which illustrate how the key principles contained in *The Prosperity of Humankind* might be applied in the real world of business. Let me preface this by saying that I know of no company today which consistently applies either the core values of EBBF or the principles presented in this statement. However, enough examples exist from different companies and industries to demonstrate that when applied they do work.

In *The Prosperity of Humankind* we find that "a culture which attaches absolute value to expansion, acquisition, and to the satisfaction of people's wants as opposed to their real needs cannot ultimately succeed." And it goes on to say that "unless the development of society finds a purpose beyond the mere amelioration of material conditions, it will fail of attaining even these goals." Certainly, providing for people's basic needs, whether it be housing, food, health care or education, is very important. No one would deny that. And successful businesses must be profitable in order to sustain their business. But "the most important role that economic efforts must play should be developmental, cultivating the limitless potential latent in all members of the human race. . . . however long the process and whatever the setbacks, the governance of human affairs can be conducted along lines that serve humanity's real needs."

Unfortunately, the assumptions driving most businesses today are not developmental but still essentially materialistic. When I began my own career 30 years ago, businesses were principally focused on satisfying customer needs. During the late 80's and early 90's we saw a migration to the four stakeholder model, the four being the stockholders, the customers, the employees and the communities in which the company operates. This model provided a more balanced perspective from which to direct actions and planning.

More recently, consultants and business schools have been successful in convincing the business community that the only relevant stakeholder for publicly owned companies is the shareholder. As a result, driving ever-increasing shareholder value has become an obsession. In reality, share price and market capitalization are unpredictable measures of business success. Daily, we see highly volatile and fickle stock markets where interest rate trends, comments by financial analysts, and swings in investor sentiment are often far more powerful factors impacting share price than the real performance of a company. Efforts companies make to support their share price in an unstable market often lead to short-term thinking and decisions. Even worse, frequent changes in direction resulting from efforts to respond to fluctuations in share price confuse employees and waste energy and resources of the organization.

I still do not know of any companies which have moved very far toward the model of serving the real needs of humanity, trusting that share price will ultimately follow performance, but I am beginning to see a growing recognition that ultimate success and sustainable growth must come from better meeting humanity's real needs. My own company, DuPont, ran a brand campaign that reflects a focus on meeting humanity's real needs. The campaign features a "To Do List for the Planet." It included many needs, such as finding new foods which help prevent osteoporosis, finding new medicines that help fight HIV, growing food in areas of the world where soil conditions are poor, generating fresh water from salt water and the need for new and better fibers to help protect against cold for those who must live and work in extreme conditions. For some of these, we can say "We've Done That." However, in others, we do not at the moment have a way to meet the need, but are working on it. The campaign signals the intent to play a broader role in meeting important needs for all of the world's population.

To reach the ideal laid down in *The Prosperity of Humankind*, the behavioral shift that will be required is for economic planning to become more focused on serving the real needs including developmental needs of society. For both individuals and companies, understanding this principle may influence decisions about the type of work that we do and even where we decide to invest money. We can also try to influence government policy and the types of endeavors they support with public funds. A quote from Leo Tolstoy says it all to me, "The sole meaning of life is to serve humanity."

The "Prosperity" statement also asserts that ". . . the world is in urgent need of a new work ethic." One of the core values of EBBF is the need for a new paradigm of work which focuses on developing human potential and practicing values in the workplace. At a very practical level, my first recommendation to business leaders is to have a 'Work Ethic' or 'Business Conduct Guide' that is written down and understood by all employees. This work ethic must be audited regularly to ensure that these principles are practiced. Most large companies have such codes and procedures. A KPMG survey of 1,000 companies found that 86 percent had some version of an ethics code, but unfortunately only 42 percent of those with a code had designated anyone to be responsible for ethics. I have seen copies of ethics guides from many businesses. The standards are admittedly different, and some are better than others. However, I have seen none written down that were not defensible. Many smaller businesses may not have written ethics codes forcing employees to try to apply the perceived standards of the boss. In my experience unwritten standards can never be uniformly understood.

But EBBF aspires to an even higher standard than simply having clearly understood codes of conduct. Understanding that work done "in the spirit of service to humanity as equivalent to worship" can be a powerful motivating force to produce higher quality results. Each of us has the intrinsic need to feel that we are contributing to a meaningful vision and working toward some higher purpose. Such a vision embracing our work is an element missing in many workplaces today.

I had an interesting experience when working in Northern Spain in an area of high unemployment due to the decline of the steel and coal industries. DuPont invested a billion dollars there to build a new industrial complex on a greenfield site. I found the workers to be extremely motivated. They were willing to work long hours voluntarily in order to complete the projects on time and budget. They felt if they did the project well it would reflect positively on the capabilities of the Asturian people and attract other businesses to the region. They were working with a spirit of service to their community. The first plant that we built produced a meta-aramid fiber resistant to high temperatures and used to make firemen's uniforms. We liked to say, "Nomex Saves Lives". Employees are far more motivated when they feel that they are producing something that satisfies more than their own materialistic needs. Most products made by DuPont today are designed to make people safer, healthier, happier, and more comfortable or to improve their quality of life in some way. It is important for managers to help employees make that important link.

Consultation is another core value of EBBF. It is closely linked to "the new work ethic". It helps us make better decisions by including those most impacted in the decision making process. Consultation gives employees greater understanding and ownership for decisions. Perhaps there are no perfect decisions but many good decisions are not implemented because they are not supported by those most directly affected. This failure can be avoided if those involved are properly consulted. This is a complex topic that deserves much more study. However, the concept of consultation and reconciliation is very different from the adversarial attitudes and compromise with which most people are familiar. The behavioral shifts required to create this new work culture are from 1) adversarial to consultative, 2) a culture of protest and conflict to one of co-operation and, 3) a culture of negotiation and compromise to one of creative reconciliation.

Another important focus area in which we receive direction from *The Prosperity of Humankind* is in the distribution and use of resources. To quote, "Concern for justice . . . ensures that limited resources are not diverted to the pursuit of projects extraneous to a community's essential social or economic priorities. Only development programs that are perceived as meeting their needs and as being just and equitable in objective can hope to engage the commitment of the masses of humanity, upon whom implementation depends." In other words, business and industry have a moral obligation . . . to not waste but rather to use wealth and limited resources in ways that serve the advancement of civilization.

To some degree natural economic systems drive economic activity and resources toward underdeveloped regions to expand markets and in search of lower labor costs. The latest statistics that I have show that private companies invested \$252 billion in the developing world in 1997, up from \$44 billion in 1990. But market factors have not been fully effective on their own. Policy, which supports natural economic forces, will be necessary to achieve a more balanced sharing of the world's resources. Achievement of this ideal will require a shift in the behavior and mind set of world leaders away from resource exploitation for short term profits toward one of long term sustainable development and a more just and equitable use of resources for benefit of all humanity.

In a recent speech in Berlin, Go Brundtland, Director General of the World Health Organization, pointed out that, of the 6 billion human beings in the world, 1.3 billion live on less than a dollar a day. Half, some 3 billion, live on less than two dollars a day. Of the 6 billion people in the world, industries' products and services are accessible to only one billion. The rest have no meaningful access to the global market economy. Industry would very much like to tap the growth potential represented by the roughly 80 per cent of the people who cannot today buy our products. But, what would happen if those 3 billion people living on 2 dollars a day suddenly had 5 dollars, or 10 dollars a day? One answer is that it would be great for them and good for business. Another is that it would be terrible for the environment if all it did were to multiply the present way we manufacture, consume and dispose of goods. A child born in the developed world already has a lifetime environmental impact equivalent to 30 to 50 children born in a poor country. Even in my lifetime, the world population has doubled. That is why I believe sustainability must be taken seriously. We must reduce that multiple, while simultaneously raising standards for the world's poor.

Sustainable development is another core value of EBBF and an area in which there has been a dramatic shift over the past several years. This concept has now become policy for many of the world's largest industries and for some companies an important element of strategy. It is not enough to just talk about sustainability; first, we need a shared vision of just what sustainability means in practical terms. The President's Council on Sustainable Development and the World Business Council on Sustainable Development have done good work in this area. However, their documents are too cumbersome and lengthy. We need a vibrant vision that people can immediately grasp, one which can inspire and create the will for change. That's the one thing missing from current discussions of sustainability: How to create the will for change and a sense of urgency in societies around the world? Industry has the incentive in the opportunities I have spoken of. But we need a genuine inspiration for society at large.

A company's "environmental footprint" can be defined as the amount of depletable raw materials and non-renewable energy it consumes to make its products, and the quantity of waste and emissions that are generated in the process. Traditionally, for a company to grow, the footprint had to get larger. Today, environmentally responsible companies are looking for ways to grow while reducing the size of the footprint. This is sustainable growth, growth that does not depend on consuming ever-increasing amounts of finite resources. One of the greatest wastes we have as a modern society is the burning of fossil fuels for energy. When petroleum is used as a feedstock for plastics, fibers, or polymers, we at least have the possibility to reclaim or recycle them but materials we burn are gone forever.

Setting goals is important. Last year, my company set two major goals to achieve in this area by the year 2010. The first is to source 10 per cent of our total global energy needs from renewable energy. The second is to derive 25 per cent of our revenues from non-depletable resources. Both goals are very ambitious, but I believe achievable and strongly signal our intent in this critical arena. Now let me give you a few practical examples of sustainability:

- In Luxembourg DuPont has been able to convert waste steam into electricity, which we use to reduce our own consumption. Any excess electricity is fed back into the grid.
- Biological processes are being developed to make key intermediates for polyester. The raw material will be corn, not petrochemicals, and the finished product will be fully recyclable.
- Microbes are being studied as programmable factories to make chemicals and polymers from nutrient feedstocks. Current sources for these materials are petrochemicals from oil. In the near future microbes will be programmed to make very sophisticated polymer building blocks and molecules out of simple, renewable feedstocks, such as glucose and methane.
- The Wall Street Journal recently reported that major lumber producers are coming up with more forest friendly practices by using alternative materials. One company recycles plastic to make lumber and has seen its annual revenue increase from \$1.8 million to \$138 million in the past three years. Other companies have launched new stronger composite wood products made from wood chip.
- BP Amoco, a major global oil company, has now also become the largest solar energy manufacturer. BP controls Solarex, the world's biggest solar-energy company. Shell is also investing heavily in solar energy.
- Another U.K. company generates power from "unattractive" sources such as sludge, sewage gas, and landfill methane.

If sustainability is to be achieved, industry will have to rethink virtually all of its industrial processes, products and services. We have to devise new ways to protect the environment while also building a competitive advantage. For a sustainable practice to succeed, it has to be good for the environment, good for people, and good for business.

Successes like these are the result of programs of action specific to each site. They are relatively small and local. Major environmental damage is the result of the cumulative effect of countless environmentally unsound practices. Real sustainability will only result from the collective impact of better decisions and new practices that are sustainable. The process will not be neat and organized. And it will only happen when companies and governments set ambitious goals and then empower people to make change in their own plants and communities. The new word "glocal" is very appropriate in this arena. Companies must set global goals that empower their employees to take local action.

The globalization of business and communication is happening at a rapid and ever advancing pace but political co-operation and policy decision making is still far behind. While many of us, including myself, may not value a McDonalds or Pizza Hut on every corner, the economic driver provided by the globalization of business does create the need for global ethical standards, international laws, sharing of technology, a world auxiliary language, and many other elements necessary for eventual world unity and peace . . . and for global prosperity. The common thread throughout *The Prosperity of Humankind* is that an essential ingredient for global prosperity is more equitable access to and distribution of global resources. This applies to knowledge and intellectual property as well as to material resources.

Universal education based on the individual's capacity to learn and willingness to apply learning to the reshaping of human affairs is stressed as indispensable to the achievement of a prosperous world. The Internet has made the universal availability of knowledge a practical target; however, the cost of

computers and training is still prohibitive for most in the developing world. While opening the door for the possibility of universal access to knowledge, computer technology has so far actually widened the gap between the haves and have-nots of our world.

But the world is changing. I recently noticed a report in *USA Today* that Microsoft and Intel have partnered to train 400,000 teachers in twenty countries in how to use computer technology and incorporate the technology into their classroom lessons. The article stated that Microsoft is donating \$344 million in software, the largest donation in the company's history. Over a three-year period, Intel, Hewlett-Packard, Microsoft, and Premio Computers will contribute almost \$500 million in cash, equipment, and services to Intel's "Teach to the Future" project. The goal of the program is to establish twenty regional training centers in the United States, Asia, Europe, and Latin America. The behavioral shift required is from the belief that knowledge is power and as such must be guarded, to a belief that expanded access to information and knowledge is necessary for the development of our society and therefore good for business.

The next principle demands that all people have a right not only to the products of science and technology but also to participate in the development of such technology. This insures that people everywhere benefit not only materially but also intellectually from research and development. Technology is improved by including a broader diversity of perspective and insures that technological advance is consistent with the real needs of the community. Governments recognize and value having research done locally and many are willing to subsidize such research, linking it to industrial development and job creation. Doing expensive research in lower cost regions also makes good business sense. India, which has many highly educated and qualified professionals, is an example of attracting research and labor intensive production design work, which can be done there more competitively. Computers and enhanced global communications mean that often work can be done virtually anywhere in the world without loss of time or efficiency.

How we exercise authority in an organization has also changed dramatically over the last few years. To quote from *The Prosperity of Humankind*, " In its traditional, competitive expression, power is as irrelevant to the needs of humanity's future as would be the technologies of railway locomotion to lifting space satellites into orbit." A significant change in leadership style for business, political and other societal leaders is already evident. Respect for position is rapidly being replaced by respect for expertise, hard work and service. In today's modern organizations everyone is expected to lead and should be given opportunities to lead. People are valued as much for their minds as for their hands and backs. Tasks previously considered menial are shared. An example is typing, which in most organizations has become almost obsolete. Everyone does his own typing on the computer. Most mail has become electronic.

I ran an interesting experiment for five years in the plant that I opened and managed in Spain. From the beginning I simply prohibited hierarchical organization charts and titles. I have found traditional organization charts neither a good description of the work that people do nor motivating to employees, except of course the few at the top who issue the charts. I applied the guidelines to myself as well. For example, my business card contained all the necessary information, my name, company logo, telephone numbers, fax and address, but it did not contain a title. In five years I never found this a hindrance in my ability to do business. It did, however, always create interesting discussion and an opportunity to reflect to others the uniqueness of the work culture we were trying to create. The behavioral transformation required is from the exercise of power of authority to the power from truth, influence, example, unity, and collective endeavor. This transition is already happening in many places.

Yet another of the core values promoted by EBBF is the partnership of women and men. The principle of the equality of men and women is transforming relationships both within the home and in the workplace.

Contrary to legislative efforts to provide equal opportunity based on principles of fairness, the EBBF premise is that equal opportunity for women and minorities is essential to the advancement of civilization and to the achievement of excellence in business. The focus is not on achieving numerical goals but rather on including full and balanced perspectives, which can only come from a diverse workforce. While numbers should not be our primary objective they do show that there has been progress. For the first time in history, women age 25 to 35 in the United States have more education than men. In 1998 women held 46 percent of executive, administrative, and managerial positions, up from 34 percent in 1983; 72 percent of companies now have women members on their boards of directors, up from 11 percent in 1973. Women are starting new businesses at twice the rate of men.

Ernst & Young reports that Employee Work-Life programs improve morale and productivity and reduce costs by helping to curb employee turnover. Their efforts implementing a program aimed at achieving work-life balance among their 34,000 employees have decreased employee turnover by 20 percent. The program allows each office to create its own solutions. Some initiatives include discouraging employees from checking messages on weekends and holidays, allowing for flexible work schedules, and creating a committee to manage employee workloads. One of their managing partners, asserts, "You simply have to lead by example, employees will not refrain from checking messages on weekends if their managers continue to do so." I have had a lot of personal experience with work-life programs over the past 5 years, all of it positive, and while there was a lot of fear and concern in the beginning, today I can say that none of the fear was justified.

As the magnitude, complexity and urgency of environmental problems become more apparent, existing international legislation and processes are proving inadequate, principally because they are based on laws governing individual countries while air, water and other environmental resources are shared and know no boundaries. To quote from *The Prosperity of Humankind*, which focuses specifically on the economic nature of the crises, "A challenge of similar nature faces economic thinking as a result of the environmental crisis. The fallacies in theories based on the belief that there is no limit to nature's capacity to fulfill any demand made on it by human beings have now been coldly exposed".

Globalization is increasing competition and placing ever-increasing demands on manufacturing costs. Everyone is aware of the recent sharp increases in prices of raw materials especially those coming from depletable sources such as petroleum and wood. These economic realities are forcing companies to improve yields, recycle more and find less expensive sources for raw materials. As examples:

- In the company which I manage in Luxembourg, all of our product wastes are recycled. In fact, we are getting so good at it that our capability to use recycle is now greater than the waste we generate internally and we are now seeking external sources of recycle as low cost feedstock. We also invented a new process for recycling wastewater reducing water consumption and demand on local wastewater treatment facilities. We have offered to share this technology with other industries.
- A large nylon manufacturing plant in Chattanooga, Tennessee where I used to work, reduced both the generation of waste and the subsequent need to dispose of or treat waste, by radically improving plant yields. That plant now has a 99.8% yield, which leaves only 0.2% waste. The remaining waste can now be treated in the city treatment facilities, allowing the site to shut down its own wastewater treatment operations. The plant saves \$250,000 per year in operating costs and eliminated the need to spend up to \$20 million to upgrade the waste treatment facility.

A widely held belief is that industrial activity must by its very definition be negative for the environment and that at best the community is forced to compromise the environment to provide jobs and wealth to its citizens. My belief is very different from that. Most land today is no longer in the public domain, used

only for parks or protected conservation areas, but rather in private hands, which includes properties developed for industrial use. For that reason, if society wishes to solve the problem, individuals and industry must be part of the solution. My experience is that industrial development can be managed in a way that is not only non-detrimental but there are many examples of industrial land managed to enhance biodiversity and these are the positive examples that I would like to mention today. While my comments focus principally on the example of the greenfield site that I was involved in developing in Northern Spain, I have also sponsored and supported similar initiatives in Northern Ireland, England, and am now beginning a smaller project in Luxembourg.

We all know that animal and plant species are becoming extinct at unprecedented rates. Although considerable attention is rightly focussed on the deforestation and destruction of ecosystems in places like the Brazilian rain forest, other regions of the world are also fast losing their traditional range and depth of species. In Ireland and Spain native forests have been drastically depleted through over-harvesting and population pressures. In the 1950s and '60s, the Spanish government sponsored a program to reforest the country using fast-growing eucalyptus. But eucalyptus do not provide food for local wildlife and can crowd out remaining native trees, such as oak and chestnut, and drain the soil of its nutrients. In the Asturias region of northern Spain, in 1990, I felt that we had an opportunity to reverse the spiral of wildlife decline while at the same time demonstrating the compatibility of industry and the environment. Let me clarify by explaining that most large industries do not fully develop all the land that they own. Industry likes and often needs a buffer with the community and this can represent 50% or more of a typical industrial site. What we did in Spain was to decide to develop the buffer as a wildlife habitat rather than let it sit idle.

The Asturias facility is located on 320 hectares of land in a rolling valley. The areas between and around these production units have, however, been dedicated to wildlife, amounting to about half the total area of the facility. Working in collaboration with the authorities, the local community, Spanish conservationists, and an innovative U.S.-based wildlife concern, the Wildlife Habitat Enhancement Council (WHC), we designed the industrial facility in such a way that biodiversity would increase rather than decrease. This lush green valley had previously been used as farmland and the surrounding hills to grow eucalyptus as a cash crop for paper pulp and mining props. What many don't know is that while farmland may be beautiful and green it is not typically bio-diverse.

Du Pont has made promoting wildlife in and around its facilities one of its key environmental commitments. In 1988 it was one of the founding corporate members of WHC, whose mission is to promote the use of extensive areas of corporate land for the benefit of wildlife. I quote former WHC director Joyce Kelly who said "thoughtful and co-operative projects can transform these areas into wildlife havens, thus protecting a crucial link in the chain of global biodiversity".

Through WHC, more than 66,000 hectares are now being managed for wildlife in the United States at 140 corporate sites. WHC has now expanded its activities to Europe, Australia, and Latin America. I have personally been involved in three projects here in Europe. At the Asturias facility, this meant working closely with faculty and students from the University of Oviedo, and a local conservation group, *Asociación Asturiana de Amigos de la Naturaleza (ANA)*. We all collaborated in the development of a comprehensive management plan to enhance the area for wildlife, and preserve local history and culture.

The first challenge for the project was to halt the clear cutting of land being purchased from local farmers. The compensation schedule arranged by the Spanish government had allowed the farmers to remove the trees before handing over the land. This process threatened to destroy the few remaining native trees and exposed erodible soil to wind and rain. Instead we paid to have the eucalyptus removed in a more

environmentally friendly way. This allowed the small stands of oak, birch, buckhorn, and chestnut, as well as shrubs such as the strawberry tree and bayleaf, whose growth had been previously stunted by the invasive eucalyptus to re-emerge to provide food, cover, and nesting cavities for a range of native animal and bird species. The reforestation had to be supplemented by additional plantings of native varieties that were provided by the forestry service free of charge. This work took over a year to complete but today the forest is one of the most beautiful and diverse in Spain and it is on industrial land. The project went further than simple reforestation. A wetland that had been drained by the farmers was restored on the property. As Spain is on a migratory flyway for birds returning south from Iceland, Greenland, and the Soviet Arctic, the development of the wetland provides a resting or wintering area for numerous species of waterfowl. Local schools and the community were involved in projects such as the development of a nature trail and a nesting box program.

Finally, the facility uses state-of-the-art clean technology. Fifteen percent of the total investment is devoted to pollution control measures. Wild ponies, called Asturcones, a breed genetically unique to the region and almost extinct, now graze in the fields in front of the industrial plant. Today, in Asturias, many environmentalists come to an industrial facility to see wildlife and birds that are rarely seen in the wild. The project became not only a model for Spain but was selected as a model for Europe by the World Business Council for Sustainable Development (WBCSD) who published the case study for the Asturias facility in 1993 in its book *Changing Course: A Global Business Perspective on Development and the Environment*. WBCSD is a prestigious coalition of some 120 leading international companies dedicated to making a difference through the adoption and promotion of corporate sustainable development thinking.

As I have said, this is only one example, but I have been personally involved in leading others and hope that these projects will serve as models for other companies in Europe. Projects like this focus on involving employees and the community in worthwhile environmental efforts while demonstrating that balance can be achieved between a healthy environment and a healthy business.

In summary, I have presented some of the core values and concepts related to business contained in the statement, *The Prosperity of Humankind*. These principles are also those promoted by EBBF. I have tried to give you some practical examples to demonstrate that if applied these principles can work and are conducive to business success. What should also be obvious is that circumstances, needs and cultures differ around the world and business environments are diverse. To be successful applying the principles in your own environment will require creativity, flexibility and hard work. This statement as well as writings of the Bahá'í Faith have been sound guides for my own personal behavior in the business world. I hope this taste that I have given you today encourages you to study *The Prosperity of Humankind* and that you find practical ways to apply them to your work and everyday life.

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## **Building Partnerships**

*by Jane Nelson*

I have been asked to reflect on what Bill Walker had to say about the role business can play to enhance prosperity for all of humankind. I will also discuss what my organization, the Prince of Wales Leaders Forum, is doing in that area. And I will conclude by giving a few examples of the incredible richness and variety of the new types of partnerships we are seeing around the world — partnerships that unite the genders, bridge cultural differences and encourage collaboration between business, government and communities. These partnerships did not exist five to ten years ago, and today they offer cause for hope in the challenging world we face. But first, some reflections on Bill's wonderful paper and four important messages it contains.

The first message that came through Bill's comments was about the role and impact of the individual. We often underestimate the power that we as individuals can have in our workplaces, in our homes, and in the world in general. There are many examples of individual people who really have made a difference in their own communities or even the world. That may be the single most important principle we need to remember today. It is so easy to say, "Well, I can't do anything, I'm just a young person in a company. What can I do?" But individuals really do make a difference. So many critics of businesses look at companies as big, faceless, monolithic monsters. But, in reality, they are nothing more than the people who make them up. If we start thinking of businesses more as collections of individuals, we will enhance our understanding of the role that business can play. The first very strong message I took from Bill's discussion then was the importance of the individual.

The second very strong message emerged from the examples he drew from the real world of business and his statement that if society wants to address the problems it faces, it has to include the people of industry, because business today has become such a major player in the world. It is easy for us to forget that in the last ten years more than four billion people have moved from basically command-and-control economies to different types of economy in which the private sector plays an important role. We know that what has resulted from this conversion has not always been positive, but there is no doubt that if we are going to find solutions to our social, economic, environmental, and even our increasingly spiritual challenges in the world, business has to play a role. And Bill demonstrated the positive nature of that role. That contrasts with much of what we read about business and society. Of course, it makes news when a company falters. But it is also news — or should be — when a company contributes to the betterment of society. Publicizing these good stories is one of the tasks of my organization as well as of such organizations as the World Business Council for Sustainable Development. It is something that EBBF already does and should continue to do. But because so much discussion today concerns the negative impacts of business on society, it becomes very difficult for companies themselves to tell the good stories. People have too often become cynical where business is concerned, and trust and credibility have become big issues.

The third very important message from Bill was his comment on the changing nature of power. Although we have a long way to go, we are living in a world in which the attributes of power are changing. The old attributes of authority, control and repression are transforming into forms of power that reflect the ability to harness truth, to influence and lead by example, and to create unity and collective action. I have seen that in my own country, Zimbabwe. While the main power in Zimbabwe remains very authoritarian and controlling, in less than eight months a new political party emerged from nothing, absolutely nothing. It

consists of workers, companies, civil societies and human rights organizations. In elections in June 2000, this new coalition came close to defeating an authoritarian government that had been in power for 20 years and used enormous repression to stop its opposition from campaigning and to intimidate voters. That is just one example of the changing nature of power, and it is one that is very close to my heart. Although authoritarian power is still difficult to defeat with 'people power', we have glimmers of hope in many countries from the Philippines to Yugoslavia. We are increasingly seeing beneficial changes in terms of power in businesses, too, as they experiment with empowering their people. I have seen the same phenomenon in many companies around the world, companies that are experimenting with empowerment because they are finding that it enhances motivation and improves productivity. In short, empowerment of employees is good business.

That brings me to the fourth message. Bill's remarks and the statement of the Bahá'í International Community on *The Prosperity of Humankind* brought to mind ways that business could apply these principles set forth in the paper. If a company has the right mission and motivation coupled with good management practices and measurement systems, it can make a positive difference in society. When I refer to mission and motivation I mean a company that serves real needs. After all, a company could produce a widget in a way that has a negative impact, or it could produce that same widget by tapping different technologies and using better approaches to its human resources and make a positive impact. So it is important how businesses think about their mission. It is not just about creating shareholder value. I agree with Bill that companies face constant pressure from financial analysts to enhance shareholder value. But it is not shareholder value that motivates people to go to work every day. When I was with Citibank, I didn't go to work thinking, "How can we create a bit more shareholder value today?" One goes to work to be with colleagues, to make a contribution of some type. Talking about the purpose of the company is a critical issue confronting business leadership. I have been fascinated watching how Shell, over the last five years, began an internal and an external dialogue about its purpose and the purpose of the energy industry, actually asking that question and exploring what it could do for the planet. About a year ago, the Chief Executive launched a dialogue with a number of NGO stakeholders about how Shell could help reach poor people. So it is having that clear mission and motivation that I think arises from asking the question, "What is the purpose of our company and our business?" and trying to give employees a sense of higher purpose. Also, shared leadership and empowerment is all about mission and motivating people. Bill alluded, at least implicitly, to the role of the kinds of incentives we create for employees. Are employees to be judged only on quarterly profits? Sadly, in most companies they are. But leading companies like DuPont, Shell, BP, and 3M are starting to include such criteria as contributions to communities and society and sustainability in their incentive systems.

So, in terms of business being more committed to meeting the needs of humankind, the first absolutely critical element is the overall mission and motivation. But secondly, and equally important (although it doesn't happen without the first), is being able to manage and measure the process. Most people say that if you can't measure it you can't manage it. But I don't entirely believe that argument. Although measurement has an important role to play, I think we also need the moral, the emotional, and the storytelling in business as well. Also, the idea of codes of conduct and business principles is very important. Unfortunately, many companies have such codes but leave them gathering dust on a shelf. In the really inspiring companies, however, codes of conduct and business principles are living documents, developed and adapted through consultation with employees. Shell and a number of other companies in the past five years included human rights in their business principles. Human rights were not an issue for businesses even six years ago, when the Prince of Wales Leaders Forum held a meeting on the subject. Some of our members shook their heads and asked, "What has that got to do with us?" But oil companies were already being challenged on this, and they said human rights do indeed have something to do with business. Since then, a growing number of telecommunications and manufacturing companies have also started to incorporate human rights into their business principles. It has become critical for a company to adopt a code of conduct covering business principles, ethical concerns and the impact that its operations

have on society. But it is equally important to set goals and adopt indicators, because all the wonderful statements in the world are meaningless without goals and indicators to help people move towards their achievement.

Bill mentioned the concept of globalization, of adopting a global framework of principles. For companies like Shell and DuPont, for example, their standards on environmental issues need to be the same in Nigeria as they are in the U.K. or the USA. There is an absolute commitment to try to have a global framework for operations while recognizing that conditions and cultures differ in different countries. So policies must also be applied locally. This does not just happen; it requires a very concerted effort by business leaders. I liked Bill's comment that diversity isn't just about numbers and counting. It isn't that "we've got two women now in management" (although those are indicators of diversity or its lack). No, diversity is actually about celebrating the incredible creativity, productivity, and potential of utilizing the contributions of women and men, and harnessing ethnic and cultural differences to make not only a better business but a better workplace as well. We must think about diversity beyond whether "we're going to get into trouble if we don't have a woman in this particular division," but realizing that diversity is about how we make the workplace a more enriching, productive, and positive place. We want to celebrate diversity in a conscious manner, rather than viewing it as something we must control, or something with which we must be in compliance.

Finally, Bill brought home to me the concept of consultation and the principle of collective action and partnership. It is becoming less possible — certainly for big companies — to operate effectively without being more consultative. This means consulting employees, consulting the communities where they operate, consulting business partners, even consulting and entering into dialogue with their investors to help them better understand and embrace a long-term perspective. Consultation is becoming one of the most important principles for business today. So, too, is the principle of collective action and partnership. Collective action with other companies, like the World Business Council for Sustainable Development and the Prince of Wales Business Leaders Forum, and collective action with other organizations in the nonprofit and governmental sectors.

These then were the key messages made by Bill:

That we really do have power as individuals, and that companies are nothing more than individuals working together;

That the nature of power is shifting;

That business has a critical role to play, and that this role should embrace both a sense of mission and motivation as well as a structure permitting effective management and measurement.

### **Material needs and relationships**

I would like now to add my own observations about the prosperity of humankind. These come down to two equally critical elements — material needs and relationships. It is easy for us in the West to say that it is not just about material needs, that it is about relationships and spirituality. It definitely is. But I have just returned from Zimbabwe where the main hospital in Harare is literally running out of drugs and medicines. The doctors and nurses lack gloves and equipment. The families of patients must come cook for them because the hospitals lack support services. Two days before that visit, I was driving in one of the rural communities at about seven o'clock in the morning when I saw crowds of children going to school — probably about 100 children along the road — and only a few of them wore uniforms, and many were barefoot. All were walking to school for lack of transport. Yet, some of the children were

running to school, possessed of a sense of eagerness from having the opportunity to attend school and become educated. It was wonderful to see. If we look at these material needs — food, water, shelter, energy, education, mobility, livelihood, income and leisure — we can see how important they are for the prosperity of humankind. We can also see that the business community can play a role in helping meet every one of those material needs. As Bill said, very truthfully, few companies ask themselves how they can meet the needs of our poorest people. But those that are starting to ask this question — DuPont, Unilever, Hewlett Packard, Suez Lyonnaise des Eaux, Shell and some of the other oil companies — are beginning to look at how they can use their distribution networks and operations to get such critical elements as sustainable energy, food, and water to poorer communities. These companies, in partnership with the United Nations, are going to do some very interesting things in this area. But it is a double-edged sword, because if we meet those material needs, for example, if every Chinese person had a refrigerator, the impact on the environment would be alarming.

So we must meet those needs with new technologies and new approaches, consuming sources of sustainable energies in such ways that we can avoid degrading the environment. Doing so is critical to the prosperity of humankind. Even so *laissez-faire* a publication as *The Economist* recently cast third world poverty as one of our most pressing moral, political and economic issues. A few pages farther on, *The Economist* reported on poverty in Eastern Europe, a reminder that poverty also exists at our own back door. Indeed, it exists right here in Western Europe . . . maybe not at the same absolute levels as in Africa, but serious poverty nonetheless, and with it, the lack of opportunity. The *Financial Times* recently reported on a growing gap between rich and poor. We must never forget that 1.5 billion people must exist on less than a dollar a day. And that number is growing. That makes meeting material needs an enormous challenge, particularly for those of us who live in the most prosperous societies.

Apart from meeting basic material needs, I believe that the other critical element of human prosperity is relationships. Here we are talking about three elements. It includes our relationship with God and our own spiritual life, and that is the case no matter what our religious tradition is. But it also includes our relationships with one another, with our families, our communities, our colleagues, our critics — social contact energizing the social contract. Finally, there is our relationship with nature and the environment in the context of sustainability.

In summary, achieving the prosperity of humankind involves meeting basic material and physical needs, finding ways that those of us who have been able to meet our needs can help others meet theirs. At the same time, the prosperity of humankind requires building, nurturing, and celebrating our spiritual and social relationships as well as our relationship with nature.

I am always humbled and overawed in some of the poor communities I visit in Latin America and Africa by the incredible strength of the spiritual, family, and community relationships. As we have become more materialistic in the West, we sometimes lose sight of these relationships and their importance. Many people have much to teach us, and one of the biggest mistakes we make arises from having a patronizing, arrogant approach, as if those who have material wealth also have all the answers. Many of you, like me, have probably experienced learning more about spirituality and the power of community relationships and family support structures from communities that are far poorer, in material terms, than our own.

Meeting material needs and valuing relations are the two basic elements of what we need to fulfill the prosperity of humankind. In business terminology, we need to build economic and social capital and capacity, and to foster relationships of trust and respect. We must expand human capital in terms of education, health and the environment. Each of those things is relevant to us as individuals and to individual communities, to companies, and indeed to countries. If a country is really going to prosper, it needs all of those things. Of course, one of the biggest obstacles we currently face is that we only measure

prosperity in terms of gross national product - in terms of economic capital. Most countries currently don't measure these other things. But there have been some really exciting developments on both environmental and human capital — such as the United Nations' human development index and work on national sustainability indicators in several countries. These tools enable us to begin measuring those other elements that are crucial to true prosperity.

### **The role business can play**

Turning now more specifically to business, we have developed a framework for examining the role business can play in promoting the prosperity of humankind. I find it useful to think of business as a stone dropped in a pond, generating ever larger ripples. So if a business is to make a real contribution to society it must first get its core business operations right — the stone in my analogy. These operations must be ethical and effective. Some companies have a tendency to give a bit of money to philanthropy while doing terrible things in their core business. Bill gave many examples of how leading companies are improving the way they do their core business. For example, using profit wisely, not just giving it back to shareholders but reinvesting it in the future of the business, and generating investment and income, thereby creating jobs, developing human resources, and building local businesses.

When DuPont and Shell, among many other companies, go into a developing country, they build local links with small-scale businesses, transfer technology and bring research and development resources. Whether the core business is producing chemicals or medicines, energy or whatever, every company makes a social, environmental and economic impact, and can manage those impacts in a way that benefits the most people possible. Obviously, the impacts can be negative - so the company must aim to minimize its negative economic, social and environmental impacts and maximize its positive ones for as many people and communities as possible.

Another ripple — again thinking of business as a stone splashing into a pond — is social investment and philanthropy. Some may say that philanthropy and social investments are insignificant, a tiny percentage of what companies earn in a year. But three years ago we looked at 50 multinational companies from around the world, including Africa and Latin America. We found that the value of the foundations and philanthropic activities operated by those 50 companies exceeded the entire operating budget of the United Nations Development Program for that year. And that sum didn't count the value contributed by their employee volunteers, or other social activities such as cause related marketing. Keep in mind that the UNDP is the major implementation agency of the United Nations. The companies that are getting it right are giving more than money. They are giving products, mobilizing their employees, using what I call their core competencies to engage in their communities. They are using the principle of consultation to get these things right by consulting the communities, asking them what they need, and working with them to achieve it. That is far more effective than just handing out a bit of money from on high in the very paternalistic patterns of the past. These companies are also building capacity. Besides giving money and consulting with their communities, they are actually helping them build their own capacity to enable them to help themselves in the future.

A third ripple that can emanate from businesses is what I call maintaining a public policy dialogue and building civic institutions. Companies have to work with governments to create the wider framework and environment in which to operate. Again, we are seeing some very exciting initiatives, including the Global Compact. But on all levels: local, national, and international, companies are sitting down with governments and civil society to create the rules and the regulations for running a more equitable and humane society.

Those, then, are three areas where the private sector can really make a contribution to society through their core business operations, their social investments and philanthropy, and their engagement in public policy dialogue and civic institution building.

### **The Prince of Wales Business Leaders Forum**

This brings me to my own organization, the Prince of Wales Business Leaders Forum. The Forum works with business and other sectors to promote real action and increased activity in all three of the areas mentioned above. It tries to mobilize business to contribute to society.

The Forum started in 1990, the outgrowth of a meeting between a group of American and British business leaders organized by the Prince of Wales at Charleston, South Carolina, in the United States. That was in February, 1990, just three months after the Berlin Wall came tumbling down, and just three days after Nelson Mandela was released from jail in South Africa. The purpose of the meeting was to talk about the experience of business and community partnership in the United States and the U.K., but the companies at the table were mostly multinational in operations. The business leaders said that, while it was interesting talking about America and Europe, maybe they should be working together to promote responsible capitalism and responsible businesses in all these new emerging markets : in Central and Eastern Europe, in Africa, in Asia, and in Latin America. So the Forum was established to harness the networks and leadership of business to promote responsible capitalism and responsible business practices, particularly in the emerging markets of the world.

The Forum works very much like a network and in a very nonhierarchical way. The Prince of Wales is our president and continues to be very directly involved. Our staff works hard at bringing people together who wouldn't normally be together. We bring together such activist organizations as Amnesty International, for example, and companies that operate in an area of mutual interest. The core of what we do lies in our efforts to work with our board and council members - about 60 companies from more than 20 countries and a number of industry sectors. The Prince of Wales Business Leaders Forum may sound frightfully British, but is in fact a truly international network of business people. Very important is the fact that when a company joins the Forum its membership is personified in an individual senior executive from it. Sometimes it is a chief executive, sometimes a head of a particular region, but always it is a senior business leader, and each of these representatives take a personal engagement and personal responsibility in engaging their companies in what we do. Through them, we can interest their companies' local offices in Vietnam and elsewhere and work to convince those local offices that we have projects and activities worthy of their participation. We try to engage the companies on a global basis, but very much by way of having an individual in the company assuming a personal responsibility in the effort. We also work with business associations in a number of countries, including Indonesia, South Africa, The Philippines, and Latin America. We also have strategic partnerships with the United Nations, with the World Bank, and with Amnesty International, for example, and we work with them on specific projects on an international basis.

We have a threefold mission, but in every thing we do we involve business, but often work with government and civil society as well. Our first role is to encourage what we call continuous improvement in socially responsible business. That sounds simple, perhaps, but anyone, particularly in a multinational business, knows that it is anything but simple. For example, we are dealing with conflict and building peace, topics businesses didn't even talk about a few years ago. We have just produced a 150 page book called *The Business of Peace*, to which companies all over the world contributed reports on what they are doing to foster peace in their communities. Human rights, too, wasn't something many companies even thought about before, but now a lot of companies are beginning to put it into their principles and codes. The effects of globalization, the "Battle of Seattle," in November 1999 during the World Trade

Organization's ministerial conference, caused a lot of companies to realize that businesses must prove that there are benefits to globalization beyond expanded trade and greater profits. This means confronting a whole range of issues, from abusive child labor to alleviating poverty, dealing with humanitarian crises, the social impacts of restructuring, balancing work and life, enhancing bio-diversity, addressing climate change, and helping find solutions to the HIV/AIDS epidemic. Five or ten years ago, maybe two or three of those issues would find their way onto a business agenda. But most of them have, of course, always been on the human agenda. True, we're talking about a relatively small number of companies, maybe 200, and I agree with Bill that no company has yet got it right. But those are 200 of the world's leading and most successful companies that are actually factoring such concerns into the way they do business.

### **Building effective partnerships**

So one of the core things that the Forum does is to work with our member companies both individually and collectively to help them define, understand and address these issues. For example, we recently produced a report on human rights, and with Amnesty International we are running a series of ten workshops for companies on different aspects of human rights. A second role in our threefold mission is to develop geographic- and issue-based partnerships around the world. In all the countries where we operate, we try to build partnerships between governments and business and civil society. Some examples:

*In India*, we worked recently with Fiat motor company (which actually is not a member of the Forum but came to us). We are working with Fiat, UNIDO (a United Nations agency), INSEAD business school, the Indian automobile industry, and the Indian government and auto industry on a project to help small-scale suppliers of auto parts in India develop quality products. Initially, the output will go to Fiat, but later to other major international auto companies as well. These products have not only met international standards of quality but also environmental and social standards.

*In Latin America*, we are working with the American Chamber of Commerce in a number of ways. In Brazil, for example, the focus is on improving the quality of education in schools and bringing companies in to visit schools and to work with head teachers on management issues within education.

*In Zimbabwe*, we are working with a program called Partners for Growth. It involves a group of big companies helping to develop small-scale businesses and developing linkages between their companies and small-scale entrepreneurs.

*In St. Petersburg, Russia*, we have projects involving enhancement of culture and health.

*In Poland*, we are helping young, unemployed people develop the skills they need to find work.

In all of these partnerships, the core element is bringing the skills of business to play in building each partnership.

The final and third role we undertake is to help build what we call the "enabling environment" that makes partnerships and responsible businesses more effective. This can range from international public policy networks to the development of voluntary guidelines and award programs to incentivise better business behavior. Together with such other organizations as the World Business Council for Sustainable Development (WBCSD), we forge alliances and build frameworks. Of these, the Global Compact is probably the most exciting current example. The Global Compact originated from a challenge to business from Kofi Annan, the UN's Secretary General, to commit to a set of nine principles in the areas of labor, human rights, and the environment. Each participating company has committed itself to report annually

on what it is doing in these three areas. The Forum, the WBCSD, and the International Chamber of Commerce (ICC) have worked closely with the Secretary General's office and other UN agencies, as well as with individual companies, trade unions, and nongovernmental organizations (NGOs) to help establish and promote the Global Compact.

Some people have criticized the Global Compact for lacking teeth and being entirely voluntary. But these critics fail to appreciate the major commitments that adhering companies have made in agreeing to report every year to the United Nations on what work they are doing on labor, human rights, and environmental issues. The Compact should be viewed as a values platform and learning network rather than a code of conduct. We are now working with the United Nations, as is the WBCSD, to bring business, government and civil society together around the table on the local and national levels in developing countries. Another very important aspect of the enabling environment, and again the ICC and the WBCSD do this as well, is to help establish the "rules of the game." This involves organizing dialogues on issues such as social and environmental regulations and voluntary agreements. We are also trying to increase public awareness about the social role of business, which companies like Shell and DuPont are amplifying through their own advertising campaigns. Again, people criticize that effort, saying, in effect, that talk is cheap. But I would counter by saying that once a company publicly states that it is doing things, it jolly well better start doing them, because everyone's going to be watching - especially activist NGOs and the media. That's why it shows a real commitment on the part of companies to participate in increasing public awareness - once they've started it difficult to turn back.

### **Spreading best practices**

We also try to act as a third party by making known the good news about the best practices of the companies on their behalf. We have partnerships with *Financial Times*, CNN, *Time* and *Fortune* to make sure news gets out about the positive things that business is doing. We also are building capacity for partnerships. We hear so much about partnerships these days, but they really are a very important tool to help us go forward. They are not easily created, however, and don't happen overnight, whether the partnership is business based or social. We are working, particularly with the United Nations, to help build the different types of skills needed for people to create and maintain effective partnerships. Our Partners in Action, for example, brings together senior United Nations officials and business people, both nationally and internationally. In Ghana, we got local Ghanaian business people and United Nations people together to focus on the challenges they face and to build their mutual understanding and their skills for working together. In another program called INSIGHT, we encourage business leaders to take an inside look at community projects and we take community people and NGO members to look at business. One example is when we took a group of NGOs in India to the Tata Steel factory, which these people had sharply criticized without ever having seen steel made. They had no idea of the process; most had never been inside a factory. Actually taking people out of their comfortable existence, for example taking the business people in their suits to a grassroots community project to meet illiterate women who are managing community initiatives with incredible imagination and creativity makes these people realize that they don't have all the answers. It also helps them to think about practical ways in which they can help. At the same time, taking the NGOs to visit business operations can help to make them more appreciative of business and to build mutual trust and understanding.

We are not yet doing anything to influence the financial markets and financial incentives, which is an area in which all of us can play a role. There is enormous pressure on business to achieve short-term profits, and yet most of the challenges we have been discussing involve long-term vision and long-term investment. Short-term profits have a role, of course, but real success requires long-term leadership and vision. It is absolutely critical. Some individual companies display that ability when they discuss topics like sustainable development with their major investors. Few financial people really understand

sustainable development, so bringing them in to explain what that can mean for business is something all companies can do.

### **Partnerships that work**

In summary, that is what our Forum does in working on an international basis with leaders from different cultures and different religious traditions to promote responsible capitalism through these new types of partnerships and creating an enabling environment. But we are quite small, so we rely as much as possible on the resources and skills of our members and other partners in order to have a global impact. We also encourage and promote partnerships that are developed by other organizations.

Let me describe some of the partnerships that are emerging around the world to give an idea of the incredible richness of this way of working. Many inspiring examples could be cited, from the local level to the international level, of people from business and other sectors coming together to address the prosperity of humankind. I have picked just a few that operate at an international multi-stakeholder level, plus a few examples of what individual companies are doing.

*Business Partners for Development.* We helped the World Bank set up Business Partners for Development. The Bank made it clear from the outset that it would provide the secretariat, but would not control the initiative. Instead it would be a partner with the participating companies and NGOs. This initiative has identified four issues that are critical to the prosperity of humankind: natural resources, both energy and mining; youth and education; water and water supplies; and road safety. Road accidents and hazardous roads are a major killer in developing countries. For the natural resource cluster, energy companies and mining companies were recruited to participate. BP agreed to chair it, with Care International, a major international NGO, as co-chair. For youth and education, the International Youth Foundation and Kellogg, the cereal company, are co-chairs. That same pattern of leadership was followed for water issues and road safety, and other companies and NGOs later joined in. Together they decide what issues to promote. In the natural resources cluster, for example, half a dozen projects were chosen around the world, each one seeking to improve mining practices and energy production and sharing the benefits of investment with local communities. Similarly, in the area of youth and education, a dozen projects are underway in various countries, each with businesses and NGOs working together.

*The Global Business Council on HIV/AIDS.* This is a partnership between the United Nations, the Forum and about twenty companies through which the businesses are working to address HIV/AIDS on a collective basis, especially in the developing countries which are the biggest sufferers. Business clearly has a role to play in addressing HIV/AIDS in the workplace and in surrounding communities, but few companies know how to go about it. So the Council seeks to mobilize business support and to share good practices to address HIV/AIDS.

*The Ethical Trading Initiative.* Trade unions, retail companies, supermarkets, and NGOs have come together, initially in the United Kingdom but now internationally, to promote ethical trading. The participants have a big vision, but have decided as a practical matter to work with a few countries, including China and Zimbabwe. In these countries, they are working on projects to promote ethical trading between those countries and, in this case, the U.K.

*The Marine Stewardship Council.* The Worldwide Fund for Nature and Unilever came together to look at ways of promoting sustainable fisheries. Similarly, a *Forest Stewardship Council* looks at forestry products.

*The Partnership for Quality Medical Donations.* About ten pharmaceutical companies and fifteen nongovernmental humanitarian organizations in America are looking at ways of improving the flow of medical products to poorer countries. The NGOs work with the pharmaceutical companies to see that needed medicine gets to the countries needing it, and gets there in the right manner and amount.

These are just a few examples of the kinds of partnerships now at work, and none of them existed even five years ago.

What about some examples of individual companies? KPMG, the accounting firm, is working on mentoring between their consultants and head teachers in South Africa, England and about five other countries. Shell has a program to encourage enterprise development by young people. Citibank has a Banking-on-Enterprise program fostering micro-enterprise and micro-banking, using its banking skills to help micro-enterprises. Many pharmaceutical companies are donating products. Levi-Strauss has what it calls "community investment teams" in all its plants. These teams of employees and community leaders set up investment teams between the company and the local communities. Many other companies have similar examples. Unilever in India sends its young managers, often recruited from the top universities of India, to spend six weeks living in very poor rural communities to work on local projects. Unilever calls the program an investment for the future, because one day those communities are going to be markets. The program also makes those very privileged young people at Unilever aware of the hardships experienced within their country. Cisco Systems has formed a partnership with the United Nations called Net-Aid, which mobilizes the power of the World Wide Web and the Internet to raise funds and recruit volunteers for development projects. Microsoft, during the Kosovo war, joined up with the United Nations High Commission for Refugees, Hewlett-Packard, and a number of other companies to develop, on a pro-bono basis, an effective system for registering refugees. Their work not only helps reunite families but supports the dignity of refugees. And there are many, many more inspiring examples.

### **Challenging partnerships**

But of course these partnerships don't just happen. Creating them is a real challenge. I think that the way the Bahá'í community operates, through consultation, dialogue, and mutual respect, can offer much in working with companies and others on building partnerships. The challenge breaks down into two categories: operational challenges and strategic challenges.

The main operational challenge is bridging diversity. When you bring the United Nations together with a company and an NGO, they speak different languages, have different approaches, hold different objectives, and maintain different expectations, even different time horizons. When Shell was working in Peru, for example, the company from the outset made a major commitment to consult with communities. But Shell found that its usual deadlines differed from the traditions within the communities, which encouraged lengthy debate and discussion. Common ground had to be found. So there are all sorts of diversity issues that must be bridged before partnerships can succeed.

Another operational challenge is attracting and sustaining involvement, because partnerships are often long term and involve a lot of effort in building trust and understanding among participants. Many people, unfortunately business people in particular, get fed up and leave. That's because companies tend to be output driven. We want results now! Many successful partnerships try to build in early wins, or outputs, to help motivate participants. Building partnerships requires new competencies and different types of skills, such as stakeholder consultation. This is not something taught in business schools and universities. Companies as well as the other sectors involved in these partnerships must understand the skills involved in consulting stakeholders. One need is addressing power imbalances, since often in a partnership he or she who brings the most money runs things. But, of course, these partnerships are about more than

money. They are about other resources, like community connections. The danger of the person who has the money, or the company that has the money, looking down on the community organization, which contributes networks but not money, has to be addressed. While we do need to measure results, partnerships are essentially about process and building trust. It's also about creating space for silence and genuine listening and mutual respect. Even if there is no specific, measurable output, just by having people come around 'the same table' and try to work on a problem together can build trust and respect. That in itself should be seen as a valuable output, an incredible output, one that is difficult to measure but is essential in a successful partnership.

In short, partnerships face real challenges, but I believe that the wonderful examples of successful partnerships occurring all over the world bode well for the future. And business has a critically important role to play in them. Business needs to be more confident and brave about talking about moral issues. The fact that business is a moral agent in society, as much as it is an economic agent, means that there is a moral case of what a business can give to society, just as there is a business case. Winston Churchill once said, "We make a living by what we get, but we make a life by what we give." As Bill Ford, from Ford Motor Company, said more recently: "A good company is one that delivers good products and services, a great company delivers excellent products and services and strives to make the world a better place." To me, those are thoughts to keep in mind when we think of business and the role it can play in contributing to the prosperity of humankind.

## **Toward a New Concept of Prosperity**

*by Matthew Weinberg*

With the onset of a new millennium, the world is experiencing startling and far-reaching changes that portend a fundamental reshaping of human relations. These processes of change, at times bewildering in their cumulative impact, presage ever deeper bonds of interdependence among nations. Hitherto isolated peoples and cultures are interacting for the first time, creating new tensions but also new patterns of thought and civilization. The world can now truly be perceived as a single homeland and the possibility of extending the benefits of human discovery to every person on the planet can be seriously considered.

Although the extraordinary technical advances of the twentieth century offer the promise of a great surge forward in social evolution, humanity is now confronted with a series of interrelated problems that threaten both the fabric of civilized life and the natural world itself. The pressing needs of the current age call for a reassessment of the underlying assumptions of the political, social, and economic arrangements that prevail from the local to the global level. If we are to give impetus to constructive social processes that advance the prospects of peace and enhance human well-being, all the world's inhabitants must become directly engaged in a search for appropriate values, ideas, and practical measures that address the challenges of the present hour.

As one of the most important and pervasive forces in modern day life, the private sector has a vital role to play in this search for new approaches to meeting human needs and fostering social advancement.

Central to the task of reconceptualizing the organization of human affairs is arriving at new understandings of the role and purpose of economic and business activity. Despite notable progress in uplifting physical standards of living in some parts of the globe, it is simply no longer possible to maintain the belief that social and economic progress can flow from a strict materialistic conception of life.

In short, we need a new notion of human prosperity. Materialism, whether as an ideology or as an organizational principle, has radically failed. Even in the midst of great material well-being in certain parts of the world there is widespread disillusionment and disaffection with the modern ethos. The frenetic experimentation with various forms of self-indulgence is beginning to reveal its social, psychological and emotional costs. The great majority of the world's peoples do not view themselves simply as material beings responding to material exigencies and circumstances, but rather as moral beings concerned with spiritual awareness and purpose.

Many commentators, while acknowledging the interdependent character of the world economy, are viewing with skepticism the primacy given to a laissez-faire, liberal economic order. As a vision of society, the unrestrained pursuit of wealth in a globalized marketplace is being rejected as narrow and irrelevant to the needs and aspirations of peoples in all parts of the planet. The popular notion that the pursuit of personal interest will lead to broad public gain is receiving particular scrutiny.

Economic systems and policies founded solely on a materialistic worldview reflect a basic error of conception about human nature itself. Unless society is able to find a purpose beyond the mere improvement of material conditions, it will fail of attaining even modest goals of political and social stability. It is becoming increasingly clear that such a purpose must be sought in the spiritual dimensions of life that are so central to human dignity and identity. It is the spiritual aspect of existence that enriches, ennobles and provides direction to human beings. Consequently, a deeper understanding of what constitutes well-being and of the mechanisms for achieving such well-being is necessary.

To this end, we must strive to develop a concept of prosperity whose goal is not just efficiency but the promotion of equity, service to others, justice, social harmony and cohesion, and the creation and preservation of beauty - whether man-made or of the natural world. It must be a prosperity that promotes respect for human rights and awareness of our responsibilities to the common weal, recognizes that the interests of the individual and of society are inseparable, for the welfare of the individual is tied to the flourishing of the whole, fosters equality and partnership of women and men, protects and nurtures families, shares and harnesses the fruits of science and technology for the whole of the human race, and follows a path of social advancement that safeguards the world's ecosystems. Thus, the global society now emerging must discard long held conceptions about human welfare that focus only on needs and wants and instead embrace selflessness and benevolence as economic and organizational imperatives.

Private enterprise, as a manifestation of individual creativity and initiative, is a potent instrument for bringing about human well-being, a vehicle for establishing what might be called the honorable prosperity of each and every person on the planet. As a specific expression of human capacity, business activity is a tangible application of human discovery and knowledge. Such activity, however, can be channeled in either constructive or destructive ways.

"Commercial activities," the Bahá'í writings indicate, should be founded on "fairness and equity." Industry, commerce, agriculture, the sciences and the arts are regarded as the means of advancing civilization. In particular, Bahá'u'lláh states that "Commerce is as a heaven, whose sun is trustworthiness and whose moon is truthfulness." In a related passage, trustworthiness is referred to as the "supreme instrument for the prosperity of the world."

Wealth, when acquired as a consequence of striving for excellence or seeking to provide for others, is "praiseworthy in the highest degree". When properly employed and justly distributed, wealth is a powerful tool for releasing human potential and promoting social integration.

Hence, the private sector can and must be a positive social actor. Corporate responsibility towards communities in which business activity occurs, environmental stewardship, just treatment of workers, creative and beneficial deployment of new technology, and contributions to public education are some of the commonly understood aspects of ethical business practice. But the "old standards of ethics, moral codes, and methods of living will not suffice for the present age of advancement and progress."

For Bahá'ís, the emergence of a just social order implies "an organic change in the structure of present-day society, a change such as the world has not yet experienced". It calls for a pattern of social interaction that cultivates the moral and creative capacities latent in human nature; it embraces a concept of prosperity in which material advancement makes possible new avenues of intellectual, cultural and spiritual expression rather than being an end in itself; it anticipates the "emergence of a world community, the consciousness of world citizenship, the founding of a world civilization and culture . . ."

The implications of this vision for private enterprise are profound. It implies, in the broadest sense, basic changes in all of the institutional arrangements relating to production and consumption. It involves rethinking what certain products are for and how the tools of science and technology should be harnessed. Are products meant to simply satisfy ill-defined wants or to meet and serve human needs? Can products and services evolve so that they elicit greater emanations of ingenuity while addressing essential human priorities? If this is to be, then new models of business enterprise will need to emerge that value cooperation over competition, a commitment to problem solving, and above all service to society.

What would be the contours and central elements of an economic system that embraces cooperation as a fundamental organizing principle?

In elaborating on the idea that cooperation rather than competition should serve as the basis of organized economic activity, the Bahá'í writings explain that cooperation gives life to society just as the life of an organism is maintained by the cooperation of the various elements of which it is composed. "[T]he base of life is . . . mutual aid and helpfulness, and the cause of destruction and non-existence would be the interruption of this mutual assistance. The more the world aspires to civilization the more this important matter of cooperation becomes manifest." Within the framework of an economic system based on cooperation, the value of individual economic initiative is affirmed, while competition is transformed into a vehicle of creative expression.

A key tool in achieving such cooperative economic mechanisms is the adoption of open consultative decision-making processes both within corporations and between the private sector and public institutions. To be effective these decision-making processes must ensure that the views of all stakeholders - consumers, communities, employees - are taken into account and must also be non-adversarial in nature. Truly meaningful consultation ensures that problems and goals are clearly defined and that means and ends will not be confused.

The importance of service as a guiding principle of business activity cannot be overemphasized. Adopting service to society as an overriding business goal goes well beyond existing notions of corporate philanthropy, for it implies establishing an objective as important as the viability of the firm itself. In some sense, the firm, regardless of financial success, would not be viewed as viable without a true service orientation. This does not mean that enterprises would forgo profits, but that the generation of revenue would be achieved in different ways. We are beginning to see the first examples of this type of business practice in industries where knowledge and technological innovation applied on a systems level have supplanted physical products - for example, in pesticide use and energy consumption. Systems or holistic thinking is essential to achieving a transformation of economic activity for it offers enormous potential in

developing environmentally sustainable pathways of progress as well as innovative approaches to meeting material needs.

Service to society must also be the foundation of a new work ethic. Through work we all become participants in propelling civilization forward. Work acquires meaning to us when we see the impact that our efforts have on others. To the extent that work is consciously undertaken in a spirit of service to humanity it becomes an expression of spiritual and moral ideals. Such an attitude towards work can ennoble all aspects of business activity.

These points lead to an overarching question. Cannot the idea of the market and the nature of economic activity itself evolve into something more altruistic and cooperative than the individualistic, competitive and consumerist modes now dominant? Can we move beyond a model of economic life based on enlightened self-interest to one that reflects the basic relational aspect of human existence?

There exists a strange dichotomy in modern life between the private and public spheres - between how we function and operate in the family versus outside of the family. Inside the family we are guided by values such as love, sacrifice, and commitment and we strive to ensure that all members of the family are able to develop their capacities and to realize their aspirations. Outside the family we often succumb to forces of privatism and individualism.

In affirming the essential spiritual nature of human beings, the Bahá'í teachings insist that economics must incorporate this understanding of reality into both its theoretical foundations and prescriptive recommendations: "The fundamentals of the whole economic condition are divine in nature and are associated with the world of the heart and spirit." "The disease which afflicts the body politic is lack of love and absence of altruism." Enduring solutions to economic problems will therefore only be found in the application of spiritual principles.

It is here where the vision of the oneness of humankind becomes most interesting. The oneness of the human family is a deceptively simple but powerful notion. It is both a statement of principle and a basis for social action. When we extend the idea of the family - with its values of shared concern, reciprocity and mutual assistance - to society at large, genuine social transformation becomes a possibility. What emerges then is a true "civilization of character" where a dynamic coherence exists between the material and spiritual imperatives of life - a civilization in which all aspects of private enterprise are reformulated to cultivate an honorable prosperity that truly reflects the innate dignity and nobility of human beings.

### **Excerpts Related to Business**

#### **from *The Prosperity of Humankind***

This selection of relevant quotations is taken from the Bahá'í International Community statement, *The Prosperity of Humankind*, which was first published for the United Nations Social Summit in Copenhagen in 1995 and has since been made widely available. [Online at [bahai-library.com/bic\\_prosperity\\_humankind](http://bahai-library.com/bic_prosperity_humankind).]

#### **From materialistic to developmental approaches**

A culture which attaches absolute value to expansion, to acquisition, and to the satisfaction of people's wants is being compelled to recognise that such goals are not, by themselves, realistic guides to policy.

The assumptions directing most of current development planning are essentially materialistic.

As the twentieth century draws to a close, it is no longer possible to maintain the belief that the approach to social and economic development to which the materialistic conception of life has given rise is capable of meeting humanity's needs. Optimistic forecasts about the changes it would generate have vanished into the ever-widening abyss that separates the living standards of a small and relatively diminishing minority of the world's inhabitants from the poverty experienced by the vast majority of the globe's population.

. . . unless the development of society finds a purpose beyond the mere amelioration of material conditions, it will fail of attaining even these goals.

. . . material benefits and endeavours cannot be regarded as ends in themselves. Their value consists not only in providing for humanity's basic needs in housing, food, health care, and the like, but in extending the reach of human abilities. The most important role that economic efforts must play in development lies, therefore, in equipping people and institutions with the means through which they can achieve the real purpose of development: that is, laying foundations for a new social order that can cultivate the limitless potentialities latent in human consciousness.

. . . however long the process and whatever setbacks may be encountered, the governance of human affairs can be conducted along lines that serve humanity's real needs.

### **A new work ethic**

Unemployment raises similar issues. In most of contemporary thinking, the concept of work has been largely reduced to that of gainful employment aimed at acquiring the means for the consumption of available goods. The system is circular: acquisition and consumption resulting in the maintenance and expansion of the production of goods and, in consequence, in supporting paid employment. Taken individually, all of these activities are essential to the well-being of society. The inadequacy of the overall conception, however, can be read in both the apathy that social commentators discern among large numbers of the employed in every land and the demoralization of the growing armies of the unemployed.

Not surprisingly, therefore, there is increasing recognition that the world is in urgent need of a new "work ethic." Here again, nothing less than insights generated by the creative interaction of the scientific and religious systems of knowledge can produce so fundamental a reorientation of habits and attitudes. Unlike animals, which depend for their sustenance on whatever the environment readily affords, human beings are impelled to express the immense capacities latent within them through productive work designed to meet their own needs and those of others. In acting thus they become participants, at however modest a level, in the processes of the advancement of civilisation. They fulfill purposes that unite them with others. To the extent that work is consciously undertaken in a spirit of service to humanity, Bahá'u'lláh says, it is a form of prayer, a means of worshipping God. Every individual has the capacity to see himself or herself in this light, and it is to this inalienable capacity of the self that development strategy must appeal, whatever the nature of the plans being pursued, whatever the rewards they promise. No narrower a perspective will ever call up from the people of the world the magnitude of effort and commitment that the economic tasks ahead will require.

Similarly, the training that can make it possible for the earth's inhabitants to participate in the production of wealth will advance the aims of development only to the extent that such an impulse is illumined by the spiritual insight that service to humankind is the purpose of both individual life and social organisation.

### **Consultation**

Whether in the form of the adversarial structure of civil government, the advocacy principle informing most of civil law, a glorification of the struggle between classes and other social groups, or the competitive spirit dominating so much of modern life, conflict is accepted as the mainspring of human interaction. It represents yet another expression in social organisation of the materialistic interpretation of life that has progressively consolidated itself over the past two centuries.

Central to the task of reconceptualising the system of human relationships is the process that Bahá'u'lláh refers to as consultation. "In all things it is necessary to consult," is His advice. "The maturity of the gift of understanding is made manifest through consultation."

The standard of truth seeking this process demands is far beyond the patterns of negotiation and compromise that tend to characterise the present-day discussion of human affairs. It cannot be achieved - indeed, its attainment is severely handicapped - by the culture of protest that is another widely prevailing feature of contemporary society.

Debate, propaganda, the adversarial method, the entire apparatus of partisanship that have long been such familiar features of collective actions are all fundamentally harmful to its purpose: that is, arriving at a consensus about the truth of a given situation and the wisest choice of action among the options open at any given moment.

What Bahá'u'lláh is calling for is a consultative process in which the individual participants strive to transcend their respective points of view, in order to function as members of a body with its own interests and goals. In such an atmosphere, characterized by both candor and courtesy, ideas belong not to the individual to whom they occur during the discussion but to the group as a whole, to take up, discard, or revise as seems to best serve the goal pursued. Consultation succeeds to the extent that all participants support the decisions arrived at, regardless of the individual opinions with which they entered the discussion. Under such circumstances an earlier decision can be readily reconsidered if experience exposes any shortcomings.

Viewed in such a light, consultation is the operating expression of justice in human affairs. So vital is it to the success of collective endeavour that it must constitute a basic feature of a viable strategy of social and economic development. Indeed, the participation of the people on whose commitment and efforts the success of such a strategy depends becomes effective only as consultation is made the organising principle of every project. "No man can attain his true station", is Bahá'u'lláh's counsel, "except through his justice. No power can exist except through unity. No welfare and no well-being can be attained except through consultation."

### **Use of resources and environmental issues**

Concern for justice ... ensures that limited resources are not diverted to the pursuit of projects extraneous to a community's essential social or economic priorities. Above all, only development programs that are perceived as meeting their needs and as being just and equitable in objective can hope to engage the commitment of the masses of humanity upon whom implementation depends. The relevant human qualities such as honesty, a willingness to work, and a spirit of co-operation are successfully harnessed to the accomplishment of enormously demanding collective goals when every member of society - indeed every component group within society - can trust that they are protected by standards and assured of benefits that apply equally to all.

. . . to use wealth and other resources in ways that serve the advancement of civilisation.

A challenge of similar nature faces economic thinking as a result of the environmental crisis. The fallacies in theories based on the belief that there is no limit to nature's capacity to fulfill any demand made on it by human beings have now been coldly exposed.

### **A global strategy**

Inadequate, too, are approaches to economic issues whose decision-making tools cannot deal with the fact that most of the major challenges are global rather than particular in scope.

The task of creating a global development strategy that will accelerate humanity's coming-of-age constitutes a challenge to reshape fundamentally all the institutions of society.

### **Access to knowledge**

The tasks entailed in the development of a global society call for levels of capacity far beyond anything the human race has so far been able to muster. Reaching these levels will require an enormous expansion in access to knowledge, on the part of individuals and social organisations alike. Universal education will be an indispensable contributor to this process of capacity building, but the effort will succeed only as human affairs are so reorganised as to enable both individuals and groups in every sector of society to acquire knowledge and apply it to the shaping of human affairs.

### **The exercise of authority**

In its traditional, competitive expression, power is as irrelevant to the needs of humanity's future as would be the technologies of railway locomotion to the task of lifting space satellites into orbits around the earth.

The analogy is more than a little apt. The human race is being urged by the requirements of its own maturation to free itself from its inherited understanding and use of power. That it can do so is demonstrated by the fact that, although dominated by the traditional conception, humanity has always been able to conceive of power in other forms critical to its hopes. The most obvious example, perhaps, has been the power of truth itself, an agent of change associated with some of the greatest advances in the philosophical, religious, artistic, and scientific experience of the race. Force of character represents yet another means of mobilising immense human response, as does the influence of example, whether in the lives of individual human beings or in human societies. Almost wholly unappreciated is the magnitude of the force that will be generated by the achievement of unity, an influence "so powerful", in Bahá'u'lláh's words, "that it can illuminate the whole Earth."

The institutions of society will succeed in eliciting and directing the potentialities latent in the consciousness of the world's peoples to the extent that the exercise of authority is governed by principles that are in harmony with the evolving interests of a rapidly maturing human race.

Such principles include the obligation of those in authority to win the confidence, respect, and genuine support of those whose actions they seek to govern; to consult openly and to the fullest extent possible with all whose interests are affected by decisions being arrived at; to assess in an objective manner both the real needs and the aspirations of the communities they serve; to benefit from scientific and moral advancement in order to make appropriate use of the community's resources, including the energies of its members. No single principle of effective authority is so important as giving priority to building and maintaining unity among the members of a society and the members of its administrative institutions.

### **Access to science and technology**

If the work involved is viewed chiefly as the preserve of established elites living in a small number of nations, it is obvious that the enormous gap which such an arrangement has already created between the world's rich and poor will only continue to widen, with the disastrous consequences for the world's economy already noted. Indeed, if most of humankind continue to be regarded mainly as users of products of science and technology created elsewhere, then programs ostensibly designed to serve their needs cannot properly be termed "development".

A central challenge, therefore - and an enormous one - is the expansion of scientific and technological activity. Instruments of social and economic change so powerful must cease to be the patrimony of advantaged segments of society, and must be so organised as to permit people everywhere to participate in such activity on the basis of capacity. Apart from the creation of programs that make the required education available to all who are able to benefit from it, such re-organisation will require the establishment of viable centres of learning throughout the world, institutions that will enhance the capability of the world's peoples to participate in the generation and application of knowledge. Development strategy, while acknowledging the wide differences of individual capacity, must take as a major goal the task of making it possible for all of the earth's inhabitants to approach on an equal basis the processes of science and technology which are their common birthright.

### **The equality of sexes**

A commitment to the establishment of full equality between men and women, in all departments of life and at every level of society, will be central to the success of efforts to conceive and implement a strategy of global development.

Indeed, in an important sense, progress in this area will itself be a measure of the success of any development program. Given the vital role of economic activity in the advancement of civilisation, visible evidence of the pace at which development is progressing will be the extent to which women gain access to all avenues of economic endeavour.

The challenge goes beyond ensuring an equitable distribution of opportunity, important as that is. It calls for a fundamental rethinking of economic issues in a manner that will invite the full participation of a range of human experience and insight hitherto largely excluded from the discourse.

The classical economic models of impersonal markets in which human beings act as autonomous makers of self-regarding choices will not serve the needs of a world motivated by ideals of unity and justice. Society will find itself increasingly challenged to develop new economic models shaped by insights that arise from sympathetic understanding of shared experience, from viewing human beings in relation to others, and from a recognition of the centrality to social well-being of the role of the family and the community.

Such an intellectual breakthrough - strongly altruistic rather than self-centered in focus - must draw heavily on both the spiritual and scientific sensibilities of the race, and millenia of experience have prepared women to make crucial contributions to the common effort.

### **Obligations of the community**

Since the body of humankind is one and indivisible, each member of the race is born into the world as a trust of the whole.

The obligations on the part of the community extend to the provision of employment, mental and physical health care, social security, fair wages, rest and recreation, and a host of other reasonable expectations on the part of the individual members of society.

Human rights, the advancement of women, the social requirements of sustainable economic development, the overcoming of prejudices, the moral education of children, literacy, primary health care, and a host of other vital concerns each commands the urgent advocacy of organisations supported by growing numbers in every part of the globe.

### **About the Contributors**

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