PEGASUS

A NEWSLETTER FOR THE CAUX ROUND TABLE FOR MORAL CAPITALISM NETWORK LOOKING AT BUSINESS ABOVE THE CLUTTER AND CONFETTI

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Introduction

This issue of *Pegasus* is an important one. It brings to you John Dalla Costa’s inspired proceedings of our recent 2023 Global Dialogue at Mountain House in Caux, Switzerland. John is one of our fellows and served as the dialogue’s rapporteur. The proceedings give you provocative thoughts on our times.

Secondly, it offers you Michael Hartoonian’s thoughts on our times as well, around the existential reality of coming together, coming apart. Michael proposes to re-ground what it means to be a professional person from making money at a trade – law, medicine, politics, business – to making one a servant of the common good.

Both the proceedings and Michael’s essay pose for all of us the question of what is a “moral” society?

I am growing comfortable with an understanding that the work of the Caux Round Table, begun in 1986 by senior business leaders to think about and act on morality in business, should now focus on the needs of our times, which are more inclusive. Perhaps all of us need to think more about “moral” society – its principles and best practices.

The practical argument for doing so is that business is downstream from law and government, law and government are downstream from politics, politics is downstream from culture and, finally, culture is downstream from society. Accordingly, to deal with disappointments and missed opportunities in business, law, government, politics and culture, we must engage society.

Such engagement will require its own foundational idealism and selected spheres of outreach to leaders and followers alike.

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Foundations for Shared Responsibility:
Co-Developing the Ethical Trajectory for an Imbalanced World

Caux Round Table for Moral Capitalism
2023 Global Dialogue
Mountain House
Caux, Switzerland
July 26 and 27
Proceedings
By John Dalla Costa
PROLOGUE: LESSONS AND LEGACIES

• Twenty-eight individuals from 15 countries, representing a variety of business sectors, religions and spheres of expertise, gathered at Mountain House in Caux, Switzerland, on July 26 and 27 for the Caux Round Table’s 2023 Global Dialogue.

• Before engaging the issues at hand, participants heard from two of the founding members of the Caux Round Table, who first met in 1986 to diffuse the tensions caused by the global inroads of Japanese corporations. Economic anxieties and suspicions were then morphing into national hostilities, which included dangerous and damaging racial invectives. The economic difficulties and cultural differences were all too real and suspicions persisted, even among executives and policy leaders who gathered to defuse the antagonisms. Recognizing the stakes, North American, Japanese and European participants committed to a process of mutual learning, to grow together the capacities for peaceful collaboration.

• The process for this business detente drew on the history of Mountain House. French and German citizens had gathered there in the still-harsh aftermath of World War II to practice the sensibilities for “moral rearmament.” Peace between nations had been achieved at horrific cost. With this face-to-face meeting, participants sought to recover and form together a sense of conscience broader than national interest, from which the political policies of peace could be more securely grounded.

• Inspired by this model of frank dialogue, business participants sought to engage their differences with respectful attentiveness for mutual learning. Sharing experiences and objectives from diverse perspectives worked to generate transformation on several levels. As knowledge about one another grew, so did appreciation for one another’s humanity and fundamental interdependence. Suspicions abated as stereotypes dissolved. Not all differences were resolved, but bonds that emerged opened deeper channels of communication, facilitating not only more collaboration, but also human friendship.

• With this new horizon formed together, the Caux Round Table Principles for Business were formally encoded in 1994. These principles were provocative and prophetic, challenging the biases of the time by sharing the wisdom lessons “rooted in two basic ethical ideals: kyosei and human dignity. The Japanese concept of kyosei means living and working together for the common good, enabling cooperation and mutual prosperity to coexist with healthy and fair competition. “Human dignity” refers to the sacredness or value of each person as an end, not simply as a means, to the fulfillment of others’ purposes or even majority prescription.”

• Our 2023 Global Dialogue gathered to continue the bridge-building momentum of previous meetings. The goals were twofold: diagnosing not only the social stresses threatening peace and prosperity today, but also their causes and to apply the social teachings and moral wisdom of our various cultures, religions and ideals to fomenting hopeful change.

BEHIND THE SIGNS OF THE TIMES

• The destabilization infecting this time is palpable to many people across the planet. Changing climate and the destruction of ecosystems are touching the lives of every human being. Social and political divisions have become more acute, with polarization fueling inter-religious and minority-directed violence. Global and democratic...
institutions have been frayed, encouraging more aggression and suppression by tyrannical regimes. And the promise of globalization has become frayed and mistrusted. Widespread disillusionment flows, in part, from the growing inequality in outcomes and from the dehumanization that strategy, markets and competition impose on human beings, rendering them valuable and worth considering only as consumers or producers.

After a thorough analysis of the data and factors that have coalesced into global society’s multiple crises, we studied the situation at hand through the lens of VUCA:

- Identifying the **volatilities** that are the new norm in politics, culture, ecology and economy;
- Noting the subsequent, as well as the unexpected **uncertainties** that are undermining social and business stability, locally and globally;
- Acknowledging the **complexities** from the overlaps, confusions and conflicts as systems and civilizations interact and in some cases, degrade;
- And recognizing the perplexing, often impenetrable **ambiguities** which foil conventional policies or solutions, rendering isolated expertise, no matter how accomplished, less effective and less credible.
- As is true of the systemic problems of which these terms are a diagnosis, each factor interacts with and is compounded by the others. Underlying these interconnections are the still-unacknowledged **limits**—those social and ecological thresholds that cannot be transgressed without risking violence and collapse.

The recognition of VUCA is now widespread throughout business and politics. By their questions and comments, dialogue participants raised several questions and insights:

- The underlying imbalances and risks that have metastasized into VUCA are not new: human, social, ethical and ecological dysfunctions have been empirically documented for over three decades. Indeed, the Caux Round Table Principles for Business were created to explicitly address the disparities and disharmonies already evident in the early rush of this latest version of economic globalization. The Millennium Development Goals of the United Nations, formed in 2000 and later refined as the Sustainable Development Goals (SDGs) in 2015, were similarly aimed to diffuse the very fissures and breakdowns that are today so daunting and fear-inducing. Neither of these, nor any other of the many programs for reform, have had sufficient impact to arrest the imbalances, let alone correct them. Knowing has not translated into doing. Seeing the problems has not incited commensurate change or solutions. What prevents governments, public institutions, corporations, communities and individuals from changing their minds and changing their behaviors?

- While VUCA is an important model for analysis, it was suggested that the concepts and terms for probing our pressing reality tended to operate with the same technical mindset that has created the current maelstrom. The point of view of VUCA remains top-down, identifying all-too-real risks, but without presenting the all-too-real human traumas and dislocations. One example that was raised is that, while the elite and technical class clearly struggle with the implications of post-Covid-inflation, including the impact on food prices, analyses and recommendations have been far removed from the actual experience of hunger and famine that has overtaken hundreds of millions of people. Shocked though we may be by the
numbers, the human connection from empathy and solidarity remains tenuous, at best.

- Just as VUCA remains aloof from the on-the-ground human reality, it has, as yet, not caused a re-evaluation of assumptions and priorities, particularly among leaders.

  ○ One gap is between consciousness and conscience, between recognizing and acknowledging the symptoms and taking decisive ethical action against the causes.

  ○ Another gap is between the minimal and the moral understanding of fiduciary duty, between singular allegiance to one group, versus the exercise of loyalty and care that extends to society’s shared needs and norms.

  ○ A third gap is in the wider exercise of public duties. Professions and institutional authorities used to stand outside the self-interest of politics and economics to protect the common good. Having been turned into profit centers, what were once relational duties of profession are now competitive services conformed to the accounting criteria of billable hours.

  ○ Finally, a yawning gap exists between the moral teachings of our great religions and the actual practice by religious leaders and adherents. It is both ironic and tragic that some of the most important sources of humanity’s wisdom have been abused, exacerbating divisions rather than living out the espoused principles of humanity, compassion and solidarity. It is true that religious identity is today often coopted to fan fears and xenophobia by national politicians. However, it is also often the case that believers invoke their religion to justify the besmirching or dehumanizing of others, stoking animosity and violence.

- Once again, it is important to stress that these gaps or inconsistencies are not new. They are more problematic today for several reasons:

  ○ One is that these chronic imbalances have created a now global sense of pessimism and cynicism. As well as not trusting, there is a growing sense of futility that manifests as not trying.

  ○ Another is that the seeming intractability of this VUCA situation is from still using the mindset that led to our global paralysis to now try to resolve it. Numerous global initiatives have been launched, such as the U.N. Global Compact, Global Reporting Initiative, projects for social value or inclusive capitalism, as well as, more recently, various metrics projects for ESG (to guide and measure environmental, social and governance impacts). While worthy in many ways, these various projects have done little to mitigate VUCA and perhaps have even contributed to the volatility, uncertainty, complexity and ambiguity by proffering solutions from within the logical parameters of the economic theory propelling globalization’s crises.

  ○ Given that hard and fast environmental limits have yet to be acknowledged, we are still (contrary to common sense) trying to grow out of structural problems imposed by limits. And given that cultural diversity and other stakeholders are still secondary to stock owners, worker displacement, social disruptions and environmental damages are still regarded through utilitarian priorities, which (contrary to common sense) privilege short-term results, even over the future sustainability of humanity.
KEY QUESTIONS & PRELIMINARY PROPOSALS

1. What prevents paradigms from shifting?

- Before exploring what needs to change, there is a prior need to understand what has prevented change. Which ideas, ideologies, principles and presumptions have proven to be obstacles to addressing imbalances that have been long understood? Have we escaped our biases or are we still defaulting to the very assumptions that, in aggregate, have brought us to the current fear-driven paralysis?

- Even as we face incontrovertible facts about the limits of planet earth, the prevailing mindset of national politicians and business leaders is to pursue growth in GDP and market valuation. As the limits of the ecological system are closed, the pressures for growth are amplifying the benefits for winners and the harms to losers. The data regarding inequality, wage stagnation and ecological destruction is unequivocal, yet the remedies have yet to escape the gravitational pull of mindsets and hierarchical structures forged in the Industrial Revolution.

- In most MBA programs, managers have been taught tools for technical achievement, with little attention to human and moral development. This has produced all too many “mercenary managers,” who have graduated into more senior roles as “psychotic CEOs.” Obviously, these character distortions are not universal. However, sufficient numbers of amoral actors are in positions of power and leveraging their harshest strategies set hyper-competitive (and unethical) norms that even more grounded CEOs are forced to somehow match. When social or environmental demands become inescapable, these pressures are addressed either superficially (as with “greenwashing”) or tactically (as with unfulfilled SDG commitments).

- The quandary is that even well-intentioned leaders and executives read the signs of the times through the prism of growth, competition and success. New data is being processed with an old mindset, an old paradigm.

- One of the principles of Shinto has specific bearing on this imprisoning bias. Tokowaka beckons a cyclical undoing to begin anew, to regenerate resources and revitalize as if “youth is eternal.” In terms both symbolic and practical, shrines are deconstructed every twenty years and then rebuilt with new timber. This process of undoing to redo has many important implications. It allows each generation to not only inherit the spiritual significance of the shrine, but to actually participate in its recreation. Spiritual meaning is experienced, as well as instructed. It also allows for the learning and stresses of a particular time to infiltrate the construction, following the holy patterns of tradition, while keeping that tradition vital and current.

- Undoing to redo is a principle also found in the Jewish tradition. Leviticus 25:8-38 calls for a Jubilee so that a fundamental social and economic reset can take place in every generation for one year. The specific charge is for debts to be cancelled, for those enslaved or indentured by poverty to be set free, for property (which is understood to belong to God) to be redistributed so all have access to the sustenance of the land.

- For Christians, this Biblical reset resonates deeply because Jesus

- Wisdom requires more than intellectual learning. It is a process of experience, using deep memory of the past and moral hope for the future, to find the middle way in and through the complexities of the present.

- The Golden Rule in the Abrahamic traditions, the Doctrine of the Means in China, the Right Precepts for Buddhist harmony and the Shinto Tokowaka, are among the lessons from humanity's diversity that point to a shared wisdom for harmony and balance.
introduced his ministry as a realization of a fresh start stipulated by the Jubilee laws. As with the Beatitudes, Jesus recognized and addressed the inherent dignity of those whom the powers had abused and that society considered worthless or disposable.

- What these religious resources teach is that even the best human systems tend to degrade over time, an arc of atrophy that occurs when one generation forgets (or ignores) the hard-won lessons of the previous generation.

- One of the unfair outcomes of our current economic and business biases is that the penalties for imbalance fall on those least responsible for the deterioration.

- The 21 million that the U.N. counted in 2022 as climate change refugees are among the world’s poorest people, bearing the costs for resource consumption they had nothing to do with.

- A similar unfair downloading has impacted small and medium-sized enterprises (SMEs). Many of governments’ regulations to mitigate environmental and social harms are in reaction to power abuses by large corporations. However, compliance falls heaviest and in most costly terms on those small and medium sized companies that are the lifeblood of most national economies.

- Thomas Aquinas was among the great thinkers that suggested that human beings must “unlearn” assumptions and biases before the lessons of true learning, experience and wisdom can be absorbed. As important as it is to access humanity’s best expertise, the “unlearning” is needed to unleash “tokowaka;” to make space for new insights; to make space for the next generation; to make space to heed the marginalized; to make space for the wisdom of SMEs to positively influence global policies and regulations.

- Another practical “unlearning-to-relearn” applies to economics. One example cited is the tendency to cherry-pick Adam Smith without reading his entire corpus: citing self-serving quotes from *The Wealth of Nations* without respecting the complementary ethical restraint Smith stipulated in *The Theory of Moral Sentiments*.

- As Catholic social teaching has stressed since the 1970s, human development is authentic only when the totality of personal needs, capacities and aspirations are flourishing, including those of intellect, emotions, relationality, belonging in community and spirituality. This integral development invites integration, bringing together diverse parts to develop a unified and balanced whole.

- The Qur’an teaches that God set the balance (mizan) of all things, that we might not transgress that mean (55:7,8). Accordingly, it is just and right for each of us to be moderate and avoid extremes, as only equilibrium keeps God’s creation in harmony with God’s benevolent intent. As with other sacred scriptures, it is not humanity’s place to stand too close to the divine presence. However, for being entrusted by God as stewards, nor is it our place to turn our backs on God’s revealed guidance and stand apart from the source of life and balance.

- Rebalancing is a double process, not only learning what and how to moderate, but also unlearning the biases and exclusions that thwart integral development. Skills of integration are desperately needed to shift humanity’s imagination for the task at hand. This includes:

- **INTEGRITY:** 1. the quality of being honest, of having strong moral principles; 2. the state of being whole, undivided.

- **INTEGRALITY:** 1. essential or necessary for completeness; 2. bring or come into equal participation; 3. the mean value of a total sum.
> Integrating Smith’s moral and ethical teachings;
> Integrating Confucius and Aristotle;
> Integrating social teachings from Islam and Hinduism, as well as from Roman, Orthodox and Protestant Christians;
> Integrating lessons from classical and post-colonial theorists, as well as other secular projects for human and ecological rights;
> Integrating experiences across social and cultural gaps, such as with “truth and reconciliation” programs or, as an example shared with participants, bringing senior executives to meet incarcerated individuals who are in the process of reforming to realize their human potential;
> Integrating (rather than “cancelling”) lessons from humanity’s greatest historic achievements and tragedies;
> Integrating (rather than “appropriating”) lessons from other cultures;
> Integrating lessons from entrepreneurs in poverty, especially the “green” and “circular” economics adopted and adapted by women.

2. What if the troubles currently shared globally are the doorway to a more human and hopeful future?

• Given that concepts such as VUCA and “polycrisis” recognize that our economic, social and ecological systems are misaligned, how do we develop the imagination and skills for the needed multivalence? Which values are most needed to diffuse volatility, disentangle uncertainty, respect and influence complexity and bring operational clarity to ambiguity?

- The global economy and the global sensibilities it has spawned are still largely trapped in destructive growth paradigms and mis-measures. Even many of the correctives, including the U.N.’s SDGs, are hostage to the prevailing assumptions that correlate human development to be synonymous with economic growth. Authentic sustainability requires these distortions and imbalances to be clearly acknowledged; for the limits of supply to be fully respected in natural and human terms of living-interdependence, rather than being only valued by demand.

- What is needed within the centrifugal and disintegrating pressures of VUCA are centering and integrating principles from our shared humanity. Whereas happiness is currently construed superficially as having the resources to consume, deeper meaning (which humans crave, whether religious or not) grows from the inner harmony of living within the connections and constraints derived from one’s values.

- Economics that merely stokes demand stokes restlessness, which, in turn, increasingly slips from the ceaseless desire for gratification into outright addiction. Destructive personal dependencies on drugs, social media, food and tobacco and destructive social dependencies on fossil fuels, forests and fisheries point to a system of thought and economics that has normalized imbalance. To change our global outcomes, we must change our global thinking. To change our economic priorities, we need to change (or recover) our values.

- The Buddhist principle of “sufficiency” invokes a radical rebalancing, both to acknowledge the impracticality and injustice of extremes and to situate the human person as embedded in a web of interdependencies. It is a transformation of perspective, as well as of heart, not merely settling for “enough,” but recognizing...
that demand, liberated from personal desire, creates possibilities for shared well-being.

- Echoing the neglected wisdom that characterized earlier development in the west – sufficiency, values, frugality and prudence – eschewing disposability to both create and use materials of intrinsic and enduring value. The sensibilities of sufficiency are not for calculating how much to own to be self-sufficient. Rather, these values are for relating and interacting with others with the self-management (or self-restraint) that creates capacities for one another’s happiness and freedom.

- Catholic social teaching has elaborated a similar principle of human dignity. Deriving this principle from the Hebrew Scriptures and sharing it with Islam, dignity situates the human person as stewards of God’s creation, privileged by capacities for transcendence and relationship, yet embedded in nature and society and responsible for their flourishing. This dignity bestows inalienable rights, including the freedom to choose between right and wrong. Imbalances, injustice and evil occur when those rights are exercised categorically without any regard for the corresponding responsibilities.

○ Valuing dignity is a prerequisite for valuing diversity. In practice, many of the imbalances that have mutated into VUCA have been caused by the unilateral assumptions of Anglo-American economic theories and business practices. Again, challenging and changing mindsets is important, especially now because many of the structural remedies being offered flow from that very imagery.

○ As but one example, the rules or goals for carbon emissions are being set (and in some cases, imposed) by the most developed countries without regard for the needs and priorities of countries still in the struggle of development. In this case, the dignity of diversity is not simply unseen. It also invokes the guise of ecological responsibility to perpetuate historic injustices and unfair advantage.

- The sufficiency principle has other important lessons for the global situation because it has evolved as a middle-step in a process that recognizes the diverse development needs of countries and communities. Preceding sufficiency is that stage of necessity for sustenance and survival. These basic requirements for human life and dignity must be met as the foremost priority. Sufficiency is a moderate and ethical response to further development and plentitude. Growing the moderation and relational skills for sufficiency leads to the moral authority to advance the third stage, which is sustainability.

- Understanding this process has applications beyond those for fairly managing ecological limits. This sufficiency model and progression can be applied to global initiatives, such as regulations for managing forests, oceans and climate change remedies. It also provides a diagnostic tool for social disruptions, such as those widely expected from Artificial Intelligence (AI).

○ While experts predict that all human beings will be affected, some lives (and livelihoods) will be devastated, others will be scrambled and plagued by more uncertainty, while a few prosper for controlling the applications of AI. A sufficiency mindset requires that criteria for new initiatives or technology account first for those most adversely impacted, so that priorities and values are set bottom-up, from human factors, rather than top-down, for operational gains.
Taking stock of our humanity means also creating the personal and social capacities for dealing with foibles and failures. The common good, to which sufficiency contributes, requires processes for acknowledging wrongdoing and exercising forgiveness. This is especially important at this time of diversity. Cultures and traditions deserve their autonomous integrity and must be respected. But as culture is a human construct and as religion involves human beings interpreting divine rules or teachings, mistakes and misjudgments inevitably occur. The concept of “purifying the heart,” evident in many traditions, aims to acknowledge wrongdoing as an intrinsic part of liberating the way to doing what is right. In systems paralyzed by crisis or situations locked in polarizing animosity, forward movement is only safe in conditions of tolerance created by repentance, forgiveness and gratitude.

Those accountable have often missed this essential aspect of the common good: not owning up to mistakes, thereby destroying the very trust – the social capital – without which the credibility of leaders, the effectiveness of organizations and the shared common good fracture. Rather than persist with models of accountability that are for “blame-throwing,” institutions must recover the moral terms of responsibility upon which human and social maturing ultimately depends.

- Responsibility is not an instrumental transaction, but instead involves an ethical interaction. While obviously an imperative for all human beings, participants recognized that different groups warrant specific criteria and formation. At the very least, there is a need for:
  - A pedagogy of responsibility for leaders to grow the moral bandwidth that corresponds to their duties and that is essential for rebuilding trust in institutions and organizations, as well as global social capital. Beyond highlighting principles for systems-thinking, such leadership learning would focus on the formation of virtues, including:
    - Humility to engage complexity collaboratively and admit mistakes;
    - Honesty to connect symptoms to real causes;
    - Respect for human dignity and dreams;
    - Hopefulness, drawing on the inspiration of innovators;
    - Willingness to share in the trials or sacrifices needed for transformation;
    - And modelling the solidarity across national differences or spheres of expertise to seed collaboration.
  - A pedagogy of responsibility for citizens and consumers, harnessing the social wisdom embedded in each tradition and culture. These resources of moral knowledge are crucial for fostering the restraint and generosity needed to grow solidarity as a global commitment. Co-responsibility for the global common good requires accommodating the different needs of people at different stages of economic development and together living in what we might call ‘ecological subsidiarity,’ within the fragile equilibrium of nature’s life-sustaining systems. One suggestion is to introduce global consciousness and wisdom from diverse sources into the curriculum of teachers and religious leaders.
  - A pedagogy of responsibility for students to form the balance between duties and rights, without which all freedoms falter. Informative new structures are available that respect cultural differences, while surfacing principles for common flourishing. One example raised are the Eight Pillars of Peace from the Institute for Economics and Peace, which closely correspond to the Six
Harmonies in Buddhism. The key in developing ethical imagination is to recognize that moral values and social responsibilities are not simply to avoid wrongdoing. Ethical curiosity and care are wellsprings for constructive innovation, creating ever stronger resilience through practical solutions that are rooted in human values.

3. What is the moral of the VUCA story?

- At the same time that postmodernism has shattered categorical definitions of truth, post-colonialism has revalidated the cultural differences that imperial and economic powers had sought to override or control. Globalization had presumed one model fits all, mostly in the style of the west. The destabilization from VUCA and the moral erosion within many democracies have undermined the credibility of the west. Re-balancing does not mean rejecting western liberalism, but rather refashioning it to include inputs and needs from other cultures. Can we now use our diversity creatively to form new bases for global cooperation that are truly global and truly cooperative? Are there commonalities to be mined beneath our differences to forge mutual commitments to the shared human good?

- Despite our vast connections afforded by technology and travel, conflicts between cultures, nations and religions remain all too common. In the last year alone, the world has experienced: violence against Muslims and Jews in Europe and North America; China’s persecution of Tibetans and Uyghurs; the persecution of Christians and Muslims in Sri Lanka; Islamic terrorism in the Philippines and across north and west Africa; strife and violence between the Israelis and the Palestinians; Myanmar’s ethnic cleansing of Rohingya Muslims; and the murder and rape of Christians in India and Pakistan. This is only a partial list. Coups, civil wars and Russia’s war against Ukraine, often invoking a religious rationale, add another scale to the wounds that mark this time.

- One implication is that no culture or religion can claim to be exempt from tendencies of exclusion or extremism.

- Another is that extremism thrives in times of VUCA – with some using the fears from volatility and uncertainty and the hunger for clarity before complexity and ambiguity – to accrue power through violence and influence through hate.

- A third consequence is that, for many, the very religious traditions that claim to have humanizing wisdom become suspect for dehumanizing others, exacerbating divisions and fomenting violence.

- For as long as there have been people, human beings have formed ideas and rites to fulfill a longing for transcendence, peace, illumination and meaning. Even today, many who reject religion retain desires and capacities for spiritual reflection or understanding. This interior dimension for contemplation, shared by all human beings, represents an indispensable resource for diffusing fears and growing compassion. Religion is indeed a source for identity and therefore, for separation, which all too often is used to justify vilification and hatred of outsiders. However, religious sensibilities remain globally compelling because these remain a rich resource for situating human longing and potentiality. At their best and when true to their sources, religions provide a wider nexus of meaning for human beings within creation, history and community, summoning collaborations of harmony and joy.

- As one example, in the era when Shinto and Buddhist practitioners were in most conflict in Japan, decisions were made to build shrines together. These holy
structures became a symbol for something more than tolerance. Shinto priests and Buddhist monks presided together on special occasions, signifying a respect for differences that do not cancel humanity’s underlying need to develop mind, hearts and spirits. Each religious follower becomes enriched in their own tradition by sharing and learning from the other.

- Another example is from the story of the Good Samaritan, which Pope Francis used in his teaching on human fraternity. In that parable, Jesus asks those listening to him to consider the fundamental goodness of people of different faiths. What constitutes humanity is shared – the capacity to care, to be moved by the suffering or plight of another and to take practical action to alleviate the other’s pain and cause healing to occur.

- Religious doctrines include such precepts, but the test of one’s humanity or faithfulness is not dogmatic coherence, but rather, compassion lived in the moment. In the language of sufficiency, this is to focus on what matters in depth: to interact with others in balance so as to be at rest in one’s own heart.

- VUCA’s disorientation is intensified by two inexorable and unprecedented pressures. From above are the impositions of globalization and from below are dislocations of ecological destruction. Although globalization structured by economics since the 1990s is fraying, with powers and policies increasingly taking different forms within competitive regional blocks, the basic financial wiring, energy flow and technological development remain inextricably global.

- No country, no company and no individual can be completely free of this entanglement from systems and structures created by human beings. At the same time – as evidenced by this year’s record floods, fires and temperatures – the long-forecast damage from ecological neglect and destruction has pressed itself on almost every country and every community on planet Earth. No country, no company, no person is exempt from the physical and material impacts of this ecological duress.

- In this unprecedented time, the greatest challenge is changing minds and hearts, growing the consciousness and conscience, from being united, despite our differences, in overarching and underlying webs of interdependence.

- One task, as suggested earlier, is to retrieve the wisdom of humanity’s greatest thinkers and moral leaders in new ways, not only citing lost or forgotten texts, but studying them together, using cross-cultural reference points to surface the new insights needed for our new times.

- Inter-religious dialogue has an important role to play in this reformation of shared insights, as does secular disciplines, such as philosophy, law and various academic spheres.

- As has occurred in ethics, there is also a need to be aggressively inclusive of perspectives that our respective canons have marginalized or neglected, including that of women (the feminist-feminine dimension), of first nations and aboriginal peoples, of those impoverished or excluded by any prejudice, such as refugees

- For the first time in history, what occurs in the overarching structures of globalization (as with the financial crisis) extracts a cost from everyone simultaneously.

- For the first time in history, every person on Earth is simultaneously physically vulnerable to ecological catastrophes, including disruptions from food, air and water shortages or from the spread of viruses.

- While humanity is ever more united in frailty, it is still struggling to form equivalent ethics of interdependence.

- The key is that the values and related responsibilities for this time need to be co-developed – not as another set of top-down principles discerned by elites, but as a horizontal commitment co-forged by the people (and peoples) who are most at risk or closest to what grounds the common good.
or people of a lower caste.

- Another task is to reconsider and reform human values to cohere with the values readily evident in nature. This may, as Carl Sagan once suggested, require according nature the kind of rights that have been universally accepted for human beings. Audacious organizations, such as Hub Culture, are assigning board seats to ecosystems to ensure that consciousness, strategies and accountabilities reflect the insights and necessities of natural habitats.

- Nature studies have much to teach human beings in regard to balance, especially showing that even eco-systems that suffer calamity or collapse or that come to be dominated by one species, eventually revert to equilibrium. At depth, nature conveys lessons for resilience and collaboration. It also provides clarity, sometimes shocking us into awe with its beauty or reminding us to be humble in the context of its life-giving majesty. Beyond learning the scientific workings of nature, the challenge now is for human beings to grow their ethicality by absorbing the moral lessons of forests, oceans, prairies and other life-sustaining systems.

- Shinto holds that the beauty of nature signifies its holiness. The tori (the convex arch suspended between two poles seen throughout Japan) provides a portal – like a frame for a living landscape – that summons the person to pause and view nature in prayerful stillness as preparation for entering a shrine.

- Scholars of Hinduism, Buddhism, Judaism, Christianity and Islam are among those that have devoted more than three decades to forming eco-theologies, correcting past presumptions of dominion and advancing sensibilities of sacred stewardship. The science for ecological responsibility and the religious framing for humanity’s shared interdependence within creation have also been fused in Pope Francis’ encyclical, *Laudato Si’.*

- Although VUCA is now part of the vernacular of business and political elites, it first emerged in military spheres as a way to give context to security threats. For all its analytical relevance, VUCA itself portends a kind of pre-war tension – intractable threats that leave little room for resolution without conflict. To adapt the methodology for which Mountain House is known, the skills for “moral rearmament” must include disarming the amoral and immoral attitudes that have crept into our politics and economics.

4. What is needed for leaders to lead?

- It is true that leaders have failed this moment, that elites in various disciplines have used their power or expertise more for personal advantage than the common good. Corporate leaders have disproportionately benefited, even when their misjudgments caused irreparable harm to society (think financial crisis of 2007-08.) Today’s epidemic of mistrust is largely attributable to leaders who have used their position to evade accountability or to insulate themselves and their firms from the public sacrifices of austerity and “creative destruction.” Nonetheless, institutions and corporations are vital linchpins for global change and health. How can trust be restored? How can leaders re-generate and re-earn the moral authority needed to provide inspiration, guidance, motivation and direction to navigate the VUCA minefield?

- As when business leaders first met at Mountain House to resolve divisive trade and cultural tensions in the 1980s, many who today have responsibility for corporate
performance are aware that profits cannot be fully segregated from planet and people. VUCA factors, recently renamed “polycrisis” and “permacrisis,” are as destabilizing to business as they are to workers, citizens and the ecology. Continuing education programs in some business schools have devised new ways to guide leaders to new learning and expose them to stories and situations far removed from the centers of power.

- As noted, one cohort of CEOs included visiting long-term inmates in a federal prison, where they encountered persons who had worked hard to overcome the mistakes that led to their incarceration. Getting beyond reports and statistics, such human-level encounters help change minds and hearts, discovering lessons for resilience and transformation in those very conditions that are usually the breeding grounds for desolation and despair.

- Other initiatives for a more socially generative and ecologically sustainable economy are being seeded by philanthropists and foundations. Cutting-edge organizations, such as the Institute of Economics and Peace, use data-driven research studies to spark a paradigm shift, informing governments, corporations and NGOs of the tangible benefits to society and business from peace.

- New indices, such as the U.N.’s Human Development Index and the Social Progress Index (developed by Michael Porter and adapted by the Sasin School of Management), are creating the quantitative and qualitative data points that fill in the human, social, cultural and ecological measures that crude GDP metrics do not yet acknowledge or include. With Mensuram Bonam, the Vatican’s Pontifical Academy of Social Sciences has published principles from Catholic social teaching to guide investors of faith and those substantively contributing to ESG. Leaders across the business and political spectrum recognize that the theories and assumptions that have held sway over globalization since the 1970s are no longer adequate for our 21st century complexity. Numerous and ingenious new resources are being generated around the world to correct obsolete patterns of thinking and give substance to new approaches.

While forward-thinking leaders are indeed trying to respond to the exigencies in which business is embedded, the operating reality keeps shifting. Responding to VUCA, some businesses and politicians are doubling down on the inherited theories and presumptions that, in many ways, created global conditions of disintegration and dislocation. Important movements, such as towards ESG and Net Zero, remain deeply contested. In some cases, special interests and political ideologies have frozen or forbidden such commitments – acts of repression undertaken in the name of free markets. Gains that are made are forever challenged and sometimes – as with Shell revoking its commitment to Net Zero – reversed.

Several factors are undermining or impeding wider adoption of such responsibility initiatives:

- On a practical level, measures for ESG remain very much a work in progress. Standards are loose. Claims remain very difficult to quantify or validate. Just as the general rules for accounting took decades (or longer) to develop and standardize, forming credible and universally accepted ecological, social or governance standards will take time.

- This is arguably the most important initiative for untangling the extreme imbalances which are so detrimental to human beings, society and the planetary environment. However, rather than adopt a multi-industry “moon-shot” type
program to co-create standards, companies spend more on lobbyists and marketing than on structural measures required for deep change.

- CEOs who have taken responsibility stands are few and far between. Several of the most prominent, such as Larry Fink and Paul Polman, have had to backtrack or retire after pledging commitments beyond the bottom line. Standing up to market ideologies is extremely difficult. Most leaders keep their heads down to avoid the vitriol that gets directed with such vehemence against anyone who challenges the economic status quo. Even Pope Francis has been disparaged and harshly dismissed for simply highlighting the injustices that the current techno-economic system has created and is unable, without moral reflection, to rectify or resolve.

- To not recover care for the common good is not a neutral option, but represents a continuing slide into what some call “corporate feudalism” and others “oligarchical fascism.” Harsh though these terms may be, they point to a current reality, where growing inequality is but a sign of widespread displacement and disenfranchisement.

- Work itself has been degraded, as more and more people (even with college degrees) need to work multiple jobs in the “gig economy” to afford basic food and shelter.

- Treating work merely as cost has paradoxically rendered it worth less. Many of the envisioned applications of AI target this labor cost reduction, potentially displacing hundreds of millions of jobs, this time in previously secure sectors, such as white collar and knowledge work.

- When work becomes so tenuous, security is compromised. Dreams for a better life dissipate. Much of the populist anger in the world flows from this angst and from being frozen out of the lifestyles that social media exposes and influences.

- At its core, work is a means of livelihood, but also much more. In work, a person develops identity and relationships, forging a sense of craft or capability, as well as belonging to a community.

- In Shintoism, work is the locus for exerting those efforts and disciplines that yield true and genuine happiness. Work has dignity, which dignifies the worker.

- Catholic social teaching echoes this premise regarding work as the venue for developing one’s gifts, for sharing one’s talents with others and for striving together in caring for creation and creating the common good.

- Leaders have a disproportionate role in setting the global culture, but they are also, in a sense, prisoners within it, formed by its values and having succeeded by exemplifying what the culture expects. As emerged throughout the dialogue, the key defect is that economic performance has been divorced from moral impacts. Many people are disillusioned by this culture. Few, if any, people are free from suffering one of the many subsequent imbalances.

- Rather than challenge the prevailing ethos, many citizens and consumers, like many leaders, seek personal solace for the disharmony in their lives. In other words, they step further into the values of disequilibrium by seeking to master mindfulness, meditation, yoga, pilgrimage or other forms of spiritual retreat as a personal benefit: another type of “bucket list” experience to add, to own or to consume.

- Feudalism was marked by impenetrable social division between classes. By outsourcing work to contract or gig workers, companies have freed themselves from many of related obligations, including for health, safety, pensions and protection against labor abuses. This situation is akin to the Highland Clearances, when Scottish nobles forced the evictions of long-tenured tenants.
While developing inner capacities for reflection are important, interior harmony cannot be fulfilled if segregated from the external reality of community and natural ecology. Physics dictates that the human population cannot consume its way to sustainability. New technologies may help mitigate some of the now toxic imbalances in which humanity is enmeshed. But the urgency with which natural thresholds for regeneration are being transgressed demands a hyper-moral leadership. Stewardship is often regarded as protecting or enhancing an existing asset for future benefit. In a VUCA reality, stewardship necessitates a messier and more intimate moral immersion by leaders into the prevailing culture. Leadership is proven when it untangles the sources that make fear so debilitating and replaces the toxic assumptions that are destroying social and ecological assets before they can be secured to be bequeathed forward.

5. Why are values indispensable for practical action?

- In the face of such difficult and urgent problems, many seek immediate solutions.
  Business people who recognize, at least in part, the stakes, clamor for practical action. Understandable though be this desire to start implementing changes, much of what has defeated the renewal that has been obviously required for three decades has been from trying to change the practical actions without changing the prevailing assumptions, values and attitudes. What are these impediments to real and enduring change? How can the much needed sensibilities and values for change be fostered personally, in society, in the economy and in appreciation of our global and ecological interdependence?

- Of all the obstacles that have made even reasonable restraint so arduous, two have emerged as particularly onerous. One is the undermining and relativizing of truth. The other, which is correlated, is the evading and emptying out of responsibility.

- Social media (by intentional strategy of its corporate purveyors) has accelerated and amplified the postmodern deconstruction of truth. Today, the distinction between opinion and truth has evaporated. Understanding forged over millennia of philosophic exploration and religious teaching and made more precise with data from science, is no longer authoritative. Trained as consumers, people have ceased growing the capacities for critical thinking. Conditioned for instant titillation and gratification, people seek only the affirmation of being right, excluding and demonizing points of view that question or challenge their own. Division and polarization grow in this vortex of suspicion; disinformation degenerating into isolating disillusionment.

- Truth has always been very difficult to grasp and is always contested. Yet, truth ia also essential for grounding human beings within structures of meaning and social relations. Institutions for government, health, economics and peace have each grown out of needs or goals that communities or societies deem valid. These facts are to remind us that practical action needs such foundations or orientation to the truth, so as to share knowledge, understanding and purpose. Without the connective filaments of truth, balance can neither be sought, nor achieved. Without the questions truth demands, imbalance all too easily devolves into extremism.

- In every age, people seek truth as a noun, as a categorical certainty. However, truth itself has proven to be more of a verb – more of a process for translating the learning and lessons of life into concepts for guidance and meaning.
- At its core, truth is much more than an outcome of facts or intellect. Truth emerges ethically in relationship:
  - Being honest, asking honest questions, seeking honesty in answers;
  - Evaluating whether a data point or point of view is fair, using self-reflection to reflect on how others are impacted;
  - Testing whether information contributes to freedom, justice and inclusion or the opposites;
  - And taking action that, while reflecting one’s personal integrity, also strives to earn the trust and respect of others – truth held personally from values, tested and validated publicly.

- In a linear world, truth was often decreed, with dictates flowing top-down from authorities to the masses. With our advances in technology and education, truth cannot be imposed, but instead, must grow out of careful enquiry and respectful dialogue.

- Can truth be sought in this postmodern, highly diverse and highly individualized global reality? Paradoxically, yes. Although categorical truths, as we’ve historically adopted them, are suspect and while scientific truths are forever mutating to accommodate new understanding, new truths are pressing themselves onto human experience, requiring our attentiveness and understanding and demanding our response. These truths are from our human reality, in the experience and threats from climate change, economic interdependencies, violence in all its forms, including nuclear war and technological advancements that may soon overreach human capacities to control them. These now globally shared vulnerabilities reveal basic truths for guiding our structures and humanizing our economy and institutions.

- In turn, truth sets the norms and expectations for responsibility. Part of what had bled trust from leaders and institutions is that responsibility became as relativized as truth. Responsibility became optional at the same time and to the same degree, with which ethics were marginalized and relativized. As with truth, responsibility is a process rather than singular achievement, informed by data, yet formed by ethics.
  - With our utilitarian mindset, economics and politics have degraded responsibility by making it contingent on facts. This thin version of responsibility not only watered down the principles of integrity, but also situated responsibility as a reaction to a problem, failing or crisis. Without its full ethical grounding, responsibility ceased being proactive and ceased being a demonstration of values. As responsibility became more and more self-serving rather than relational, it also became more suspect.

- For practical action to be effective and transformative, we must first recover the truths from humanity’s creaturely vulnerabilities and as beings dependent on community, global society and the natural environment. The precepts and validations of responsibility can then become the checks and balances for addressing these shared vulnerabilities and indisputable interdependencies.

- Research on building community and growing responsibility confirms the experience of the founders of the Caux Round Table. Groups that honestly tackle the most difficult problems facing them tend to generate both the most effective practical solutions and the strongest...
bonds of collegiality and trust. As important as the results are, more so is the process by which adversaries become friends and new options are developed within the tensions caused by different views. The etymological meaning of respect (from the Latin) means “to see twice.” This double seeing applies to responsibility. As well as seeing the problem, participants must see the perspective of others. As well as seeing the facts or data, those engaged in the solution must see the ethical demand or implication that understanding together will posit.

- Responsibility is a response from an ability or, in other words, the ability to respond. As we experienced at Caux, our various religions and cultural traditions have much to teach us about the abilities to respond.

- Common inflection points include:
  > Detaching from self or looking beyond narrow self-interest or explicitly selfish-interest to recognize the dignity of others;
  > Exercising the disciplines of the heart or emotional intelligence to grow honest understanding of interconnection and the empathy for compassion;
  > Using care and respect for others – standing in their shoes – as the criteria for action;
  > Taking the time to give priority to what is needed by others or the community to conjure and construct together that inclusive civic space in which civility flourishes;
  > Reflecting on past lessons to retrieve the wisdom needed to change the present to prepare for a more hopeful and human future.

- Importantly, we need the best of our religious knowledge. The global and ecological reality requires that religious peoples collaborate to co-create a more expansive and inclusive ethics. Similarly, it is a time to retrieve together the insights of humanity’s greatest thought leaders, seeking commonalities and inspiration from differences, to grow the ability of leaders and citizens to respond to the urgencies now before us.

6. How do we move forward to stimulate hope, as well as solutions?

- So, what are the conclusions from our dialogue discussion? What do we do? Where do we start?

1. Issue an invitation for corrective and catalytic responsibility. Continuing the legacy of previous business gatherings of the Caux Round Table, one priority is to issue a statement to admit the arduous tasks of this time, invoke the gifts of humanity’s diverse wisdom and invite people of goodwill to consider and assume the responsibilities which correspond to their rights and roles. Drawing on humanity’s common values, as well as a shared regard for the future, this statement would serve as a responsibility rallying point for the many other initiatives underway across institutions, regions, industry associations, non-governmental and multilateral organizations. One aim is to have this statement for submission to the U.N. as part of its Summit for the Future project.

2. Invite contributions from all parties for a global covenant for civility. Given that imbalances are endemic everywhere, no one country or culture, no one religion or values system, has the exclusive insights to prepare humanity for the future. Since the 1990s, globalization has been assumed to be monolithic, with one set of assumptions (economic) governing development. With the political and inequality
fractures undermining the inherited model of globalization, the task now is for a cooperative global perspective to replace the singular western model. Respectful inclusion is crucial for the world’s wisdom values to work in synergy. Wisdom and religious knowledge are indispensable to this project, provided it affects the humanization of others and not their diminishment. Indeed, today’s test of trustworthiness for any ideal or religious tradition involves the direct and practical contribution to inclusiveness – to recognize the goodness of the other, thereby binding people together across their differences and motivating them to work together for the shared, urgently needed human good.

3. **Form responsibility partnerships with like-minded organizations to grow synergy and scale.** Many people are concerned with today’s real problems and disillusionment. However, for lacking resources or operating with autonomous missions, these individual projects often miss interconnecting and growing scale. In many ways, the imbalance caused by individualism is apparent in the structures and initiatives aiming to undo the disequilibrium. Moving masses of people to cooperate across their divisions depends on generating synergy from the cooperation of smart, but currently separate responsibility projects.

The Caux Round Table cannot, on its own, produce change. However, with its principles and networks, it can be a catalyst for more robust collaboration. Two resources for this catalytic role are missing. One is the outreach to and involvement of younger managers and activists. The other is missing a presence on social media. As well as recruit collaborators, the Caux Round Table needs to recruit and train the next generation of activists.

4. **Bring the wisdom of the middle and the wisdom from below into the dialogue with overarching global institutions.** Many of the corrective programs already developed from around the world address governments or focus on large, multinational corporations. At this time, when leaders’ credibility is so low, an untapped source of practical insight and operational credibility are SMEs. These companies have long experience of living and thriving in communities, working with all stakeholders to address issues together and grow capacities for innovation and resilience. As top-down solutions are suspect or contaminated by special interests, SMEs provide a credible and collaborative resource for the ever more needed and more credible horizontal learning and sharing. One of the imbalances creating VUCA is that the big get bigger and ever more powerful, escaping the gravity of national or regional laws and responsibilities. SMEs are deeply embedded in their communities, with relational expertise for win-win that flows from being rooted in the social and natural ecologies.

5. **Give priority to human factors.** VUCA describes a problematic reality that confounds today’s leaders and causes widespread anger and desolation across the globe. The volatility is real. Who could have predicted Covid-19 or Russia’s invasion of Ukraine or the fire catastrophe in Hawaii? The uncertainty is agonizing and dehumanizing. Where will millions of qualified university graduates in China and elsewhere find jobs worthy of their talents and aspirations? Which jobs will be secure with the advent of AI? Are the working routes out of poverty still viable? Still available? The complexity is daunting. How can economic theories, business strategies and organizational structures designed in the linear reality of the Industrial Revolution adapt to the convoluted reality of multiple systems in overlap and crisis?

- Balancing diversity with unity creates the synergy commensurate with the problems currently paralyzing and threatening the planet.
Experts see their slice of the issues. Who sees the whole? How can we discern root causes in the thick brambles of symptoms and problems? Ambiguity is indeed dense and fraught, more so than in previous times, exactly because the volatility, uncertainty and complexity are so extreme. Wisdom has always been the antidote to ambiguity. How can we develop capacities for that wisdom that resonates across our diverse global society?

• Acronyms like VUCA are helpful as heuristics, but they also impose a perspective or narrative that, while revealing one set of insights, inevitably omit others, such as the reality of limits. VUCA is reality as seen by leaders, experts, strategists, military planners and consultants. How is this reality seen from below, from citizens, workers, the unemployed, mothers, fathers and young adults entering the economy? In other words, what is the human experience of VUCA in the milieu of today’s culture and economy?

• One option, detailed below, is to reimagine VUCA not as a technical diagnostic, but from the perspective of its human impacts and implications:
  - Volatility experienced as human vulnerability in body, mind, soul, belonging and surviving;
  - Uncertainty necessitating a wholesale unlearning of ideologies or assumptions;
  - Complexity as impenetrable alone, requiring the ethical inclusiveness from compassion;
  - Ambiguity that foils expertise, yet needs those in power to be answerable in real time.

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<th>VOLATILITY</th>
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<td>Systems are in crisis, with the imbalances interacting across domains resulting in instability and unpredictability in politics, national security, personal health, economics, jobs, and other spheres.</td>
<td>More and more knowledge, now contaminated by intentional misinformation, has robbed even empirical facts of their ethical value. Trajectories of progress have proved debilituating; religious ideals have yet to disarm antipathies and violence, thereby dissolving structures of meaning and hope.</td>
<td>The confusion created by structural imbalances, and by the inability of institutions to correct them, has comprised and compressed the middle ground. Extremist views with exclusive ideologies flame bears, but are unable to address the key challenge of complexity, which is forming and advancing the wider (now global) common good.</td>
<td>With the excuse of things being paralyzed and unfair, nations, corporations and individuals have responded to the ambiguity at hand by doing more of the same: more competitiveness, more consumption; more technological disruption. More than excuse the status quo, responsibility is eschewed, allowing inequality, exclusion, injustice and ecological damage to grow like compound interest.</td>
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**TECHNICAL DESCRIPTION**

• Vulnerability on multiple fronts: health, housing, food, subsistence, livelihood, liberty, belonging, opportunities to realize a better future. The hazards are global, and in some cases existential, highlighting our creativity and social fragilities.

• Unlearning the linear to absorb the systemic; unlearn greed, convenience and selfish-interest, to achieve personal balance and open spaces for cooperation; unlearn top-down, short-term and dehumanizing efficiencies to develop horizontal inclusiveness and sustainability.

• Compassion is the antidote to fear and confusion. While a way forward may still be obscure, capacities for empathy and collaboration are crucial for the shared ideals to see across the breadth of systems and options, and to co-generate inclusive innovations.

• Answerability invokes a process by which one’s integrity is held to account, not only fulfilling one’s personal values, but answering for how actions, attitudes, and decisions are justified to those most adversely impacted. Whereas accountability involves after-the-fact calculations (counting) answerability is done in real-time as a feature of ethical relationship.

**HUMAN IMPACT & IMPLICATIONS**

• Take responsibility for: shared human fragilities; proactive and prudential action against shared risks; mindfulness to undo imbalances and develop contextual acuity; respect for the dignity of others and the holiness of creation; extending a preferential option in mitigation for those most disadvantaged by injustices.

• Take responsibility for: new curricula for covenant thinking (belonging to, and responsible for history & justice); new standards and incentives for leaders, focused on moral rather than short-term outcomes; renewing the public and ethical standards of professions and civil servants; advancing ESG performance as a moral priority so that metrics reflect truly sustainable results.

• Take responsibility for: developing the whole human person, balancing mind, heart and soul; integrating Adam Smith’s moral and economic works; integrating classical thinkers from all cultures; integrating the responsibility principles from the world’s religions’ global ethics; integrating stakeholders with owners and executives.

• Take responsibility for: co-creating new paradigms for human development within systems’ limits; discovering the joy from fulfilling one’s values commitments, and from belonging to a community; honing the skills and insights from conscience to guide actions when the way forward is unclear; working together to surface humanity’s wisdom, to co-develop global capacities for balance.

John Dalla Costa is a fellow of the Caux Round Table and served as the rapporteur of its 2023 Global Dialogue.
Coming Apart/Coming Together

Free Will and the Sovereign Individual’s Duty to Uphold the Burden and Joy of Higher Principles

Michael Hartoonian


Athens, itself, is a school where we understand that,
Any society that does not educate its warriors to be philosophers,
And its philosophers to be warriors,
Will have its wars fought by fools,
And its philosophy crafted by cowards.
-Pericles, King of Athens

Introduction

Can we replace philosopher/warrior with citizen/capitalist? Or are we becoming surrounded by cowards and fools? Are we standing by, absent responsibility, watching cultural fissures crack open the connective tissues of civility and civilization? Who’s responsibility is it to practice and extend reason, aesthetic judgement, discipled knowledge and moral sentiments?

Today, as we survey the landscape of our world’s social and intellectual health, we witness nations, individuals and groups that are truncating our shared wisdom by diminishing the authority of reasoned principles that serve as standards for individual ethical behavior and moral social relationships.

Do we possess the will and humility to see the limits of our individual and collective knowledge? Do we understand that general education, as defined by Pericles, is the holy grail of any free (rational) society?

So, who is responsible for the good society and the good life? In a word – the ethically elite. The meaning of elite, as used here, is understood as a causal relationship between the human as a natural being, susceptible to natural laws like hunger, pain and procreation. These are the conditions of life. This natural human may be a moral being, but it’s not a given. Morality comes by rationality and rationality comes by free will governed by “internal law.” This set called “ethically elite,” thus, does not include all humans. Humans are of nature and share natural features, but the ethically elite hold something more and that is the ability to understand and use both hypothetical (empirical), as well as categorical (moral duty) imperatives.
This responsibility of being morally elite was first given to culturally created professions. With the development of democratic societies, this elite set expanded to include holders of the office of citizen, where these officeholders have the free will of the sovereign individual, meaning they can limit their personal freedom for the greater good and, as such, take on the responsibility of building the good life and the democratic society.

**The Creation of Professions**

From prehistoric times and as a matter of record, cultures have created and held morally responsible, four fundamental professions – education, theology, law and medicine. This would be true of any society. However, within the context of a democratic republic, there developed a conscience tension between the enlightened citizen and the professions thus charged. In truth, all citizens must be responsible searchers of truth, which is always contested, as well as critically love the institutions and realms in which they spend their life’s time. Fundamental human tensions must be addressed in debate, defined by civility, intellectual rigor and the character to be able to consider the possibility that any of us could be wrong. This tension of value content and debate process constitutes a framework for thinking about and implementing a new global stewardship ethic. This ethic must be led by professionals, who are anchored by moral character.

**Cultural Narratives and the Evolution of Professions**

As with the ancient Athenians, every society creates a cultural narrative, much of it borrowed from other cultures. That narrative reflects identity and purpose and becomes that culture’s curriculum. Another way to express this idea is to understand that the narrative is a myth that becomes a public dream and the sharing of that set of common beliefs becomes the private myth or dream of the individual. As Martin Luther King Jr. declared, “I have a dream today, deeply embedded in the American dream.” That is the curriculum or way of the people. That curriculum is what informs mutual survival.

Early in the evolution of human society, it was clear that survival would depend on a family’s or a community’s memory and ability to discern the truth to discriminate among those cultural elements that should be passed on to the next generation and those that should be left behind, as well as elements to be created anew. Judgements of aesthetic, moral and reasoned quality had to be made regarding higher values. These higher or survival values represented a very long and continuing process of trial and error and a priori rationality. Some behaviors, like cooperation, worked. Some, like hubris, didn’t. These cultural values, which have a half-life of one generation, implicitly demanded that people evaluate these essential characteristics and teach them to each other and to their children. As societies became more complex and with specialization and the division of labor, this task became more complex and thus, professions were created by cultures to do that work. In other words, who would help deal with and explain death, the cosmos and the mysteries of the hidden soul? Who would explain the need for order with justice? Who would deal with sickness and the nature of health? And who would take these ideas and intentionally and critically pass them on to the next generation?
Certainly, other groups of people would administer and guide the implementation of the culture. Thus, the concept of “professional” expanded to include anyone in possession of reasoned intellect. That is, the ability to make judgements using collective experiences encased in hypothetical and categorical imperatives. However, professions were created to judge which ideas and narratives were necessary for cultural survival. Today, we might call both groups “enlightened.” Enlightened means a high sense of responsibility and character. This judging of the cultural trend data is and has always been a tricky business because of the changing nature of the cultural context and the nature of being human. Because of this complexity, citizens (the enlightened) must continue to cultivate a deep civic inquisitiveness to acquire a built-in “scrap” detector. Notwithstanding those who are intellectually lazy and morally incompetent, when the culture works well, the professions and all enlightened work in concert with one another to debate, synthesize and recommend principles and policies that create more gentle and culturally beneficial changes across the landscape. What this means is that the enlightened (professional’s) first responsibility is to the veracity of the content or knowledge of the discipline in which they work. Thus, a medical doctor’s first responsibility is to the science of medicine, not the patient. If he doesn’t know the science, the patient suffers. Likewise, knowledge of the law is more important than the lawyer’s client. In education, the student does not come first. The content of the discipline does. You can only teach and practice what you know and to the degree that you put students, patients, clients or parishioners before disciplined inquiry, to that same degree you corrupt their learning and compromise their well-being. This is the death knell of freedom.

Social, economic, political and technical employees, as well as managers, evaluate, implement and reevaluate professional content, continually making corrections and suggestions to their applied content, primarily by adding strength of character to themselves and their institutions, allowing them to continue learning and live more independently and at the same time, more harmoniously with other citizens.

When real learning and debate go missing from the cultural curriculum, change (social, ethical, economic, etc.) can be brutal and often bloody. Without a learning culture, democratic and market-driven societies become problematic. It is altogether true, then, that a culture needs professions first to protect the culture. Secondly, to educate citizens into the possession of the conditional and rational mind. That is, a mind that is always in research mode. Such an intellect is always asking, “If we do this (X), then we expect that (Y) might happen.” And “What is the moral context of the conditional?”

As listed above, the four classical professions so charged to attend to this challenge are education, medicine, religion and law. These four professions were created out of the ongoing need for cultural sustainability and crafted to protect, enhance and critically transmit the culture to the next generation. However, once a profession atrophies, caused either by outside or inside forces, it loses its first purpose and becomes irrelevant, corrupt and the larger culture is put in danger. This often happens when intellectual laziness, selfishness or an irresistible dogma or ideology invade the cultural DNA. The task of the enlightened is to understand and mitigate the issue, so it doesn’t destroy the culture. The enlightened are and through their integrity, ought to be countervailing forces to any form of corruption. Within a
democratic republic, this evaluative transmittal is even more necessary, since republics are based on a set of principles sustained through enlightened legal and ethical arguments among responsible, healthy and *educated* citizens. For example, any inequitable distribution of justice, manifested in different rules and sanctions based on such differences as class, geography or ethnicities, diminishes the republic and leaves all citizens vulnerable to disillusion and cynicism. This does not mean, however, an abandonment of knowledge, as the behavior of the fearful and closed minded would suggest, prohibiting ideas simply because they disagree with them. What it demands is a debate regarding the limits of law, faith and science. Enlightened citizens, who constitute the first branch of any liberal government, are responsible for continuing civil and civic debates. The professions must educate and lead those debates.

We must appreciate (that) these debates carry the basic understanding that learning is not designed to relieve life of its pain and uncertainty. It is to help people have creative engagements with the tensions and adversities of life. That is, to inquire and discover the well springs of human wisdom and the existential (essence) joy of service and gratitude and to recognize our common need for love, meaning, contribution, as well as our common work to improve our personal integrity and civic wealth.

**A Call for Principles**

In 1994, the Caux Round Table published its Principles for Business around three ethical foundations, namely: 1) responsible stewardship; 2) the Japanese concept of *kyosei* – living and working for mutual advantage; and 3) respecting and protecting human dignity. These are the standards of professionalism of any kind. In theory, these principles are, by nature, consistent with principles of any republic and market economy. In practice, when professionals do their jobs, there is and always must be tensions between the law and moral sediments. However, the law cannot be disregarded. It is always in play within civic and civil arguments that move a republic forward toward justice. To engage in the civic debate, an individual or group needs to have an ethical grounding, historical knowledge and the understanding that we are held together by a shared value – in a word, that value is character.

By fortunate and intentional circumstances, freedom and equality are conditions of law, not conditions by law. Freedom demands both free will and the desire for self-governance. Enlightened self-interest is served in the tensions and harmony between freedom and equality, unity and diversity, private wealth and common wealth and, of course, between law and ethics. To this end, all four professions and the enlightened teach about self-governance and responsibility, knowing that all learning is uncomfortable. Indeed, you will never learn a thing if you refuse discomfort! The profession of education, for example, helps students understand how to pursue truth. We have a choice: be comfortable or be truthful. This is the case because learning starts with the confession of ignorance. The educated person doesn’t just try to prove someone else’s argument incorrect, but works to prove his or her personal theory or argument incorrect. Professionals spend a lifetime trying to understand the long historic perspectives, empirical research, subjective faith and logic in deciding what knowledge to use and teach. The professions have the responsibility for teaching the general tenets of enlightened citizenship. All four professions teach *why* and *how* citizens can govern themselves, as well as
why common justice must be understood and practiced as a necessary condition of civil society. Here, every enlightened citizen learns and teaches all others that we have power or agency because no one should be above the law. The cultural playing field must be level. Just as we want physicians to explain the principles of good health, we need education, religious and law professionals to teach the standards of justice and truth. Armed with this knowledge so transmitted, citizens of a republic become more competent in discussing and acting on bringing balance to the fundamental value tensions of democracy, both in their private and civic lives.

If we do not teach these things, citizens will become subjects, meaning that they will not have the knowledge or will to live civil, healthy, productive and happy lives. In so many ways, this knowledge and ability separates citizens from subjects. Citizens place importance on character. Subjects put their faith in image. Character is destiny. Image is mercurial. Character is doing what is right and often hard. Image is following the path of least resistance. Character is asking what I can do for family, school and community. Image is a belief that family, school and community exist for your benefit. Character means governing yourself – a necessary condition in a free market and just society. Image means following others and mimicking behavior and taste – a condition in a controlled society. Character means citizen, while image is the defining attribute of a subject. Our first obligation, then, is to teach the duties of holding the office of citizen. Our first attribute of identity is and must be – citizen. Being a citizen is not and should not be comfortable. If we want the comfort of not thinking for ourselves, simply drop that burden and follow your separate demigods, be they the media, a political party, a loud blowhard or your uncle – and lose the republic.

Like Pericles, we acknowledge that any republic is, first and foremost, a school. We teach adults and children every time they walk into our place of employment or down our streets, turn on a TV or computer, attend a movie, engage in a civic meeting or visit a park. The key question is what are the professions (culture) teaching? The answer, gleaned from surveys and research alike, makes clear that we are teaching each other to embrace personal image and consumption. The values of materialism, sexuality, athleticism and physical strength have all but replaced the virtues of character. Our classic professions fulfill only marginally their public role, as they no longer consider civic purpose within their mission. A private greed has eaten away at our public happiness and in so doing, we have diminished liberty and life itself. Have we forgotten our obligations as professionals and citizens? My hope is that it is not too late.

An Operational Conceptual Framework

Given the rationale delineated here, our moral work as professionals and citizens is tied to how we use human wisdom to bring harmony to social, political and economic issues. Suggested below is a framework of value tensions that need to be balanced through ongoing arguments.
Social Issues and Democratic Value Tensions

It is a natural and even helpful situation in a democratic society to have competent people disagree and debate on a wide range of topics, laws, beliefs and even behaviors. However, for a republic to thrive, elites and citizens need to understand that issues, about any topic, become controversial when there are strong disagreements on any one of the following: the facts in the issue; definitional problems with the operational concepts in the issue; differences in ethical claims; and making and supporting different policy claims intended to resolve the issue. Without these qualities, violence often breaks out.

There is and always has been an inverse relationship between violence of all kinds and incompetence. If we look at an issue that has risen to the level of “controversial,” say, climate change or even famine or war, we know that random discussions and debate may not resolve disagreements. However, sustainable and liberal cultures address deeper democratic values that conflict with one another: freedom vs equality; unity vs diversity; ethics vs law; and common wealth vs private wealth.

These four sets of values and the arguments surrounding them create both tension and synergy. As such, they represent the ethos and aims of a democratic society. Besides the dual or antagonistic nature of each set of values, they also are a unity or system. Understanding and reconciling them in creative and productive ways is the essence of the democratic mind, writ large.

The Four Value Tensions

(based on research by Michael Hartoonian and available in The Idea of America, Hartoonian, Michael, R. Van Scotter and W. White; Colonial Williamsburg, 2013)

Freedom and Equality. Perhaps the pivotal tension throughout history has been the argument between freedom and equality. Democracy, at its best, is a continuous struggle to balance these ideals. Much of history can be read as attempts, at one time, to promote freedom (free will and individual sovereignty) over equality and at others to favor the reverse. Like a swinging pendulum, one value or the other seems to be more popular and persuasive during a particular period.

Like other value tensions, emphasis on either freedom or equality results in too little of one or the other. An imbalance is undemocratic and bad for any republic. For example, when conventional wisdom favors freedom, the power and resources of a society tend to flow into the hands of the few. In turn, those in power develop rationales to justify this distribution in the name of merit, efficiency and economic growth. Left unattended, this imbalance of wealth and power undermines democracy and threatens to destroy a nation. However, when the pendulum swings and the national persuasion favors redistributing wealth in the name of compassion and economic justice, personal freedom tends to suffer. While laws were enacted to protect workers, house the poor and promote civil rights, they often resulted in a heavier hand of government and less general freedom.
In a democratic republic, citizens need the freedom to achieve knowledge, justice and wealth. It is the citizens’ task, which is to say, all of ours, to ensure that these elements are distributed with justice. We understand that the logical extension of freedom is anarchy, while the logical extension of equality is lockstep thinking and totalitarianism.

Consider the expansive development of technology. It has been a magnificent expression of freedom. But it can also be seen as a threat to equality among people, as well as a subtle, dangerous undermining of personal freedom to vulnerable individuals. This condition has had a powerful effect on culture in more recent times, as we consider the automobile, television and computer. For the most part, advancements in technology are seen as both inevitable and good. All in their ways have furthered our freedoms through improved communications, more sophisticated information, faster transportation and the like. Yet, new technologies also have had some, often unintended, negative side effects, such as environmental pollution, auto fatalities, compulsive use, violation of privacy, the proliferation of trivial media and now, artificial intelligence. As we allow uncontrollable technological development, it becomes difficult, perhaps impossible, to preserve the best of human traditions and institutions. We might think of technology as a kind of human offspring. As with all children, our tools need nurturing and care to grow into helpful and benevolent adults – to learn the culture, as it were. However, most technologies are orphans, beyond our care and understanding, ready to dictate behavior and meaning, absent human, parental wisdom. Within this situation, both freedom and equality are diminished in exchange for amusement and comfort.

The proper understanding of equality is central to republicanism. If it is to work, privilege must be out and meritocracy in. Ability matters, not birthright. Artistic talent, declared Thomas Paine, is not hereditary. For good or evil, equality may be the most powerful idea in all of history. And it must be balanced with freedom.

**Unity and Diversity.** *E pluribus unum.* From Latin, “Out of many, one.” The individual is highly prized in a democratic society. Yet, a person must exist within the constraints of society – with its obligations and requirements, as well as support and enrichment. To understand such is to realize what it means to be ethically advanced or with conscience. The issue we continually struggle with is the nature and complexity of societal changes and the effects it has on national unity.

Another salient aspect of republican unity involves the incorporation of diverse values, beliefs and thoughts among citizens. Government must guarantee certain rights to the diverse, who might someday face an omnipresent government, omnipotent institutions or a zealous majority who would press their values on the minority. However, when diversity under the persuasion of multiculturalism becomes prominent, it tends to degenerate into segregation, tribalism and the balkanization of the culture. But we should also consider that the logical extension of a zealous unity fosters totalitarianism. This undemocratic behavior will destroy individual self-interest because such people
will see diversity as a threat. The ability to intellectually hold and understand that the ideas of unity and diversity are complementary is beyond their natural comprehension.

**Law and Ethics.** Laws that help us govern and ethical principles that guide behavior are not always in harmony. Political behavior, documents and verbal statements often illustrate legal discord. This dissonance and tension can lead to change, a better legal system and a better society. Positive outcomes hinge, however, on how intellectually prepared we are to resolve such paradoxes.

For example, at the time of the ratification of the U.S. Constitution in 1788, the “law” made it legal to own slaves. Women and non-property owners could not vote. The set called “We The People” was small, indeed. But as ethics confronted the law, that set has expanded.

On the other hand, a great deal of mischief can be perpetrated in the name of ethics, God or the flag. Stubbornly holding onto a “higher principle” can stall the progress of a society. That is why statutory law and so-called “higher law” tend to be in tension. Without this tension and attending arguments, the fabric of democracy becomes problematic.

We see in this tension, as in the others, the critical capacity of the **democratic mind** to hold and consider contradictory ideas. Without such an ability, we undermine the democratic principles at the core of any republic. Sustaining a democracy is the ability to understand, reconcile and balance these conflicting ideas. The difficult decisions we make are not between good and evil. Here, the course of action is clear. Rather, our challenge is to decide between worthy, but contentious ideas or concepts.

**Private Wealth and Common Wealth.** Within a democratic and morally capitalistic society, people understand that their personal well-being is intimately connected to the welfare of the community. In effect, the concepts of private wealth and public or common wealth are finely meshed. Within this understanding, “happiness” is understood to be a by-product of the well-lived personal and community life. It means living beyond oneself and giving of one’s talents to make the community better. In the words of the Roman Emperor Marcus Aurelius, “One should serve his city not because it is the right thing to do or even the good thing to do, but because it is the joyous thing to do.” In many respects, people have created happiness by attending to Aurelius’ charge. Perhaps, it is what the French journalist Alexis de Tocqueville meant when he referred to “the principle of civic participation” as a distinctively democratic story. To look at common wealth in another way, we can simply think of it as the material, moral and aesthetic infrastructure that we all contribute to so that we can live in a political, social and economic landscape that fosters harmony and efficiency. The more aesthetic and ethical the common wealth, the better the chances to create private wealth. And the fewer opportunities people will have to be lonely.
Creating a Balance Through Argument: The Civic Work of the Moral Elite

Democracy, as well as moral capitalism, are and must be **continuing experiments and ongoing debates about how well The People can balance the four fundamental democratic value tensions.** This demands that we make a conscience decision about whether we want to be citizens, together with all the attending rights and obligations. While implementing the balance among the value sets is a logical and systematic inquiry into the birth, growth and sustainability of republican government, it is also a commitment and covenant we have with one another to understand our identity intellectually and passionately as holders of the office of citizen. Identity (character) comes first, for if you don’t know who you are, you can’t be responsible. Thus, democracy is, most of all, about developing the identity of citizens who understand their duties and rights, as well as their obligation to carry forward with both civility and honesty, an enduring civic discourse. The facilitation of this ideal is the shared, sacred duty of the enlightened and the sub-set professionals. That is, to ensure a deep and disciplined understanding of religion, law, health and learning so necessary to the sustainability of any republic and free market. More than anything else, a republic demands learned, healthy, spiritual and critically law-abiding citizens.

It is altogether true that leaders and all citizens of any institution or society that claims democratic and moral capitalistic DNA apply sound arguments to balance the four sets of values in all institutions, from family to firm and from community to nation. The family living in harmony, like the community or nation in moral relationships, works to balance freedom with equality, diversity with unity, common wealth with private wealth and law with ethics. Using these tensions as a framework to debate issues and problems, principles of democratic governance and moral capitalism can be energized.

In the end, however, it will be the work of professionals (elite) and enlightened citizens to use and teach the why (rationale) and how (methodologies) of these tensions, as necessary to the essence and sustainability of both democratic governments and morally-driven markets.

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