

**Invitation to Eden:
The Natural Potentials and Cultural Limitations of Corporate Strategy**
(A paper in 2 Parts)

**Eden II
The Genesis of Corporate Saints and Serpents**

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Introduction

As in the original Eden, and its reinterpretation presented in Eden I, a natural worldview is a useful way to clarify the essence of corporate strategy. Recall that Eden was created only after our planetary world had appeared, followed successively by the first plants, sea creatures, land animals, and finally humans. The Biblical Eden was the very essence of an evolved, lushly organic ecosystem composed of natural phenomena, with each life unit, including humans, placed so as to enable all others to co-exist in relative harmony . . . well, that was the idea, anyway. So, too, with corporate strategy, whose naturological architecture was described in Eden I as the evolved natural components and functions supporting the efforts of corporate strategists—a virtual Tree of Life appearing in the form of the modern corporation.

Abstract

Eden II expands that *natural* worldview of strategy, blending it with contemporary concepts of corporate strategy that have been derived from *cultural* sources. From that union emerge two major models of strategy and their functions in succoring the modern corporation in its quest for profitable returns. The subsequent fusion of these two models—one cultural, one natural—then defines both the limitations of strategic management and the normative possibilities to be sought through strategic engagement of cultural and natural processes.

Corporate Strategy as Culture

As conventionally presented, current strategy theory is in many respects quite consistent with an Edenistic conception of corporate strategy. The updated Eden's language is, of course, rather different from the original and perhaps even off-putting to some, but the underlying activities of both accounts run parallel pathways. From strategy theory's most fundamental elements through all of the well-known successive phases of strategy theory's evolution—financial budgeting, corporate planning, strategic positioning, competitive advantage, strategic innovation, and now global strategy—it becomes clear that the modern corporation, while garbed in contemporary language, remains very much a child of Eden.

Corporate strategic thinking, an academic discipline now in its second half century, has passed through successive phases of conceptual development and emphasis. **Corporate planning and forecasting**, based on analytic models of firm-environment interactions, was typical of the 1960s and 1970s, soon to be supplemented by **product life cycle models** that gave managers more direct control over the specifics of any given firm as implemented within the particular industry and competitor setting in which it did business. **Diversification** via conglomerate companies set the stage for **sophisticated portfolio planning** and **vision/mission statements** about company objectives but was soon rejected as missing out on the importance of a firm's organizational innards, i.e., the quality of its **internal organization** or **corporate culture**. A further step forward brought **contingency theory** holding that the key to strategic success was less in the organization itself than in the **interaction between organization structure and environment**, thereby making knowledge of the **industry and competitor environments** an essential element of a firm's strategic management. Having or acquiring sufficient resources to implement strategy gave impetus to a **resource-based approach** that led to further emphasis on existing organizational strengths and a search for new external resources and **technological innovations**. Capping this decades-long search for the key to strategic success, the 1990s saw the emergence and partial acceptance of a less rationally analytic concept of corporate strategy. Strategy now was seen more as **an evolutionary, nonlinear phenomenon** not easily or rationally controlled or managed. All of this boils down to strategy's essential steps of **setting achievable goals, assessing the competitive environment, acquiring needed resources, designing an effective organizational structure, and implementing specific plans and procedures** to achieve the firm's strategic goals.

Corporate Strategy's Market Model

Throughout all these successive developmental phases, contemporary strategy theory has been premised, sometimes consciously, other times only latently, on what will be called here a **Market Model (MM)**. Almost universal reliance on this model spells out pretty clearly strategic theory's *culturological* roots, i.e., its heavy dependence on conventional cultural tenets, principles, and institutions.

- The model's principal ideological and institutional components are private ownership, financial capital, free-market exchange, firm-centric competitive striving, hierarchical organization, executive direction, market expansion, supply-chain contracts, proportional performance motivational rewards, and a quest for competitively superior economic rents (profits).
- This latter "economic" part of the Market Model is expected to function best within a Western-oriented political, social, and philosophical framework, which includes civic republican government, a tripartite division of political power, legally enforceable contracts, representative political participation, and socioeconomic income scaling, along with Western religio-philosophic notions of morality and ethics. As members of the civic republican community, corporations are free to participate in, and to influence the outcome of, politico-governmental decision making and policy formulation.

- Underlying all is a rationalist-idealist conception of human economic striving whereby all market participants promote their own respective interests in disregard of the economic goals of others, basing their decisions on past experience, present information, and probabilistic futures. To the extent that non-economic, non-market forces impinge on the MM's econo-centric orientation—for example, human distress, economic failure, humanitarian appeals, contradictory religious principles, etc.—business firms are expected to be resistant as they resolutely pursue maximizing, or at least optimizing, economic strategies.

The Market Model stands as an exemplar of cultural ethnocentrism, based as it is in the political, economic, social, and philosophical traditions, conventions, and institutions of Western culture, largely of Anglo-Euro-American derivation. As such, it has necessarily shaped the thinking and actions of corporate strategists and continues to do so even as much wider global vistas marked by diverse, non-Western cultural practices and traditions are opened to corporate penetration. As a product of the West, it serves primarily a large range of Western ideals, values, and practices, including the conception of how business firms should proceed strategically to attain their goals. Strategy here is a *culturological* phenomenon, pure and simple. Its larger significance will be revisited after an alternative model of strategy is described next.

Corporate Strategy as Nature

Only a natural worldview can reveal the *naturological behavioral imperatives* embedded in, and responsible for, the peculiar relations linking business with human society and, through them, the use of strategic management to attain a firm's goals, purposes, and functions. As noted above, today's theory of corporate strategy is built almost entirely on conventional, social science-based *culturological* foundations. Culture alone, as presently and anthropocentrically conceived, provides an insufficient and incomplete conceptual/analytic framework for grasping what corporate strategy is all about, what it seeks to accomplish, and what its potentials and limits are. The gains to be made by embracing a naturological, organic conception of culture, along with its derivative picture of corporate strategy, are best seen by examining how strategy is modeled along organic lines.

Corporate Strategy's Organic Model

An **Organic Model (OM)** offers a different way of thinking about corporate strategy. The Organic Model is an extension and elaboration of Eden I's naturological architecture of corporate strategy, to wit:

- A **NET**-driven search for a positive energy equilibrium to support operations
- A series of **DNA**-driven behavioral impulses:
 - * **Economizing** for organizational gain
 - * **Technology** as generative creativity
 - * **Organization** as coordination and power dynamics

- * **Emotions** as behavioral and organizational cues and reactions
- * **Reciprocity** of equitable exchange
- * **Ecologizing** as symbiotic/mutualistic adaptive behavior
- Still other naturological components distinguish the Organic Model. A strategic factor of particular importance is a business firm's interactions with its environment. Two views of this relationship have emerged, one from chaos/complexity science, the other from the Darwinian camp, even though the two are rather closely intertwined. Complexity theorists propose that an organization like the business firm should be understood as a **complex adaptive system (CAS)** that seeks a secure foothold, or an adaptive niche, in competitive environments. Gaining that niche is no easy matter because of both internal (organizational) and external (ecosystem) dynamics, either one capable of throwing the CAS off balance and off its strategic target.
- Rather than conceiving a firm's organizational structure as arising from a preplanned rational design—functional hierarchy, division of authority, motivational system, performance rewards, financial and budgetary controls, etc.—a CAS is subject to a less orderly process of **self-organization** that reflects its founders' values and past history, the varying interests of the managerial cadre, the demographic diversity and emotional profile of the workforce, and the types of communities that host its operations. Needless to say, the number and quality of interests, motivations, and values involved in this self-organizing process inject large amounts of uncertainty and nonlinearity into the firm's operations. The presence of nonlinearity, though, need not mean abandoning a sense of pragmatic reality and analytic posture in planning and operationalizing new strategies or redesigning organizational systems, for such technologizing means can be key to strategic attainment. One does not wish to throw out the analytic baby along with a firm's entropic wastes, nor to be so open-minded about nonlinearity as to have one's brains fall out entirely.
- Externally, the situation is compounded when considering the firm's competitive environment, which is subject to all of the dynamics typical of any complex ecosystem. That dynamic is governed, so to speak, by the presence of **attractors**, which guide the actions of each of the many CASs making up the population of any given ecosystem. An attractor is only another way of referring to the characteristic routines adopted by an organization or a business firm—getting to work on time, obeying the boss, kowtowing to board members who do the same to shareholders (at least symbolically), showing loyalty to the company, etc. Such fixed organizational routines and rules constitute what is labeled a **fixed point attractor** meaning they resist modification
- As for strategy and long-run planning, though, there is what complexity theorists call a **strange attractor**, which subjects the firm and its culture to all of the randomness and seeming chaos of a disorderly and essentially uncontrollable environment: unexpected market shifts, prediction flaws, technological flat tires, labor unrest, political twists (a new presidential administration with different priorities), miscommunication, micro managing from the top, intercultural misunderstanding (Wal-Mart's disastrous German experience). While not quite destroyed by these twists and turns, the firm and its strategists may be pushed

perilously close to the edge of chaos by the influence of an unknown and unpredictable domain of attraction. Without realizing it, the corporation falls victim to its own internal routines in coming up against unfamiliar, “strange” environmental forces of unknown and unpredictable quantity and quality—each CAS of the ecosystem in turn manifesting its own respective strangeness and randomness, thus compounding the adaptive plight of the whole population.

The Organic Model thus offers both hope and despair to corporate strategists. The hope lies in exploiting Eden I’s naturological architecture, basing strategy on economizing, reciprocity, emotions, technology, and ecologizing. The despair lies in strategists’ failure to accept the environment’s unyielding and ultimately unknowable grasp on the firm’s adaptive attempts to secure a profitable niche. Need I refer here to contemporary events of 2008 and 2009 that witnessed the near total collapse of banking, financial capital, and monetary systems around the globe?—the virtual disappearance of economic order stemming initially from the self-interested niche-seeking activities of home buyers, mortgage companies, investor-speculators, Ponzi schemers, and thus on to consumers, employees, retirees, the poor, the rich, the in-betweens until all were faced with economic ruin or a diminished future. Unpredicted. Unpredictable. Random. Nonlinear. Probabilistic. Indeed strange, as complexity theory posits. Without doubt, we have witnessed a grand display of the chaos produced by the complex interactions of an ecosystem’s **strange attractors** driving each CAS in self-interested directions. What was that Adam Smith said? Something about the pursuit of individual gain leading to the social good, wasn’t it? Hmmm

The Curse of Culture

A natural worldview embraces, extends, and *redefines culture* as an adaptive trait of *all* life forms. In this view, culture’s meaning is broadened from its traditional role as a uniquely *human* phenomenon. Rather, culture as understood here is generated by diverse and variable genetically-based neural modules, sometimes called specialized cognitive algorithms, capable of counter-entropic, adaptive, life-sustaining effects and behavior of all organisms. Culture is not the distinctive, unique, exclusive marker of humankind, the element separating *Homo sapiens* from Eden’s “beasts of the earth.” Organic culture is written into the DNA of *all* organic beings, much of it forming characteristic behavior patterns associated with given species, while still other species manifest cultural forms and techniques extending beyond the organic body, e.g., ants, bees, termites, birds, along with bonobos and other hominoids, that invent and use extra-bodily tools and structures that in some cases are transmitted to others not just by DNA but through imitation, much as human culture is passed along through learning. Organic culture is found wherever there is life in any form.

Human culture, in all of its diverse forms, is a product of long-term evolution of the hominid (primate) brain, particularly members of the *Homo* genus that includes today’s *Homo sapiens* and our earliest ancestors (*Homo habilis* and others) who lived some 2.5 million years ago. Both then and now, the human brain/mind’s fecundity

generates evolutionarily adaptive practices, which then become embedded in learned/conditioned behavioral and mental routines that are resistant to change because of their adaptive advantages.

As adaptive necessities shift, due to environmental changes and the emergence of novel cultural habits or inventions, the prevailing cultural routines that served well in the past may become less useful or even obstacles to continued successful adaptive behavior. Indeed, culture may be a strategist's worst enemy. Such maladaptive practices can be found in many, perhaps all, areas of human organizational activity, including the business corporation. Within the firm, neuro-emotional commitment to these outmoded, bypassed behaviors bonds the beneficiaries and defenders of the maladaptive practices, who may then perceive their elimination or modification as a threat to the organization's well being and survival. In this sense, human culture need not always play a positive role in aiding its human carriers and their organizations to maneuver successfully on complex fitness landscapes. **In the present account, this phenomenon will be labeled the Curse of Culture, signifying that human culture may not, after all, embody or manifest an unqualified rational superiority over naturally evolved forces.** The evolved human mind/brain more likely contains the culturological seeds of its own demise. Advocates of rationalist corporate strategy—take note!

Let us now apply these insights about human culture to the way corporate strategy is conceptualized and modeled (as above). The contradictions produced by the two competing versions of corporate strategy—the Market Model and the Organic Model—are profound. Because it is an ethnocentric product of human and Western culture, the Market Model renders a culturally skewed understanding of business's core economizing function. This productive process, though shaped and channeled by societal and corporate culture, is *natural* in origin—literally organic as a manifestation of DNA/NET adaptive potentials—while the specific forms it takes (products, services, supply-chain practices, branding, etc.) are *ethno-cultural* expressions. In this way, cultural forms distort, deform, and divert natural organic process. This means that an economy's (and a firm's) productive process is responsive to dominant sociocultural forms and functions that may deflect or misdirect behaviors into maladaptive channels. Such organizational interventions as social class distinctions and privileges, status-power differentials, religio-philosophic doctrines, imposed political authority, family/clan/tribal behaviors and traditions, etc., typically distort or negate economizing's adaptive effects.

For business firms, these cultural forms and practices, when mixed into the natural productive process, therefore *become* the ecology regulating a firm's productivity. The core unit of production—the business firm—is captured and restrained by this eco-cultural net, thereby diminishing its otherwise natural, adaptive, survival potential. The list of such cultural restraints is long and growing: “stakeholder” demands, various proclaimed “rights,” religio-philosophic “ethics,” social-class claims/distributions, philanthropic expectations/initiatives, imposed healthcare/retirement/unemployment costs, burdensome taxes, non-negotiable regulatory rules, trade restrictions, imposed quotas, etc. From a naturological perspective, culture can indeed be a curse by granting priority to ethno-cultural practices and principles that ensnare and diminish the firm's

productive economizing. **Strategists beware: your firm’s vision, mission, goals, economic aspirations and performance—along with whatever human rationality you employ to attain them—will always be bounded by this Curse of Culture.** One famous Nobel Laureate in economics called it “bounded rationality.”

The principal form the Curse of Culture takes in the Market Model is what will be called here the **Property Anchor/Attractor**. In that model, the cultural/institutional anchor of free-market business is private property, which evokes and rationalizes a power principle that promotes the aggrandizement and monopolization of organizational power by executive managers as agents of shareholder-owners. The Private-Property Anchor/Attractor defines, channels, and restrains the firm’s adaptive moves (its strategy) to an area and to functions within a reachable circle of power-influence (over competitors, suppliers, employees, creditors, shareholders, consumers, communities). Legal contracts (a socio-cultural invention) cement these linkages to the advantage of the firm, whose power reach is greater than that of other participants.

An accompanying free-market ideology rationalizes and promotes prevailing property privileges, legal contracts, unfettered trade, and freedom to pursue economic goals through markets unrestrained by government rules. Business’s political influence on governmental actions enables countervailing checks to be made on “unwarranted” intrusions into the circles of power sustained by the Property Anchor/Attractor, although those same political power blocs allow—indeed, welcome—the use of government agencies (US Treasury) and quasi-governmental agencies (Federal Reserve System) to shore up the propertied institutions when threatened with general collapse (as in 2008-2009’s large-scale financial crisis). The Property Anchor/Attractor (a cultural artifact) demonstrates the folly of relying on an ethnocentric, politico-cultural Market Model to moderate a business firm’s supposed linear, rationalist corporate strategy as it attempts to cope with non-linear, ecological, organic, planetary processes that occur in an infinitely larger, broader, more comprehensive and complex dimension. The rationalist aspirations of the former cannot serve the organic adaptive needs of the latter.

The Organic Model, by contrast, rests entirely on a naturological foundation of adaptive economizing, reciprocal exchange, neuro-emotional cues, genetic technology, and mutualistic ecologizing—Eden’s virtual Tree of Life, as described in Eden I. These components generate relatively stable behavioral traits that are subject to modification over time as organic DNA interacts with geo-physical NET ecosystems displaying life-sustaining (counter-entropic) consequences. The anchor/attractor here is not Property but Organic Process.

A closer look at the dynamics of organic process further clarifies the aims and dilemmas of corporate strategy.

Impellers and Strategy

The actions of organisms do not just “happen” but are impelled by a combination of proximate and distal forces. In humans, the behavioral Impellers take both natural and cultural forms. **The Natural Impellers of the Organic Model**—economizing, reciprocating, emotional cuing, technologizing, ecologizing—function throughout evolutionary time as basic adaptive impulses and traits, sustaining individual and group life. **The Market Model’s Cultural Impellers** enact and operationalize socially constructed beliefs, institutions, and organizations that are supportive of a particular culture’s practices (in this case, a Western-style business system, as described). The contrast is indeed stark, as Natural Impellers drive strategy to achieve life-sustaining results for all who exist under the firm’s organic umbrella, while Cultural Impellers narrowly channel the benefits of the firm’s activities to a select few holding favored positions within the cultural surround. Even more remarkably, both sets of Impellers interact reflexively: Cultural Impellers are subject to the stresses and strains of innovative ideas and practices emerging from the actions of Natural Impellers, while Natural Impellers may be compromised by various non- or maladaptive cultural imperatives, such as tribal or clan loyalties, religious fervor, political doctrines, or entrenched organizational power. Taken together, both sets of Impellers generate the ecosystem’s natural and cultural dynamics that encapsulate corporate strategic management.

Strategy itself is an outcome of this interwoven Impeller/ecosystem dynamic. Conventional strategy theory positions strategists inside the firm looking outward toward the competitive environment. Their task is to formulate a strategic plan enabling the firm to impact its environment favorably, thereby outwitting and channeling the ecosystem’s Impellers so as to achieve rational goals set by the firm. But this ethnocentric/anthropocentric perspective reverses the linkage of strategy and environment. The firm’s ecosystem surround—a complex mix of Natural and Cultural Impellers—is the generative source of the firm’s behavior and operations. *The ecosystem acts on strategy*, not the other way around. Though corporate strategy is conceived as a rational inside-out way to manipulate the environment, it is the surrounding ecosystem’s outside-in dynamic that determines the shape and success of a company’s strategy.

The question of whether strategy lends itself to any deliberate control whatsoever may be clarified by turning to yet another of Eden’s many remarkable features described in Biblical text as “the lights in the firmament of heaven.”

Filaments, Membranes, and Strategic Inevitabilities

Astrophysicists have established that the Universe exhibits a web-like patterning that has evolved from early in its existence. These Edenish “heavenly” webs are linkages between and among the billions and trillions of galaxies that compose the visible parts of the Universe, each one of them also displaying an evolutionary development involving initial formation from unformed gases, condensation into spiral and other forms, the

formation of stars within the galaxy, and eventual deactivation when star formation ceases, followed by a quiescent period of indefinite length. Observed in large segments, the Universe is seen as a large-scale **filamentary structure** providing linkages between galaxies, with the filaments growing in prominence and patterning as the entire Universe evolves. The filaments resemble **a multi-dimensional membrane** in which the individual galaxies are embedded—multidimensional because spread throughout space-time dimensions and therefore existing everywhere and in all dimensions (hence “universal”) rather than limited to just the 3-dimensional world presently observed on Earth. This filamentary structure seems to be made up of, or to depend for its organization on, anchor points or attractors—the galaxies, suffused with dark matter, and driven by dark energy—that form the membrane and its multidimensional patterns.

Now take this membranous/filamentary phenomenon and transfer it directly—not just metaphorically—into Earth’s planetary life dynamics. After all, Earth and its host galaxy are one part of the larger whole called the Universe. Filaments also comprise Earth’s ecosystems, the tangled webs of life forms interacting within abiotic settings and whose adaptive dynamic consists of economizing Impellers that offset entropy, along with a mutualistic/symbiotic/ecologizing lattice-like matrix of relationships—**a membrane of adaptive life**, so to speak. These ecosystem filaments, which signal the presence and dynamics of organic life, continuously shift and move towards a convergence of adaptive processes. Anchors or attractors, both naturological and culturological, within the Earth’s ecosystem membrane provide pattern and structure, as they do in the Universe at large. Some attractors are “black holes” reforming and reshaping the membranous filaments into new ecosystems, destroying some, while newly-formed membranous patterns resist all-out modification through their superior adaptability and evolutionary stability.

This view clearly supports the views of doctoral scholar Andrew Laplume’s recent reassessment and reinterpretation of Marshall McLuhan’s radical notion of television that “the medium is the message”: “What McLuhan is saying about mediums is crucial to a naturological understanding of organizations. Sensory mediums are natural phenomena subject to natural selection (like Dawkins’ memes), and organization fields [such as strategic management] grow out of mediums (like Hawking’s expanding space-time) that increase in complexity at an exponential rate, in line with Kurzweil’s singularity theory. *Values may be the product of the mediums that construct our reality.*” In the present case the “medium”—the filamentary ecological membrane that supports planetary life—*is indeed* the main “message” for corporate strategists to heed. **The anchors or attractors that give shape and pattern to the evolving membrane—remember, the membrane itself evolves, along with its embedded life forms—are the key elements on which to build strategies of adaptation, survival, and flourishing.**

In other words, the membrane is sending an important message to business firms: **strategy’s potentials and limitations, its successes and failures, are a direct function of ecosystem dynamics.** Impellers are ubiquitous and dynamic within the filamentary ecosystem membrane, always present and functioning as a core, constant component. From a firm-centric perspective, it is possible to observe occasional convergence of (non-

linear) Impeller-driven actions that are thought to be examples of deliberately planned “strategic outcomes” and claimed as such. But the membrane’s characteristic non-linearity makes a joke of such “rationally planned” convergences, as may be seen in countless instances of strategic miscalculation, misjudgment, and disastrous failure where membrane dynamics overwhelm strategists’ best efforts. From yesterday’s Enron and Arthur Andersen to today’s Lehman Brothers, Bear Stearns, Merrill Lynch, and Bernard Madoff—all classic examples of over-leveraging, exuberant gains, speculative fever—the lessons for corporate strategists should be plain: heed the limitations imposed by a planetary ecosystem whose membranous scaffolding is a participating part of galaxial and astrophysical dynamics stretching far outward into the Universe. Our Eden is a probabilistic world governed less by deliberate human intention and purpose than often believed and understood. As Shakespeare’s Horatio exclaimed, “O day and night, but this is wondrous strange!” to which Hamlet replied, “There are more things in heaven and earth, Horatio, than are dreamt of in your philosophy.”

Corporate Strategy as Value

“Values” are cultural inventions. They are human intellectual formulations about desired or preferred conditions; they are not the substantive conditions themselves, although they may well, and often do, mirror actual human experience. The forms they take or are given (as beliefs, standards, etc.) are an expression of learned cultural patterns, varying with time and place and circumstance, hence, relative to those particular conditions. But while culturally relative, values also are naturological in derivation and thus marked by evolution because of their adaptive and/or maladaptive force and effect on the people and societies holding them. The fierceness of intercultural conflict no doubt stems from this self-preservative investment in particular value-beliefs and associated value systems and traditions, for they have become and are perceived to be a society’s “way of life,” which is one way anthropologists have defined culture.

So ingrained in human consciousness are culturally-specific values that they are easily thought to be “natural,” “first-order,” “universal” guides to general behavior and belief, but this cannot be true of the values of all cultures because of their almost infinite variety, a diversity stemming from encounters with differing ecologies over long stretches of historic time. Primatologist Frans de Waal’s idea that bonobos’ social behavior patterns are a form of proto-morality laying down normative patterns on which human morals are constructed is, at best, an anthropomorphic stretch that overlooks and underplays the culturally learned-and-transmitted conscious nature of value inculcation by humans, and at worst, is simply a mistaken projection of human morality backwards onto the primate past. Such maneuvers are unnecessary if one understands that humans, as products of evolution through natural selection, survived through NET/DNA traits and impulses enacted in diverse ecologies, thus enabling their continued existence through evolutionary time and place. Those effects enabling this adaptive process came, in time, to be recognized as, and eventually to be called, “values.” Thus, any given value set then exhibits both naturological and culturological dimensions, the former more adaptively

basal, the latter illustrating learned flexibility in face of variegated environments. Each houses both adaptive and maladaptive potentials.

Corporate strategy is about striving to achieve and maintain an adaptive niche via economizing. Even though strategic striving is a naturological process, it is conventionally based in Western culture, rooted in property and social class structure conveying economic power to owners, with an accompanying ideology of free market economy, modified by political control of government policy. Competing power centers within the market and within the larger society—each one similarly striving strategically for an adaptive economizing niche—generate a clash of interests or values. These opposing adaptive efforts of other groups, both market competitors and non-business groups, then create what is said to be **the central value issue of business and society relations.**

Such a values dynamic was called “countervailing power” by John Kenneth Galbraith, citing labor unions and government regulators as offsets to business power, as each of the countervailing groups defends its own interests and values with little regard for the conflict’s impact on the economizing activities of contending groups or general social interests. These competitive culturological struggles overlie and may misdirect naturological economizing processes otherwise beneficial for all parties, thereby clouding or warping the value issue that lies at the heart of ecosystem dynamics and which presently favors the corporate property/power interests. The value issue seems to be culturally “clouded” because the ecosystem itself appears to offer no clear normative guide beyond economizing’s adaptive outcomes for those displaying superior niche strategies, which while acceptable to the favored groups is of doubtful normative worth to countervailing groups in the market (competitors) and in society (stakeholders, communities).

But wait—recall Eden I’s naturological architecture underlying corporate strategy, which describes a system suffused throughout with normativity: life-preserving and life-supporting economizing, fair exchanges through social and market reciprocity, altruism and punishment impulses, positive and negative emotional cuing and reinforcement, technologizing improvements and advancements. In *Values, Nature, and Culture in the American Corporation* I proposed that **these naturological processes define the value issue as one needing resolution of the tripartite tensions between economizing values, power-aggrandizing values, and ecologizing values.** Where the life of the firm, as indeed all organic life, is at stake, can there be a normative issue of greater magnitude? The ecosystem does indeed display the presence of normative features of central interest to all organic participant members—a normativity that is an outcome of evolution’s focus on positive DNA/NET results. Ethnocentric and anthropocentric culturological interpretations of these naturological processes fall short of a needed understanding of corporate strategy’s role in both creating and resolving the “value issue.”

Strategy's Normative Role

Corporate strategists—all unbeknownst to many of them—discharge a normative function of profound significance for their firms and for all who reside within the arc of their operations, now global in scope. As Eden I and Eden II have demonstrated, no business firm long operates—and never successfully—beyond the behavioral and organizational imperatives of nature and culture. Indeed, the constants of strategic striving are composed of just those intertwined components of natural evolution and an extended cultural intelligence, which both hem in and expand outward the value choices manifested in strategic decisions. It is all too obvious that strategic wisdom is limited in both quantity and quality, not simply through character failure but also by the unbending force of naturological and culturological accumulations. Thus, strategy's operational arc of concern and care falls short of covering and succoring all who are affected by corporate strategic actions and goals.

But recall Eden II's depiction of a filamentary, membranous ecosystem as the prime source of a Complex Adaptive System's—a business firm's—adaptive success (or failure). The ecosystem within which business now does business is literally global in scope—a planetary reality—full of new adaptational challenges and opportunities, housing a newly emergent and a necessarily more inclusive culture of adaptation. The strategic arc of normativity widens.

So, in the end, what is strategy's normative role to be? How will or should it be guided? Perhaps there is one more lesson to be found in the original Eden text.

Eve was told by the serpent that fruit from the Tree of Knowledge of Good and Evil would not kill but would allow her and Adam to know good from evil, thus acquiring a god-like wisdom. In eating the fruit and sharing it with Adam, Eve chose the difficult path to normative wisdom. She introduced normative choice into human affairs. Her act intriguingly implies that normativity held a central position in Eden—as the fruit of the Tree that stood “in the midst of the garden.” In other words, **values and normative choice are a part of nature**, there to be known and chosen and used by humans as a way of discerning right from wrong. But Eve's own desire to gain wisdom backfired, for it became difficult to reconcile Eden's original naturological values with the subsequent culturological practices of her generational progeny, beginning with Cain's murder of Abel. And the following generations made a general hash of things, causing God to give up on the entire lot except for Noah and family (and their pets), hence, the Flood.

Is there, then, a modern parallel of this Biblical clash of naturological and culturological values, now threatening the Earthly Garden with the equivalent of Noah's Flood but this time as global warming, looming ecological disaster, and pandemic planetary poverty? Which of these normative fruits should corporate strategists now pick? Those growing naturologically from Eden I's Tree of Life and Eden II's Tree of Good and Evil? Or the fruits of human toil bound and limited by ethnocentric culturological tradition? The Curse of Culture that beset Eve and her progeny still casts a

long shadow on those who seek an answer. As they ponder their choice, strategists need remember only this: Eve, who learned the hard way, will be watching and listening.

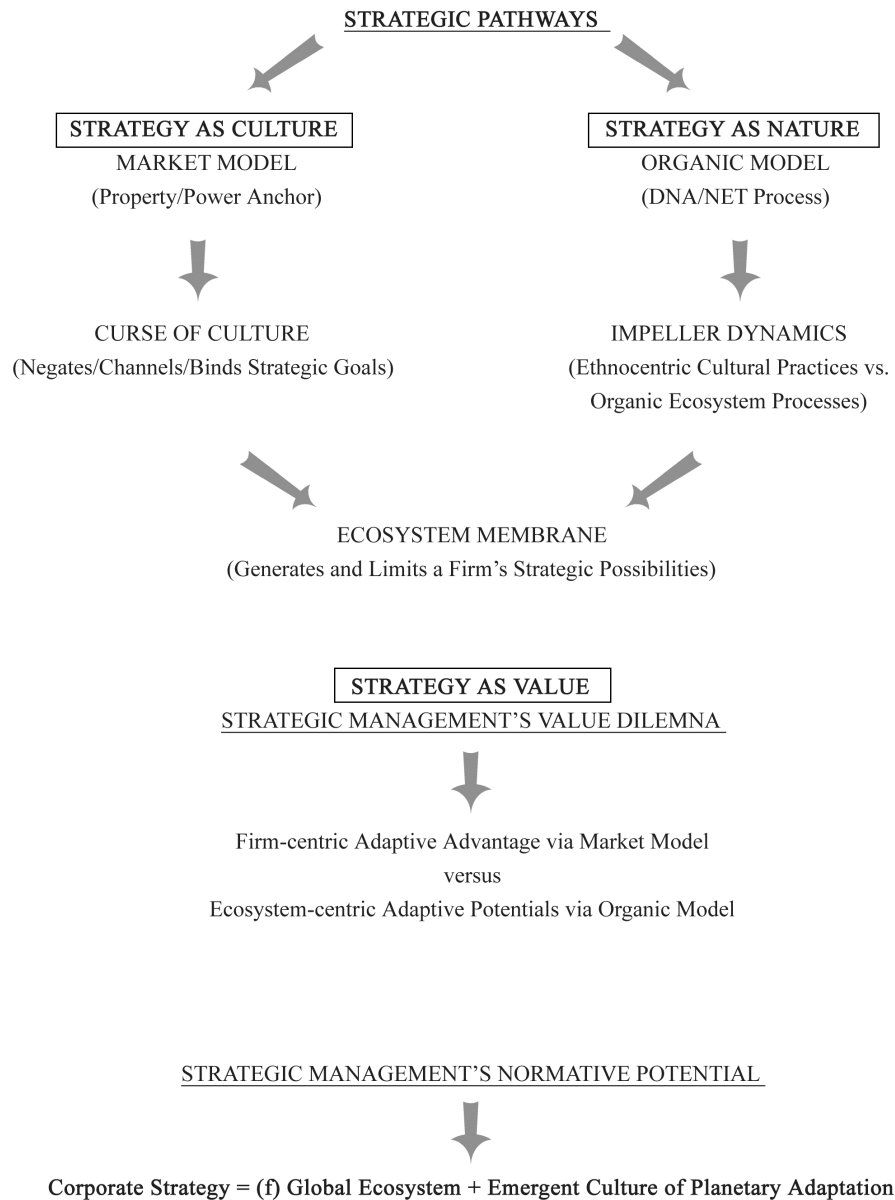
* * *

*. . . I have filled all the pages planned
for this, my second canticle, and Art
pulls at its iron bit with an iron hand.*

Dante Alighieri

Note: Eden II is depicted graphically in the following figure.

EDEN II
CORPORATE STRATEGY'S
TREE OF KNOWLEDGE OF GOOD AND EVIL



Sources Listed by Subsection

Corporate Strategy as Culture. The conventional view of corporate strategy is presented by Robert M. Grant, *Contemporary Strategy Analysis*, 6th edition (Malden, MA: Blackwell, 2008) and by several authors of *The Oxford Handbook of Strategy, Volume 1: A Strategy Overview and Competitive Strategy* edited by David O. Faulkner & Andrew Campbell (Oxford: Oxford University Press, 2003), especially John Kay, Peter McKiernan, & David Faulkner (strategy history), David Barron (strategy evolution, including the Hannan-Freeman and Nelson-Winter views), Ray Loveridge (institutional components), and Ray Pitkethly (strategic environment). The Market Model is drawn from general textbooks in economics.

Corporate Strategy as Nature. The concept of organic culture is an original interpretation. The Organic Model is drawn from several of my previously published writings: *Values, Nature, and Culture in the American Corporation* (New York: Oxford University Press, 1995); “The evolutionary firm and its (moral) discontents,” Ruffin Series No. 4, Society for Business Ethics, 2004; and Part III, Nature and Corporate Morality, in *Corporation, Be Good! The Story of Corporate Social Responsibility* (Indianapolis, IN: Dog Ear Publishing, 2006). Complexity theory concepts are from John L. Casti, *Complexification: Explaining a Paradoxical World Through the Science of Surprise* (New York: HarperCollins, 1994). A useful discussion of cultural evolution is Terrence W. Deacon, *The Symbolic Species: The Co-evolution of Language and the Brain* (New York: W.W. Norton, 1997).

The Curse of Culture. An original interpretation based on studies of cultural anthropology. The critique of the Market Model reflects perspectives drawn from my earlier studies of institutional economics.

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