## "Choppy Waters, Planetary Compass, Visionary Port"

## SEE Change: Making the Transition to a <u>SUSTAINABLE ENTERPRISE ECONOMY</u> (Sheffield, UK: Greenleaf Publishing, 2011)

By

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A Review by William C. Frederick March 2012

Landlubbers may not know what a sea change is, but sailors do. According to Eric Partridge's *A Dictionary of Cliches*, it means "to be almost miraculously and certainly changed for the better." But sea-going veterans also know that "sea change" can foretell unsettled, even dangerous, ocean conditions ahead. The authors of *SEE Change* embrace both interpretations in charting the world's cruise toward a sustainable future.

On their sojourn, control of the ship's helm is shared. Malcolm McIntosh brings to bear his deep participation in and wide experience of global institutions devoted to sustainability, social justice, and corporate responsibility. Sandra Waddock's turn at the wheel drives the cruise ship unerringly toward visionary treasures that reach far beyond mere material wealth. The port they both seek lies far ahead, through stormy seas, but is attainable, they believe.

Getting there is the problem. "Wicked" shoals loom ahead: seven in number, each requiring distinct navigational skills and—they admit at one point—lots of luck.

- Climate change and related ecological disruptions
- Inequity and poverty on a global scale
- Terrorism, violence, and ethno-religious conflict
- Energy: sources, uses, disuses
- Water: shrinking supply, deteriorating quality
- Food production and security
- Corruption: governmental, political, corporate

Rather than wringing their hands over the limited reach of corporate responsibility (CR) on macro-scale global problems, the authors turn instead in a direction that at first glance might seem more remote and less attainable than direct political action or a reform of corporate policy. Only when there is a change of "modern psyche and culture" can any hope be held out of guiding the global ship toward a safe haven. Say what? Can that actually happen?

Well, it's not as impractical as it first sounds. We should note here that the authors are referring mainly to the psyche and cultures of economically developed (mainly Western) nations, the presumed source of the seven wicked problems. One of

the big needed transitions is to demote "material wealth" from its prime rank as the central goal of economic enterprise. Replace it with a more inclusive, more subtle notion of the total quality-of-life rather than racking up quantitative gobs of "stuff"—call it "well-being" and seek it for "individual, community enterprise, and society"—a state of "life satisfaction and happiness." They put it very plainly: "Choosing material ends as ultimate social goals can no longer be considered a viable strategy for human societies."

Getting to that point obviously means discarding the worship of economic growth as the end-all and be-all of corporate enterprise because "growth is no longer even remotely realistic." Consumption and overconsumption are over the top, creating mass health problems (obesity is one) and excessive caloric food production that bears a heavy carbon footprint.

From the captain's deck come warning sirens: "Obstacles directly ahead!" What is it? A Titanic-like submerged iceberg? Or perhaps Moby Dick, the Great White Whale, ready to swallow the ship whole? Well, not quite that bad—nothing but a swarm of behemoth-sized corporations with shark-like teeth. "Traditional corporations" are "nothing short of psychopathic", "soul-deadening enterprises," they "distort incentives, reward the well-off, care little for externalities," are "no longer tenable," have "perverted the logic of capitalism," represent "a system of irresponsibility," and are "amoral," and "deeply dehumanizing," "ruthlessly efficient economically," "running rampant over the natural environment," "seeking profits no matter what the social cost." Maneuvering around, through, or over this school of corporate sharks won't be easy.

After harpooning what many believe to be the very heart of corporate capitalism, the steersman/steerswoman do not reject capitalism outright. Rather, "a serious rethinking of capitalism is in order" and "a wholly new model of capitalism" is needed. "SEE Change *is* capitalism" but "capitalism with a human face, a more Earth-centric orientation and a more explicitly social agenda." In this scenario, today's large corporations are not the needed answer, although they exert a positive effect by symbolically adhering to UN Global Compact principles. Then there are a few "extended companies," along with a growing but relatively modest observance of Corporate Responsibility by others. But SEE Change "will not come from existing entities, but rather from start-ups and newer forms [with] a very different purpose and mindset than the traditional corporation, however progressive it might be."

Out there in the open seas is a whole fleet of new-style business firms "that see social, human, and environmental benefits as important as making a profit." These are the for-benefit corporations that are legally allowed to put social and environmental objectives ahead of profits. According to a recent *Wall Street Journal* report, a small but growing list of states now charters these eco-socio-friendly companies. In the same spirit, profit-seeking firms may now be certified as "B corporations" that intend to pursue broad social and environmental goals as well as financial security—provided they are willing to pay a sliding-scale fee for the listing. Other companies—Whole Foods is an example—boast leaders who see themselves as stewards devoted to "conscious capitalism", a reaching out beyond profits to find a "deeper purpose" in the marketplace. All of this constitutes a "Fourth Sector," including social entrepreneurs, micro-finance initiatives, even some NGOS, where social purpose and profit making find common cause.

The destination port sought by the SS <u>S</u>ustainable <u>E</u>nterprise <u>E</u>conomy is where one finds "human-scale organizations, planetary imperatives, sustainable values, integrity, trust, accountability, responsibility, assurance, transparency, and public interest purposes." This visionary voyage ends on a conditionally optimistic note: "We believe there is yet hope for real systemic change."

So, what are the rest of us, with feet planted solidly on *terra firma*, to make of this aspirational SEE/sea change adventure? Is it doable? Can the reforms come in time, or at all, to avoid planetary disaster? Sir Martin Rees, the famous British cosmologist, doubts it, writing about *Our Final Hour*, while evolutionary scholar Matt Ridley projects a more positive view of the future in *The Rational Optimist*. What would it take to convert the *SEE Change* vision into macro-scale tangible accomplishments?

Well, I hope you don't expect to find *the* answer in this brief review of mine. But I would like to identify a hint or two, all but hidden within this book, of a possible pathway—a canal deep and wide enough—to accommodate and reconcile the clashing oceanic-scale forces that contend for supremacy in human affairs.

Here are the (haunting) hints, in the authors' own words. **Hint one**: "Biomimicry which 'studies nature's best ideas and then imitates these designs and processes to solve human problems." **Hint two:** "organizations as living social systems nested within living organic eco-systems." **Hint three:** "without cooperation (symbiosis in the biological framing), many organizations—indeed perhaps all living organisms—could not survive." **Hint four:** "Human existence and the business system are similarly interdependent with other living beings on the planet."

The message seems to hint that humans and nature are not separate entities but are joined together in sustainable ways, and that humans have much to learn and benefit from exploring such symbiotic possibilities. Like the bees that pollinate a flowering plant, both kinds of organisms—human and nonhuman—would thereby gain an extended life. Could that not also be true of an economy—call it a Sustainable Enterprise Economy—that mimics nature? Even more profoundly, would it not describe a business system that swims symbiotically with other organic creatures in life-supporting planetary waters? I make such a case in a forthcoming book, *Natural Corporate Management: An Evolutionary Interpretation.* Stay tuned.