

WHAT WILL OUR SOCIETY BE LIKE IN 1985?

From
the
Editor



Is western society in the midst of a great transformation? The traditional ideology — deriving, philosophically, chiefly from Johannes Calvin, John Locke and others — which prospered in the nineteenth century and continued into the twentieth as the basis for legitimacy for our important institutions now seems to be dangerously eroded. The old ideas of rugged individualism, private property rights, competition to satisfy consumer desire, limited government intervention, and scientific specialisation have become increasingly irrelevant in a world of necessarily huge organisations and limited resources.

Indeed, a new ideology, already far advanced, is taking the place of the old. What is emerging is a set of precepts that business executives and government planners may not routinely articulate but that are, all the same, already shaping behaviour. Some of the key components of the "new ideology" are, according to Professor George C. Lodge in his new book *The New American Society* (Alfred A. Knopf, New York, 1975) as reported in the Harvard Business School Bulletin of January/February, 1976.

- Property rights are declining in relevance. "A curious thing has happened to private property — it has stopped being very important." People may "get a certain psychological satisfaction out of owning a jewel or a car, a TV or a house, but does it really make any difference if (they) rent them?" More important are quite new "rights of membership," for example, in survival, enjoyment in income, and good health.
- Competition to meet the desires of individual consumers, which once determined how resources were to be used, is being supplanted by community need.
- Self-fulfillment through belonging to a community — "communitarianism" — is replacing the rugged individualism of earlier days. At the same time, consensus is becoming more important than contract as the basis for human relationships. The old ideology held that management's rights derived from the ownership of property and that with these rights secure management contracted with labour, either individualistically or collectively. In both Europe and the United States new notions of workers' participation in management are supplanting the old ways, the rights of management deriving from the managed, and managers and workers being connected by various consensual processes in which their interests are more or less continually examined and merged.
- There is a growing acceptance of the interrelatedness of everything. "Spaceship Earth, the limits of growth, the fragility of our life-supporting biosphere have all dramatised the ecological and philosophical truth that everything is related to everything else." No longer valid is the idea that the whole will take care of itself if its individual parts are cared for.
- Government has been getting bigger as it takes on increasingly broad planning tasks. "But it will need to become far more efficient and authoritative if it is to prove capable of making the difficult and subtle trade-offs which now confront us — between environmental purity and energy supply, for example." If it is clearer about its tasks, its size and level of expenditure could be reduced.

Concentrating on the giant, publicly held corporations — focal points of progress, power, and wealth in the United States today — Professor Lodge suggests that the primary problem for managers of these concerns is to adapt their enterprises to the new ideology. He believes that they will need to perceive what is happening, be willing to inspect old assumptions, and be prepared to make radical changes. Future managers, Mr Lodge expects, will derive authority from those whom they manage; corporations will serve community needs more than consumer desires as those needs are defined by a more active state; and managers will need to think in terms of interdependence more than independence. In the long run, Professor Lodge anticipates greater worker involvement in corporate decision making, comprehensive planning at various governmental levels, federal chartering of large enterprises, relaxing of antitrust laws, a new political movement, and a new religiosity.

Traditional free enterprisers may disagree with this new ideology and the argument that the new ideology only tends to foster bigger bureaucracy, more government intervention, and a socialistic system in which "public interest" would justify ever more pervasive government interference. But that view seems hypocritical because, while business and political leaders talk the old ideology, they often act in accordance with the new. This condition has resulted in a philosophical split personality that blocks solutions to contemporary problems and undermines the legitimacy of corporations.