

## **Ethics for a Healthy Global Economy**

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Thank you for your kind introduction; I am very pleased to be back in China and honored to have been asked to speak to you today.

Unethical conduct – which I define as behavior that harms the common good – has prevailed for all of recorded history. How have societies grappled with the destructive, counterproductive thoughts and actions of its citizens? Generally, authorities have offered rewards to encourage constructive behavior and imposed punishments to discourage anti-social activities. Their methods included ostracizing or fining individuals and organizations for detrimental behavior to praising and promoting positive deeds. Based on the evidence, these tactics work selectively and temporarily at best. I believe that the only effective way to motivate and sustain constructive conduct is to alter the distorted thinking and misconceptions that underlie unethical acts. But before attempting to change our thoughts or deeds it is important to understand how today's worldview developed and why we adhere to belief systems that have produced wide-ranging conflict, poverty and pollution.

Our beliefs, of course, are based on a combination of religious teachings, cultural traditions, educational training, personal experiences, societal customs, professional values and family conditioning. These cultural and educational centers of influence often reinforced one another and we seldom objectively analyze the validity or consequences of these conditioned beliefs. It is customary in the United States, for example, to use rewards and punishments to encourage some preferred behavior. Parents frequently bribe their children with a variety of gifts if they get good grades at school, behave properly or go to sleep at a reasonable hour. When these children become adults the connection between offering bribes and getting desired results remains strong and encourages similar tactics despite bribery's obvious inefficiencies and inequities. Another widely accepted belief, with far reaching ramifications, is that we must rely on our senses when trying to determine whether an event or condition is real. In other words, most people are convinced that if they can't see it, touch it, feel it, taste it, or smell it they shouldn't believe it. In fact, the English language uses the word "non-sense" to describe information that is not sense based and, therefore, unreliable, perhaps even foolish.

Based on the factors described above, we determine how the world works and, therefore, how we can best survive. Then we draw upon these entrenched beliefs to decide which alternative will best serve our interests. Unfortunately, "self-interest" means different things to different people. In my second book, *Conscious Globalism: What's wrong with the world and how to fix it*, I explore, in depth, the multifaceted concept of self-interest. I am, therefore, quite familiar with the complexities of this elusive idea including the fact that an action judged in our best interest today might not be considered in our interest tomorrow. For example, you may recall that toxic chemicals were dumped in the

Songhua River in Harbin, China in November 2005. Presumably some employees thought this was a cheap and efficient way to dispose of unwanted waste. Since I had lectured in Harbin in October 2005, I received emails from friends at Heilongjiang University telling me of the difficulties they encountered and what they had learned from their water scarcity experience. Today, those making similar decisions are likely to have a different opinion about the best way to dispose of waste. Nonetheless, the term self-interest is generally assumed to imply some self-serving behavior aimed at securing as many possessions and related benefits as quickly as possible. Immediate gratification becomes the principal means for maximizing personal satisfaction. This, in my view, is an inaccurate understanding of self-interest. Defining self-interest in short-range, egotistical terms leads to inequitable and unsustainable activities that are inevitably self-defeating.

### **Mistakes Galore**

This uninformed view of self-interest relies on sense-based information and results in people making some of the following mistaken conclusions:

1. There isn't enough to go around
2. The more we have the happier we will be
3. Everything is separate and autonomous
4. Our actions have little if any consequences

The first two beliefs are closely tied together and, at least on the surface, appear to be accurate. Western education defines economics as the study of how people allocate scarce resources and most university students adhere to this premise long after graduation. In addition, since we are all aware of the billions of people who live in poverty, scarcity seems to be an unavoidable fact of life. It also seems logical to think that the more things we possess the happier we will be. Therefore, if I don't get all the things I want, as soon as I can, someone else will get there first and I will be out of luck and forever deprived of a happy life. This thinking leads to a narrow, shortsighted view of self-interest. We are, thereby, lured into accumulating more possessions even if that requires treating others unfairly or using resources imprudently. This is unethical behavior at its worst.

The second set of beliefs, which depicts a disconnected world where deeds have little, if any, consequences, also depends on sensory input for their validation. It certainly looks like I am over here and you are over there and there is nothing important filling the space that divides us. It follows, therefore, that if everything is separate and independent, I can do what I want and, with minor exceptions, avoid being penalized even though my behavior may be harmful to others. Everyone has observed people who seem to engage in unethical acts with impunity. To conclude that people can avoid paying a price no matter what their behavior is another example of sense deception; we will discuss this fallacy more in a moment. The point to remember is that a belief in separation and autonomy underlies most, if not all, unethical acts. Belief that we live in a chaotic, unconnected world engenders fear – fear that others will take advantage of us and fear that a disconnected, disorganized world is devoid of order or meaning. Such thoughts lead to

egotistical, destructive actions that damage relationships and provoke cutthroat competition and futile conflicts wherein everybody loses.

Since many of our beliefs are based on what we see, let us look at the accuracy of our vision.

We know that for millennia people believed the earth was flat – that is what their eyes revealed. If you go to the seashore and gaze at the ocean, the earth does indeed look flat. We can be similarly deceived when we look at the stars in the nighttime sky. Some stars that appear to be shining brightly have previously imploded into black holes but because it takes so long for the light to reach us, our limited vision leads us to false conclusions. Another example of our vision deceiving us occurs when looking at optical illusions. Two people can look at the same object and see two entirely different things. Maybe our senses are not as accurate as we have been led to believe. In fact, Einstein said that our senses reveal but a tiny fraction of what is actually happening. What we don't see is at least as important as what is right in front of our eyes.

With this expanded awareness let us re-examine the previously discussed beliefs about scarcity, happiness, separation and its consequences, as they play a major role in determining whether we act in an ethical or unethical manner at any given moment.

### **Scarcity and the economics of happiness are intertwined.**

One of the most significant aspects of globalization is that almost everyone has access to the latest news and information through the Internet, newspaper or TV. Stories about the billions of impoverished people around the world are a frequent media focus. It is understandable, therefore, that we believe resources are inadequate to meet everybody's needs. If supplies of food, clothing and shelter were adequate wouldn't poverty have been eradicated long ago? What the media rarely shows is how creative humans can be. Every problem has an innovative solution if approached properly. In addition, the poverty problem can be greatly mitigated by sharing resources more equitably. Many people who are consuming more than they need could reduce their consumption with no ill effects. This would allow those living in poverty to shift their attention from survival to higher aspirations. Instead, the poor are preoccupied with day-to-day survival and ethical considerations are understandably low on their priority list. Conversely, with many people driven to accumulate material goods, in the mistaken belief that possessions will make them happy, there is a tendency to justify almost any action that will satisfy their cravings.

Surprisingly, the connection between money and happiness is not as obvious as most people think. Fifty years of worldwide research has shown little if any correlation between increased wealth and increased well-being once an individual's basic needs are met. Above a modest level of income – the amount varies according to a country's standard of living – there are, at best, diminishing returns for higher income.

As an example, personal income in the United States has climbed steadily over the past five decades and the per capita gross domestic product (GDP) has tripled. Yet measures of life satisfaction in the U.S. have been virtually flat. A similar pattern can be found in Japan, Europe and many other societies. Not only have measures of well-being failed to keep pace with increases in wealth, but anxiety has grown steadily and depression rates have risen ten-fold.<sup>1</sup> Because of time constraints I will limit my comments about humanity's elusive search for happiness and refer those interested to an article I wrote entitled, "The Economics of Happiness," which was recently published in *Seeking Truth, a Journal of Heilongjiang University*. I have some copies for anyone who is interested and an English version can be found on my website [www.consciousthinking.com](http://www.consciousthinking.com).

Faulty beliefs about the need for and availability of vital resources plus the misdirected search for happiness lead many to a selfish, shortsighted view of self-interest. These erroneous beliefs impel some people to engage in unethical acts so that more things can be acquired even if others are treated unfairly or resources are consumed imprudently.

### **Belief in separation**

There are connections among all that exists but they can be subtle and difficult to verify. Nonetheless, physicists and other scientists have been telling us for decades that beneath the surface – beyond what our physical senses perceive – everything is interconnected and interdependent. Einstein protégé David Bohm stated, "The inseparable quantum interconnectedness of the whole universe is the fundamental reality." That is why, for thousands of years, sages from all countries and cultures have emphasized the importance of following the Golden Rule. The essence of this rule is that what we do for another we do for our self and what we fail to do for another we fail to do for our self.

I often ask audiences I address, "How many agree with the statement 'we are all one'?" The number of people who will openly agree with this statement varies considerably; those who agree with my next question are significantly smaller in number. "Of those who believe everything is intimately connected, how many consistently follow the golden rule and always consider the common good?" The silence is usually deafening. Even those with the right conceptual framework aren't able to do as they believe. Why is that? Simply put, there is a part of us that doesn't believe! The part that has been taught to rely only on sensory data that appears to show that everything is separate.

One of globalization's most important contributions is that it provides vivid examples of how connected everything actually is. Economically, politically, socially and environmentally we are inexorably tied together. If the economy in Asia deteriorates, people all over the world feel the effect. If toxins are released into the atmosphere from a coal-fired generating plant in one part of the world, acid rain descends on land thousands of miles away. The growing realization that we will all suffer unless we work together has spawned a worldwide environmental activist network that opposes projects that harm

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<sup>1</sup> Ed Diener and Martin P. Seligman. "Beyond Money: Toward an Economy of Well-Being," *Psychological Science in the Public Interest* 5, (July 2004): 3.

the planet's ecosystem. If self-centered, short-range decisions made by authorities in one region are ignored by people in other regions a steep price will be paid by everyone.

Let us now see how ethics is connected to the overall health of our planet.

### **Ethics and Health**

When unethical behavior is uncovered, there is a tendency, at least in the West, to dwell on the financial implications. This was certainly the focus with the unethical and illegal activities at Enron and WorldCom where thousands of employees and investors lost their jobs, their homes and their retirement savings. But by concentrating exclusively on the monetary damage caused by disreputable acts, more broad based, insidious harm is often overlooked. This is certainly the case with the seemingly inconsequential injustices that regularly occur in the workplace with little, if any, publicity. For example, an employee may be told to bribe his or her customer to try and gain new or additional business. A single parent may be bullied into working much longer than required at the risk of neglecting a young child who is waiting alone at home. A manager may decide to promote a less qualified employee due to some improper relationship with the favored employee or some prejudice against the overlooked employee. In each instance, the person pressured to engage in unethical actions is likely to feel intimidated and mistreated. The consequences of such abuse are generally more extensive and destructive than currently appreciated.

In this regard, I would like to tell you about the Institute for Ethical Awareness, a non-profit organization, that is conducting research to document the link between unethical behavior and physical, emotional and mental disease. Preliminarily, the Institute, along with others, has found that unethical acts have ripple effects that adversely impact the living conditions of a wide range of people associated with the victim. This largely unrecognized connection between ill health and unethical behavior needs to be better understood. We believe that failure to make ethical behavior a top priority costs organizations severely in the form of heightened absenteeism, increased turnover, decreased productivity and rising health care expenses. In addition, the organization is likely to have its reputation impaired and incur considerable costs (time, money and effort) in rectifying the situation.

In fact, we need a comprehensive view of unethical behavior that considers not only the party directly injured but the initiator of the act, those witnessing the act and others that may also be affected. The latter may include family, friends, coworkers and the community at large. For example, when subordinates are told to lie or cheat, the knowledge that such action may harm others intensifies the stressful situation. Stress and anxiety can affect all family relationships and provoke spousal abuse, drug or alcohol addictions and/or divorce. A shattered family often becomes a dysfunctional family with far-reaching effects on the children both in their formative years and in their adult life. Medical research has shown that stress and tension can also lead to a variety of physical and emotional diseases ranging from insomnia and depression to a weakened immune system. The latter may culminate in serious illness including heart disease and stroke.

To the surprise of many, the initiator of the harmful act also endures undesirable consequences. At some level, those instigating the regrettable action are likely to recognize the selfishness and arrogance behind their demands and feel guilt and remorse. Anyone who has experienced guilt pangs knows how upsetting this can be and how it can lead to serious emotional and physical symptoms. Some people attribute the sudden and unexpected death of Enron's CEO Ken Lay to the intense physiological pressure that likely developed as a result of his involvement in the scandal. Making perpetrators aware of their self-inflicted diseases should prompt conscientious behavior modification efforts and make ethical behavior a self-motivated, self-sustaining process. Even if the perpetrator appears to evade undesirable consequences, the wise have told us for eons that no one escapes the law of cause and effect (or, in some traditions, Karma.) While an immediate response is often lacking and the links between cause and effect can be difficult to detect, a balancing of the scales is inevitable.

Based on studies done previously, it seems clear that unethical behavior can lead to stressful, traumatic conditions which, in turn, impact the physical and psychological well-being of many people. Everything has consequences – unethical behavior has consequences that are more widespread and severe than is currently recognized. IEA would like to partner with institutions around the world to study the cultural similarities and differences in this ethics/health connection. I invite anyone who has an interest in this emerging field to contact me. (ethicalawareness@gmail.com)

In conclusion, nothing on our planet can function in a healthy, sustainable way if the stewards of earth – human beings – are making unethical, destructive decisions. Changing some of our most ingrained beliefs is the only thing that will improve the untenable situation in which we now find ourselves.

As contemporary author John Adams so eloquently stated,

“If we continue to believe as we've always believed, we will continue to act as we've always acted, if we continue to act as we've always acted we will continue to get what we have always gotten.”

I hope you will join me in changing distorted beliefs so that the world can move from debilitating conflict, poverty and pollution to one that exudes peace, prosperity and health for all its inhabitants. Thank you for your kind attention.