Will Business End or Revive Western Civilization? From Malthusian Trap Business Growth Trap From Paranoia to Metanoia

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Introduction

According to several authors, Western Civilization has been at the crossroads since the 20th century, developing vastly in the process of industrialization and as a result, it has passed through negative cultural challenges. Among them one can notice issues of war and peace, income inequalities, governmental indifference, social autism and isolation, and so forth. Very rarely is the role of business in these issues is analyzed. This is ironic, since business in capitalism is religion, of which the first commandment is profit through growth by any means. But business is the most powerful social institution in the world and its role in civilizational development must be analyzed. This investigation aims to evaluate the role of business in finishing or reviving Western Civilization.

Civilizations are born, rise, grow, decline, and transform. As does the Western Civilization, whose business system plays a key role as a world-system, which is copied by other civilizations as the supposedly best pattern to follow. This pattern has been designed by the strategy of growth, which will be reviewed through its 6,000 years of civilization. Its current stage will be exemplified, with the conclusion that commercial capitalism transformed in the second part of the 20th century into Managerial Capitalism, Global Capitalism, and Super Capitalism. In effect, Western Civilization is instantly (quickly?) transforming into the Global Civilization, with all consequences for transformation of values, symbols, and patterned behaviors of its habitants.

The Global Civilization is at this moment in the "War for Wealth," which rapidly depletes strategic resources to satisfy the fast growth of the world population. These two factors, population growth and business growth, are leading the planet to the brink of disaster. If civilization wants to survive, it must apply the strategy of sustainable development to get out from the Death Triangle of Civilization. This will be more obvious to humans around 2050, although its symptoms, e.g., rising shortages of strategic resources, declining ecology, and foot-print of the growing population, are presently evident at the dawn of the 21st century.

Knowledge about the declining potential of Earth is rising among intellectuals, NGOs, and the United Nations, but governments and politicians are less involved in the process of protecting the well-being of the planet. Instead of blaming others, this investigation argues that college faculty members teaches and research business
according to the wrong paradigms, and they should be changed urgently to be sure that future professionals will know what kind of decisions they should make in order to support sustainable development of common, Universal Civilization.

Civilizations Rise, Grow, Decline, and Transform

The first humans, with brains of 500 cc, populated the Earth about six million years ago, However, only 6,000 years ago they begun to live as civilized people with a much bigger brains of 1350 cc. In these six millennia the humans developed about 26 natural civilizations (Toynbee 1995) and two planned civilizations, such as Soviet and Nazis (Targowski 2009). We currently experience eight religion-oriented civilizations (Western, Eastern, Chinese, Japanese, Islamic, Hindu, Buddhist, African) and 1 economy-oriented civilization, the newly emerging Global Civilization.

The process of civilizing humans passes through cycles of genesis, growth, breakdown, and disintegration (Toynbee 1995). Such pioneers of Civilization Study as Spengler (1962), Kroeber (1944, 1957), Coulborn (1954, 1966), Grey (1958), Quigley (1961), Melko (1969), Sanderson (1995), Snyder (1999), and Blaha (2002) agree that civilizations rise, grow, and decline. However, each of these authors uses their specific terms for each phase or stage, varying from a few to several. But Sorokin (1957) criticizes the “death of civilization” idea, since there is much continuity in cultural behavior from the dying civilization to the emerging one. Therefore, Wilkinson (1987) argues that thirteen major civilizations which had the ability of connecting with each other have transformed first into one Central Civilization, which is transforming into the Global Civilization in the present day. In the spirit of this hypothesis, Targowski (2009:48) developed a concept of civilization continuity under the form of shared memory, showing an example of the evolving Western Civilization (Figure 1).
These three last authors argue that civilizations never die because many (but not necessarily all) of their contributions are passed on to succeeding civilizations. For example, the Classical Civilization is alive in spirit and in worldview today. There are exceptions to this rule, as is the case of “arrested civilizations.” However, they have transformed themselves into another mutation or generation. If civilizations transform, it means that they do not collapse (Tainter 1988 argues that they collapse), but rather, decline and transform.

For about 140 years, authors such as Danilevsky (1869), Spengler (1918, 1962), Sorokin (1937, 1957), Koch and Smith (2006), Anderson, Ikenberry, and Risse (2008) wrote about The Decline of the West, Suicide of the West, or The End of the West. So far, Western Civilization is about 1200 years old and is in a permanent and strong evolution. Danilevsky felt the pressure of the industrializing West upon backwards Russia. Spengler was under the impression that Germany should not have triggered the World War I. Sorokin was disappointed by the passivity of the West in responding to the Bolshevik Revolution. The last five authors were also disappointed by the deindustrialization of the Western Civilization due to abandoned moral values.

These views indicate that we should check what is going on with Western Civilization and the World Civilization at the dawn of the IIIrd Millennium. Is it really true that Western Civilization is collapsing or it is just declining and transforming?
The topic of the civilization cycle concept is the most popular among civilizationists. For example, recently Melko (2008:22), after several decades of investigating civilizations, noted that “there is no consistent sequence; the patterns of civilizations are just too varied, and what seems to us as obviously essential may never even have occurred to inhabitants of another civilization.”

Perhaps Melko’s conclusion can be also applied to the question “What is the reason that civilizations decline?” Tainter (1988:205-207) found the answer in his comprehensive book on The Collapse of the Complex Societies. According to him the “collapse” (this author prefers a term “decline”) takes place, when some of the following rules are applicable:

1. The marginal productivity of increasing complexity declines. (It can be interpreted this way; the society’s investment in innovations in societal complexity reaches the point when the further investments do not improve the conditions of life).
2. Resource depletion,
3. New resources,
4. Catastrophes,
5. Insufficient response to circumstances (the failure to adapt)
6. Other complex society’s impact
7. Intruders
8. Conflict/contradiction/mismanagement

In the following sections, these rules will be applied to synthesize the status of Western Civilization in the 21st century. The hypothesis is the Western Civilization is declining and transforming into a Global Civilization (Figure 2).

In most of studies of civilizations, a topic of economics or its derivate (incomplete)—business is not in fashion. In reality, business is the dominant component of current civilizations’ dynamics, and perhaps is the most important social organization which defines modus operandi of the whole civilization. Therefore, the synthesis of the Western Civilization’s status in the 21st century will be generalized based on an analysis of businesses’ role as the world-system.
Keynote Lectures

Business as the World-System

A business is a legally recognized organizational entity designed to provide goods or services to consumers. As long as people began to exchange goods and services, business became the dominant process of societal development. It leads to wealth accumulation systems whose development though the last six millennia have been shaping civilizations.
The irrigation technology of 4000 B.C. was the first big business which triggered the beginning of civilization, a system of organized humans, who were able to elaborate the surplus of wealth which in the next cycle has been invested in developmental projects. In pre-civilized times, economic development was based mostly on recurring rounds of feast and famine, depending on natural variations in climate and on skill and luck of hunting. Life was certainly difficult, rough, and short. Average life spans were not more than about 20 years; few people could survive over the age of 50 (Leakey, 1994). Nowadays, after 6,000 years of civilization, people can live 80 years, and many live over 100 years. Evolving business systems as one of the main world systems energizing civilization, have made a big contribution to this progress (Figure 3).

Figure 3. Business as one of the main world systems
The Growth of Business through Millennia

In terms of economic development, the Western Civilization has lingered through two millennia. According to the monumental statistical work of Angus Maddison (2001:17), during the last millennium, the world population rose 22-fold, per capita income increased 8.55-fold (855%), and world GDP nearly 300-fold. From the year 1000 to 1820, the advance in per capita income was slow: the world average rose only 53%. Most of the growth went to accumulate a four-fold increase in population. Since 1820, the Age of Industrial Revolution in England, world development has been much more dynamic. Per capita income rose more than eight-fold, population more than five-fold. Life expectancy has risen 3.2-fold from 24 years (1000) to 78 years in developed nations (1999) (Maddison, 2001:31). Table 1 illustrates this growth over the last two millennia. Figure 4 graphically depicts the dramatic acceleration of wealth accumulation in Western Civilization, driven by the power of modern capitalism.

Table 1. Level and Rate of Growth of GDP Per Capita: World and Major Regions, 0-1998 A.D. (in 1990 international dollars)

<table>
<thead>
<tr>
<th>REGION</th>
<th>0</th>
<th>1000</th>
<th>1820</th>
<th>1998</th>
<th>0-1000</th>
<th>1000-1820</th>
<th>1820-1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>450</td>
<td>400</td>
<td>1232</td>
<td>17921</td>
<td>-1%</td>
<td>308%</td>
<td>1452%</td>
</tr>
<tr>
<td>Western Offshoots</td>
<td>400</td>
<td>400</td>
<td>1201</td>
<td>26146</td>
<td>0%</td>
<td>300%</td>
<td>2177%</td>
</tr>
<tr>
<td>Japan</td>
<td>400</td>
<td>425</td>
<td>669</td>
<td>20413</td>
<td>1%</td>
<td>157%</td>
<td>3051%</td>
</tr>
<tr>
<td>Average Group A</td>
<td>443</td>
<td>405</td>
<td>1330</td>
<td>21470</td>
<td>-1%</td>
<td>279%</td>
<td>1900%</td>
</tr>
<tr>
<td>Latin America</td>
<td>400</td>
<td>400</td>
<td>665</td>
<td>5795</td>
<td>0%</td>
<td>166%</td>
<td>871%</td>
</tr>
<tr>
<td>Eastern Europe &amp; former USSR</td>
<td>400</td>
<td>400</td>
<td>667</td>
<td>4354</td>
<td>0%</td>
<td>166%</td>
<td>652%</td>
</tr>
<tr>
<td>Asia (excluding Japan)</td>
<td>450</td>
<td>450</td>
<td>575</td>
<td>2936</td>
<td>0%</td>
<td>127%</td>
<td>510%</td>
</tr>
<tr>
<td>Africa</td>
<td>425</td>
<td>416</td>
<td>418</td>
<td>1368</td>
<td>-0%</td>
<td>0%</td>
<td>327%</td>
</tr>
<tr>
<td>Average Group B</td>
<td>444</td>
<td>440</td>
<td>573</td>
<td>3102</td>
<td>-0%</td>
<td>130%</td>
<td>541%</td>
</tr>
<tr>
<td>World</td>
<td>444</td>
<td>435</td>
<td>667</td>
<td>5709</td>
<td>-0%</td>
<td>153%</td>
<td>855%</td>
</tr>
</tbody>
</table>


Until the Age of the Industrial Revolution, the civilization was developing very slowly, according to the Malthusian Trap (Figure 5). Gregory Clark writes (2007:1) “the average person in the world of 1800 was not better off than the average person of 100,000 BC. Indeed in 1800 the bulk of the world’s population was poorer than their remote ancestors.” The material lifestyle in England and Netherlands was relatively good, but people in East and South Asia, particularly in China and Japan, lived not
much better than cavemen. Their lives were regulated by the Malthusian Trap, which indicates that mankind was subject to a natural selection trough for 4,000 years of the 6,000 years of civilization. Through these four millennia, civilization was composed of stationary societies whose birth rate equaled death rates. Any increase in birth rates in the Malthusian epoch drove down real income. The paradox of those times was such that war, disease, poor sanitary practices, and disorder were increasing material living standards.

But anything which reduced the death rates, such as peace, order, advances in medicine, better personal hygiene and so forth actually reduced living standards. This situation was such because the living conditions in the Malthusian epoch were independent of the level of technology in a society.

The Industrial Revolution, by introducing a new technology based on mechanization of work and its intensification ("productivity"), broke the Darwinian law that any increase in population lowers living standards. This mechanization process could produce more goods and income for emerging businesses, which led to the population growth (where the rate of birth was greater than rate of death), which demanded more and more goods and services from businesses. The decisive factor of modern economic Accelerated Growth was in investing in the development of theoretical and professional knowledge, which led to innovations in production of goods and services. As a result, people had more income and material quality of life improved 22-fold in the last 189 years (1820-2009). Ever since, a strategy of economic growth became the religion of business and was able to create magic solutions for people.

Particularly, the idea that economic growth works well in culturally stabilized societies and is difficult to apply in less stabilized societies led to the formation of The Great Divergence (Pomeranz 2000) between developed and developing countries. In absolute numbers, one billion people live in a developed world and 5.7 billion people live in a developing world in 2009. For developed counties, or some civilizations such as Western, Japanese, and Eastern, the growth of business was good for increasing standards of living. But for today's remaining civilizations such as Chinese, Hindu, Buddhist, Islamic, and African, the growth of business was hardly noticed. However, in the last 18 years of rising Global Civilization (1991-2009), Chinese and Hindu Civilizations are feeling the benefits of this business strategy. Vice-versa, Western Civilization feels some strong negatives of the economically flattening world (Friedman 2005, 2008).
The Business Growth Trap

Table 2 illustrates the Business Growth Trap. What kinds of regulations are needed to protect civilization’s population in the third millennium? In the first millennium, when capitalism (a preferable economic system by business) was absent, the population growth was almost stagnant (there are some exceptions, of course, such as China). In the second millennium, when capitalism was active, the population grew 22-fold.
Table 2: The Business Growth Trap
World Population (millions) and Rates of Growth (0-3000 AD in fold)

<table>
<thead>
<tr>
<th>World</th>
<th>0</th>
<th>1000</th>
<th>Growth Rate 0-1000 (fold)</th>
<th>2000</th>
<th>Growth Rate 1000-2000 (fold)</th>
<th>3000 Projection</th>
<th>Assumed Growth Rate 2000-3000 (fold)</th>
<th>Economic System for 2000-3000</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>231</td>
<td>268</td>
<td>1.16</td>
<td>6,000</td>
<td>22</td>
<td>8,000</td>
<td>1.3</td>
<td>Ecologism (Sustainable Economy)</td>
</tr>
<tr>
<td>World</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>Authoritarian Capitalism</td>
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If capitalism continues its magic performance, the world’s population in the third millennium may reach anywhere between 8 and 180 billion people. However, the former level will probably be reached in the middle of the 21st century. Other projected population levels by the end of the current millennium would have inconceivable effects. For example, if the rate growth of the second millennium’s last 180 years remains the same in the third millennium, then the population will reach 132 billion. But due to “progress,” if this rate is even bigger in the present millennium than in the last one, the world’s population will be 180 billion. Our Ecosystem can support only 8 to 9 billion people. This means that current kinds of capitalism must be rejected if we think to continue humanity’s confinement to Earth, a small planet with limited strategic resources. Only a new economic system—ecologism (or eco-economics)—can support a sustainable economy, which would be possible if the world’s population increases only 1.3 fold by the end of the third millennium. We must return to the pre-capitalistic period of civilization! It triggers an urgent question for civilized people: “To Be or Not To Be?”
Examples of the Business Growth Trap

The Consolidation and Concentration of Production

The nonsense of the strategy of continuous business growth illustrates Table 3, which compares the U.S., China, India, and the Rest of the World’s growth and the rate of the so-called the American Way of Life in 2005. If the Chinese and Indians would like to live as the Americans, then the world resources consumed should be 309% larger than are available now, even assuming that the Rest of the World will be satisfied with the material life standards they have.

Table 3: If China and India will Grow as the U.S?

<table>
<thead>
<tr>
<th>COUNTRIES</th>
<th>Population (million) 2005</th>
<th>% of World Resources Used 2005</th>
<th>American Way of Life—% of Resources Used 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>298</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>China</td>
<td>1,300</td>
<td>5</td>
<td>117</td>
</tr>
<tr>
<td>India</td>
<td>1,100</td>
<td>2</td>
<td>99</td>
</tr>
<tr>
<td>The Rest</td>
<td>3,700</td>
<td>66</td>
<td>66</td>
</tr>
<tr>
<td>Total</td>
<td>6,465</td>
<td>100</td>
<td>309</td>
</tr>
</tbody>
</table>

Source: Pocket World in Figures, *The Economist*, 2008 and the Author’s estimations

This comparison’s conclusion can be supported by the analysis done by Lester Brown (2001:17) who noticed that:

- If the Chinese would like to eat as much beef as the Americans, then they will need 343 million tons of grain a year, an amount equal to the entire U.S. grain harvest.
- If the Chinese would like to eat as much fish as the Japanese, then they will need to consume 100 million tons of seafood—the entire world fish catch.
- If the Chinese would like to have two cars per household as the Americans do, then they would need 80 million barrels of oil per day, slightly more than the 74 million barrels per day the world now produces. Needless to say, the bigger size of parking lots would take 50% of 31 million hectares, currently used to produce the country’s 132-million-ton harvest of rice, which is the basic food of these people.
- If the Chinese are to be more educated, then the consumption of paper should rise from 35 to 342 kilograms/per person (similarly to the Americans) and they will need more paper than the world currently produces.

These examples (limited only to one big country) indicate that the current business global strategy will soon finish our civilization. We need a new economy designed for the small planet Earth.

A growth-centered, efficiency-obsessed business strategy is the canon of current business practices. The quest for business efficiency leads to the enormous consolidation and concentration of business operations at the cost of eliminating local producers. In the U.S., only four companies butcher 81 percent of American beef
Cargill, Inc. controls 45 percent of the world’s grain trade and its competitor, Archer Daniels Midland, controls 30 percent (Lawrence 2004). Four multinational companies control over 70 percent of fluid milk sales in the U.S., and one Ohio “farm” produces 3 billion eggs per year (Schmid 2003). A certain farm in Utah, with 1.5 million porkers, has a sewage problem larger that of the city of Los Angeles (Halweil 2004). In North Carolina, a pig farm produces more fecal waste than the states of California, New York, and Washington combined (Imhoff 2003). As Nijhuis (2003:141) observed, “the average bite of American food travels more than 1,500 miles before it reaches consumers and changes hands six times along the way.” Today, a box of delivered cereal to a consumer requires seven times more energy than its content has (McKibben 2007). There is an opinion that in agribusiness about 200,000 acres of cropland will be under a single manager (McKibben 2007).

Concentrated agriculture makes consumers sick due to unhealthy production processes. In effect, about six million Americans fall ill annually from food-generated illnesses; 300,000 are hospitalized and 5,000 die (Pretty 2002).

In every developed country the process of consolidation and concentration takes place, and as a result, the price of food is low but local producers are put out of business. In addition, the environment is deteriorating due to the overwhelming scale of production and its waste. Some areas in rural America are called “food deserts” and churches are abandoned by bankrupted farmers, who left these communities. As McKibben (2007:67) found, “smaller farms produce far more food per acre, whether you measure in tons, calories, or dollars. They use land, water, and oil much more efficiently.” Halweil (2004) also found that a small farm structure may become central to feeding the planet.

Large stateless corporations manage business in permanent pursuit of growth (Steingart 2008). However, the perpetual growth of an economy is impossible due to shrinking strategic resources. Robert Costanza (1980), the founder of the Society of Ecological Economics, stated that “the universally appealing notion of unlimited economic growth with reduced energy consumption must be put firmly to rest besides the equally appealing but impossible idea of perpetual motion.” Needless to say, in order to support such large scale energy intensive food production, civilization is going to run out of oil and water. Although food is cheap, its price does not contain the price of the deteriorating environment. So what if an Italian family spends more for cell-phone services than for food (Petrini 2003), if within a few decades the topic of e-communication will be the quest for survival on the devastated planet?

**The Collapse of the Financial System and the Managerial Revolution in the 2000s**

The economic history of the U.S. indicates that during rapid economic growth and a changing, somewhat chaotic banking system, rough banks are necessary for economic growth in complex civilizations, but a rational financial system is not. During the Civil War, Congress created the National Banking System, which allowed federally chartered banks to compete with the state-chartered banks. However, the competition was unfair since the state banks had to pay discriminatory taxes on the issued notes.
and some of them were forced to transform into national banks. In 1913, Congress established the Federal Reserve System, which regulated this issue and international transactions, somehow ending the Age of Robber Barons Economy, which dominated business after 1865.

Both post-World War (1914-18 and 1939-45) periods brought many international mechanisms into the financial system which worked quite well. The second part of the 20th century experienced some financial crises but they were contained by the system, which purposely and steadily was getting out of control for the sake of the growth of business though decreasing regulations. Financial globalization spread capital more widely, markets evolved, businesses were able to finance new ventures, and ordinary people had unprecedented access to borrowing and foreign exchange.

Since the 1980s, unregulated capitalism led to the stock market crash in 1987, the Savings & Loan Crisis in 1989, the tech bubble in 2000, the credit bubble and real estate bubble in 2007, and the collapse of the American financial system in 2008. In 2008, the Golden Age of finance collapsed under its own contradictions. As mortgages converted into stocks, a new financial product, Credit Default Swaps (CDS), was being processed in the global economy and reached a level of $55 trillion, while the World Domestic Product was about $54 trillion (Time, September 29, 2008, Fortune October 13, 2008). This is a time bomb in an unregulated and uncapitalized insurance market. These transactions were insured, but the main insurer, AIG, bankrupted. In fact, all CDSs are gambling contracts, “secured” by no regulations and protected by Federal Reserve Chairman Alan Greenspan and Treasury Secretary Lawrence Summers, who in 2000 passed a bill prohibiting all federal and most state regulations of CDS and other derivatives (Fleckenstein (2008). It was the ideology-oriented implementation of “the sky is the limit” strategy. In October 2008, managers on Wall Street reached the sky and even used golden parachutes (some in hundreds of millions of dollars). But what about those people on the Main Streets of America who fall down without any parachutes at all?

This short term kind of “performance” policy led to cases such as that of the CEO of Lehman Brothers, who was making about $100,000 per working day during 11 years of his tenure. This means that he was making in four days as much as the President of the U.S in one year. During these years he put the company into $614 billion debt and $160 billion unsecured bonds (Fortune October 27, 2008). All together, a company, which globally employed about 26,000 workers, created enormous debt at the level of the annual foreign trade deficit created by 300 million Americans. Was he unaware that this kind of “performance” would sooner or later bankrupt this firm? He knew that very well, but the maximization of his income was more important to him. He also had help from workers, who were paid low but were receiving stock options worth 20 times more than their wages. Of course, they got those options only if they “performed” fast or, in fact, if they distributed loans fast to anybody. As a result, the federal government had to bail out the American financial system with $700 billion of taxpayers’ money in 2008/9. In the same period, Wall Street paid about $18 billion in...
executive bonuses (ABC News, January 28, 2009). Financiers grew richer even as their industry put everyone’s prosperity in danger (Krugman 2008).

In 1941, James Burnham predicted the Managerial Revolution in a famous book. However, this kind of revolution should supposedly follow the Bolshevik Revolution, when the apparatchiks took over management of state enterprises. In fact, the Managerial Revolution (Chandler 1977) takes place in capitalism, but it is an unpleasant question as to whether it will be followed by a “Bolshevik” Revolution here to complete the socialization of banks and other “capitalistic” institutions.

The business growth trap is very obvious in light of the provided examples. Its threat is very well seen in the big-picture perspective. Unfortunately, current business practices are oriented in small-picture perspectives. Also, political control of business is limited to a very short cycle, which neglects the decline of civilization on the small planet called Earth.

In 1972, the MIT research team led by Dennis Meadows published a book *Limits to Growth*, predicting that growth on this planet will stop within the next one hundred years. They invoked five major trends of global concern: accelerating industrialization, rapid population growth, widespread malnutrition, depletion of nonrenewable resources, and a deteriorating environment. In years following the publication of this book, people began to recycle wasted resources and thought more about sustainable growth. In the next 36 years, the sixth trend of global concern must be added—unregulated capitalism, which threatens the well-being of Western Civilization.

“The race between population and resources leads to two related problems, the rate at which resources are being used (and used up), and the inequality in the distribution of resources” (Cameron 1993:404). The first threat can and perhaps will stop civilization sooner than later. The second threat will lead to internal and external wars of civilizations, which eventually will continue a more aggressive civilization at the expense of other civilizations.

**The Decline of Manufacturing and the Rise of Global and Super Capitalisms in the 2000s**

With the advent of the applications of the Internet at the end of the 20th century, the Western Civilization is currently exporting jobs to Asia and Latin America and the corporate elite is destroying the American dream and profiting from the exploitation of sweatshops. Abandoned by their government, American workers are being forced to compete with cheap third world labor and inevitably, are losing out. Off-shore outsourcing of manufacturing and information technology is a potential strategic threat for the Western Civilization’s economy and society. Off-shore outsourcing is driven by “Lenin’s rope.” He observed as a lesson that capitalists will compete to sell their own hanging rope to their executioners. A typical argument for globalization and off-shore outsourcing is that the economy of developed nations is transforming from industrial to service and the Westerners have no other options but to learn new knowledge and skills. Those who argue this way forget that, as an example, the
Westerners never replaced agriculture with another industry; they only improved its productivity. Also, manufacturing cannot be replaced by life science-oriented industries or by IT. In fact, IT has no purpose if agriculture and industry are liquidated, since IT processes information about something else. If this “else” does not exist, IT will follow. The accelerated growth at the beginning of the 21st century is even faster due to the great ability of instant communication via the Internet.

In the 21st century, the U.S., the main nation of the Western Civilization, is transforming from a developed nation and the world leader in science and technology, to a less complex “Wal-Mart” economy that touts a smaller middle class, anti-Fordism, a more “fun” society, rockers as leaders, and fewer consumers. In the short-term, corporations’ profit, particularly CEOs’, will grow at the cost of the growing foreign trade deficit. As the result, in the long-term, new economic and technological powers will emerge; the U.S. will become a developing nation, a follower in technology with limited security, smaller corporate profits, and radicalized citizens.

Managerial capitalism, which intercepted stakeholders’ equity, is looking for bigger profits for the managerial class and therefore is promoting global capitalism. Particularly, it makes more sense for the executive since the western marketplace is saturated and to grow business and profits, new markets must be opened. If these markets must work, one must create a new middle class, thereby shifting jobs from the Western Civilization to undeveloped civilizations. This is done by super capitalism (or “turbo-capitalism) (Figure 5), which neglects Western voters’ interests while the government and legislature pursue the interests of lobbyists.
Figure 5. A Tree of Capitalism’s Evolution as the Driving Force of Civilizational Dynamics

The Race for Resources and the Death Triangle of Civilization

Seen from space, Earth exhibits a striking difference from the other planets of the solar system: more than two-thirds of its surface is covered with water. Earth is the only planet in the solar system known to support life. The Earth has a mass of 5.97 x 10^24 kilograms and a radius 6,378 kilometers. It is the most geologically active planet.
in the solar system. Unlike the other planets, its crust is broken into plates that are in constant motion, borne along by currents of heat below. The Earth has a magnetic field generated by this heat, which is one of the sources for energy, which drives civilization. The Earth is among four of the smallest planets of the Solar System. Its resources are finite. From 4,000 B.C. through 1800 A.D., our civilization grew three percent per 1000 years and the budgeting of strategic resources was not an issue (Maddison 2001). Since the Industrial Revolution in the 19th century, civilization was in Accelerated Growth and in the 21st century, it entered the Growth Trap period. The Growth Trap is when Accelerated Growth is intensified by the growth of population and managerial/global/super capitalism, which looks for tremendous growth in executive benefits and replaces voters by lobbyists.

We used to think and act in terms of a local community, nation, region, even a group of nations. But now we need to take these considerations in a broader—planetary—context, if we want to sustain our social life. The planet is so large for every individual but for the population is becoming smaller and smaller. In the last 200 years the population has grown from 300 million to 6.7 billion and is still growing. We have about 4.7 acres of available footprint but we use 5.4 acres in terms of calculated resources. “We are living beyond our ecological means. The planet is shrinking, because we are running out of resources. We are using the planet with such intensity that it is unable to restore itself” (Steffen 2008:16).

In terms of two most important strategic resources of civilization, such as water and energy, the situation is as follows:

- **Water**—Over 97 percent of the earth’s water is in the oceans and has too much salt for the use of most land plants or animals. Of the 2.5 percent that is fresh water, about 2/3 is locked up in glaciers. This means that slightly less than 1 percent is of the earth’s water is fresh and in liquid form. The irrigation system drying up the deltas of such major rivers as the Indus, Nile, Colorado, and some rivers in Europe. The UN set a goal to provide 13 gallons of safe water per day to 8 billion people in 2025, within a few hundred meters of each family. This goal is unrealistic taking into account that according to the World Health Organization, the minimum need is 5 gallons of treated water a day per person, and it is difficult to provide this amount of water to everybody (Conkin 2007:66).

- **Energy**—How long will our fossil fuels like oil, gas, and uranium last? Oil reserves should last about 40 years; gas, 51 years; uranium, 30-70 years; and coal 200 years. Therefore, humans’ knowledge and skills must replace these unrenewable resources with ones that are either man-made (e.g., ethanol) or not subject to depletion (e.g., solar and wind energy). Otherwise, civilization will stop (Targowski 2009:398).

There are many more threats to civilization, presented in Figure 6, which connects three dangerous bombs: Population B., Ecological B., and Strategic Resources Depletion B.
Is Western-West Civilization Declining and Transforming?

The answer for this question is made possible by applying the civilization perspective, which compares the status of the Roman Empire at the end of its existence end with the status of the U.S. in the 21st century, in Table 4.
Table 4: The Comparison of the Roman Empire and the U.S. in Times of Crisis

<table>
<thead>
<tr>
<th>Criteria</th>
<th>The Roman Empire 5th Century A.D.</th>
<th>The United States The 2000s A.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rulers</td>
<td>Insensitive</td>
<td>Misleading</td>
</tr>
<tr>
<td>Politicians</td>
<td>Irrelevant</td>
<td>Self-serving</td>
</tr>
<tr>
<td>Elite</td>
<td>Passive</td>
<td>Detached</td>
</tr>
<tr>
<td>Military</td>
<td>Dispersed</td>
<td>Stretched-out</td>
</tr>
<tr>
<td>Work done by</td>
<td>Slaves &amp; Servants</td>
<td>Computers and illegal immigrants-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>working like slaves</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Offshore cheap labor</td>
</tr>
<tr>
<td>Ideas</td>
<td>Lack of ideas</td>
<td>Lack of ideas</td>
</tr>
<tr>
<td>Purpose of life</td>
<td>Dolce vita</td>
<td>The fun society</td>
</tr>
<tr>
<td>Mindset</td>
<td>Return to country-side and autarchy</td>
<td>Protectionist feelings and besieged</td>
</tr>
<tr>
<td>Confidence by others</td>
<td>Falling &amp; attacked and beaten by weaker forces</td>
<td>Falling (Iraq &amp; Afghanistan); attacked by terrorists against whom one cannot win</td>
</tr>
</tbody>
</table>

The comparison of Rome I and Rome III (the U.S.) gives the impression that the U.S. is in bad shape from the civilization point of view. This statement is supported by the analysis provided in Table 5, which is based on Tainter’s criteria (1988:205-207) and Perkins’ (2005) insight.

Table 5: The Evaluation of the Civilization Status of the Western-West Civilization in the 2000s

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Status</th>
<th>Problem Level</th>
<th>Possible Solution?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marginal productivity</td>
<td>Innovations in processes and products are mostly commercialized outside of Western Civilization</td>
<td>Crisis</td>
<td>Middle class must be rebuilt and globalization should be slowed down. Super capitalism won’t permit since it likes accelerated growth</td>
</tr>
<tr>
<td>Resource depletion</td>
<td>Energy is enough for a few decades</td>
<td>Crisis</td>
<td>Solar and wind energy should be developed on mass scale. It is possible but it will take decades</td>
</tr>
</tbody>
</table>
### New Resources

<table>
<thead>
<tr>
<th>New Resources</th>
<th>Man made resources are popular</th>
<th>Conflict</th>
<th>Green resources are more popular but not mandated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catastrophes</td>
<td>Climate changes</td>
<td>Conflict</td>
<td>Melting Arctic may flood seashores</td>
</tr>
<tr>
<td>Failure to adapt</td>
<td>Society stopped saving</td>
<td>Failure</td>
<td>Business promotes super-consumerism based on increasing debts putting the Society in the Growth Trap</td>
</tr>
<tr>
<td>Other civilization’s impact</td>
<td>Islamic Civilization is energized</td>
<td>Conflict</td>
<td>On-going clash of civilizations, which cannot be easily solved</td>
</tr>
<tr>
<td>Intruders</td>
<td>Illegal immigrants who change the tissue of society</td>
<td>Conflict</td>
<td>Welcomed by business and resented by some in the society</td>
</tr>
<tr>
<td>Other “Mindset” of the Society</td>
<td>The Age of Ignorance among leaders</td>
<td>Failure</td>
<td>Short-term gains in Super Capitalism preferred over long-term solutions</td>
</tr>
</tbody>
</table>

Based on the analysis provided in Table 4 and 5 one can define the following conclusion about the status of the Western-West Civilization in the 2000s:

1. The Western-West Civilization is in the stage of declining
2. The decline is caused mostly by unregulated capitalism and too fast developing globalization
3. There are no mature forces which could change this decline
4. As a result of these above factors, the Western-West Civilization is transforming into the Global Civilizations with the following repercussions:
   a. Politically correct multiculturalism will change the value set of Western Civilization
   b. Aggressive Super Capitalism will economically “flatten” the world
   c. The World Civilization as we know will be at the risk of survival in the second part of the 21st century due to depleted resources and wrong “mindset.”
d. The Death Triangle of Civilization should warn all humans about the civilization being at a high risk of collapse (Figure 10).

Do We Teach the Right Stuff to Avoid the End of Civilization?

At colleges around the world we are teaching by applying the wrong paradigms. This is illustrated in the following examples:

1. The sky is the limit in business. Really, what about depleting resources and inequality?
2. Growth-centered business. Starbucks are on practically every corner.
3. Enlarge the market share. 200 new Wal-Mart stores every year in the U.S.
4. Efficiency obsessed business, What about the environmental destruction of 200,000 acres of cropland under a single manager? But smaller farms produce much more food per acre (in tons, calories and in dollars).
5. Emphasis on business effectiveness. Is minimized cost the most important factor? How about the neglect of environment and community costs?
6. Getting business moving? But where business is moving is less important, at $2.5 billion/day foreign trade deficit, and exporting debts.
7. Globalization is better than localization. To satisfy stateless corporations. Perhaps the truth is vice versa.
8. If you “do not fit it is your fault, reskill.” Government advises individuals to go to community colleges and be craftsmen. What about university graduates?
9. We teach “information and knowledge but what about teaching wisdom? Can we differentiate knowledge from wisdom?
10. We teach short-term decision-making. Long-term sounds like central planning. No vision is a plus.
11. Human resources of the 1960-70s vs. of the 2010s. Workers are strategic resources (past) vs. disposable commodity (today).
12. Anti-Fordism and factories without workers. It is possible but necessary?
13. Social cohesion and economic forces are splitting apart, but we are irrelevant in teaching about it
14. The “football strategy”—the leader (CEO) takes all. What about the other stakeholders?
15. From individualism to super-individualism (there is no such thing as “society,” only individuals and families (M. Thatcher)?
16. Only leadership is important in autistic business of isolated individuals?.
17. Stay at home and virtualize. It is possible but is it necessary?
18. An urban core gives way to an urban prairie. Is it what we strive for in advanced civilizations?
19. We in Western Civilization cannot compete with others, therefore we have to accept the decline of our level of living. This is not true, since we compete with sweatshops and this is not fair competition.

All these paradigms are a sample of those that are false and infecting the mindsets of students, future leaders, managers, workers, consumers, and politicians. But these false paradigms serve well the beneficiaries of Super Capitalism. Figure 7 illustrates the Wisdom Diamond, which should be applied in teaching and researching, where Life Quality Management should be the guiding concept in all other components of college curricula.

The college curricula should be steered by the following paradigms:

- Sustainability of civilization through:
  - Economic vitality
  - Environmental responsibility
  - Societal responsibility

Are we responsible for teaching and researching the right "stuff?" For example:

- Faculty—Do we teach/research the right "stuff?"
- Administration—Do you secure the right environment (budget over ideas)?
- Students—Do you want to learn?

**Millennium Goals Performance**

In 2000 the United Nations established the Millennium Development Goals (MDG), set to function until 2015 to secure the well-being of humans in our ecosystems (Millennium Ecosystem Assessment 2005). The MDG are as follows (Global Monitoring Report 2008):

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, Malaria, and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development
This set of MDG addresses several important societal and economic issues and in the scope of treating the debts of underdeveloped nations and lowering quotas for export from these countries to developed nations. However, the role of the business-driven Growth Trap is not addressed in these goals, which pushes our civilization to the brink of disaster. It looks as if the planners of MDG are knowledgeable but are they wise in choosing the right goals? Despite poor performance of the MDG, Sachs (2008) is optimistic that poverty on the planet can be eliminated and prosperity is possible. However, do his four goals not contain any business-oriented suggestions as well?

The planners of MDG argue that “Strong and inclusive economic growth must be at the center of the strategy to achieve the MDGs. Poor countries need to achieve annual GDP growth of 7 percent or more make serious dents in poverty.” (World Bank 2008: xviii). Of course it is a noble goal, but what will happen to the whole planet and its civilization if developing nations reach the same living level of developed nations? Merely advising what to do in the developing nations is not enough to save their poor citizens. Strong advising should be addressed for the developed nations and mostly in
terms of their business activities, which drive the whole civilization into disaster! The richest beneficiaries of Super Capitalism will not enjoy a “wonderful life” if civilization ends up in ruins.

Wisest Civilization May Have a Chance

One can assume that the civilizations which will survive will be the wisest. Table 6 ranks civilizations according to their wisdom activity potential. Two Oriental civilizations, Japanese and Chinese, have the highest wisdom potential. The Chinese civilization is the oldest active civilization with 3,500 years of history. The Japanese Civilization is a derivative of the Chinese Civilization and adapts to changes very well.

Table 6: The Wisdom Activity Potential (WAP) of Civilizations

<table>
<thead>
<tr>
<th>CIVILIZATION</th>
<th>Intelligence IQC</th>
<th>Creativity PIC</th>
<th>Emotions DIC</th>
<th>Mental Health MHIC</th>
<th>EFFICIENCY of PERFORMANCE (WAP)</th>
<th>RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAPANESE</td>
<td>1.00</td>
<td>1.00</td>
<td>0.86</td>
<td>0.86</td>
<td>0.73</td>
<td>1</td>
</tr>
<tr>
<td>CHINESE</td>
<td>1.00</td>
<td>0.57</td>
<td>0.70</td>
<td>0.86</td>
<td>0.34</td>
<td>2</td>
</tr>
<tr>
<td>WESTERN-WEST</td>
<td>0.86</td>
<td>0.86</td>
<td>1.00</td>
<td>0.28</td>
<td>0.21</td>
<td>3</td>
</tr>
<tr>
<td>WESTERN-CENTRAL</td>
<td>0.70</td>
<td>0.43</td>
<td>0.57</td>
<td>0.70</td>
<td>0.12</td>
<td>4</td>
</tr>
<tr>
<td>HINDU</td>
<td>0.43</td>
<td>0.43</td>
<td>0.43</td>
<td>1.00</td>
<td>0.08</td>
<td>5</td>
</tr>
<tr>
<td>EASTERN</td>
<td>0.70</td>
<td>0.70</td>
<td>0.14</td>
<td>0.70</td>
<td>0.05</td>
<td>6</td>
</tr>
<tr>
<td>WESTERN-LATIN</td>
<td>0.57</td>
<td>0.43</td>
<td>0.14</td>
<td>0.70</td>
<td>0.02</td>
<td>7</td>
</tr>
<tr>
<td>BUDDHIST</td>
<td>0.57</td>
<td>0.14</td>
<td>0.28</td>
<td>1.00</td>
<td>0.02</td>
<td>7</td>
</tr>
<tr>
<td>AFRICAN</td>
<td>0.43</td>
<td>0.14</td>
<td>0.28</td>
<td>1.00</td>
<td>0.02</td>
<td>7</td>
</tr>
<tr>
<td>WESTERN-JEWISH</td>
<td>0.57</td>
<td>0.28</td>
<td>0.14</td>
<td>0.57</td>
<td>0.01</td>
<td>8</td>
</tr>
<tr>
<td>ISLAMIC</td>
<td>0.57</td>
<td>0.14</td>
<td>0.14</td>
<td>1.00</td>
<td>0.01</td>
<td>8</td>
</tr>
</tbody>
</table>


During the Growth Trap period, when strategic resources are steadily depleting, sooner rather than later, the governments will be forced to control their usage. This will be done through rationalized quotas for public and private use. The market forces, which worked so efficiently in the Accelerated Growth period, will be replaced by the visible hand of the governments. Perhaps the Chinese Political Model of the present day will be applied. This model is based on strong government and limited but present freedom for business activities at the citizens’ level.
Perhaps civilizations that are less developed and which require less resources may have a better chance for survival than those civilizations which consume the largest volume of strategic resources. The Hindu, Buddhist and African Civilizations fall into this category. The Western Civilization is the highest developed civilization and its population (15 percent of the world population), which uses about 60 percent of world resources, will lose the most before it declines.

Conclusion

1. Population and uncontrollable business growth are the most critical factors which will push civilization to the brink of disaster in the foreseeable future.

2. Globalization triggered the rapid expansion of the middle class, which has transformed the human habitat in a “hot, flat, and overcrowded” unstable planet (Friedman 2008).

3. The Internet is the strategic factor in the accelerated growth of globalization in both a positive and negative way. It flattens the world, moving wealth from developed to developing nations. It is also the golden tool for developing nations and is the public enemy no. 1 of the developed nations.

4. During 4000 B.C—1800 A.D. business was one of the sources of wealth creation, but due to the slow development of technology, the Malthusian Trap kept civilization in a slow growth pattern when strategic resources of the planet seemed to be unlimited.

5. During 1800-2000 business was the most important factor in developing Western Civilization, The Accelerated Growth strategy was applied, which quickly depletes strategic resources and minimizes the footprint of the too-large population.

6. Since 2000, with the emergence of the Internet, business put civilization in the Growth Trap and is finishing Western Civilization, which is transforming into Global Civilization. The latter is more universal and levels inequalities among absorbed civilizations.

7. Business can revive Civilization if it can be successful in developing and widely applying sustainable processes, products, and renewable source soft energy. This is the strategic challenge for the Western and Global Civilizations, which have the largest pool of engineering talents. Whether the Global Civilization will succeed it is a very critical question. So far, effort in this direction is minimal and only marginally present in the actual politics of the nations of the Western Civilization.
8. The prosperity which is enjoyed by Western Civilization is powered mostly by fossil fuels. If this civilization is to deliver sustainable and climate-friendly solutions, they must satisfy the majority of the population not just the elite. The rich cannot tell the poor “there is no room for you.” This is a moral and political imperative. (Golden 2009). Is it possible?

9. A new world economic-political systems for the 3rd Millennium should be based on the following:
   a. Human is more important than market
   b. Health is more important than money
   c. Ecologism is more important than turbo-capitalism
   d. Sustainable civilization is the most important

10. If politicians fail in promoting sustainable development, perhaps academicians should be more in charge of shaping young minds, who later, as professionals, will better protect our civilization. They should solve the questions: is it better to live shorter but better life or a longer but worse life? Or is the longer and better life possible? What is necessary to fulfill this dream?

The mid-term options of civilization are depicted in Figure 8. If the current mind-set of humans will not change, civilization as we know it in the 21st century has a short future.
Which path, A or B is most probable? At this moment path B is most probable, which is the *Paranoiac* path. In order to switch to the *Metanoic* path A, humans must be wiser. Can we do it? Perhaps we can if we will be more solution-oriented and base the business model on the following action (Princen 2007):

1. Mitigate the super-consumerism by promoting “cautious consuming”
2. Promote the rational principle of “sufficiency” in the context of the strategic resources depletion, since the economy cannot operate as if there is never enough and never too much. Sufficiency is contrary to modern society’s dominant principle of efficiency.

Figure 9 depicts a model of Sustainable, Global Civilization based upon the new business principles.

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*Figure 8. The Middle-Term Future of Civilization*

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The Civilization Intelligence System (CIS) is a set of three components with key performance indicators: Business Intelligence, Globalization Intelligence, and Sustainability Intelligence which are monitoring and predicting dynamics of civilization. The CIS provides the rational awareness leading to rational judgment and choices about civilizational activities.

Can we apply this system before the fall of our civilization? That is the question.
Keynote Lectures

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