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***Economics of Dignity: Growing people
from consumers to members****

Abstract

According to Richard A. Easterlin's paradox laid out in his „The Economics of Happiness,” material wealth does not necessarily guarantee and equate with a sense of personal happiness. This intriguing fact challenges researchers to explore a fascinating intersection among economy, psychology, and humanities. It is bringing postmodern economic thought to a *post mortem* of classical economy, whose core measure of economic growth – gross domestic product – will have to be reevaluated as a determinant of people's prosperity in order for us to identify more indicative and reliable value drivers in the 21st century. Along with the GDP, the vital constituent of contemporary capitalism and the modern consumerist society – consumer him/herself – is being reevaluated not by conventional criteria such as personal income and personal consumption, but by personal development and life satisfaction as new benchmarks of people's sense of fulfillment, which is central to the notion of wealth.

It is that need for the personal development and fulfillment that has caused the economic subjects to shift from the role of the consumer to that of the member, as best registered in the fastest-growing domain of the cyber business. It is the notion of membership in the virtual business communities that adds a note of dignity and free-lance entrepre-

* The paper is printed as submitted.

neurship to the old-fashioned consumer. While the internet technology is taking business-making to ever-higher possibilities of the global techno networking, it is, nonetheless, the conventional values such as membership loyalty and the need for belonging to and sharing with a community that inform and define today's most progressive economic relationships. This paper explores the most advanced and the trendiest business-making of the so-called dot com (.com) businesses, network marketing companies, and the culturally-based business networks in an attempt to identify the determinants of the modern sense of wealth in its intangible as well as its traditionally tangible assets.

According to Richard Easterlin's paradox laid out in his „The Economics of Happiness,” material wealth does not necessarily guarantee and equate with a sense of personal happiness. This intriguing conclusion challenges researchers to explore a fascinating intersection among economy, psychology, and humanities.¹ It is bringing postmodern economic thought to a *post mortem* of classical economy, whose core measure of economic growth – gross domestic product – will have to be reevaluated as a determinant of people's prosperity in order for us to identify more indicative and reliable value drivers in the 21st century. Along with the GDP, the vital constituent of contemporary capitalism and the modern consumerist society – consumer him/herself – is being reevaluated not by conventional criteria such as personal income and personal consumption, but by personal development and life satisfaction as new benchmarks of people's sense of fulfillment, which is central to the notion of wealth.

It is that need for the personal development and fulfillment that has caused the economic subjects to gradually shift from the role of mere consumer to that of member, as best registered in the fastest-growing domain of cyber business. It is the notion of membership in the virtual business communities that adds a note of dignity and free-lance entrepreneurship to the old-fashioned consumer. While the internet technology is taking business-making to ever-higher possibilities of the global techno networking, it is, nonetheless, the conventional values such as membership loyalty and the need for belonging to and sharing with a community that inform and define today's most progressive economic relationships. We are exploring here the most advanced and the trendiest business-making of the so-called dot com (. com) businesses, network marketing companies, and the culturally-based business networks in

¹ Interdisciplinarity is no longer a academic fad but a pressing need for addressing the demands of the integrating world that needs to account for an integrating individual.

an attempt to identify the determinants of today's understanding of economic wealth in its intangible as much as in its traditionally tangible assets.

The drive here is to move away from the concept of consumer, a „targeted,” reactive individual with a choice of goods, towards the concept of member, a proactive individual with a choice of roles. The key idea is that of *adding value* – not only adding more value for the money you spend; but also adding value to your community through the business, and consequently through its business community, you choose to join and partner with in that sense; also adding value to yourself by serving others through that partnering and so forth. In any case, the question of value rather than price and the role of member rather than consumer are put in the forefront. We were seeking to understand in particular the socio-economic and cultural phenomenon of the most advanced of the technological spheres of human economic activity – *e business* – only to find out that it is driven by such very traditional values, which are, nonetheless, through that technology realized with a certain twist. Cyber business is of particular interest not only because it is the fastest developing but also because it is socially most interactive and vibrant. This sphere of electronic as *ethereal business* is economically most *graceful*, because it exerts minimal physical effort with maximum reach for its ability to access the entire globe.

CASE #1 <http://www.starbucks.com/> Our first example is Starbucks, a chain of coffee shops, which is developing coffee drinking into a communal ritual exactly by emulating the ways of the cultures in which coffee drinking is a way of catching up with the community and getting involved in the lives of others while sharing yours. Please pay attention to the categories and links on the website, such as: Community and Starbucks Shared Planet. The business is also trying to make it more personalized for the members by adding a link at which you can share your ideas with the rest of the Starbuck community and call that space your own: MyStarbucksIdea. com. And not only does the Starbuck website position itself as a community space but further stresses and caters to the need for greater and broader connectivity by adding links for interface sites such as Facebook, Twitter, as well as YouTube.

In order to understand the inner workings of e-business, its marketing driving force as well as its ethos, we turn to the idea of community, as it is the most traditional notion and a human need that is guiding this form of virtual interacting. The traditional need for a sense of belonging is at the core of such modern community, which is, as it has always been, driven by *communion*

and *communication*.² In these modern cyber communities, communion – the sharing of information, ideas, ethereal space, and wealth – is realized via virtual communication that allows for an unprecedented global reach. And while it fulfils the need to connect to other humans on a broader scale it offers and maintains a loose sense of belonging which preserves one's need for individual freedom at the same time. And that is the twist to the modern sense of bonding and belonging that technology provides – to maintain a sense of potential anonymity, freedom, and mobility that did not exist to that extent in conventional communities.

CASE#2 http://www.mastercard.com/us/company/en/corporategiving/community_involvement.html If we visit the website of the worldwide credit card company MasterCard, we can see how far is the idea of community, communal participation, and member involvement taken. Among other engaging links, MasterCard website includes one called Corporate Citizenship at which customers and employees are members who can find various significant ways to „make a difference” in the local and global communities.

Thus a modern economic subject is becoming a *nomadic member* trading, doing business, socializing, and working from anywhere at the planet as long as s/he has a computer and a modem or a cell phone. Technology is increasingly working on improving mobility and freedom of choice, such as having the option of working from home as an employee; running a whole e-business operation from one's living room; perusing internet in a private setting for joining e communities of similar music interests, for philanthropic missions, dating needs, shopping needs, investment searches, medical support and so on. The alienation that the industrial development brought about gave rise to nostalgia for belonging and now technology is gratifying it in new ways by allowing people to cluster around their needs, desires, and interests with other humans from the entire globe rather than just from their immediate surrounding. And it does so by satisfying the tensing push and pull of such modern clustering need – the double-bind of wanting to belong and yet not to be fully integrated but preserve a sense of one's freedom. Virtual Communities are safe that way – they preserve such nostalgic longing while provide sense of non-committal belonging.

What about Easterlin's paradox then, with which we opened this discussion, that says that exactly in developed countries, which have the luxury of uti-

² The question of community is the most current preoccupation in the domain of philosophy as well, as best witnessed in the works of the most prominent philosophers of today such as Giorgio Agamben and Jean-Luc Nancy.

lizing the tech advances on the broadest scale, the sense of personal happiness may not be the highest? We are now using that technology in ways that emulate the communal connections of the countries with more sense of communal support that generally consider themselves happier. It is through human relations that we seek fulfillment and gain sense of wealth, and the networking technology is trying to satisfy exactly that need for higher and now broader connectivity among people. Easterlin's paradox is at its core again a communal issue – it is indeed in connection to and in comparison to others that the sense of being well-off / a sense of well-being is constructed and felt.

In order to address the question of quality of life, E. F. Schumacher was one of the first to oppose GNP as the measure of wealth. He studied a village-based economics in Burma based on human needs,³ and out of what he witnessed in his research, he developed Humanistic Economics or Buddhist Economics. In his seminal work of radical rethinking of modern economy, Small is Beautiful: A Study of Economics as if People Mattered, Schumacher inverts the aggressive capitalist motto of „Big is Better.”⁴ With countering this materialist slogan, Schumacher countered modern economics that established consumption as the sole purpose of all economic activity. Isn't this paradoxical though exactly because we are speaking about consumerism on the global scale – *in the process of globalization commercialism is emulating and incorporating village ways*.

The expansion of human capabilities (the need for which is answered by the flood of self-empowerment, self-improvement and a wide range of how-to literature) that allows one to feel more as an informed economic participant who understands that one is not only a consumer but as well a producer who adds

³ The studies of village economies have brought about major re-thinking of economics and concepts that had global effect. In addition to Schumacher's economics, Muhammad Yunus's Grameen (meaning “off the village”) micro loans could be examples of such a globally effective idea that was conceived on the smallest scale level. Indeed, these are economic ideas and plans suitable for what was named by Marshall McLuhan as “global village.” Indeed, it is our understanding that the notion of global village is particularly relevant here for our discussion of traditional values and needs that guide most modern technology of global reach.

⁴ In the light of *Small is Beautiful*, it seems inescapable to think of Montenegro here and its potential to exemplify Schumacher's economic ideals. Its geographic beauty, strategic position, ecological aspirations, and eagerness of its people to be technologically, intellectually, and culturally participating in the global trends are positioning this small country/nation, exactly because of its size, to be a manageable enterprise and, exactly because of its traditional values such as its boastful freedom loving, to be an example of liberal/liberating expansion of those values via newest technological possibilities.

value. Of the highest value are people themselves, human resources and actualization of human potential through and in social relations. On that path of self-empowerment, participation in a business community seems to give the highest sense of value. Ethics of the new business-making come not from institutionally-proscribed code of conduct or solely interest-based etiquette, rather they come from the place of self-actualization and a sense of responsibility to self and others that creates wealth – investing with people and investing in people – *growing people*. We use the expression growing people to mean simultaneously:

1. a growing number of people as in rapidly developing numbers
2. people maturing from *reactive consumers with a choice of goods* to *proactive members with a choice of roles*
3. developing human resources and providing conditions of dignity and freedom within which people continue to develop themselves.

Out of this understanding of the importance of growing people rather than growing goods, successful businesses are committed to continually developing their employees by trainings and workshops that exceed the immediate needs of their job responsibilities. Such businesses invest in, for example, motivational and self-development seminars, leadership training, and personality and temperament evaluation workshops. The most prominent business leaders cross over into and become the most prominent motivational speakers, life and success coaches, and educators. Such people are proven business masters who have evolved into prestigious humanistic servants. Theirs is a rather *holistic approach* to developing people which tries to develop the whole person and starts from the premise that a happy employee, who has a sense of belonging to an enterprise in which s/he feels cared for and valued as a human being, is in every way a more productive employee.⁵

The notion of *value* is then taken to mean not only price of goods, their use and worth, but also a set of beliefs that determine not only such value of goods but also the value of human capital and of human relations in economic exchanges. This exactly is the domain of *Economics of Dignity* as that which deals with the priceless; it deals with that which cannot be measured in price and use but is rather that which adds value and meaning to all other values; that which adds value to everything else yet itself is priceless – the human in the fullness of his/her potential. This is the domain of *esteem*.

⁵ Such approaches to business running and development are directly indebted to Abraham Maslow's work on self-actualization in Transpersonal Humanistic Psychology out of which Leadership Studies and Transpersonal Business Studies evolved.

CASE #3 MasterCard commercial – YouTube.com – MasterCard „Lessons.” MasterCard Corporation understood all too well the notion of priceless value when it launched a series of by-know-very-well-known *Priceless* commercials. In this particular commercial, a boy is going through various morning activities with his father. As the two are getting ready for the day and doing grocery shopping, the boy is naming the value of the items they are using or buying. By the end of the commercial, we understand that he was, in fact, pondering the value of their shared moments by concluding: „Helping your dad become a better man – *priceless!*” In this commercial entitled „Lessons,” it is of utmost significance that the transfer of knowledge going from son to father – the life’s lessons are indeed learned poignantly in the traditional context of the father-son relationship, and yet the modern son is the one voicing the message of the lesson, and thus imparting the knowledge onto the broader community.

All humans have an intrinsic need to be respected and to have a sense of significance. The need for esteem is the *belonging need* of a human to be accepted and valued by others. It is through a line of work and activity of one’s choice that we gain recognition, a sense of contribution that creates a feeling of significance, acceptance, and value. In Economics of Dignity, we move from consumption to actualization, participation, and contribution – to adding value to self in order to participate, with dignity, in the exchange and sharing of values with others.

This possibility of accelerated mobility on the ladder of success and increased physical mobility facilitated by technology contribute to a sense of individual freedom while, at the same time, enable greater connectivity and promote a sense of shared mentality in a group of the similar-minded. And while nomadic aspect to the modern economic participant allows him/her to preserve a sense of free-lancing it simultaneously allows him/her to form affiliations with and enter supportive memberships into multiple communities: allows for integration without uniformity> association without assimilation. Such position maximizes a sense of individual contribution, development of individual skills and productive ability, and equality of opportunities for profit sharing in a system that is starting to walk away from the hard-core mentality of one-upmanship and to turn more towards a communal sense of sharing of wealth both in the sense of profit and well-being.

The concept of sharing brings us to a paradox, if indeed it is a paradox, with which we would like to address and compliment Easterlin’s paradox. We posit here that *a happy individual is not a consuming individual but a giving one*. To Easterlin’s question; „Imagine your income increases substantially while eve-

ryone else's stays the same – would you feel better off?”, to which he says most people answered with yes, we would add: „yes, but not for very long.” There is a unique sense of alienation that arises at the moment when one realizes that one is unable to share events, activities, a certain way of life with friends and family of lesser means. A giving individual is happier because logically s/he realizes the power in having to give and the power in discovering that one is capable of giving. It is in the act of sharing instead of hoarding that deeper satisfaction is found – on the individual as well as any organizational level. It is in and through social relations that our sense of wealth and well-being is reflected back to us and multiplied; it is in the eyes of the other that we see our esteem; it is in a productive community that we grow and prosper.

Consequently, the role of Economics of Dignity is, on the one hand, to record an already-present shift in economic needs and attitudes as well as to track certain development trends. On the other hand, it simultaneously charts, by means of intuitive understanding and creative envisioning of interdisciplinarity, a cutting-edge space of socio-economic interaction and fulfillment by taking into account a whole specter of human individual and collective economic, social, psychological, and spiritual needs in an attempt to honor human potential to its fullest.

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