

**Hierarchy Theory
and
Socio-Environmental Ethics**

by

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Abstract

This paper examines the *raison d'être* for a new hierarchy of ethics and morality to emerge for the socio-environmental systems now re-emerging post the era of enlightenment. These are significant to post-modern human leadership in a 21st Century world. In this world knowledge creation (epistemology) and distribution plays an increasingly significant part in the process of extracting and distributing the useable energy that ontologically exists both on and off our planet.

Ethics and morality arise from our need to give defensible meaning to the choices we take in relationships relevant to these processes whether it be epistemologically in conjunction with others of our own kind, our in ontologically supporting the real planetary and universal resources in which we are embedded. Rationality alone is insufficient to resolve the conflicts of choice then faced. Ethical challenges have a huge role to play in stabilizing the sustainability of our planet and ourselves. The choices so faced are never between the clearly right and the clearly wrong. Then there is no choice. True choice comes faced with the apparently right and the apparently wrong or more complexly with choices between the apparently wrong and the apparently wrong.

We simply do not have the omnipresence to distinguish between these. Yet, frequently we are faced with such choices. Such conceptual choices are at the very heart of Hierarchy Theory. This stems as Ahl & Allen, (Ahl and Allen, 1996) tell us from the necessity we feel to observe and order the universe in a manner useful to our understanding in support of action. As hierarchy theory makes evident the “hierarchical structures” then observed are more a function of our capacity to observe than of any real ontologically accessible “processes” underlying them.

This paper presents a hierarchy of ethics that can be totally compatible with each other provided they are applied at the appropriate level with the hierarchy we describe. If applied outside their own level they are self destructively incompatible. Ethical standards in our sense are not only not universals but necessarily different for different position in the hierarchy. However this is not ethical relativism for the standards required are not flexible within a particular level of the described hierarchy.

Key words: Business Ethics, Moral Compass, Knowledge, Individual Enterprise, Community, Planetary Guardians, Social Guardians

“Leaders walk beside
The best unnoticed.
The good praised and honored.
The poorest feared
The bad hated
Work’s done well
Its was us say the people”
Lao Tse

Introduction

Recently Moss-Kanter (2008) gave modern weight to Lao Tze’s view on how corporate leadership is best achieved. She found the constituent elements of the best corporate bodies swiftly find the right direction to follow in local circumstances of time and place. They do this without recourse to the presumed central authority of the corporation. The best corporations inculcate a moral compass of values in their empowered workforces, suppliers and their wider network of peers and stakeholders that ensures a swift and confident simultaneous response to the identified local and global needs of all. They do this in a manner consistent with their individual corporation’s system of ethics that if well founded takes account of the wider socio-environmental context to which it is increasingly aware it is responsible and accountable. The result is highly flexible globally sensitive corporate bodies able to turn their corporate meaning to immediate benefit both locally and to all their stakeholders, including the planet. The empowering values each corporate body deploys to effect this give each enterprise a unique cultural identity. This defines its purpose and thereby positions it within a hierarchy of choices that if well tuned can effect ethical action at a distance without a huge bureaucratic overhead of command and control.

Stafford Beer’s life work, “Managerial Cybernetics”, was of course devoted to developing understanding of the nature of such control systems within and between levels in the hierarchy of which such corporate systems are composed. In “The Brain of the Firm” (Beer, 1981) he made the evolved effective, economic and efficient cybernetic design of the brain a model of the managerial systems required to best effect the managerial processes required to run corporate commercial bodies as “viable systems”, i.e. ones that can develop and survive in a co-evolving environment. This model has recently been developed (Choi, Hilton and Millar, 2006, Hilton 2008) to consider the emergence of humanity together with its growing supportive information communication and technology infrastructure as an emergent managerial cybernetic command and control system for the planet. It is in our growing awareness of the existence of such a system that prompts one to re-evaluate the nature of morality and ethics in the light of what is our emergent global conscious.

Wes Churchman’s life work e.g. Churchman 1977 was in effect to give philosophical consideration to these issues. What does it mean to say that we should judge the truth in terms of its impact on the “human condition” – in an unpublished work by Wes this issue is dealt with at length. He considers whether the Italian Grand Inquisitor was right to get Galileo Galilee to recant on the basis that the ontology may indeed be that the Earth does not go round the sun but that it is harmful for humanity to be brought to realize that they are not the centre of god’s universe and that only evil can come from that knowledge. Unbound by God man could come to do evil things such as inventing the atom and hydrogen bombs.

This paper sets out to explore the evolutionary development of such hierarchical processes in our emerging consciousness of a hierarchy of planet wide process. Prior to the current era the enlightenment had restricted corporate consciousness to dealing with other manifestations of itself

whither these be religious groups, nations or businesses. At this stage in the evolution of our planet all these now have a re-emerging consciousness of each other and a wider need to actively engage with understanding and concern for the natural environment in which all are embedded and which aboriginal peoples did and still understand so well.

Western Society is formally and strongly modulated by markets and the rule of law. North East Asia is strongly modulated by informal Confucian style communal and social norms that dominate individual interests. Neither of these has a system of ethics protective of the natural environment on which they both rely and which the latter especially specifically denies.

Confucian cultures traditionally give a wholly un-heroic status to the enterprising whither in business or science. Knowledge is not something to be created anew but something to be discovered in the expressed thoughts of the ancients and in the wisdom of the old. Brash young minds are here to learn from such sources not challenge them. Western culture on the other hand sees no limits to the exploitation of others or the natural environment

Modern Western post enlightenment transnational capitalism makes heroes out of the enterprising in business, science and the arts but is confronted in an increasingly global world by those driven by the North East Asian Confucian cultures that have to be absorbed into transnational's ethical compass of if they are to be viable and environmentally sustainable given the reality that global resources as currently understood are finite. Thus both these cultural views have not only to be reconciled with each other but need embedded in a wider reality that encompasses the survival of the planet as a whole. The "human condition" as a determinate of the truth cannot just be seen in terms of the direct epistemological impact of the perceived hierarchies of past current and future generations on each other but also in terms of the ontological context in which all these are embedded. Without environmental sustainability both Oare largely irrelevant accept in the current moment in which future generations need not exist.

The ethical landscape transnational corporate bodies face requires the enterprises Moss-Kanter describes to have an ethical compass that points true enabling them, or more correctly their locally empowered staff and suppliers, to find their way in what is a complex confusing ethical jungle. This is created by the opposing attractions of communal and individual interest over time and their impact on their embedding co-evolving universe.

This challenges putative designers of an ethical compass to guide transnational corporate bodies. These challenges are compounded by the fact that knowledge is increasingly the primary driver of value added. Human knowledge is not just the outcome of an epistemological search for hierarchies of truth but for these to have utility they need to have additional ontological substance.

People are less and less driven by the pace of the machine, capital, and more and more by the slower tempo possible when using epistemological knowledge to think smart. This is what drives the world to post-modernity. This sets up a complex of ethical attractors among which are those focused on the sustainability of our actions within the finite bounds set by our planet..

To understand these it is a necessary first step to define a means to identify ethical direction for the many increasingly transnational corporate bodies now peopling the planet driven to find a means to be within their own unique, competitive approach to creating and distributing the knowledge essential to sustainable, socio-politically acceptable globally efficient production and market flexibility harmonized with local social and global environmental needs.

Knowledge is what economists call a public good. It has a high opportunity cost of production yet has no opportunity cost of consumption. In fact it has huge positive pay-off from use. However it is virtually impossible to exert private property rights over even if it can be deemed ethical to do so.

As a public good knowledge is extremely difficult to buy and sell in any market based on private exclusive contracts. Despite copyright and patent laws free riding on available knowledge is endemic and difficult to prevent. However it is needed. It can be of great value. How then can resources be generated to incentivize its production. The traditionally Western answer was to make communal resources available for its creation and distribution, universities are one example. The production cost of new knowledge is then financed by endowment or out of general taxation.

Through Western eyes North East Asia, China in particular, is seen as notorious for having a culture exploitative to personal use of everything in the public domain. It has societies comfortable in condoning this and a polity slow to sanction it. The Chinese disregard for private space and intellectual property within it, is hard to understand, condone or accept from a Western individualistic perspective. In turn the idea that individuals can choose to disassociate their own interest from their family and its community is strange from a Chinese communal perspective.

Knowledge after all is essentially communal. Is it not thus appropriate to treat it and other IPR as communal property? However if this is done no immediately obvious incentive exists to expand and then exploit its use. Chinese society invented paper, printing, gunpowder etc. None of these led to the explosive growth in knowledge and wealth achieved with them in the West. Exploited to commercial ends in the Industrial Revolution “The (Western) Enlightenment” led to huge growth in the economic and political power of the West relative to the power of the East. To the present day creativity flows in torrents from the USA. It trickles from North East Asia.

This has the makings of an ethical tragedy. Transnational leadership of the type envisaged by Moss-Kanter has learnt how to nurture internal communal values in enterprises. These define each enterprise’s unique identity as a value adding entity acceptable to the societies it operates within. At this time such an enterprise’s primary source of marginal added value is knowledge. For transnational success to accrue from knowledge it has to be created and then distributed in the emerging global community. This it seems then swiftly becomes a polity sustaining a mess of mutually incompatible ethical standards. At one extreme the West supports the individual’s interest against those of the community at the other North East Asia asserts the superiority of communal over individual interest.

Knowledge as we have seen is in essence communal. One could surmise that it would be better produced within the ambience of a communal ethic that could provide the private returns necessary to justify investment in its creation and distribution. However, prima facie, the individualistic West seems to have been better at achieving this than the communal East.

This paper sets out to start the process of resolving this paradox by considering what is needed for an ethical compass to be effective in sustaining successful enterprise in the 21st Century where knowledge is the key value creator.

Its point is that all the above muddies the feeble attempts we make to distinguish right from wrong in the universe’s processes. We are condemned to make choices on the basis of partial perceptions of the structural categories, forms, our collective minds chose to create, given the grain and extent we choose when observing the universe. None of this can be trusted as revelatory of the universal truth. This lies behind the veil of sense and sensibility we establish.

In this work we take the position that choice is always made in sociologically constructed framework of hierarchies within which sit networks of institutional entities appropriate to making the multiplicity of choices we are faced within at different levels and places in time and space. Within such complexity we truly cannot ever presume to judge right from wrong.

In such a short work it is impossible to consider the full complexity of what we are here choosing to consider. To clarify we simplify consideration to that of comparing decisions made in what is now identified as an emerging transnational context (Bartlett and Goshal, 2007) where the interests of an environmental, political, social and economic commonwealth is emerging that requires choices to be made distinct from those appropriate for the corporate enterprises of which it is composed which in turn are distinct from the individuals composing them.

We argue that the ethics of choice are rightly different and incompatible with those at other hierarchical levels. Ethics rightly differ at different positions within a hierarchy. Such differences reflect the reality of “bounded rationality” (Simon, 1962) but are not symptomatic of ethical relativism. They are only so if we accept hubris as inevitable. Without this complexity ethics would be unnecessary. We would each face nothing to challenge our humanity and its morality choice being clear in every instance.

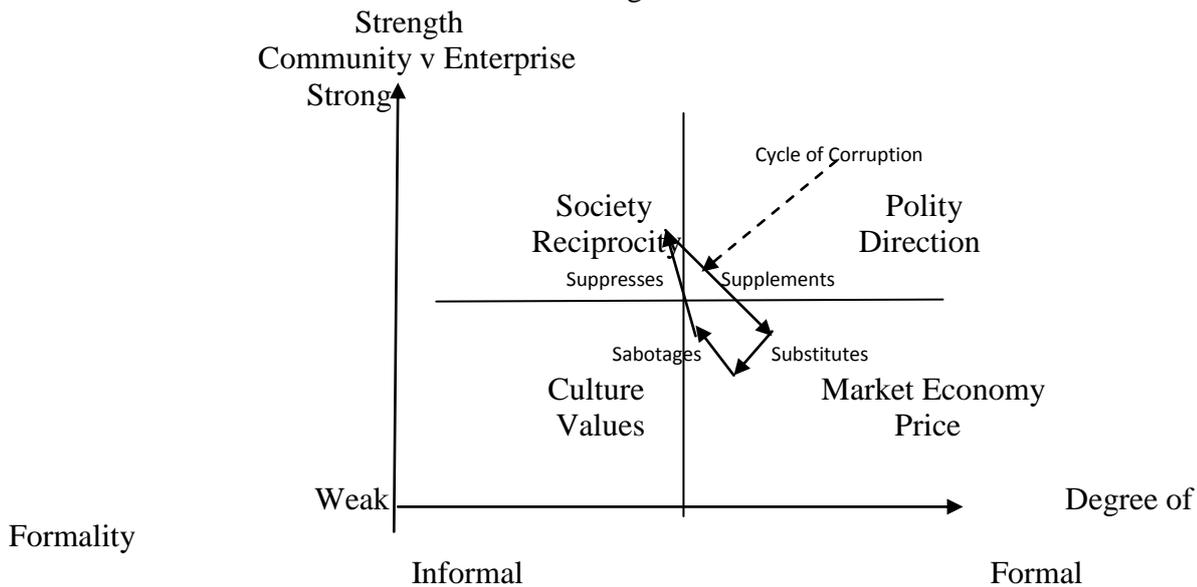
In the final analysis we argue that the hierarchical unit of community that is now emergent for us to consider is no longer the nation or the culture but the planet as a whole. From the resulting hierarchical perspective many of the moral tragedies we construct disappear in absolute terms but remain for us to deal with in practice.

Background Literature

There has been huge recent increasing interest in the ethics of business in North East Asia particularly China (Cheung and King, 2004, Yang, 2006, Lehman, 2006 Chan, 2007, Brothers et al, 2007, Calkins, 2009) particularly to do with the internet and the knowledge economy (Hamilton et al, 2008, Martin, 2008, Brenkert, 2008). One of the most recent of these is Ping Li (Li, 2009). This interestingly covers the dynamics of corruption in an emerging China. It deals directly with one of our axes of interest the interaction between communal and individual values. Li focuses on the phenomena solely within the bounds of the Chinese state as it has sought in recent years to nurture the shoots of an emerging market economy. This is distinct from its current role in seeking a sustainable place for this state sponsored market in an emerging but fragile global economy.

Li constructs a two dimensional model based first on the relative strength of the interaction between the community and enterprise and secondly the degree to which this is formalized or not. Below we provide our version of his model. It contains all the same elements as he defines them with the addition of four labels for each of the four sectors of society. We feel his model can be used to define the social, political, economic and cultural aspects of society each with its own distinct modulating force reciprocity, direction, price and values. It does not deal explicitly with environmental concerns which are by definition specifically excluded by society and the polity which set out to differentiate us from each other and unequivocally of us from nature, as allegorized by “The Garden of Eden”

Figure 1



With this model Li sets out to capture what is right and wrong about the interaction between the state and private enterprise in the process of Chinese economic transition.

In the early stage he sees the interaction between enterprise and the state being deliberately but ineffectively weakened by central direction. In the end it was effectually implemented locally by the use of that peculiar form of social reciprocity the Chinese call “guan xi”. This enabled the state to “supplement” the growing strength of the market. This he sees produces benefits for both the elite and the masses by providing otherwise unavailable private income for the latter at the expense of some semi-corrupt side payments to the former. In the second phase the market is operating with an as yet ill defined rule of law framework. The moral authority of the state and Confucian values have also been weakened relative to those of the market. This is as a result of the active corruption of the local polity by ever increasing side-payments to the elite. In such circumstances, communal activity “substitutes” for the operation of a truly effective market. The next stage sees the corrupt transfer of public wealth to the private sector ignoring the rule of law so necessary to the health of a market economy. This effectively “sabotages” the operation of the market for the benefit of the elite at the expense of the masses. In the final stage of the process he suggests the elite “suppress” the further development of the rule of law to preserve their long term privilege in both the polity and the economy.

From Li’s perspective the moral compass of the emerging Chinese economy has been disturbed to such an extent by corruption that the market has effectively ceased to work. We would agree that this may be so but we believe it is inappropriate to use a moral compass of the type he deploys. One has to question whether a moral compass that:-

1. points so consistently in the direction of the market as the end game in an age where knowledge creation, an essentially public activity, is crucial.
2. focuses solely on the Chinese context can be used to explicate a transnational environment that is evolving as a merger between East and West
3. on the surface does not use the same framework to address what are the ethical failures of the West in markets particularly financial ones.

There is therefore a need for a moral compass that points true for both East and West. This must also accommodate an age where they have to work in harmony and one where it may be questioned whether the market under the rule of law can be the end game where planetary survival itself maybe the question. Any model has to be able to guide people away from scandals such as those of Enron and recently Madhof. These need to be avoided to protect the interests of society, stakeholders, shareholders and savers.

This at first glance all seems to arise solely in Western style freewheeling unregulated financial markets. There seem to operate without a moral compass. However one suspects that in a stock market like Shanghai where a very high percentage of the volume of shares traded are state owned private investors operate at considerable risk. They know this but believe, probably rightly, that if they listen carefully to the state controlled media their buying and selling decisions will be carefully orchestrated to their advantage by a state interested in encouraging the private ownership of assets exactly in the manner Li describes. In both these contexts there is clearly a need for a moral/ethical compass both for individual enterprises and those operating to regulate in the communal interest.

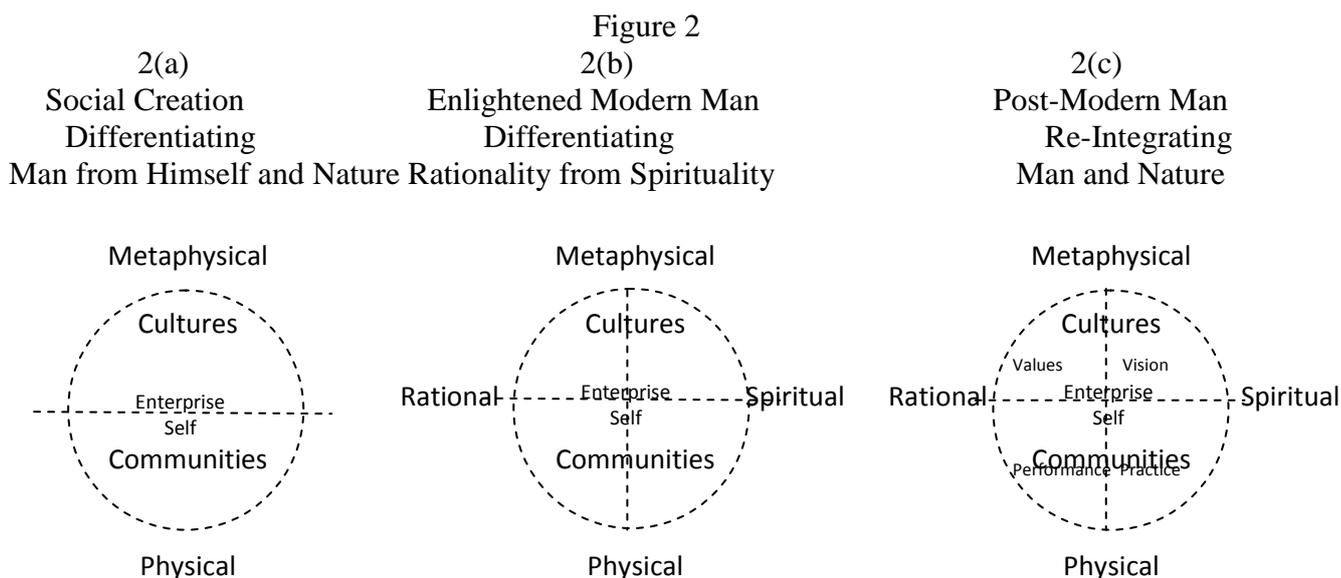
Thompson's (Thompson, 2004) work describes the rationality for the "moral compass" currently deployed on the MBA at John Hopkins. This sets out by accepting the central role of spirituality in any system of command and control naively based on rationality. The bounds of self consistent rationality are very quickly reached. The choices leadership faces in enterprises and states are rarely those envisaged by naïve moralists as between right and wrong. More frequently choice is between apparently right and apparently right and with at least equal frequency between apparently wrong and apparently wrong. The qualifying "apparently" is our addition to the John Hopkin's thinking.

Of all human failings hubris is perhaps the greatest. We are never truly in a position to judge right from wrong in a universe where a bigger game is being played than we are ever capable of having sight of. Relying on our own limited capacities of sense and sensibility we are not well placed to make the moral choices with which we are often truly faced that between one child and another, between one's spouse and a child, between one friend and another between our personal honor and our social duty between honoring a contract and bankrupting ourselves and pari passu all our stakeholders other than a particular seller or buyer. It is traditionally here that organized religion steps in. It is in such morally charged situation of choice that we desperately need a moral compass that runs true.. It is in precisely such contexts that any rationally based system of ethics inevitably falls short of our need.

Without coercion or appeal to religion it is difficult to achieve the unity of purpose required to consistently choose right and do the good that is Moss-Kanter's and Lao Tze's endgame. It is also ours and Thompson's. To achieve such moral solidarity Hamilton argues we need to gain our legitimacy for an identity that states what one is and then gives a sense of agency describing what one can, will and does do given that identity. In former times this was the power and value in business of a Jewish, Quaker or Muslim identity. People knew what such people did. They could trust them to run true to a type that was otherwise disadvantaged.

Such differentiation however is invariably on the route to conflict. It thus maybe undesirable but to give meaning to ourselves and the contexts we find ourselves in we need to draw boundaries. To identify the moral compass we need for enterprise we must first differentiate it from its environment indicating what it is and what in then does that makes it different. We then need to be clearly divided in our physical and metaphysical being and in what is rational and spiritual about us and our actions. These differential steps take us from man separating himself from nature and leaving the

Garden of Eden to become a farmer then leaving the farm to become a capitalist and now becoming new transnational man.



To be clear our moral compass has to have both values and visions validated in performance and practice. Confucius in the Analects does not dissent from this. His true gentleman has five virtues goodness(values), rightness(vision), wisdom (performance), ritual (practice) and credibility (legitimacy in context). It is also possible to rationalize the above in terms of Weber’s views on the protestant ethic. This too has five basic values industry, moderation, personal accountability, thrift and honesty. It sees these as central to individuals and enterprises wishing to ensure their legitimacy in terms of leaving the common good undamaged by their pursuit of self interest.

These both ensure that others perception of the self in a social enterprise is not seen as at the expense of the common good whether in a private or a public/communal enterprise. Ritual is played out in practice and values in performance. This is in a manner not inconsistent with Confucius’ views in the “Analects” (Cong Zhe, 500BC). One might argue that we attempt to reconcile the irreconcilable but that is the point. We have already indicated that the rational cannot be reconciled within itself. One has to appeal to the metaphysical to achieve needed closure in giving meaning to our being and the choices we make respecting it.

From the above and our earlier analysis of Li it is clear that values have a key role to play in resolving the nature of our sought for moral compass. Currently there is an impressive research agenda attempting aimed at developing a set of culturally identifying values (Schwartz and Boenke, 2004 and Rohan, 2000) – see Table 1 overleaf This is intended to provide the co-ordinates of the map we need to identify a cultural position in transnational space and so align ourselves appropriately and visibly in a particular transnational context in a manner consistent with our self image. We are then well set up to make the appropriate choice in that context using our moral compass.

These value systems are focused on cultural distance as originally conceived of by Hofstede (Hofstede, 2004). They go part way to a solution by providing values that enable us to identify where in the world we are and how that relates to what we are. Schwartz and Boenke recently validated these statistically over a sample of 10000 plus people drawn from 46 places in 40 plus countries. This latest work confirms these author’s view of the completeness of these concepts as

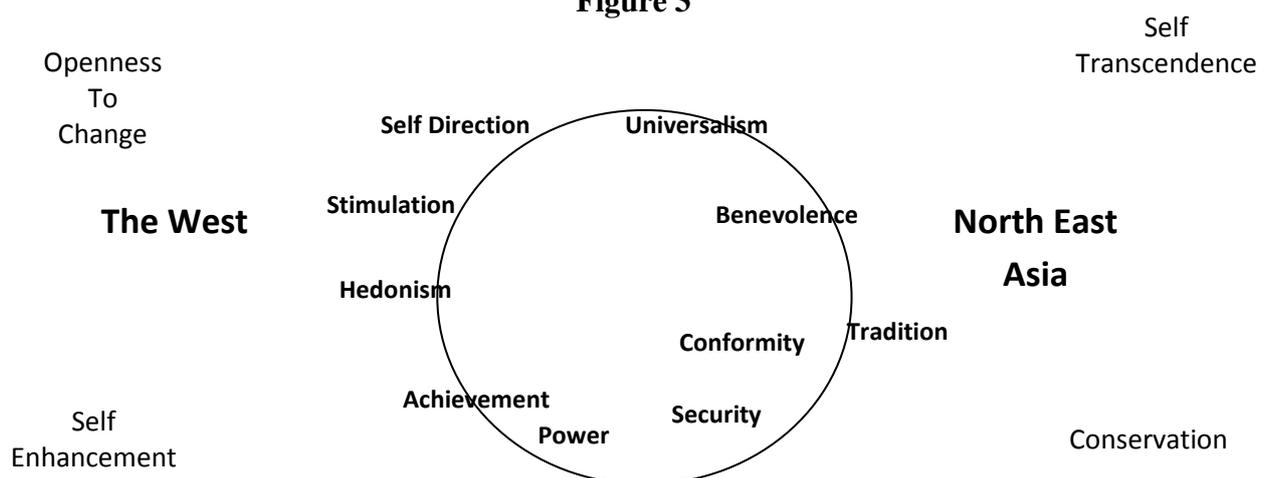
continuous on a quasi-circumplex as shown overleaf Figure 3. The suggestion below as to the political geography of the space is this not the originating author's views.

To summarize our position to date: we have moved from a dynamic model that can accommodate both market and state but is peculiar to China. It specifies the design criteria of a suitable moral compass that not only encompasses what we seek but If used with the right map can trace history at the level of distinct cultures in distinct periods of socio-economic evolutionary development. We then proceeded to a model that provides a system of values that allow us to geographically distinguish distinct cultural places on a map of the planet. The steps remaining require us to introduce a communal individual dichotomy that can be used to integrate the morality appropriate to the first two elements of this analysis and then a human environmental dichotomy to integrate these with the requirements of the universe. These two will allow us to deal with the evolving socio-political governance of humanity and the enterprises that can sustain it if kept in balance with the natural environment they exploit.

Table 1

Value Type and Definitions
1. Power: Social Status and Prestige, Control of Dominance over People and Resources
2. Achievement: Personal Success Through Demonstrating Competence according to Socially Defined Standards
3. Hedonism: Pleasure and Sensuous Gratification for Oneself
4. Stimulation: Excitement, Novelty and Challenge in Life
5. Self-Direction: Independent and Action-Choosing, Creating, Exploring
6. Universalism: Understanding, appreciation, Tolerance and Protection for the Welfare of all People and Nature
7. Benevolence: Preservation and Enhancement of the Welfare of People with whom one is in frequent personal contact
8. Tradition: Respect, commitment and Acceptance of the Customs and ideas that Traditional Culture or Religion Provide the Self
9. Conformity: Restraint of Actions, Inclinations and impulses likely to Upset of Harm Others and Violate Social Expectations
10. Security: Safety, Harmony, and Stability of Society, of Relationships and of Self

Figure 3



The System for Moral Survival in a Post Modern World

In her book “Systems of Survival: A Dialogue on the Moral Foundations of Commerce and Politics” Jane Jacobs (Jacobs, 1994) identifies what she calls, by reference back to Plato’s Republic, the Guardian and Commercial Syndromes. These are characterizations first of the ethics appropriate to those serving a communal identity. This is done first by delineating that and then sustaining it differentially from that of others. Then for those operating in their own interest from within the secure bounds of such communities to provide it with the energy and wealth required to support it either using resources from within its bounds, the era of, environment denying, agriculturalism, or without them in the age of enlightenment and machines, capitalism, where the construction of such capital ignores the finite nature of the planets accumulation of resources.

Jacobs presents those acting out their role in each context as necessarily driven by one of two self contradictory sets of values much like those on the left and right of Figure 2, i.e. one for those open to change and driven by self enhancement, the other for those engaged in preventing or slowing change down driven by personal meaning rooted in conserving the social cohesion and harmony of the status quo.

Each is distinct and as Li’s arguments makes clear for social change to be sustained and remain effective they must be kept evidentially distinct from each other. The guardian’s role sustains the delineation of a particular society from other human societies and nature – Figure 2(a). Guardians maintain the slowly co-evolving framework within which socio-economic, commercial style activity must necessarily be embedded (North, 1991). Commercial people require the former for the good order necessary for individualistically mutual beneficial gain seeking behavior, contracts, to occur and be enforceable.

There is huge interdependence here. Without the wealth the commercial syndrome creates there can be no surplus to support the guardian syndrome and without the guardian there can be no commercial surplus to support the commonwealth. Sustaining any accumulation of wealth is impossible without protection from the rapacious interests of others without or within society. Effective socio-economic activity is impossible without effective guardians. Unfortunately this can be seen in the modern tragedy of failed states e.g. Somalia, Rwanda, and perhaps Afghanistan.

Jacob’s two sets of mutually exclusive ethical values are set out in Table 2. These values are incompatible. She argues that a society’s survival depends on maintaining their distinctiveness. Li’s work suggests that this has failed to be the case in post-modern China. His presentation of this case indicates these two syndromes have a socially destructive tendency to infest each other there. If such infestation occurs socio-economic progress halts as in failed states or political economic progress halts as in much of South America or as he suggests post-modern China.

The distinctness has to be nurtured for a society to be sustainable as an entity distinct from others and nature This is generally achieved by having two distinct groups of people fill the two roles. In very rare case a few individuals may be found capable of moving comfortably and transparently from one role to another in a way deemed legitimate by others. However the evidential separation is essential. This prevents the socio-economic evolutionary development of hybrids. These are socially destructive. If too many arise a society will cease to exist as a distinct entity capable of supporting evolutionary development. . However the synergy between these may lead to an environmentally destructive human conspiracy so humanly policed ethics, the Planetary Syndrome are required to modulate this. This is the task of corporate bodies such as Greenpeace. The Commercial Syndrome infested with the Guardian syndrome is the Mafia. This uses deceit and.

physical intimidation to obtain commercial gain. It is perhaps indicative of what is currently happening with the collapse of Somalia as a state. The Guardian Syndrome infested with the Commercial syndrome is Corruption. Within this people use their positions of social power as a source of personal gain. It is this latter hybrid Li has suggested is manifesting in post-modern China

Table 1

Jane Jacob's Two Syndromes + One				
Jane's Order	Commercial Syndrome	Guardian Syndrome	Jane's Order	Planetary Syndrome
1	Shun the use of force	Take vengeance – 1. Power	7	Abhor violence respect power
2	Always trade Weber's Protestant Ethic - Willingness to trade	Shun trading Confucian – “love of others”	1	Police the guardian commercial dichotomy
3	Have integrity Weber's Protestant Ethic – Be honest	Deceive for the sake of the task	8	Be real
4	Be inclusive collaborate with all – 6. Universalism	Be exclusive	12	Be
5	Compete	Dispense largesse 7. Benevolence	11	Adaptive generosity
6	Respect contracts 10(2). Security	Respect loyalty	6	Respect sustainment
7	Use initiative and enterprise 5. Self-direction	Obedient and disciplined Confucian – trustworthiness	3	Empowered self discipline
8	Open inventiveness/novelty 4. Stimulation	Adhere to tradition 8. Tradition	4	Build creatively destructive tradition
9	Be efficient Weber's Protestant Ethic – Efficiency	Be ostentatious Confucian – adhere to ritual	10	Be balanced in resource use
10	Create comfort/convenience 3. Hedonism	Show fortitude	13	Comfortable acceptance of nature
11	Dissent for the task	Respect hierarchy 9. Conformity	5	Sustain hierarchical dissent
12	Invest in productivity	Exert prowess 2(10). Achievement	2	Harmonize with nature
13	Be industrious Weber's Protestant Ethic – Industriousness	Make rich use of leisure	9	Enjoy working with nature
14	Be thrifty Weber's Protestant Ethic – Thrift	Value honour (China face) Confucian – rightness	15	Minimize the human footprint
15	Be optimistic	Seen as capable of accepting human reality Confucian – credibility	14	Be Accepting of the Way

If one tries to map Schwartz et al's value system into the above it works quite well except for the value "security". Jacobs sees this as part of the commercial syndrome and "achievement" which she sees as part of the guardian syndrome. This of course leaves 5 of Jane's 15 pairs unaccounted for by Schwartz et al's categorization of 10.

The missing ones seem to be: willingness to trade, honesty, efficiency, industriousness, thrift which together map perfectly onto what in the economic history of the West became what Max Weber's dubbed (Frey, 1998) the protestant ethic, "disciplined work (industriousness), moderation, personal responsibility, thrift and honesty". These values are very much part of the commercial syndrome but a part that unlike much of the rest has an exact mirror image in the guardian syndrome: never trade, dissemble for the common good, make rich use of leisure, value honour accept reality.

Confucian North East Asian, philosophy in contrast is about the qualities required of those "superior men" (jun zi) able to exercise the role of effective guardians. These are seen as being above commerce which is characterized as the inferior activity of small people. He saw such superior men as having 5 characteristics: love of others, trustworthiness, courtesy displayed by adherence to well understood ritual (tradition), rightness, credibility. To seek to be such a person was the highest possible calling in Confucian society.

So with the introduction of Jacob's model we find closure on our search. Her list can be seen to contain the ten values proven in their cultural universality by Schwartz et al's research. At the same time it recognizes in its particulars five extra values particular to the entrepreneurial spirit and the five appropriate to the guardian ethos identified by Confucius. In Jacob's model we thus appear to have an instrument that if suitably modified is able to:

1. geographically map socio-cultural diversity
2. distinguish those with the entrepreneurial ethos so necessary to the creation of the new and the effective exploitation of the existing
3. delineates those in society who given the opportunity are likely to operate selflessly in the communal as opposed to their own interest.

Our conclusion from this is must be that the Guardian Syndrome dominates the Commercial in North East Asia as Li's work suggests and the Commercial Syndrome dominates in the West.

The Planetary Syndrome

The central premise of this paper is that the evolutionary development of any business system is predicated on the co-evolution of a context supportive not only of its viability but its developmental vitality.

Pre-modern agriculturalism required a very stable society. This needs to finesse change to ensure the long terms stability required for effective crop rotation, land development and crop improvement. This could only be sustained socio-politically with market trading pushed to the system's margins where resources generally were either directed for political ends or effected by

reciprocity – the farmer paid the miller with a proportion of the corn he milled and for his security by devoting part of his life to military service. Confucian values emphasized social harmony and stability. Knowledge was to be shared rather than created or distributed with a view to amassing wealth from its use (Lehman, 2006). Agriculture consumes land and naturally produced resources at an unsustainable but relatively mild rate. It has to stay in synchronization with the annual rate at which the sun makes energy available to the earth.

Modernist capitalism, Frey (Frey, 2006) indicates, Weber argued first legitimized itself within the traditional agricultural state by expanding trade and the monetary economy to balance out variations in year to year harvests. It then grew by adhering first to the self policing protestant ethic and then co-evolving a system of social oversight and support that both accommodated and nurtured its legitimate expansion and development: limited liability, insurance, the stock exchange, the public corporation and the banking system. This system exploited new learning to commercial advantage. It ensures an increasing role for the technology embodied in capital to become readily available to an ever larger part of the world's population by mining the mineral resources of the planet as they had been accumulated by its processes since its inception 4.500billion years ago. To achieve this they have been consumed at a rate far far in excess of that at which they can be laid down anew by natural processes.

We are now transiting to a post-modern era where social value is increasingly derived from knowledge creation and distribution. It is no longer farmed or mined from nature nor is it produced from constructive investment in material capital, machines, but from investment in the creative skills of men enhanced by using those post-modern machines, computers. This uses less of the planet's resources and encapsulates monitoring and learning capabilities that can and are improving human productivity and increasing the degree to which we can re-cycle that we consume.

As we have already indicated knowledge is what economists call a “public good”. It has no opportunity cost of consumption, a huge opportunity cost of production and no immediately evident natural means of protecting property in it. This should have been a problem. The creation of knowledge is not then incentive compatible. Arguably it is only deliverable using state resources. Patent and copyright laws enforced by the state have given some past protection for those investing privately in knowledge creation and distribution. This provides a degree of incentive compatibility. However until recently by far the greatest volume of investment in this was out of public funds in public institutions. These made it freely available to all or ferociously protected it using the power of the states to ensure its exclusive use in maintaining that state's own security.

Theoretical Development

The structure we started from, our version of Li's analysis of “crony corruption” in China, is important. This is not for its descriptive content. It is for the perspective it gives on the process of interaction between individual market driven enterprise and communal interest during change as effected by the state.

The interactive process it describes is that between the fast growing dynamic of markets driven by price and the slower moving dynamic of the state driven by a desire for mutually beneficial reciprocity and later and less effectively by a desire to maintain access to directive power. For this to create an effective wealth creating process it is clear that the polity has to co-evolve with the market. If it does not then the whole process can be brought to a halt. It stops when the state becomes corrupted to such an extent that it fails to operate as a distinct entity policed by guardians wholly outside the partial influence of particular businesses.

If this occurs the rule of law cannot evolve and enterprise at a competitive price in global markets will cease. The market infesting the state leads to the collapse of orthogonality between the guardian and the commercial syndrome. This undermines the effectiveness of both the state and business enterprise. The moral/ethical compass operates well here. If the values of the guardians are concern for others not price, trust not contract, ritual not efficiency, rightness not thrift and credibility not optimism then socio-economic evolutionary development can occur. If these are not the values they operate with the socio-economic development is impossible, ergo such a choice of values is immoral. Equally we can use this model to explore the infestation of market enterprise with the methods of the state, the Mafia. Here if enterprise is driven by industriousness not sloth, moderation not ostentation, personal not social responsibility, thrift and not profligacy and honesty and not deceit then socio-economic development can occur if not it ceases as it has in Mafia ridden Naples.

However we have a wider agenda. We can identify a set of ten Western and North East Asian values. These are autonomous of the above ten. Thus while situating the cultural ethos of a particular place in a way that might help with human resource management or marketing they say nothing about the superiority or otherwise of the morality or ethics of the people from such places.

We feel this is a strong result well capable of testing. We wish to go one step further than this and explore the ethics of the knowledge business using the moral/ethical compass here outlined.

However all this ignores the maintenance of orthogonality between both these syndromes and the planetary one

Knowledge Enterprise and Environmental Ethics

In a way the now superfast knowledge creation business has moved on from reliance on slow moving, stabilizing interactions with the community culturally, socially or politically to create sustainable value. A nationally protected stable base in access to land or and internationally protected system of trade are no longer of immediate concern to the knowledge business.

In the post-modern world new ideas can be created and disseminated very swiftly. Little restraint truly exists to this process. The sheer speed of this creative and distributive system is such that the problem is instant effective access to meaningful comprehensible chunks of such data, information on a day to day basis. Only in the form of information is the data created of use in creating wealth. It is in the relatively slow speed at which traditionally this huge stream of data can be turned to good use in creating the social constructs needed to create wealth that added value lies in this

business. The value is not in the ideas or the creativity people seek IPR over. It is in processes of bundling this together in useful comprehensible ways that value is added. It is in this that Google and others make their living.

The ethical and moral questions that then arise (Brenkert, 2008, Martin, 2008, Hamilton et al, 2009) out of how this information is filtered, i.e. whose ideas are filtered out of this system and why. Who can and should have access to the individual, and sometimes very personal, information such systems can accumulate and target.

Here national polities may wish to, and do, have their say. This can causes dilemmas of choice for companies such as Google who play in this game. Whither these are ethical dilemmas in the sense we define it here is moot. If Google plays along with a particular national governments position then they will be depriving that nations people of easy access to knowledge that they might more easily access. However that will result in their rate of creativity and knowledge dissemination. This can and indeed does stop the process locally but this is in a world where value is increasingly located in the outputs derivable form knowledge creation. Evolutionary development is slowed down in that particular place at the choice of its local guardians. Arguable this could be viewed as locally immoral and unethical by applying stationary standards from elsewhere to one's reasoning. However against the backdrop of mankind's integration with itself and nature this will not stop. At the macro level nothing is morally or ethically amiss.

At a macro level one has an area of the world, North East Asia, that has to chosen to act to limit its evolutionary development while at the same time it effectively condones the free dissemination of knowledge. Given the public goods nature of knowledge this seems wholly appropriate in an age when knowledge and value are increasingly aligned. So can their action be seen as taking their countries in an unethical or immoral direction? Is there ethical compass reading false?

The solution for those looking for an incentive to produce more knowledge is not to complain about flawed ethics by their lights elsewhere but simply to grab the opportunity proffered to produce knowledge at faster rate than they, the copier of North East Asia and elsewhere, can and will absorb it later after taking a hit in opportunity cost terms in the short term.

The copyright and patent laws of the West hardly act to protect IPR in an age when the lifetime of a component or its supporting software in a mobile phone is about 3months, the lifetime of a phone's design is about a year and the lifetime of a phone system's technology is 3years and a patent takes 5years or more to establish. In such a context IPR does not seem to have a very high moral priority. IPRs do little to assist the process of evolutionary development. On this criteria what can their moral or ethical justification truly be?

However none of this recognizes the reality that the information age enables us to be sensitive in every sense to the needs of our planet and in many ways provides the infrastructure of a planetary nervous system, brain and even mind for Gaia, our Planet seen as a living entity in its own right.

Here things change dramatically because as corporate enterprise for, and not for, profit increases its relative power, measured in terms of access to planetary resources, beyond the reach of individual states it does so in a manner that increases the division of labour. Modern enterprise unlike

traditional agriculturally conceived states is so functionally specialized that in Stafford Beer's (Beer, 1981) terms it is not a viable system in isolation from other corporate entities. The interdependence of corporate enterprise is absolute, planet wide and autonomous of any state.

By analogy with human development the cells states that previously made up Gaia's being have stopped replicating as images of each other are now gastrolating to become the functional elements of Gaia's central nervous system complete with sensors monitoring every aspect of Gaia's body and health to create a mind that extends beyond the humanly based parts of Gaia's body. Livers, spleens, lungs and hearts are not viable separated from the body of which they are apart and so Gaia has little potential difficulty in ensuring the ethics of the Planetary syndrome will be maintained. For any element of this system to fail to function as the planetary syndrome requires is for the body as a whole to fail. Why would or could the heart make an autonomous decision to cease to function it may do so but not from intent.

Conclusion

This paper has sought to integrate some of the literature on the ethical and moral direction available to enterprise, community leadership and their planetary environment. It finds that such integration is possible. Second that some such differences become more significant and others less so. Cultural differences do not seem to bear particular on ethical issues but social hierarchical ones at least initially appear to do so. However when one recognizes the increasing role knowledge plays in generating and disseminating value what looks like an ethical impasse between East and West over IPR quickly disappears as do concerns about the ethical legitimacy of knowledge compounders accepting the rules set out for them by particular states relative to the standards set by others.

Clear empirical questions are raised by this paper. These require to be addressed but before rushing into such efforts future work could perhaps first concentrate a little more on addressing the conceptual issues raised. In an age where the principal source of productive value, knowledge, is in its essence communally produced and owned it hardly seems pertinent to pursue some of the issues the literature raises on the ethics of breaching local IPR legislation that cannot be effectively put into operation and even if it could would have little immediate impact.

The major dilemmas we humanity and our planet currently face are such that arguing about who owns what idea and who can use it has largely become irrelevant. This is to the extent the incentive to create faster than your competitor is not enough then states, private foundations and individuals with the skills and the time to care are it seems well able to produce more data, information processing capacity and creative ideas than we currently have the capacity to deal with. Perhaps "Let it Be" is good advice.

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