

Translating Human Endeavor into Human Well-Being¹

Tom Veblen

Human well-being advances when a society's committed citizens and their institutions' leaderships decide to collaborate voluntarily and enthusiastically in bettering themselves and their fellow citizens.

Societal Institutions (Collective Endeavors)

- The Individual to foster integrity, creativity (ingenuity), and persistence.
- Family (parents and relatives) to civilize the coming generations.
- Affiliative to amplify individual enterprise through teamwork.
 - Business to create and prudently manage wealth.
 - Politics to institute and advance sound governance.
 - Science to discover and promulgate new and useful knowledge.
 - Education to instill a love of virtue and learning.
 - Philosophy to define truth and beauty.
 - Art to refine and elevate our tastes.
- Government to assure security and tranquility.

Right governance and management at all levels of social life is a necessary condition to achieve and sustain a productive collaboration.

The social artifice of “commercial society” is the best way to achieve this modern state of affairs. Rightly purposed the societal institutions within commercial society spontaneously collaborate to better themselves, individually and collectively.

The fundamentals of commercial society are straightforward: liberty through trade and commerce; a scheme of social governance and organization designed to free self-governing individuals and their institutions to go about their own business (broadly defined); a tolerant “live and let live” society.

The United States is a prime example. Its founders, passionate about individual liberty, decided, after a prolonged and contentious dialectic, to shape their new nation as a “commercial society.” The template they devised—a “Collaborative (democratic) State”—was enthusiastically adopted and energized by succeeding generations of America's self-governing citizens.

¹ Extension of a presentation at the Hana, Hawaii *Roundtable Dialectic*, November 2015.

The American Collaborative State

1776-1812 National Self-Determination—The United States of America

1800-1865 Materializing a Self-Governing, Business-Centric Society

1860-1965 Taking the Collaborative State National, then Global

- **The Big Idea:** Individual liberty with the “individual as sovereign,” rather than the State.
- **Worldview:** Global Enlightenment rooted in free market capitalism.
- **Cultural Habits:** Endeavor, self-governance, collaboration, patriotism.
- **Operative Idea:** Commercial society (liberty through trade and commerce) to advance individual well-being—materially, intellectually, aesthetically, and morally—through the creation of wealth.
- **Governance Scheme:** A grand (commercial) republic of self-governing individuals, families, affiliative institutions, and governments informed by common sense and learn-by-doing. Individual liberty for all with free speech and private property protected by the rule of law, a “bill of rights,” and constitutionally constrained governments sustaining free markets and private enterprise.
- **Primary Institutions:** *Government* (local, state, federal, quasi-affiliative); *Affiliative*; *Family*; and, unique to America, the *Individual*.
- **Decision-Making:** An “agglomeration” comprised of self-governing institutions with political decisions guided by the rules of reason and law.

Aspiring to perfect their society—materially, politically, and morally—the American people found an exceptional way to translate 18th century Enlightenment theory into 20th century practice. And they did so by applying reason (common sense), the rule of law, and commercially-grounded cultural habits to the task at hand. This proved to be a most exceptional approach in the light of history.

The practical insights and wisdom of the Founders, combined with the scholarship of their philosophes and youthful collaborators, led to a celebration of individual sovereignty, inclusion, and collaborative endeavor.² In just a blink of historic time the country went from struggling for survival to global dominance and leadership—the key being the unleashed wit and imagination of the nation’s self-governing individuals and their affiliative endeavors.

² America’s “Grand Republic” source documents: Thomas Paine’s *Common Sense*, *The Declaration of Independence*, *Federal and State Constitutions*, *Federalist Papers*, *Ordinance of 1787*, and Abraham Lincoln’s *Gettysburg Address*.

The notion that business practitioners should play a significant role in America’s governance and political decision-making can largely be attributed to the experience-based wisdom and fortitude of the many businessmen involved in its founding—notably Benjamin Franklin, George Mason, Samuel Adams, John Hancock, Robert Morris, and George Washington. These revolutionaries understood full well the nature and necessary sequence of economic endeavors needed to achieve national well-being. Since that time the United States has often been characterized by intellectuals as a *business civilization*, a *business-centric society* or a *commercial Republic*. Defining our society in these terms acknowledges the central role its business practitioners have played in the governance and management of our society: turning innovative ideas into useable technologies; producing a seemingly endless flood of every-day useable goods and services; initiating and enabling eleemosynary projects; and actively engaging in civic affairs.

Business Practitioner	Business Wealth Creation	Beyond-Business Wealth Creation
THE FOUNDERS		
Benjamin Franklin 1706–90	Franklin Printing	Governance/Invention/Philanthropy
George Mason 1725–92	Gunston Hall	Governance/Invention
George Washington 1732–99	Mount Vernon	Governance
THE FOUNDERS HISTORIC SUCCESSORS		
Cyrus & Nettie McCormick 1809–1915	McCormick Harvester	Invention/Philanthropy
Andrew Carnegie 1835–1919		Carnegie Steel Philanthropy
James J. Hill 1838–1916	GN Railway	Governance/Philanthropy
John Rockefeller 1839–1937	Standard Oil	Invention/Philanthropy
William W. Cargill 1844–1909	Cargill Elevator Co.	Invention
Thomas Edison 1847–1931	General Electric	Invention
Henry Ford 1863–1947	Ford Motor	Governance/Invention/Philanthropy
Alfred Sloan 1875–1965	General Motors	Invention/Philanthropy
Wm. Knudsen 1879–1948	General Motors	Invention/Governance
Will Clayton 1880–1966	Clayton Anderson	Governance
John MacMillan Jr. 1895–1960		Cargill, Incorporated Invention/Governance
Ray Kroc 1902–1984	McDonald’s	Governance/Invention
Steve Jobs 1955–2013	Apple	Invention

THE CONTEMPORARIES

David Rockefeller 1915-	Chase Manhattan Bank	Philanthropy/Governance
George H. Bush 1924-	Zapata Petroleum	Governance
Whitney MacMillan 1929-	Cargill, Incorporated	Philanthropy
Charles Koch 1935-	Koch Industries	Invention/Philanthropy
Michael Bloomberg 1942-	Bloomberg LP	Governance/Philanthropy
Donald Trump 1945 -	Trump Group	Governance
Mitt Romney 1947-	Bain Capital	Philanthropy/Governance
Larry Fink 1952-	BlackRock	Invention/Philanthropy
Oprah Winfrey 1954-	Oprah Winfrey Show	Philanthropy
Bill Gates 1955-	Microsoft	Philanthropy
Ron Johnson 1955-	Pacur, Inc.	Governance (WI Senator)
Tim Scott 1965-	Allstate Insurance	Governance (SC Senator)

In 1926, one hundred fifty years after the American Declaration of Independence, Calvin Coolidge took note of the American society's business centrality.

...After all, the chief business of the American people is business. They are profoundly concerned with producing, buying, selling, investing and prospering in the world. I am strongly of the opinion that the great majority of people will always find these are the moving impulses of our life. But it is only those who do not understand our people, who believe that our national life is entirely absorbed by material motives. We make no concealment of the fact that we want wealth, but there are many other things that we want much more. We want peace and honor, and that charity which is so strong an element of all civilization. The chief ideal of the American people is idealism...The accumulation of wealth means the increase of knowledge, the dissemination of intelligence, the encouragement of science, the broadening of outlook, the expansion of liberties, the widening of culture....So long as wealth is made the means and not the end, we need not greatly fear it.

Persistently going beyond business wealth-creation and invention, America's business leaders have stepped forward to engage both historically and contemporaneously in national governance and philanthropy.

Though Coolidge got it right, the United States of his time was actually headed pell-mell into an extended period of social disruption. Over the next half century, the culturally wrenching effects of the Great Depression, world wars both hot and cold, and a virtual "firestorm" of technological innovation and population growth profoundly affected the "being and becoming" of our society.

The Administrative State

1914–1965 Defining Social Progressivism
1933–2016 Materializing a Government-Centric State

- **The Big Idea:** The State as sovereign (not the Individual)
- **Worldview:** Social Justice, Administrated Markets, and Equality of Outcomes.
- **Cultural Habits:** Rights, Entitlements, and Political Agitation.
- **Governance Scheme:** An Administrative (entitlement) State comprised of a mixed bag of local commercial and state-administrated societies ruled by a techno-political elite.
- **Decision-Making:** A self-selecting technocratic elite presiding over by a central government closely regulating all affiliative and individual endeavors.

Proponents of the Administrative State justify increasing government regulation by citing the rash of public problems bedeviling us. In no particular order these include public finance, rising national debt, continuing deficits, depreciating currency, rising violence in the K–12 public school system, rising truancy and dropout rates, mounting reliance on food stamps and other welfare programs, increase in corporate inversions, rising college tuition and student loans, rising health care costs, failing public pension schemes; illegal immigration; fraught foreign relations, the rise in inner city violent crime, incarceration rates, and police shootings, rising drug addiction (particularly prescription pain killers), deteriorating transportation infrastructure, environmental degradation and climate change, food safety (particularly for imported fresh foods), legislative grid lock, late term abortion, and so forth and so on.

In the light of growing alienation and too many unattended social problems, the public's urge to centralize societal decision-making (both political and operational) gains currency. The State is encouraged to centralize planning and control over vital elements of the economy, including communication, finance, transport, healthcare, and education. Working its will through government the authoritarian instinct suborns the private sector's self-governance and initiative, dampening its creativity and diminishing its ability to innovate.

This, history informs, has been a root cause for the failings of democratically governed societies.

The Business Equation

So how do American business leaders think about the growing power of the State and its usurpation of individual and collective liberty? It depends on the business sector.

America's "gone-global corporate behemoths" like Coca Cola, Boeing, Exxon Mobile, Microsoft, Caterpillar, Cargill, Incorporated, Alphabet (Goggle), and Apple are seemingly unruffled by the American state's growing aggressiveness in directing commerce and regulating its markets. Equipped to negotiate on equal footing with nation-states, these remarkable business

enterprises aggressively and successfully pursue business opportunities as they emerge. They visualize government as a “partner” in shaping and regulating the global marketplace to their advantage. American behemoths favor an American government that is strong enough to provide the support they need to pursue their winning business schemes and ventures globally, and pliant enough to respond quickly to their needs. They consider domestic politics as interesting, but not central to their interests—in fact, a distraction. Subsequently, their decision-making freedom is challenged, the idea of “inversion” becomes real and they move on to friendlier jurisdictions.

America’s iconic “Fortune 500 winners”—Nucor, Wal-Mart, McDonald’s, Koch Industries, Hershey, Kellogg, John Deere, Whole Foods—chaff under, but ironically profit from, America’s growing administrative state with its rapidly increasing government regulatory regime and its increasingly opaque bureaucratic diktats. They view encroachment of foreign firms in domestic market as an existential threat to be dealt with by intensified lobbying of federal and state governments to maintain “a level playing field,” through government mandated tariffs, targeted regulation, or subsidies. The Fortune 500 have recently been roused politically, disturbed particularly by the sudden lurch to the left by social progressives. Political contributions, association lobbying, and public relations campaigns are their preferred methods for influencing the actions of government. For the most part their leadership remains silent on fundamental issues of governance.

Quite apart from for the behemoths and icons, the nation’s ubiquitous “traditional business sector”—i.e., the millions of small and medium sized local and regional business firms—is locked in an increasingly harsh business environment. Weighed down by an ever rising complex of federal, state, and local regulations, rising taxes and fees, and subsidized competitors, the owners and managers of these essential but more mundane businesses are increasingly alienated, mutely awaiting the emergence of a political leadership equipped and motivated to provide the kind of governance required to advance commercial society.

And so the role of business-citizen-as-civic-leader has diminished. The largest of our corporate businesses are in thrall to the challenges of globalization; our iconic corporations run to stay in place in the midst of a firestorm of technology and the invasion of their domestic markets by foreign producers; and the owners and managers of tens of thousands of small and medium-sized business endeavors are forced to concentrate on survival in a rising flood of wrong-headed, expensive government regulations and cheap foreign goods.

With business distracted and looking inward, the American Collaborative State is being supplanted by an American Administrative State hostile to the commercial values of endeavor, collaboration, and self-governance.

So What?

The prospect for American business is determined by its willingness to deal with the complex factors impeding modernity. The critical issues it confronts give pause:

- **Wealth Creation**—The world’s social progress rests on the capacity of its nations and peoples to create, manage, and invest wealth. Eight hundred million poverty-constrained,

nutritionally-deprived persons offer mute testimony to the capacity of our traditional schemes of governance and management to advance human well-being globally.

- **National and Global Security**—The global terrorist enterprise calls into question the efficacy of our present approaches to globalization. Business has a vital role to play in assuring reason and common sense determine the needed changes in global governance.
- **Societal Governance**—Authoritarian schemes of governance are not conducive to improving human innovation and productivity. Commercial society provides a viable alternative.
- **The Natural Environment**—The question persists, how best to steward the natural environment in the face of rising world population. This calls for “all hands on deck” with the world’s population rising beyond 7,000,000,000 souls.
- **Business Conduct**—The cultural assumptions underlying business are everywhere different. Yet the principles underlying business superiority are everywhere the same. How best to gain universal acceptance of the *Way of Business*?
- **Business Leadership** (writ large)—Slice and dice the issues however you will, improving the human condition calls for enlightened business leadership.

The United States did not achieve its preeminence by accident. It was willed into being as a commercial republic by a dedicated band of revolutionaries, including, prominently, its business leaders. No doubt our future is being shaped by its history of social innovation.

Despite the strains of our current fraught social passage, American society and its institutions remain “alive” and open to leaders dedicated to making things better. We understand from experience that change presents the opportunity for bettering ourselves. Setting purpose, governance, and management right, and in order, comes naturally to practitioners looking to improve their enterprise. The same applies to the whole of society as well.

Given the critical changes occurring in the governance of our society, it is once again time for self-determining American business leaders to join their fellow citizens in setting right the national purpose, and in doing so rediscover as a people the innovative power of endeavor, collaboration, and self-governance.

If not us, who? If not now, when? And how?

Copyright©2017 Tom Veblen