

making money yet growing poor

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The Post-Corporate World – Life After Capitalism

David C. Korten

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Those who have read *When Corporations Rule the World* will not need me to introduce David Korten's latest book *The Post Corporate World*. However the title could discourage those who don't have a business or economics background. Don't be misled. This is a very readable book because essentially David Korten is a good story teller. Too often very radical and important books (and this *is* an important book) do not reach the readership they deserve because the reader can be forgotten in the rush to deliver new insights. Not so in this case.

David Korten shares with the reader his own journey of discovery. Reading this book one is intrigued and excited in a way that is rare in non-fiction. The intrigue comes from watching Korten unravel the mystery of how we have been so smart and yet so dumb in the way we have organised our world. The excitement comes from exploring truths that we instinctively recognise yet are never explored by our homogeneous mass media that feeds us the same diet of pap every day- *globalisation blah blah sustainable growth blah blah competitiveness blah blah new economy blah blah*.

David Korten started life (like many of us) as a firm believer in the values of the Western industrialised world. He was inspired with missionary zeal by his history tutor to forego a business career and instead go out extolling the benefits of *economic development* to our less educated brethren in the 'Third World'.

Having spent over thirty years as a development worker in Africa, Asia and South America he has learned at first hand the true impact of this development process not just in the 'Third World' but also in western industrialised countries. The relentless pursuit of economic growth at the expense of people and the environment. The confusion between money and real natural wealth and the way it distorts life itself. These were the starting points for Korten's journey.

However the book is much more than a simple rant against the forces of globalisation and capitalism. It is a powerful and thoughtful analysis that makes the break with the *mechanistic* view of the earth that dominates western culture and uses the *organic* model for our society that offers many useful examples and lessons for the future.

One of the most powerful of these lessons is the analogy of capitalism as a cancer within the global body. Like cancer cells, capitalism overcomes the body's natural rejection mechanisms by disguising itself as being a normal and integral part of the body. So nobody questions the money system. We accept our money system as being normal when, as Korten explains, it is far from normal, natural or even very effective. The other feature of cancer/capitalism of course is that it ultimately destroys its host.

The book is neatly segmented into four parts.

The first part *The Deadly Tale* describes in very clear terms the way we have been seduced by the most powerful communicators in the world into believing the capitalist's story. That money above all else is the defining measure of human ambition and of wealth. Hence the institutions of money take precedence over the truly productive human activities.

Yet as King Midas discovered you can't eat it and you can't use it as a substitute for a loved one. We have been fooled into confusing money with the true wealth of the world such as clean air and water and the mineral and natural resources that have been laid down over aeons of creation.

Yet Korten makes a very clear distinction between the market and capitalism. This is quite refreshing as very often anti-capitalist authors do tend to confuse the two. Korten goes back to the father of modern market theory Adam Smith, the man most often mis-quoted by Celtic tiger cubs. He discovers that Smith believed that markets, to be efficient and effective, should be based around small, locally-owned enterprises. He would almost certainly not have been in favour of the monopolistic, global mega-corporations that currently control our lives.

The distinction he makes is stark. Capitalism is for use of money for the benefit of those that have money. Healthy markets are life-based and have as their purpose the employment of available resources to meet the basic needs of humanity.

The second part of the book is titled *Life's Story*. The story is literally the story of life on our planet and it puts our presence into the context of 15 billion years of evolution and charts the development of life on Earth and of the true natural wealth of our planet, mineral deposits and bio-diversity. This a helpful preamble to the development of the organic paradigm that is so useful in exploring how we relate to the world. In the West we have operated on the materialistic, rational model propounded by Descartes and Newton that has dominated our approach to nature, medicine and of course, money.

Korten tells us that we have much to learn from the way that healthy organisms operate. Human society is not a machine. When we try to operate as machines things go badly wrong. When we use the organic model we are much more likely to have healthy relationships and societies. Korten draws a number of lessons from life's wisdom. They are very familiar and will resonate

equally with the community worker, the priest, the businessman and the farmer. It is worth quoting them here:

1. Life favours self-organisation
2. Life is frugal and sharing
3. Life depends on inclusive, place-based communities
4. Life rewards co-operation
5. Life depends on boundaries
6. Life banks on diversity, creative individuality and shared learning

The third part of the book is called *Envisioning a Post Corporate World*. The question usually asked of anyone attacking the status quo is 'Well what's the alternative?', the implication being there is none. Korten (if I can use one of his favourite words) is mindful of this fact and he draws a very clear picture of the alternative. (This will be very useful as many observers already feel that we might need an alternative quite soon if/when the American stock market goes 'pop'.)

Again the organic view of society is developed and shapes Korten's vision of how politics, finance, business and community can and must work in the future. A key factor of this vision is how markets work. Korten talks about the '*Mindful Market*' and how capitalists traditionally escape responsibility for the consequences of their actions. 'So land is poisoned for years to come, so what? So people are thrown out of work and have to emigrate, so what? So we are damaging the global environment, so what? We have only one responsibility, to our shareholders. We cannot afford ethics or morality.'

The capitalist cannot afford morals. That is why it is much easier for large corporations with no physical or emotional ties to people or place to create such havoc and human misery. It is not even efficient by their own standards.

So again drawing on the work of Adam Smith, Korten has formulated a set of rules for mindful markets that could make an excellent mission statement for any business with an eye to the future. Fundamentally these rules are life-based rather than money based. It's amazing how common sense always sounds so obvious when you hear it but then you hear it so rarely. It is a sign of how far we have strayed that books like this are so essential. We have to explain to ourselves that really we are all born with a shareholding in this world and that this should not be denied us.

The fourth and final part of the book is called *Coming Home to Life*. Rather than leaving us angry and helpless Korten gives us chart for how we must change our way of thinking and our way of being if we are to survive as a species. The process of globalisation is already far advanced and with its inherent instability, somebody needs to be planning for the future. Without giving it all away it won't come as a surprise if I tell you that the architects of the EU, EMU, GATT, NAFTA, WTO and the World Bank would not be charmed.

The mere fact that a book such as this has been written at all may be a sign that we are coming out of the dark age of capitalism. It is doubtful if such an analysis could have taken place even

ten years ago. Frijtof Capra (who is also quoted in the book) would have come closest with his seminal work *Turning Point*.

You certainly don't have to be an economist to read this book but it should be on the curriculum of every economics degree course and every business studies course.

But you should read it. Get it now. It will cheer you up and it might even change your life.

David O'Kelly is a member of the FEASTA committee. He is currently researching the links between the money system and what he describes as 'the many cracks apparent in the fabric of modern society due to unbridled economic growth.' After holding a number of senior management positions in industry, he now works as a management consultant. He has been active in local politics and community development for 30 years and has served as a local councillor. He lives in Co. Wicklow.



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