

# **GROWTH AND QUALITY OF LIFE**

**Keynote speech given by M. Antoine RIBOUD**

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## **There is only one earth. We only live once.**

Economic growth and the market economy have transformed and completely changed living standards in the Western world. About that, there is no debate. However the result is far from perfect.

First, this growth has not brought “justice” along with it; too many people still exist below an acceptable standard of well being, whether in the places they live or in the places they work.

We cannot accept that this growth has left so many “outcasts” in its wake: the elderly, those without adapted skills, the sick, and certainly workers, many of whom have not benefitted enough from the fruits of growth.

What’s more is that this growth has also generated both individual and collective problems. It has often sacrificed working conditions and the environment in the name of economic efficiency. This is why this growth model has been contested, and moreover, rejected as the end all be all of the industrial era.

Today, people demand a sense of purpose and the ability to choose, to take into account the quality of their lives.

Leaving things the way they are for any longer, and continuing to trust in the Law of Chance, will undoubtedly lead us to Revolution.

## **We must set human and social objectives**

Can we not rise to meet this challenge?

I am neither an economist nor a sociologist, and even less so a futurologist. I simply run a company and I feel passionate about the job I do. I would just like to offer a few things to reflect on. Above all, it’s important that we don’t settle for just talking, for what I would call a Saturday night fireside chat. This is all much too serious for that. We have a duty to set ourselves to human and social objectives, or in other words:

- On one hand, endeavoring to reduce excessive inequality in living and working conditions
- And on the other, working to provide a response to humanity’s deepest aspirations and to find values that guide growth in a way that improves quality of life. Then we have to apply these values in both our corporate and communal lives.

The first objective: reducing excessive inequality.

We can’t talk about choice, or about quality of life, if the purse is empty.

As we've seen in all developed countries, increasing national wealth has been accompanied by a deterioration in conditions for the less privileged; we have to restore a sense of hope in the possibility for change to all of those who feel like they are worse off than their fellow citizens. We have to admit that excessive inequality is pervasive throughout our modern societies. It's present in wages, working conditions, housing, transportation, access to culture and leisure. It's in the frustration felt by all those who cannot offer themselves even the smallest piece of what the advertising that surrounds them says is "essential for their happiness."

Our primary objective is to no longer have people living in material situations that are below the threshold for wellbeing. This is a question of collective consciousness.

And don't let anyone tell you that achieving this will ruin the economy, or that we are not a wealthy enough country. Instead, let's listen to what Valéry Giscard d'Estaing said recently: "Who would have asserted 70 years ago that growth and the market economy would survive all the social constraints that have been imposed on it throughout the 20th century? [...] I think the market economy will have many other social reforms to digest before the year 2000."

### **Having, Being, Being Empowered**

Now that we've defined our overarching social priority in these terms, let's continue along this line of thought.

So many are fed up with the current situation, where material wellbeing, creature comforts, radio and television entertainment, are inseparable from "the daily grind."

You recognize the slogans from May '68. Young people — half the world's population — were the detonator. And how did we get to this point, to these revolutionary days that have shown us how blocked out society is? Growth enabled a large democratization of consumerism, and yet for so many, producing and consuming has become insufficient, and taking things even further, a society of overconsumption has resulted in alienating people from each other.

To come back to today's youth, some see current trends as proof of declining moral standards. Nothing could be further from the truth. To me, these trends express two desires: first, the adoption of miniskirts and long hair to signal the abolition of taboos, and second, the adoption of blue jeans as a means of participating in a collective consciousness. All of which demonstrates a desire to live simply, far from everything artificial and purposeless. It would be very superficial to only see this attitude as nothing more than the self-expression of a spoiled generation.

Because of growth, the development of radio and television has spread information and democratized knowledge. So how can we imagine that people from the ages of 20 to 50, who have attained the culture and knowledge that comes from secondary and

university education, and from permanent training, would accept being denied the possibility to freely choose their destinies in order to submit to a completely faceless industrial society, whose ultimate purpose they do not understand?

Denying someone the use of their knowledge, that's like giving a Honda 750 to all the motorcycle enthusiasts and then forbidding them to drive it. Forcing them to leave their motorcycle in the garage! This is what Raymond Aron called "the disillusion of progress."

Should we stop pursuing knowledge? Stop economic growth? Should we send everyone back to the more human workplace of the countryside? No, all of that is impossible, and even absurd.

Stopping economic growth would simply restrict access to a high quality life to those who already enjoy it. Stopping research and development would be refusing to find technical but expensive solutions to problems like pollution, work flexibility, decentralization, restructuring our cities, etc...

So what should we be looking for? There seems to be no doubt that we have to find new values that recreate quality of life within the reality of today's industrial world.

In this respect, Jean Bassinet stated the following at a conference in Venice: "The demands of *Being* and *Being Empowered* go hand in hand with the demands of *Having*."

**Having**, is getting your share of the wealth that humanity generates from the planet through growth.

**Being**, is having a place and understanding your role in a company.

**Being Empowered**, is being able to put your own creativity to work in in your job, and being able to take initiative to meet your responsibilities.

In fact, to meet the demands of **Being** and **Being Empowered**, we have to recognize three values: **Solidarity**, **Responsibility**, and **Personalization**.

However, the concept of "efficiency" clashes with the needs of Having and Being; we need efficiency to integrate the needs of Being, and to lose the priority status it has had over the past 30 years.

The new challenge for politicians and entrepreneurs is in successfully balancing and integrating these three values, Solidarity, Responsibility, and Personalization, while not forgetting the objective, in terms of resources, that was outlined by Roger Garaudy: "Things must be done with and through people, rather than for people."

It is clear that growth should no longer be an end in itself, but rather a tool used to serve our quality of life, rather than being detrimental to it.

This brings me to the issue of growth and quality of life, first at the community level, and then at the company level.

### **Responsibility to the Community**

People work eight hours per day. A company's responsibility does not stop at the factory gates or the office door. Its actions have repercussions throughout the whole community, and influence the quality of life of each citizen.

Businesses are implicated in everything from housing to washing machine detergent: they create, they produce, they sell. Moreover, the jobs they provide affect individuals' whole lives. The cities they live in, their accommodation, their transportation, their leisure time. Their futures, and their children's futures, depend on what possibilities for change and advancement businesses offer.

And businesses are slowly changing even the very balance of our planet through the energy and primary resources they consume, and the pollution they are responsible for.

The public reminds us of our responsibilities in this industrial society. A recent example that I will be careful not to analyze in terms of political consequences: Norway's refusal to join the Common Market. There are many reasons for this decision, but one in particular should attract our attention—young people from across the country voted massively "against." Why? Their quality of life. Europe does not have an image as a community that is marching towards "greater wellbeing." Instead, Europe's image is of trade and merchants, one of multinational companies.

Another example of our responsibility in the eyes of the public: the organizations that are being created virtually every day to defend quality of life. From "consumer associations," to "public transit organizations," to even an "association for the defense of a row of plane trees."

In France, the first consumer groups had just a few hundred members. Today, one of their main magazines is signing up 300 new subscribers every week, and a fortnight ago at the first consumer fair in Paris, Ralph Nader was talking about creating an international consumer organization. It's also worth mentioning Municipal Action Groups, which are encouraging citizens to find their own solutions to serious problems in their cities.

Whether local or national, with ten members or a thousand, all of these organizations and pressure groups are expressing the same desire: citizens are coming together because they feel concerned about a problem and they have decided to take control of their own affairs. They believe they have the ability to propose better and more constructive solutions.

This right to speak and act is complimentary to the right to vote in a political democracy. It is a modern way of expressing yourself, and one that corresponds to the industrial era that growth has brought us to. So, how will companies react in the face of this new collective maturity in people?

The problem here is similar to a marketing case study, an approach that has allowed us to perfect our methods of detecting and developing a certain component of human behavior—our consumer appetites. However, by focusing solely on this “truncated citizen” as Ralph Nader has termed it, we may have neglected other dimensions of the individual. Perhaps even to the point of taking away an individual’s initiative to express their own needs. Here again we are very good at doing *for*, but we have forgotten to do *with* or *through*.

So, why don’t we put the same energy into understanding the aspirations of local authorities, consumers, and the State?

We must work together in two phases: **Listen and Inform**, and then **Negotiating and Planning**.

### **Stage one: Listening and Informing**

You are probably thinking that this first phase seems quite unambitious—and yet, if we adopt it, it will be a true revolution in the way we do things. The first thing we must do is listen to these groups of citizens who are speaking up for their quality of life, and voicing their needs, desires, and ideas.

We must not counteract or silence them. To the contrary, we must hope that they develop, express themselves, remain independent, and become valuable intermediaries. We can do that by providing them with sincere information.

Many of the campaigns currently launched by these groups of consumers and citizens appear unjustified. The fault for that lies with us. They are navigating in the fog, and thus they have chosen their targets poorly. If we don’t adopt an attitude of “openness,” we risk rupture and open conflict. We took too long to recognize unions as the preferred representatives of employees. Let’s not make the same mistake today!

### **Stage two: Negotiating and Planning**

Next, we need to negotiate and plan with these advocacy groups, with local municipalities, and with public authorities.

Once we know the demands of pressure groups, we can work with them to plan the changes that their demands imply for our corporate policies. This consultative attitude is the only way of avoiding sudden decisions from the state, or negative reactions from the public.

## **Then, negotiating change with local authorities.**

Companies are widely involved in urban life in terms of events, commutes to and from work, and economic development. And so companies have to plan ahead and assess the consequences of their decisions in terms of solidarity, personalization, and responsibility. To do this, they should meet regularly with the local authorities concerned (the mayor's office, the Chamber of Commerce, etc), set up a permanent structure for dialogue, and encourage company staff to take on public responsibilities. This allows for a collective analysis of community issues.

Here in Evian, after a study carried out by a consultant, we have only just realized that B.S.N. controls 1/5th of local jobs, is at the origin of more than half of the city's tax receipts, and owns around 10% of the city's land.

Dialogue with municipal authorities has highlighted that better use of tourist activities and land would significantly help increase the Evian community's financial resources. Making better use of our assets and focusing them on developing the town will be one method by which we will contribute to the community within the framework of municipal policy.

## **Lastly, negotiating and planning change with the State.**

The word STATE makes many people react negatively, and yet faced with the sheer scale of the quality of life problems confronting the State, we have to come to terms with our responsibilities and openly participate in debate on the major options before us, and what implementation of decisions will look like.

It's fundamental that the leaders of major companies be involved in major debates and planning. This is the chance for the State to tell us what the main long-term needs of the community are. Daniel Jansen, a member of the Rome Club, has the following to say about some of the big choices before us:

- "Do we want cheap food, or a wealthier Third World?"
- "Do we want to visit pristine natural reserves, or have the freedom to throw plastic bags from our picnics wherever we want?"
- "Do we want to come to the office by car, on a highway that cuts straight to the city center, or do we want to protect the beauty of our old cities and use public transit?"
- "Do we want cheap products, or pollution-free factories?"

Only the State has the right to set out how we rank our priorities in these areas, and businesses have the role of adapting themselves to those decisions as appropriate, and as efficiently as they can. This is how the market economy really works today.

This dialogue can very quickly have positive effects—for example, as proven by the recent agreement between the paper industry and the Ministry of the Environment on gradually reducing pollution in the paper industry.

In other cases, it's the manufacturers themselves who have to take the initiative. For example, the "Clean Vacations" campaign aimed at reminding consumers on holiday that they shouldn't litter the coastline, lakesides, and forests with their plastic trash in order to avoid plastic waste from becoming a public disaster.

Let's put our creative dynamism to work in the service of all the collective issues where our companies are involved. This is the area of impact we can have while remaining focused on our primary space for action—the heart of our businesses themselves, which is where we will primarily be held responsible for our successes and failures.

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## **The company**

First, I want to talk about issues involved in demands for HAVING. In other words, basically wage demands.

Initially, I have to remind you of the divide that exists between the PRODUCER (people at work) and the CONSUMER (people at home).

The first situation is marked by rigor, automation, obedience, and insecurity. The second, by freedom, fantasy, leisure activities, traveling, etc.

What a difference there is between ECONOMIC considerations, which hold back wage increases, and the message pushed by ADVERTISING, which encourages consumption. Do you have to be a superhero to understand this?

Today, everyone acknowledges that the balance between demands over HAVING and a business's economic constraints is the fruit of negotiations, and sometimes disputes, between unions and corporate management. Each side has a role to play. This balance isn't static—it's constantly being adjusted. But wouldn't it be better for discussions to refer to clear and objective economic and social data, like cost of living indices or other social indicators as defined by Jacques Delors in his book?

To bring to a close this discussion on the demands for HAVING, I think it's good to remind ourselves of what Valéry Giscard d'Estaing said: "Our concerns must focus on eliminating poverty than setting up barriers to wealth, as long as it is decently acquired."

Now, satisfying demands around BEING involves setting up values—of SOLIDARITY, RESPONSIBILITY, and PERSONALIZATION. Of course the question is, how can we do this?

Let's look at how EFFICIENCY has been able to provide a solution to the uncertainty about the future that predominates in business: modern managerial techniques have replaced intuition and routine. These techniques allow us to assess the strengths and weaknesses of a product or a potential market, and then determine actions. This is long



term strategic planning, based on short term budgeting, that ultimately allows a company to progress towards the complex objectives it has set for itself, or if you prefer, to face up to technological change. This is objective economic-based management, which allows us to coordinate the efforts of a large number of individuals, sometimes with diverging opinions, in a single project.

I strongly believe that we have to use this same method, with all of its executive rigs, in order to solve the demands of BEING.

Therefore, companies should formulate a sort of Social and Human Five Year Plan, with the aim of setting the objectives of BEING to the exclusion of the demands of HAVING, that is, wages; every year operational phases would be set up and would constitute a type of social contract for a company.

This plan would include the aspirations of base operators, workshop operators, supervisors, and executives, with each calling on the abilities of all the professional groups that exist, like unions, work committees, and their specialized commissions, occupational health, etc...

The Human and Social Plan would not only cover modifications of structures and decision-making mechanisms, but also desired changes in attitudes.

How can we make such a plan happen?

First, we have to draw up an inventory of issues, find out what is not going well in each working sector, and ensure that each group participates in producing this inventory. This will uncover many simple things that are currently unknown.

Here are a few examples from among many:

- knowing the time between when a request is submitted at the workshop level and when an answer is received from management,
- knowing how rare it is to have direct dialogue in the workshop,
- finding out everything that divides people, and what stops them from simply meeting,
- getting a feel for the excesses of rationalization by **identifying subjective variables** such as: attachment, availability, hope, expectancy, etc ...
- in-depth examination of interfacing within the company, and in this respect:-
  - how many union leaders complain that they don't know the "people at headquarters," those who take the final decision,

- how many executives admit that they have only met the director once, even though they came to the factory two years ago,
- how many nurses and social workers say that they only meet the boss by chance.

These are small details, but they speak volumes! Like,

- listing out little privileges: locked bathrooms reserved for management because they have toilet paper in them, versus those open to anyone because they don't have toilet paper. Or company restaurants with different menus!

This inventory would produce an increase in collective awareness of human issues within the whole company.

**Rediscovering that personalization plays a key role in authority: we want to know and be known by the leader.**

These shouldn't just be nice words, but a fact that makes it necessary to open up to action programs that challenge methods, habits, and structures. Deeper reforms should be planned and scheduled.

I briefly want to talk about the reforms that I consider to be priorities:

### **1. Improving relations between people**

This is certainly the most difficult issue to address, because tension is often tough to detect, and let's be honest: perfect communication is something that cannot, and won't ever exist.

That doesn't matter, though! Systemic analysis in this respect has to lead us to detecting and eliminating humiliation, harassment, and the fact that people don't listen to each other, that people don't answer each other, and in transforming a management that controls without helping, or that shuts itself inside its offices and its power.

The current structural organization in the factory and at headquarters—the appearance of a new elitism that is the consequence of partitioning functional and hierarchical managers—isolates these individuals from their colleagues. These managers then become strangers and foes, incapable of understanding their colleagues and hiding away behind an inextricable network of barbed wire fences that surround the structures. Efficiency has led us too far down the road of the super-rational, and we have to reinvent the group, the team, and the community in our work.

Creating conditions that are favorable to learning values like Responsibility,

Solidarity, and Personalization is unfortunately a problem that can't be dealt with by either mathematics or a computer. It's a question of goodwill and permanent vigilance.

## **2. Increasing job security**

This is a real problem because it involves the need for security and dignity with respect to social position and family responsibilities. And yet, prohibiting ourselves from reducing workforce redundancies would effectively mean giving up a market economy. So what can we do?

For small and medium-sized companies, this problem can only be solved by setting up close links with public authorities and specialized labor services, like a workplace regulator or labor ministry. This should be the priority focus of organizations in charge of regional development.

For large companies, the ground rules have to be much more strict. As Octave Gelineer wrote, "it is normal that everything has a price in a market economy. Mobility has to have a price, and that price is high."

It is certain that in the event of an economic recession, reducing staff redundancies should only be a last-resort solution.

Indeed, in this case, HUMAN BEINGS must not be considered simply as units that represent added value and which can be eliminated in order to satisfy the demands of efficiency.

I don't believe that there are many unpredictable scenarios, and in this respect, both legislation and a company's own strategic objectives can come together to resolve this problem over time.

So, to cover the problem of job security, the Human and Social Plan should focus on forecasting personnel management in terms of both quantity and quality.

## **3. Fostering Information**

This is a vast subject covering both values of personalization and efficiency. The first task of information is to make a company's personnel aware of the "facts."

I'm always struck by the way that executives, personnel, and unions understand the things I was mentioning a few moments ago, about the effectiveness of a company's strategic objectives.

I would even go so far as to say that in this area there is a feeling of trust, credibility, and security.

On the other hand, the same is no longer true when we talk about operational effectiveness. In other words, marketing, rationalization, profitability, and standardization.

The main reason for this is that our language when it comes to these things is generally impossible to understand. We have to invent a simple and direct language. But it's not just about language, it's also about figures. Accounting is generally the work of specialists, whereas it should be a way of assessing and judging, and very quickly made available to each group in a company.

The second task of information is to make all personnel aware of a company's ground rules. What ground rules, when applied, would result in implementing the values of Solidarity, Responsibility, and Personalization?

Once again, this involves simple things that only have true value when meticulously applied:

- a company's organizational chart
- functional definitions
- assessment criteria for senior management
- policies and procedures manuals for management
- job assessments
- etc.

We can see that the job of informing goes far beyond simply publishing happy notices about company events in glossy brochures, or reporting on newsworthy activities.

#### **4. Developing Better Jobs**

This is basically the search for personalization. The division of labor should be reduced, solutions should be found for repetitive jobs, and remedies should be provided for the drawbacks of working on a production line. We talked enough about this earlier for me to not go over it again. I would simply add that giving value to a job should not only be a way to increase productivity—in fact, it's a way of attacking the root's of someone's alienation in their work.

In this respect, we can look at other subjects:

- abolishing individual productivity bonuses
- narrowing the range of different remuneration and benefits
- harmonizing statuses
- increasing flexibility in working hours
- reducing the size of work units
- creating training programs suited to real operator needs

## 5. Health, safety, and pollution

Combatting noise, heat, dust, etc. inside plants is a fundamental condition for operator wellbeing. Action in this area offers the possibility of more closely coordinating with operators in order to improve work conditions.

It seems entirely reasonable to plan socio-medical budgets that are decentralized at the base entity level and which would be self-administered by the people concerned.

That way they could decide take into account advice from specialists in occupational health and decide for themselves on what changes they want to implement in their environment, and then implement and monitor them.

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I won't claim to have covered all of the issues that could come under the umbrella of BEING in these various examples. Each person should contribute their own ideas. But I wanted to focus on the need for shared and participatory analysis, thus hopefully avoiding confrontation between professional groups.

However, no plan can be complete unless it includes assessment criteria and a control method.

Concerning assessment criteria, it's easy to establish this when it comes to Efficiency, since we can compare everything and there is one accounting unit: profit. Indeed, this simplicity is one of the prime justifications for assessing based on this measure.

Finding assessment values for BEING, on the other hand, is a difficult matter. A few quantitative criteria can be used with caution, like rates of absenteeism, personnel turnover, and the number of workplace accidents. However, that is not sufficient. We have to create social indicators developed by major specialists, by socio-psychologists.

Controlling the value of EFFICIENCY is easy: at the workshop level, it's done by budgetary controllers, and at a company level, certified accountants are there to certify the reliability of data, and the C.O.B. is there to ensure compliance with the economic ground rules. Lastly, the stock exchange can hand out sanctions.

Controlling the values of BEING is more difficult.

Social controls can be easy to set up at a workshop level. But at the company level, I think we will need to create a very high level college of experts who would have the annual responsibility of signing a social report intended for all staff.

There it is—the crucial point about assessing and controlling. In fact, today companies and executives are judged, assessed, and sanctioned according to the achievement of economic objectives.

POWER in a company, most often held by the techno-structure, will only mean something if the values of BEING have been complied with.

The role and responsibility of a company's leader then takes on a new dimension, with the boss also subject to two assessment criteria:

- the achievement of economic objectives relative to stakeholders and the environment,
- the achievement of human and social objectives relative to the personnel

In order to achieve this dual goal, a leader would have to find a dynamic balance between the four values of EFFICIENCY, RESPONSIBILITY, PERSONALIZATION, and SOLIDARITY.

And now it's time to conclude.

Many will only see superficial ideas or a utopic vision in my reflections. Perhaps. But *this* should not be an alibi for an egotistic and narrow-minded approach that secretly thinks that the status quo will muddle through the current generation. To the others, to those who have kept their youthful imagination and doubt, I would remind them of Garaudy's statement: "The true alternative is a militant and creative faith in which reality is not only what it is, but also all of the possibilities in a future that always appears impossible for anyone who does not have the power of hope."

At the start of my analysis, I suggested that we rise to meet the following challenge: placing industry at the service of people, reconciling industry and humanity. It is obvious that we have used our creative genius to serve growth, but we must be careful not to create an imbalance between resources and goals. Naturally, it is difficult but not impossible. I strongly believe that we can be both *efficient* and *human* on the condition that, as written by the poet Rene Char, "we plan as a strategist and act as a primitive."

We should lead our companies with our hearts as much as with our heads, and we should not forget that while the energy resources of the earth are limited, those of humankind are infinite as long as we feel motivated.

Thank you for your attention.