

Paradigms in Progress: Life Beyond Economics

by Hazel Henderson (Knowledge Systems, 1992)

Reviewed by Mario Kamenetsky

Mario Kamenetzky, a U.S. resident since 1976, is an Argentine engineer and scientist who recently retired from his position of Science and Technology Specialist with the World Bank. He is a fellow of the World Business Academy.

Since 1981 I could only read articles that Hazel Henderson was publishing in different journals. During this period I was hoping that she would write a new book updating the vision she pioneered in her first two books: *Creating Alternative Futures* (1978) and *The Politics of the Solar Age* (Knowledge Systems 1981). My wish has been granted. Knowledge Systems has just published her stimulating and enjoyable third book, *Paradigms in Progress*.

In her first book, Henderson announced the end of economics. In the second she proposed alternatives to economics. In this book, she forecasts the patterns that social and economic life may follow once we decide to transcend economism and industrialism. She quotes the most popular definition of economics as "the study of rational human choice under conditions of scarcity." This definition, she says, has misled the work of economists, and I agree with her.

The life beyond economics that Henderson challenges us to live is a life that tries to harmonize rational decisions and unconscious demands and encourages people to become masters of the programs that guide their behavior and the processing of their perceptions. It is a life that fulfills its needs by making abundant use of gratuitous satisfiers such as love, beauty, artistic expression, and physical, emotional, and intellectual communication among people. It is a life in which competition and cooperation work together and both become enjoyable, and one that rewards parenthood, house-keeping, and all the work that people do for themselves and

for others outside the marketplace. It is a life supported by societies that allow governments to intervene to protect the “commons” but forbid governments to regulate private, peaceful behavior, returning the mastery of physical, mental, and spiritual health to the individuals. It is a life that blends concern for human beings and ecosystem services into technical and financial rationality.

Paradigms in Progress is full of data, examples, indicators, and analyses that show that this new form of life is already emerging in different parts of the world and that it has tremendous potential to develop. Henderson believes that progress of society toward this new form of life takes place in three stages. First, mature societies go through a paedomorphic process in which they physically grow too fast while mentally staying at the stage of their juvenile predecessors. Then, societies enter a rather chaotic transitional period, which Henderson compares to a heart in fibrillation that either shifts back to normal rhythm or stops with a heart attack. Finally, those societies that manage to control the fibrillation and break the shell of the larval forms of thought and behavior undergo a metamorphosis and become fully human and fully alive.

“Economics is merely politics in disguise,” says Henderson. The word *economics* was coined by those who wanted to make from a philosophy of life—a moral and political philosophy as it was seen by Adam Smith—a deterministic, quantifiable science. “If we are to prescribe for today’s almost terminal illness of human societies, we must dig deeply for our diagnoses. We can no longer skate around observing surface manifestations, such as those offered by economists: unemployment, inflation, declining productivity, the need for national security, stopping communism, restoring the free market, more innovation, supply to meet demand, and all the rest of the psychotic language of alienation, fear and insecurity.”

I read “dig deeper” as meaning a better understanding of human nature and our relation with nature at large. Love, maintains Henderson, is our most renewable resource. Unfortunately, we have lost our capacity to love others and nature as we love ourselves, because as Rousseau discussed in his *Emile*, we are confusing the love of oneself (*amour desoi*), which is intrinsic to our nature and nurtures peaceful relations and altruism, with *amour propre*, the love for oneself as related to the views of the others and to the programs that

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others install in our minds. It is through these programs that "love was made artificially scarce," as Henderson rightly points out. Could this be the main reason why Adam Smith's invisible hand never operated as he dreamt it would? Smith supported government regulation of market behavior that might harm the weakest operators, yet he opposed social control of private behavior. The tragedy is that capitalistic societies did precisely the reverse: they let the markets run wild and fenced the minds. Hence, we know neither how households and enterprises operate when people's minds are set free to soar, nor which are the levels of intellectual, emotional, and physical achievements that mentally liberated people can reach.

Paradigms in Progress repeatedly stresses the importance of feedback. Henderson says that "many see that it is less a matter of whether a country is centrally planned, mixed (as most are), or capitalistic, since the effects of the underlying industrial model are similar, but more a matter of whether societies are *cybernetically designed* to incorporate *feedback* at every level of decision making, from the family and community to the provincial and national levels, from those people affected by the decisions."

Other subjects discussed in *Paradigms in Progress* provide food for thought to business people:

1. Henderson claims that "technological innovation and the funds spent on research and development will be ever less recapturable by companies, states or nations, since this innovation is knowledge-based and is becoming the newest 'commons' despite efforts to patent and impound it as 'private property.'" She then says that "this is seen as a 'dilemma' for corporations and nations, as they still try to compete for technological advantage, and set up new trade blocs in Europe, North America and Asia. However, from a planetary perspective, we may view such nations and companies as 'ripe seedpods,' reaching the maturation of their potential and inevitably scattering their knowledge into the global commons."

2. An ethical girder work of treaties, agreements, and protocols is being put in place, raising the ethical floor to level the global playing field. This will make it possible for those ethically aware, responsible companies to live up to their moral codes, without fear of unfair competition by those who cut corners and exploit people and the environment for short-term gain.

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3. Henderson is a harsh critic of the social and environmental behavior of business, although she acknowledges "the constraints imposed on their managers by traditional economic theories, investment analysts, and models of pricing and marketing." Theories and models don't reflect economic and financial realities. On the contrary, they influence entrepreneurs and managers to perceive reality and process data gathered from these perceptions in a conditioned, restricted, rigid, and often biased way. Tensions between the oversimplified mathematical reality that models and theories produce and the complex physical and social reality in which, and with which, businesses work are increasingly disrupting the life of enterprises, leading their managers to erroneous decisions.

4. With her usual combination of hard data and clear-cut reasoning, Henderson shows that war hurts people, damages ecosystem services, and impairs the normal operation of economies more than any other violent force of society or nature. Could war be waged between nations or factions without support of businesses that reap benefits from it? Could the contributions of businesspeople to the building of the ethical girder stop the production of arms and get mass media to emphasize loving and tender communications among humans, and between humans and nature, rather than violence?

I can't close my comments without mentioning Henderson's poems which open and close the book and act as a refreshing intermission. Through these poems, her heart is speaking its reasons, exciting us to progress toward the new paradigm.

Using a line of the beautiful poem that opens the book, I would say that the old paradigms have been designed for and by "those in haughty masks." They were the magi and wise men of the tribes, the custodians of the myths, the kings of the nations, the high priests of science, the barons of industry. *Paradigms in Progress* is telling us that the new behavioral and perceptual approaches are being designed for and by all those who celebrate life, whether "trader, builder, host, juggler, jester, scribe, artist, musician, hunter, poet, farmer, weaver, or Gypsy-nomad bearer of strange treasures from afar."
