



BNP PARIBAS
PERSONAL INVESTORS

THE CITIZENS AND THE TRANSITION

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- ◆ We have new interesting tools to manage the transition
- ◆ *Economy*: We can manage this Knowledge economy, in a socially inclusive and sustainable way. But we continue with the old vision (industrial)
- ◆ *Politics*: We have new political tools in hands: *non-violence between States = EU*. But we continue with national State Politics.



- ◆ The main issue is the **VISION**,
- ◆ understanding of what is happening
- ◆ and using the **NEW** tools we have in the proper way.
- ◆ *Citizens have the intuition of this vision, but nobody helps them...*
- ◆ This is the real challenge... worldwide.





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PART 1 :

**A TIME OF
TRANSFORMATION...**

(Peter DRUCKER)

Every few hundred years in Western History there occurs a sharp transformation.

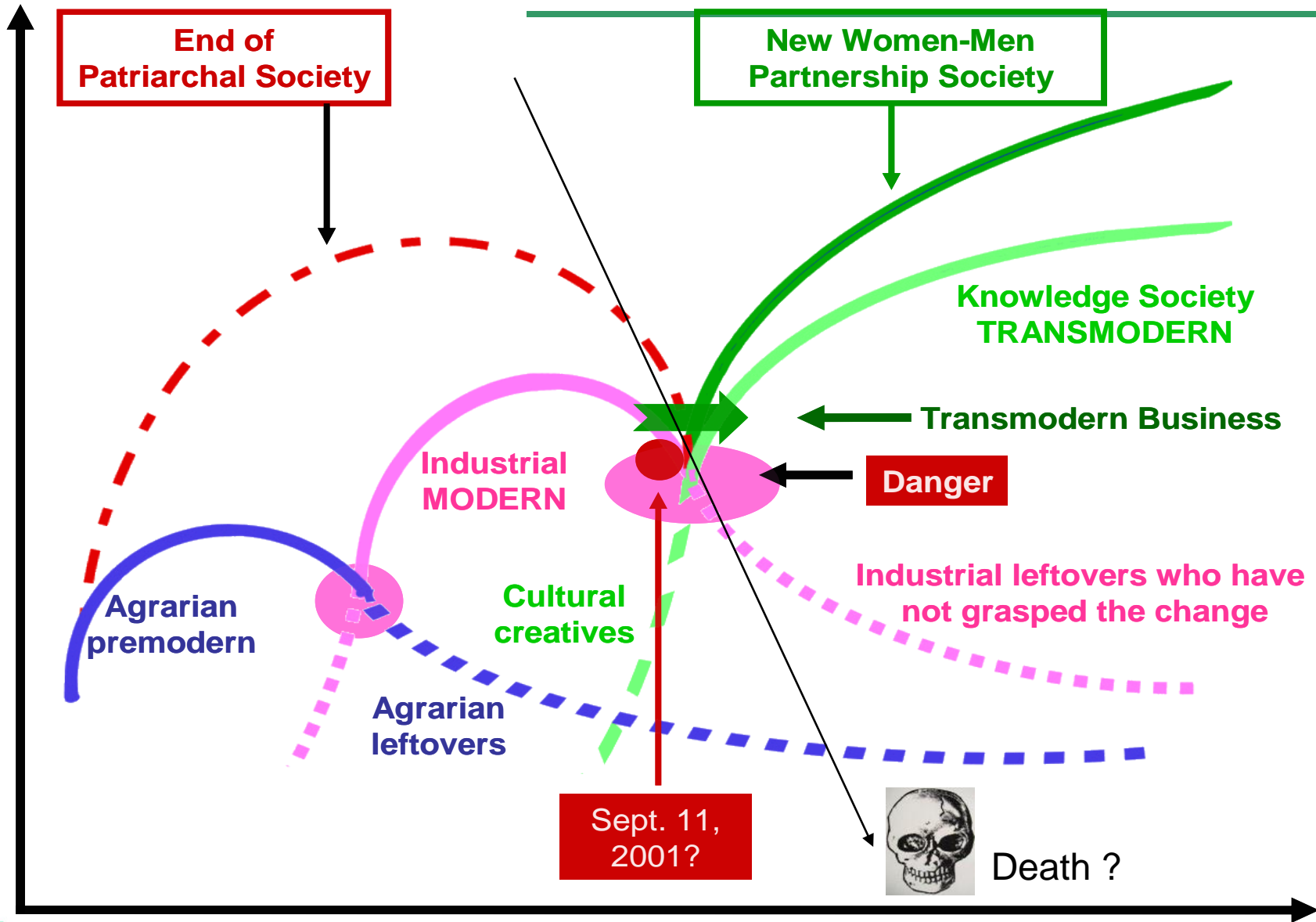
Within a few short decades, society rearranges itself : its worldview (paradigm), its basic values, its social and political structures, its arts, its key institutions.

Fifty years later there is a new world.”

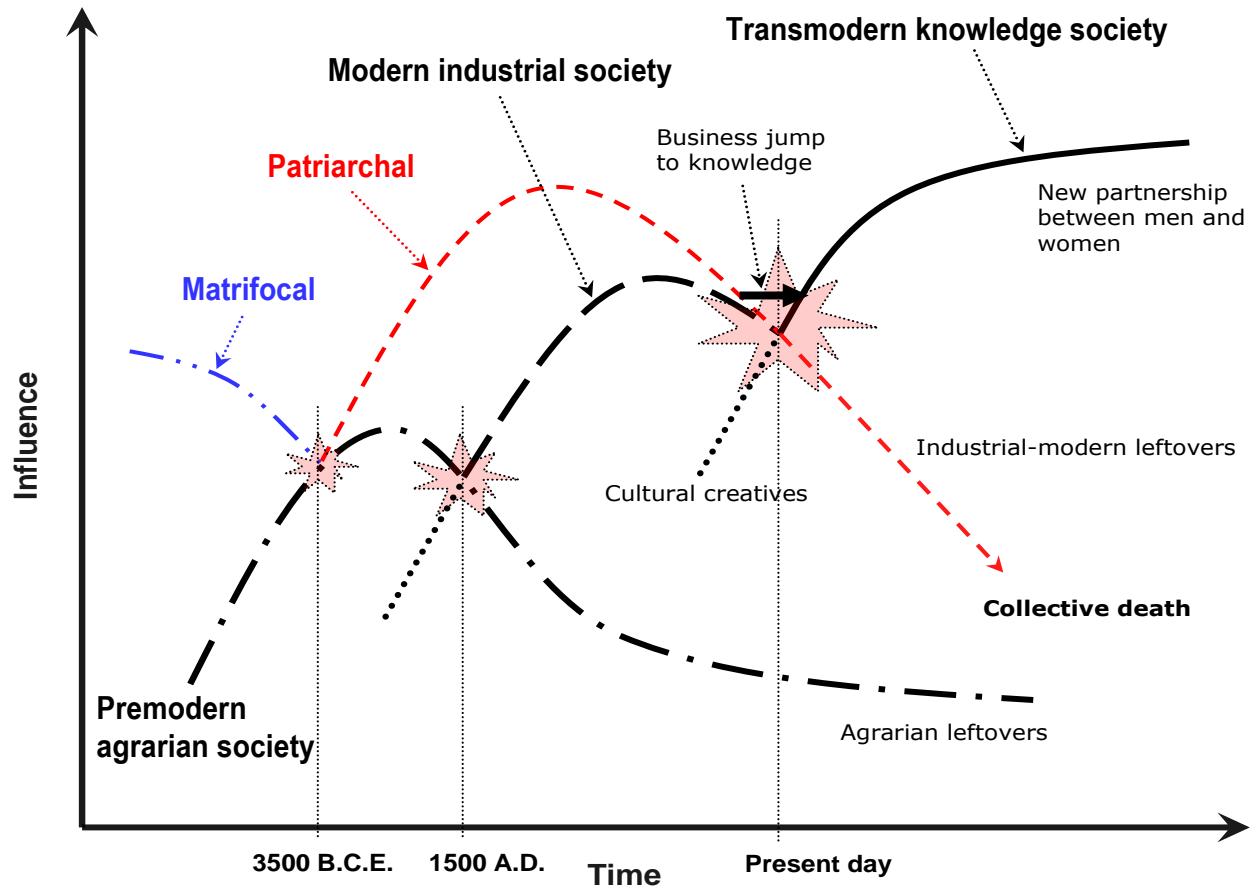
**Peter DRUCKER: “Post Capitalist Society”.
Butterworth Heinemann, 1993, 2001, p.1.**



Transition to Transmodern



The paradigm shifts in time



One of the most fundamental shifts

- ◆ ***“We are living through one of the most fundamental shifts in History: a change in the actual belief structure of Western Society. No economics, political or military power can compare with the power of a change of mind. By deliberately changing their images of reality, people are changing the world.”***

Willis HARMAN Stanford Research Institute (+1997), Founder of the “World Business Academy”



Four changes of tools in 5000 years.

- 1. - 10.000 ? : Sheperds and hunters.
Matrilinear**
- 2. -3500 B C.: Agriculture: Patriarchal**
- 3. +1500 : Machine/Industrial: Patriarchal**
- 4. + 2000 : Knowledge society: Post
patriarchal**

Every new tool has changed the vision...



Five levels of Transformation

- 1. Humanity is in danger of collective death although we have money and technology**
- 2. End of the Patriarchal values (CCC)**
- 3. End of “Modernity”. Transmodernity = the best of premodern and modern. post secular, flat, tolerant, new level of resp. & consciousness.**
- 4. Knowledge society as a turbo of change**
- 5. Credibility crisis of all institutions.**





Level 5 : Credibility gap of all Institutions is increasing
dramatically...

Level 4 : The knowledge society : post-capitalist society (Drucker)

Level 3: End of Modernity: REASON Only Truth, Science, Violence, Pyramids, Control

Level 2 : End of Patriarchal myths, sacred and values

Level 1 : Danger of Collective Death





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LEVEL 1:

**HUMANITY IS IN DANGER OF
COLLAPSE**

WorldWatch Institute Washington

- ◆ ***“Our global economy is outgrowing the capacity of the earth to support it, moving us ever closer to decline and possible collapse....”***
- ◆ ***“We have the technologies needed to build the new economy...”***
- ◆ **Lester BROWN: “Plan B 2.0” Norton NY, London**
- ◆ **2006. Presentation text on the cover.**



- ◆ **Citizens KNOW this. In 30 years time, since the club of Rome's book "Stop Growth" in 1974, the new generation has raised its consciousness.**
- ◆ **Now everyone agrees that there is a problem.**





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LEVEL 2:

**END OF PATRIARCHAL
VALUES**

◆ **MATRILINEAR(-3500)**

- ◆ **Goddess Mother,**
- ◆ **Woman = sacred**
- ◆ **snake = her power**
- ◆ **Tree of Life= SACRED**
- ◆ **Birth= sacred**
- ◆ **Sex & pleasure sacred**
- ◆ **Power = life giving**
- ◆ **Beauty+art+Creation.**

◆ **PATRIARCHAL**

- ◆ **God the Father**
- ◆ **Woman inferior + sin**
- ◆ **Snake = devil**
- ◆ **Death Cross =sacred**
- ◆ **Birth:impure Maledict.**
- ◆ **Sex pleasure- -impure**
- ◆ **Power = to kill**
- ◆ **Ascetism is better**



- ◆ **Most couples around the world, China India Japan, South & North America, EU, are in this process of redefining Man and women's roles. Not easy...**
- ◆ **There are no guides. Everything is new...**



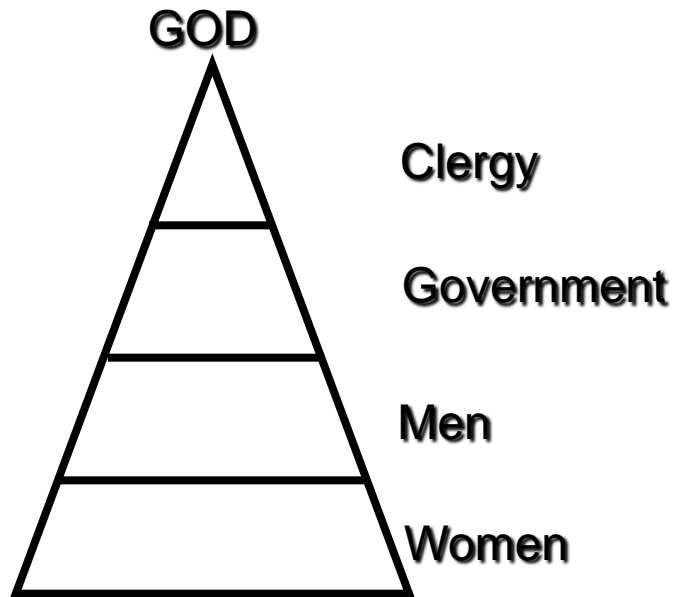


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LEVEL 3:

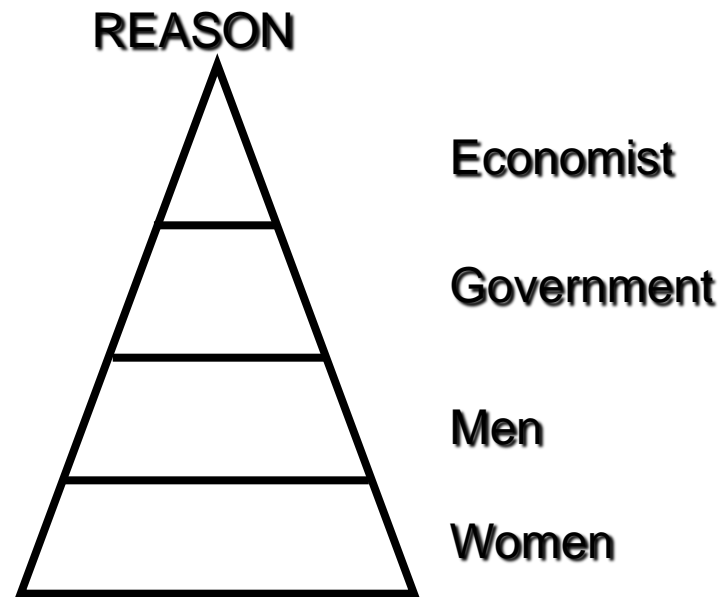
**WHEN CITIZENS
HORIZON IS SWITCHING
: TOWARDS
TRANSMODERNITY.**

PRE-MODERN



COSMOS = sacred

MODERN

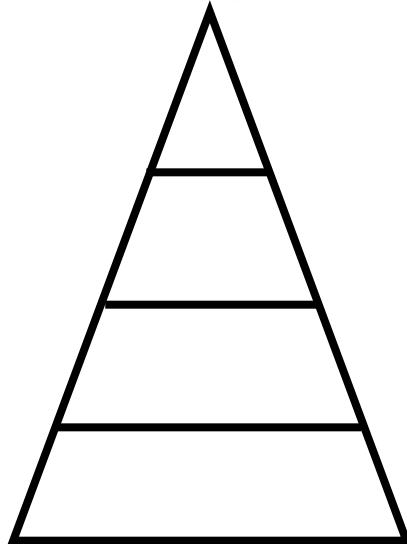


COSMOS = object



MODERN

REASON



Men 'above' the
COSMOS

Economist

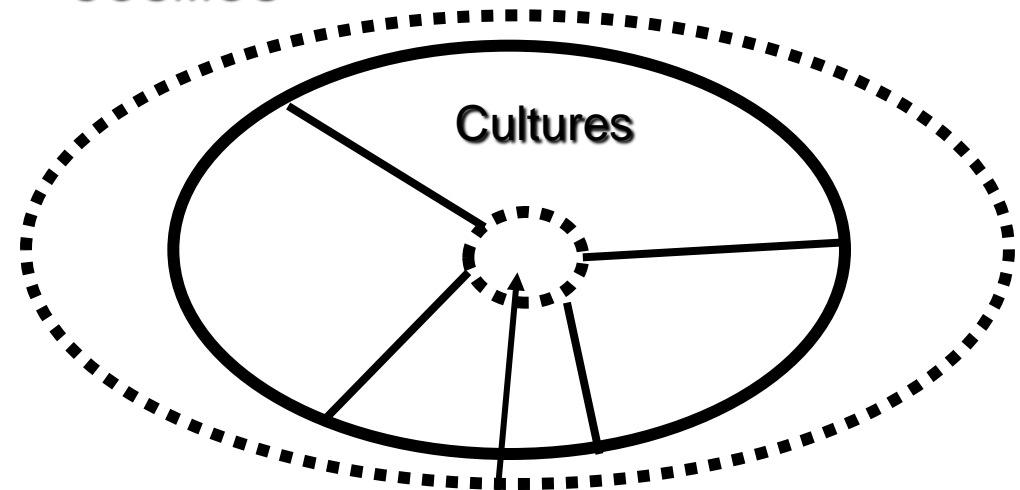
Government

Men

Women

TRANSMODERN

Men part of
COSMOS



Centre = empty, but
full of light



- 1. Structures: From pyramids to void circle**
- 2. Status of rational thinking NOT Dominant anymore.**
- 3. Status of Spiritual aspiration (religion?) in public.**
- 4. Status of truth: real tolerance.**
- 5. Status of Science and tech: from offer to Demand.**
- 6. Status of political violence: beyond war**
- 7. Status of body, intuition, ethics, esthetics...**



CHANGE OF HORIZON/VISION

- ◆ **Citizen's Horizon/Global concern is changing full speed. (paradigm shift).**
 - Old « modern » global concern was independance from any obscurantism
 - New « transmodern » global concern is survival of Humanity.
- ◆ **This is the main reason why Sustainability and ecology are becoming so important for all citizens.**



HOW ARE CITIZENS REACTING

- ◆ **Citizens are intelligent. They feel that something important is happening.**
- ◆ **But this knowledge remains implicit. And nobody helps them in the explicitation process.**
- ◆ **This creates a lot of anxiety...and some citizens are voting for extremes (right or left).**



WHAT ARE CONSUMERS ASKING FOR?

- ◆ Your company *must* be « part of the solution »
- ◆ Science and technology *must* be oriented to respond *our demand*: a future for our children ! (demand approach)
- ◆ Transparency: Because of ICT, People know...hence scandals come up. Ethics !!
- ◆ Hope for new Humanism in economy.



- ◆ **Sociologist Paul H. RAY, discovered that 24% of US citizens are « cultural creatives » = 50 millions.**
 - More interest in environment, other cultures, family & neighbourhood, internal alignment,
 - 66 % are women.
- ◆ **EU has invited RAY in 1997. Eurostat indicates similar trends. 20 % = 100 millions europeans are cultural creatives**



REENCHANTMENT OF CULTURAL CREATIVES

- ◆ **The excellent news is that citizens are reinventing recreating new links between their bodies, souls, intuitions, feelings, and internal deepest dimension.**
- ◆ **They are in a process of reenchantment.**
- ◆ **They are experiencing life in a new way.**
- ◆ **66% are women...**





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LEVEL 4:
KNOWLEDGE ECONOMY
Humanism or Manipulation?

DEFINITIONS

1. **Data**: what is on the web, unorganised
2. **Information**: is already sorted by « google ». Overabundance.
3. **Knowledge**: is digested by **human brain**.
4. **Wisdom**, is **Knowledge + action** for the Common Good.

Knowledge is like Love: The more you share the more you get. Not capital !!



1. **New tool of production : human brain**
2. **New CEO: Enabling creativity and sharing,
Caring for humans = new human-centered
management**
3. **New value creation process : adding K to K.**
4. **New Trade: from Free Trade to Free Sharing**
5. **New measurements = qualitative “intangibles”**
6. **New strategy: beyond war: win-win not win-loose**
7. **New definition of Progress = qualitative**
8. **Beyond patenting towards “Open Source”**
9. **Beyond pyramids towards networks**
10. **Capitalizing on cultural capital + gender capital**



1. NEW TOOL OF PRODUCTION

- The tool of production is not anymore machine + technol.+ €
- It is human brain + Networks: sharing knowledge in order to create new K.
- This new tool of production is more important than capital and technol.
- Hence Post capitalist society! (DRUCKER)



2 NEW CEO FUNCTION

◆ **Old CEO: command, control, capture**

◆ **New CEO:**

- enable the creativity of his “human capital”= tool of Production
- Enabler and creator of networks around his team. Cannot control networks!
- Cares for the intangible assets= brand

◆ **This requires another preparation.**



2. CEO AND NEW MANAGEMENT

- ◆ **The Human person becomes central because he/she is the tool of production: Please come back!**
- ◆ **Management : shifts 180° towards humanism: more creativity-centred, gender & culture – centred.**



3. NEW VALUE CREATION PROCES

◆ INDUSTRIAL SOC.

- ◆ Add value to object
- ◆ From steel to car !
- ◆ Tool is Machine
- ◆ Humans are cost
- ◆ Management is machine-centered
- ◆ Machine is central

◆ KNOWLEDGE SOC.

- ◆ Create new K
- ◆ From data, info to K
- ◆ Tool is Human brain in Networks
- ◆ Humans are capital
- ◆ Management is Human-centered
- ◆ Machine is at service



4. KNOWLEDGE MARKETS BEYOND TRADE (I)

- ◆ If I exchange an object against money, I lose the object. This is “trade”: I win and I lose. “Win-Lose” logic
- ◆ If I exchange knowledge, I do not lose my knowledge. I win and you win. I am not trading anymore. I share. This is a “win-win logic” of sharing.
- ◆ Hence a new society



◆ INDUSTRIAL SOC.

◆ Free trade of objects

◆ Industrial structure

◆ Pyramids

◆ Unemployment

◆ Pollution

◆ Quantitative growth

◆ KNOWLEDGE SOC.

◆ Free sharing of knowl.

◆ Post-industrial-capitalist.

◆ Network =value creation

◆ Self-creation of my job

◆ Immetrialization of prod.

◆ Qualitaitve growth



5. A NEW SYSTEM OF MEASUREMENTS

- ◆ « Intangible assets » is a new concept invented by Karl Erik SVEIBY (Sweden)
- ◆ They are becoming more and more important in the knowledge society
- ◆ Because the knowledge society is about knowledge which is immaterial, intangible and qualitative.



5. A NEW SYSTEM OF MEASURE. INTANGIBLE ASSETS

(I)

◆ Intangibles assets were first:

- Know how,
- Reputation,
- Trust in the company,
- Structure of the company,
- Strategy (balanced scorecards)
- Relations with personnel,
- Relations with clients,



5. A NEW SYSTEM OF MEASURE. INTANGIBLE ASSETS

(II)

But today here are the main dimensions:

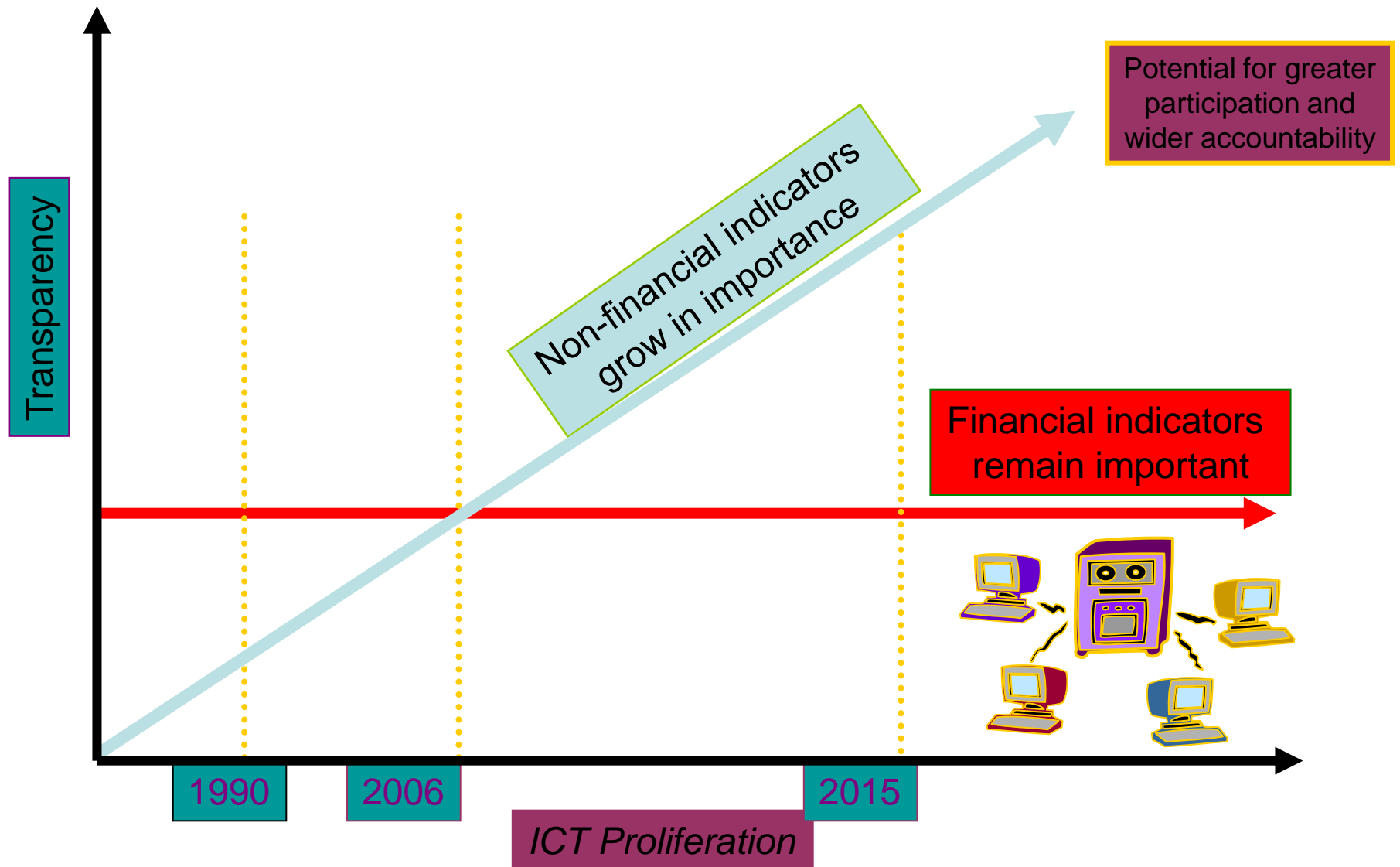
- ◆ **Relation to environment and sustainability**
- ◆ **CSR Corporate social responsibility**
- ◆ **Your company is “part of the solution”, not “part of the problem”.**
- ◆ **But also quality of the Networks**



- ◆ **Stock exchange measurements are still looking at financial “tangible” assets (quantitative) but they increasingly look at “intangible” assets (qualitative).**
- ◆ **Today a company is measured more and more by its intangible assets.**
- ◆ **Example: “*Men’s Wear*” USA. & “*World Business Academy*”, “*Spirit in Business*”.**
- ◆ **See also Neskey: www.neskey.com**



5. Intangible indicators grow



6. NEW BUSINESS STRATEGY/ WIN-WIN

- ◆ **Old business strategies are warlike. Battlefield images are frequent. Patriarchal values dominate: Command, control and conquer + “win-loose”**
- ◆ **New business strategies are less violent : “competition through collaboration” is the new motto. Win-Win strategies are the only ones.**
- ◆ **They are more Yin, more soft, more feminine...**
- ◆ **Knowledge behaves like love!**



7. NEW DEFINITION OF PROGRESS

- ◆ The industrial & modern definition of progress is quantitative. More is better.
- ◆ This definition is UNSUSTAINABLE
- ◆ Happily, the knowledge society implies a qualitative definition of progress.
- ◆ Good new! This allows a reorientation of our societies towards *sustainability*!!



8. BEYOND PATENTING

- ◆ **The whole of the industrial production system is based on secrecy and patenting. I have this technology and you have not. So I win!**
- ◆ **Harlan Cleveland: “*Information and knowledge always leaks*” 1985.**
- ◆ **In the knowledge economy we will NOT be able to maintain secrecy, neither patenting.**
- ◆ **See generic medicines, I-Pod music etc,.**



9. BEYOND PYRAMIDS TOWARDS NETWORKS

- **Pyramids are the « normal » structure of all industrial organizations.**
- **But knowledge is created only by persons in networks: flat organisations!**
- **Pyramids are all in crisis everywhere. In Govenrments, Military, Churches, NGO etc.**



10. CAPITALIZING ON CULTURAL AND GENDER CAPITAL

- ◆ Paradoxically culture and gender diversity becomes important as they feed creativity
- ◆ The knowledge management is thus *potentially socially inclusive and sustainable*
- ◆ In the knowledge society culture becomes *central* not peripheral anymore.



A NEW SOCIETY ?

- ◆ **A new post capitalist, post industrial society is coming up in silence.**
- ◆ **At its core there is**
 - a new economy : the knowledge economy
 - and a new political concept : the treaties of non-violence between States.
 - New implicit values with 100 millions European “cultural creatives”. (66% are women).



BUT...Two scenarios are possible

◆ POSITIVE SCENARIO

- ◆ Human centered management
- ◆ Fostering creativity
- ◆ CEO is a wise person
- ◆ People are happy
- ◆ Transparency
- ◆ Common Good Sustainability

◆ NEGATIVE SCENARIO

- ◆ Machine centered
- ◆ Computer is better
- ◆ Manipulating creativit.
- ◆ CEO is C C C
- ◆ People are depressed
- ◆ No transparency
- ◆ Not sustainable !



◆ **HUMANISTIC scenario**

◆ **70% of investments in Human capital**

- Education, creativity in schools
- Creation of creative Techno-humanist Univ.
- Huge increase of Intangible assets of some Regions
- Employment up 200%

◆ **INDUSTRIAL scenario**

◆ **80% investments in more technology + more infrastructures.**

- ◆ **Education is stagnating**
- ◆ **No one is able to use tech in a creative way.**
- ◆ **Business is NOT finding the creative people they need**
- ◆ **High unemployment!**



- ◆ **Most EU regions or States are following the “Industrial” paradigm. They mainly invest in technology and infrastructures.**
- ◆ **They are NOT investing enough in HUMAN CAPITAL**
- ◆ **They are not doing well.**
- ◆ **A minority of regions are shifting strategy. They invest in human capital. They are creating employment and are at the top.**



INDIA IN THE KNOWLEDGE SOCIETY



INDIAN ACHIEVEMENTS

- ◆ India has been quick and successful in this new ICT business.
- ◆ Indian government is the first in the world creating (with Sam PITRODA) a “National Knowledge Commission” above all ministries.
- ◆ What is India’s vision of its Future?



CHALLENGES TO INDIAN BUSINESS ?

- ◆ **Will Indian business leaders grasp that we all enter new (post capitalist) society?**
- ◆ **Will they work on “intangible assets” like meaning, visions, and “responsibility for the whole” and sustainability ?**
- ◆ **Will they work on education systems?**



CHALLENGES FOR INDIA

- ◆ **India is a leader in Knowledge Tech.**
- ◆ **India has also been the creator of the greatest religions in the world**
- ◆ **Will India foster a new conversation on spirituality and responsibility in knowledge business?**





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TRENDS FOR 2030

TRENDS IN ECONOMY

- ◆ We must have the courage to say that there will be *no new industrial jobs created. In Europe. Many will go.*
- ◆ The only sectors where jobs will be created is the knowledge economy which permeates services but also SME's.
- ◆ New jobs will be linked to creativity and culture. “Right brain” jobs linked to culture are more stable, not outsourceable.
- ◆ TRADE: If your shop is not giving better service than E-Bay, it will go.



◆ ECONOMY

- Part of Economic actors will become more social and sustainable. One important sector of world economy will go in this direction. 50% ?EX: COLRUYT
- Another part of the economic actors will stick to the “Business as usual” approach. They could go towards “soft manipulations of human brain”.
- Example: Motorola



TRENDS IN POLITICS

- ◆ **Because of the silence on the transition, anxiety will increase, and...extreme (right or left wing) parties could increase, also in EU.**
- ◆ **However “political tsunamis” are not excluded. Like global crisis of the Dollar and brutal end of the US dominance. Possible scenario !**
- ◆ **Could this enhance the coming up of a political leadership by visionaries ?**
- ◆ **BRIC could impose their leadership. Will it be wiser?**



- ◆ **Despite the crisis of the industrial model, most politicians stick to the same strategies, who are not socially inclusive.**
- ◆ **No hope for any change is given...**
- ◆ **Social explosions in poor areas in the Third World and around EU cities, are very possible.**
- ◆ **Some Business actors are moving really.**



- ◆ **Sooner or later, we will be confronted with a huge ecological bug.**
- ◆ **This *could* produce a wake up call for certain governments.**
- ◆ **Governments like India, China and Brazil could be forced to work hard to avoid that their poor pay the burden of the situation.**





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CONCLUSION

- ◆ **We are swimming in a huge transition**
 - Beyond patriarchal values
 - Beyond modern horizon and hyper rational approach, towards transmodern
 - Beyond industrial capitalism towards knowledge society
- ◆ **The MAIN challenge is the « Vision ». Who will be the first to get it: EU, US, BRIC ?**
- ◆ **Citizens look for explanations...**



- ◆ **Peter DRUCKER: “*Post capitalist society*”, Harper Business, New York, 1993.**
- ◆ **Verna ALLEE: “*The future of knowledge*” Elsevier Science, 2003, USA.**
- ◆ **Harvard Business Review on Knowledge management. 2006. Book with 8 articles.**
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- ◆ **Ray ANDERSON:** “*Mid Course correction*” 1998.
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- ◆ Marc LUYCKX GHISI: "A win–win strategy for the European Union in the knowledge society" published in the "European Visions for the knowledge age: a quest for a New Horizon in the information society". Paul KIDD (Ed.) Cheshire Henbury, UK, 2007.

