

Our Conditioned World

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Abstract

Consumption is the product of a lifetime of conditioning. Conditioning is very powerful. When our conditioned habits aggregate into organizations, institutions and culture they harden in our minds and become solid, real and immutable stories. For those living inside the stories it's almost impossible to envision a world operating under different rules. In business, we have created stories about market growth, market share, competition, globalization, efficient supply chains, short product life cycles, competition, continuous economic growth, etc.. These are the stories that drive our business paradigms. Our propensity to truck, barter and trade in a world of finite resources is leading to the logical outcome of depleted resources, lives of unsatisfied insatiable accumulation, disastrous poverty for the majority, and devastation of the gifts of our planet. This essay examines how our business paradigms aren't cast in stone but socially constructed artifacts. And that they create a web of conditioning that touches many parts of our lives. Assumptions about the natural environment are buried in our business paradigms of mass production and consumption. We discuss how awareness of our conditioning, briefly using the lens of Buddhist dependent origination, is a first necessary step towards constructive change in business practices.

Introduction

There are many wise and thoughtful writings on Buddhism to the environment. Works such as *Dharma Gaia*, *Ecological Responsibility*, *Hooked*, *Dharma Rain*, contain essays by eminent Buddhist teachers. These writings recognize that we are in a time of environmental crisis and that the teachings of the Buddha can help us to reconsider how we construct the interface between human behavior and the natural environment. Buddhism also has much to offer to the discussion of how business is conducted although there is not as much written on this topic. *The Diamond Cutter*, and Thich Nhat Hanh's *The Art of Power* are two such works.

Conditioning of behavior and how it leads to attachment and inevitable suffering and discontent is at the heart of Buddhist teachings. Dependent Origination (Sanskrit **Pratityasamutpada**) is one of the concepts the Buddha used to explain how we become

conditioned through causation and how conditioning leads to discontent. It explains how our existence is not neatly compartmentalized into specialties in which business is in one section and environment in another. That our current business-environment problems arise from not understanding that we are not separate from our environment and that our business activities are a small part of a much larger web of interdependencies.

If we are going to correct or mitigate the negative impact of human activities on the natural environment we will have to engage how we conduct business, as it is through business activity that we have the greatest impact on the natural environment.

As a business professor, when I suggest to MBA or undergraduate business students the possibility that our dominant business paradigms may require an overhaul in order to accommodate the natural environment into our practices even those students who are sympathetic to environmental issues give an automatic visceral response that there can't be anything wrong with the system. They suggest that if there are problems they are merely implementation issues, but there can't be anything wrong with the fundamental paradigms.

This essay isn't about the rightness of our business paradigms, but about the conditioning of the paradigms. What strikes me in these discussions is that the students don't seem to be arguing for validity of the paradigms, but for what the system has promised them - career, prosperity - The Good Life. Their reaction suggests that somehow our business paradigms have come to be seen as immutable truth, and we have become brittle and rigid in our willingness to address them because they are so deeply embedded in what we have at stake. We have to hold onto them because they represent the world as we know it.

This is an essay on the conditioning of our business paradigms and includes a brief story of mass production. Through telling this story I hope to illustrate that these paradigms are deeply embedded throughout our lives, far deeper that is generally appreciated. In order for us to fully explore changes to these paradigms we first need to see them for what they are - conditioning.

Mass Production and Consumption

From the perspective of preserving the natural environment one of the most problematic business practices we have is that of mass production and consumption.

The term “mass production” was first used in the 1920s, but the term originates much earlier in the first (approximately 1760 to 1850) and second (approximately 1870 to 1914) industrial revolutions. Lewis Mumford sees the origins of mass production earlier, in the

Middle Ages, with the invention of time-keeping creating a pulse to social life, making possible the harmonization necessary for an industrial society. Through technologies such as printing press, mills, clocks, and engines, skills were steadily shifted from manual labor and craftsmanship to machinery and industrial management. Skilled artisans were no longer the masters of their crafts, they were now minders of the machines that made the same artifacts they used to make but in much larger quantities and of more consistent - although not necessarily better - quality.

A new order emerged that in which technology and the owners of the technologies were at the top. Information was crucial to technology. Institutions emerged to protect intellectual property and standardized measurement systems to support communication in the design and operation of technologies along with formal education. Progress meant more, faster, cheaper. Machines are most efficient when run at a high rate of utilization with stable inputs of energy, labor and raw materials. Political and regulatory stability were necessary to secure reliable input flows to industry, which, in turn, provided efficient output and economic growth.

While the first industrial revolution was centered in Europe the second industrial revolution headed to the New World. It was here that a revolution in business management took place. Business historian Alfred Chandler Jr. describes in *The Visible Hand* the rise of modern management in the railroads of America where a new type of organization emerged to match the new scale of organizations. The size of the railroads meant that day-to-day operations of the firm no longer could be overseen by the owner but had to be entrusted to layers of salaried managers. Real-time communications and accounting systems were required to control these giant organizations and innovations in technologies such as pigeonholes, typewriters, carbon copying, typewriters emerged to facilitate communications. Organizationally, new structures were required to allow effective control, which included regular reporting and standardization of productivity measurements. The railroads were a technological revolution, but the technologies that enabled mass production lay in the center of a web of economic, political, organizational and social innovations that together formed the “system” of mass production.

From the perspective of the natural environment, the industrial revolution was about the newfound ability to efficiently convert the stored energy in fossil fuels into mechanical work. Behind all the new technologies and organizational structures was the expectation that fossil fuels would remain affordable and accessible and the only cost was the cost of extraction and transportation. The natural environment was large enough to absorb all the wastes of production. Production practices of open pit mining, overgrazing, deforestation, and species extinction were abundant and with vast tracts of arable land, agricultural

practices of monocrops and mass agriculture took root.

The advent of modern mass production in America was also partly accident. The ethnic cleansing of the indigenous population through disease and warfare left the land virtually open for unimpeded development. Regulations such as the Homestead Act of 1862 opened the country for business with plentiful natural resources, labor, capital and entrepreneurial spirit. The expansion of the railways, telegraph and postal service linked the country together bringing together raw materials, producers and consumers. In 1895, Sears and Roebuck produced a 532-page catalog providing access mail-order goods across America. Instead of focusing on the wants of a privileged few mass production was focused on satisfying the wants of the whole nation and America was the largest homogeneous consumer market in the world.

The Ford Motor Company was one of several key firms in perfecting mass production in the early years of the 20th century, producing sophisticated machinery that was affordable to middle class income families. The per unit cost of a car was driven down by achieving unprecedented economies of scale. Henry Ford was masterful at bringing together many technological innovations and creating standardized organizational processes such as the famous continuous assembly line. His factories produced a car once every 3 minutes in 1910. To produce such large quantities of cars required managerial innovations to oversee the efficient operation of the system. Work was sub-divided into smaller units, where workers performed single, repetitive actions to maximize efficiency and throughput. They worked under the supervision of line managers who oversaw sections of the manufacture and assembly, who in turn reported to upper layers of managers. As one moved up in the hierarchy there was a shift from the technical to the general. This separation of the specialized and the general was essential for mass production. Only a few at the top had a birds-eye view of the entire organization.

Ford understood that for mass production to be economically viable there also needed to be corresponding mass consumption. To keep the industrial machine running at scale there needed to be constant and reliable consumer demand. These consumers needed to accept standardized, not customized products. Thus his famous line, “Any customer can have a car painted any color that he wants so long as it is black.” Black paint was cheap, durable and kept costs of materials and customization down. Middle class consumers were happy to have low-cost standardized items over high-cost unique goods. As consumers became used to mass production the output of machines was preferred to output of the human hand.

This was through the conditioning of consumers through mass marketing. Consumers needed to be educated about what was available and to how to value standardized goods.

Mass marketing was the link between production and consumption. Through newspapers and radio, Hollywood movies, product placement, movie stars, producers reached out to consumers to educate demand. Consumer training started early. By 2006, the average American child views more than 3,000 advertisements per day at an age when they are psychologically defenseless and are easily conditioned (AAP, 2006).

The large mass production organizations faced a communications problem. While the technologies remained at the heart of economies of scale, their complexity required greater coordination. Because shutting down the machinery was the most costly activity, real time communication and control were necessary to monitor and make fast decisions. Office workers became the “glue” for modern organizations. Standardized communications, routine reports, measurement and control systems kept organizations ticking. The demand for clerical workers exceeded the supply of traditional male workers and drew more women into the work force resulting in office work perceived as a female occupation. By 1920, 50 percent of clerical workers were women (Brinton, 2006) and more married women were in the workforce than ever before. The rise of the clerical class in the early 20th century provided the income for greater consumption and locked in consumers to a consumption lifestyle.

In the wake of the WWII, mass production and consumption exploded. Slack resources from the wartime machine were used to fuel the greatest consumption boom in history. Technological innovations such as aviation, combustion engines and plastics reached economies of scale during the war years. Manufacturing capacity and the technological expertise were shifted from warfare to civilian uses. The use of the military complex to seed technologies such as computing became a practice built into the mass production system. Near full-employment and high savings during the war years provided the demand. In *A Consumer's Republic*, Lizabeth Cohen describes how social, economic and political forces came together to create the post-war environment for consumption. Gender roles, credit, urban planning, family life, were all part of the fabric of consumption. Consumption became central to the well-being of America and therefore, for the rest of the world as well.

The global economy became interwoven through WWII. Through multilateral agreements, values of mass production were built into measures of economic performance. GDP was introduced as the standard measure of economic performance at the Bretton Woods conference in 1944. Organizations such as the International Monetary Fund and the World bank adopted GDP as a key measure of performance and through their policies influencing countries to develop in a fashion that would maximize their GDP growth.

The American success created a unique blend of democracy, market economy and religion

that were shared with developing economies through newly formed global organizations or the U.S. marines, where necessary. The meeting of politics, economics and religion embedded mass production into what it meant to be an American, making it far less receptive to discussion and shifting it from a privilege to consume to a God-given right to consume.

With increasing competition and the need to keep prices low and sales high, mass producers sought out new sources of low cost raw materials and new consumers, especially for end-of-life products in mature markets. This was the advent of the multinational firm. World trade has increased more than 100 times since 1955 to 12 trillion USD of the global GDP (Schiffes, 2007). In 2010, the world's top 25 brands include the ubiquitous Coca-Cola, IBM, Microsoft, Google, GE, McDonalds, BMW, Louis Vuitton, Marlboro, H&M, and Nike. The more integrated the world economy becomes the more similar economic processes become out of necessity for standardizing the interfaces across global supply chains.

The deepening of global economic integration carried with it values that favored consumption. These values are buried in formal regulation, financial services, measures of economic performance and professional work practices. Mass media carries messages of consumption to the far reaches of the planet. A generation of children in developed economies has grown up preferring to stay indoors and watch advertising than to going outside. Urban planning has created megacities where there is a deep psychological disconnect between city dwellers and the natural environment.

Consumption does not discriminate political or religious beliefs. From the establishment of formal diplomatic relations of China to the West in 1978, Chinese urban youth has gone from have-nots to must-haves, even more materialistic than American youth. In 2010, Chinese youth expressed stronger agreement than Americans to statements such as “I like to own things that impress people”, “The things I own say a lot about how well I'm doing in life”, and “My life would be better if I owned things I don't have” (Podoshen et al., 2011).

Standardized business practices are necessary for the mass production machine. Business knowledge is codified and passed on through formal business education system. In the Masters of Business Administration (MBA) students are taught frameworks and abstract models on how to conduct business, the rules of business, and are acculturated into a vision of what it means to be a leader of business. Harvard started its MBA in 1908. In the U.S. 3300 MBA degrees were conferred in 1956 rising to 146,000 in 2006 (Herrington, 2010). Worldwide in 2011 there are about 5,000 programs in 2,000 institutions graduating more than 250,000 graduate business students.

The professionalization of business, the standardization of business education and all the institutional forces of formal education create momentum for business paradigms.

MBA students have long been criticized for seeking high and fast returns, unethical behavior, greed, and unaware or uncaring of the impact of business activities on real people. They are accused of unthinking application of the models with “result is that we produce graduates who are capable of dutifully applying the models they were taught, but who are unlikely to question them and largely incapable of adapting them and building new ones” (Martin, 2010).

The Conditioning of Consumption

What I am trying to illustrate by this story of mass production is how deeply conditioned business paradigms have become in our lives. The conditioning goes far deeper than the decision to buy a new product but permeates the world that surrounds us. The core values of mass production and consumption are inside our schools, governments, media, values and views, unconsciously conditioning us to be good consumers. Our social lives are constructed about the invisible rules of consumption in every possible way. This indeed is deep conditioning.

Reinforcement of our consumption conditioning is not through brainwashing or anything insidious, it is through our repeated actions and submission to our conditioning. It is estimated we have about 60,000 thoughts each day, 95 percent of which are unconscious. For the most part we run our lives on autopilot and follow our habitual behavior. It's not wrong. In fact, it is most cognitively efficient to do this as long as our autopilot is operating under rules that are healthy. It is when the rules are unhealthy that we run into problems. Without trying to be melodramatic, we are programmed into the consumption model.

Our conditioning towards our dominant business paradigms is troublesome because our views have become rigid. The tremendous conditioning of these paradigms stultifies open discussion because change is seen as a threat to live as we know it. For those living inside the consumption story it is almost impossible to conceive of a world operating under different principles. The space of possible alternatives to the problem of production within resource constraints becomes limited to those that operate within the existing paradigms rather than considering other alternatives.

That said, a question we don't have the answer to is how much we need to change our existing business practices to find some acceptable balance with the natural environment. There would seem to be ample evidence that it is impossible for all the developed and

developing economies to consume their way to environmental balance. On the other hand, it is not clear to what extent we need a tweak to the paradigms or a complete overhaul.

The most desirable solution is that we don't have to change our behavior at all so we can continue to run on autopilot.

I purchased a Kindle recently with the idea that it might reduce my guilt over owning so many printed books. After my purchase I did a little digging on e-books vs. printed books motivated by an article in *The New York Times* blog. There are a variety of estimates available, but the most optimistic lifecycle estimate is that a Kindle consumes about 23 times the energy in its production and use to the average printed book purchased in a bookstore. The worst estimate about 100 times. A study of reading behavior found that the average American reads only about 4 books per year with one in four Americans reading no books in the previous year. For the average reader, at best it will take at five years to pay back a Kindle in printed books and probably longer. But, of course, I won't keep my Kindle even for 5 years, I'll replace it in a few years with a newer, cooler upgrade.

It is possible that e-books will redefine what it means to read and of course the lifecycle numbers will improve, but that's not my point. My point is that it is not clear that we can reasonably respect for the natural environment to fit into a system that was predicated on assumptions of:

- Infinite, accessible, and cheap energy
- Land, water and skies so enormous they can absorb all production waste
- Growth as a measure of economic success
- There always is a technological fix to every problem
- Happiness and well-being lie in satisfying our material wants
- Denial of the complex interdependencies between natural and human elements
- The world revolving about an egocentric human existence based on the principles of I, me and mine

A first step towards transformation of our business paradigms is awareness of the conditioning –becoming aware of the subtle ways in which mass production and consumption values are wired into our habits, desires, attachments, and dissatisfactions. Becoming conscious of the 95% percent of behavior that is unconscious.

The deep embeddedness of mass production and consumption can be viewed through the lens of Buddhist Dependent Origination or Dependent Co-arising. This is one of the most

fundamental concepts of Buddhism common across all lineages. In the Tibetan Wheel of Life dependent origination is represented as 12 figures on the outer rim. The ordering is usually depicted as:

Ignorance (a blind man lost in a forest),
 Mental formations or fabrications (a potter shaping a vessel),
 Consciousness (a monkey grasping a fruit),
 Mind and body (two men in a boat),
 Six senses (a house with six windows),
 Contact (two lovers intertwined),
 Feeling (an arrow to the eye),
 Craving (a thirsty man receiving a drink),
 Clinging (a monkey picking fruit),
 Becoming (a standing, leaping or reflective person),
 Birth (a woman giving birth), and
 Death (a corpse being carried).

The teaching of dependent origination capture the essence of the Buddha's teaching's that all things (e.g. mass production paradigms and consumption) are the product of a web of mutually interdependent web of cause and effect. That unwise conditioning (e.g. consumption) inevitably leads to discontent. If we wish to end discontent then we will need to break the links in the cycle of dependent origination.

Recently I have been pondering the purchase of an iPad 2. Below I've tried to use this to interpret how the conditioning of Dependent Origination applies to my purchase.

I love new gadgets. I've usually been one of the first to get a new gadget. It started when I was very young. It might have been with wanting the latest toys I saw on TV or competition with other kids. Cool stuff makes me feel good about myself, so that I can have more money for the latest gadgets. The more successful I am and the more gadgets I have the more attractive I feel. For the most part I am not conscious of my buying or mental processes, it is just the way I am. (Mental fabrications)

I am aware of a sense of pleasure when I think about a new iPad. I don't have it yet, but I can envision how I it will be when I have it. My past experience with new technologies shapes my expectations. (Consciousness)

What I am thinking and my body are inextricably intertwined. Neuroscientists say constant fantasies about the iPad fires neurons in the pleasure center of my brain. It's not just about the iPad, I do this for many things that I really want. The more I do this the more used my body becomes to the pleasure fix. And when the fix is missing my body reacts by making me want more stuff. (Mind and Form)

When I'm wanting something, like the iPad, my senses becomes absorbed with the object of my desire. I get a great deal of sensory pleasure from seeing, touching, new technologies and appreciating their physical feel. Technology can be sensuous. My mind remembers past pleasurable sensations very well. (Senses)

I derive pleasure and pain from owning and using technology. When things are going well and I have a new toy it is pleasureable. However, when something goes wrong, I can feel very negative. Because technologies are tied into how I live my life my feelings and technologies are intertwined. When I use email or the mobile phone and people do not respond quickly I get very irritated. When I have better technologies I feel better about myself and the world. (Feeling)

It not just wanting an iPad, it's more an obsession with having the latest or better technologies to help my life. Who I am and what I have are linked. Through advertising I know that my life will be better with better technologies. (Craving)

I find that I have become very attached to technologies particularly mobile phones and email. When I'm not around them I start to get anxious. In some ways I am very dependent upon them. And I expect others to be responsive to my calls and emails. (Clinging)

I finally purchase my iPad! There is that wonderful burst of happiness and excitement as I receive my new toy. I love the experience of opening the packaging, charging, turning it on for the first time, trying out all the new features, downloading software and upgrades. I carry it all over with me and I enjoy showing it to others. The iPad is mine at last. (Becoming and Birth)

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I've had the iPad for a few weeks now. It's still very nice, but it was a bit too good to be true and my life hasn't changed as much as I thought it would. It hasn't given me the complete satisfaction I thought it would. But perhaps the next technology will. I just read the next iPad will be released in a few months... (Death)

At the most fundamental level, my consumption behavior stems from ignorance, the initial factor in dependent origination. Ignorance that I am not defined by my stuff. That the world does not revolve around me or my wants. That my need to consume is deeply intertwined with the complex processes evolving from hundreds of years of mass production; and I am not separated from the natural environment and its interdependencies with how we produce and consume.

My illustration of dependent origination belies the complexity and subtlety of the teachings. The 12 factors are not aligned in a simple linear relationship but in an interconnected system with many feedback loops and no one original cause. Whatever the initial cause, however, the system invariably leads to discontent. The part of the cycle that causes the most discontent is our mental formations (habits) and consciousness, or what we put in our minds.

That there is no starting point to the cycle of dependent origination is significant. This means that if we wish to break out of the cycle, it can be done at any point in the web of dependent origination. It is not required for complete understanding of the full cycle in order to intervene. It is not necessary to find the original cause in order to break the cycle. Becoming aware of the causation of any factor provides an opportunity to stop the cycle through letting go of the causal factors.

Returning to mass production and consumption, the river runs deep. Mass production is not a universal law, it is the result of an large number of decisions over many years that has led to our generally accepted behavior. While the paradigm was tremendously useful in raising the welfare of billions, it is rapidly reaching a point where it may no longer be viable to extend the consumption model much further if we wish to preserve the natural environment.

For us to deal with this problem thoughtfully, we need to pull back the cover of the black box and look inside at how mass production has conditioned our behavior. From the view of dependent origination our lives and being are entrapped inside a system of interdependencies that continuously reinforce mass production and consumption behavior. In unraveling the conditioning of mass production we see we have artificially separated ourselves from the natural environment and placed ourselves in an individual and collective sense at the center of the universe, and how mistaken this point of view is. Our obsession with Self inherent in mass production and consumption obscures the interconnectedness of all things.

Awareness of the deep conditioning of our business paradigms is the first step towards seeing our paradigms for what they are, flawed human constructs. In decoding some of the interdependencies in the conditioning of the paradigms we are able to take another step

towards cessation, and cutting some of the links. With each link we sever we open our minds to new possibilities and become more accepting of change to the system.

Business paradigms, as with any social institution, change through a limited set of conditions: a crisis, a powerful external force, or a groundswell movement. It is the same for how most people become open to personal change and a grudging willingness to finally engage their problematic inner selves: a life crisis, someone forces change upon us, or we are struck by an epiphany.

Right now we are in desperate need of a business epiphany.

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