

Committing to Re-Build Trust as a “*True Servant*” of a Fractured Civilization: Towards a More Enlightened Leadership

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The events of the past year, when viewed from a historical perspective, have challenged some of the most fundamental beliefs upon which modern day civilization is based:

- (i.) The basic survival instinct led people to form communities so that we are safe and secure together. The events of September 11th last year shattered that sense of security.
- (ii.) The basic human instinct to express inner talents of individuals through economic processes is based on trust. While I hope they are not true, business practices within Enron, WorldCom, Global Crossing, Arthur Andersen and so on and so forth, more recently, as reported by the media, the spending habits of “celebrities” like Jack Welch, Bernie Ebbers, an American icon, Martha Stewart, have definitely fractured the “trust” upon which modern economic society had been built. As an investor, you trust the management of a company, and as a consumer you trust the price you pay for the value you buy, as an employee you trust the judgment calls leadership of the company you work for makes. These “*trust factors*” are broken today.

As you prepare to step out into the working world, you must realize that while we may have returned to the mostly contented routine of our lives, something deeper has changed and something fundamental to our very well being has been fractured. The backdrop is indeed clouded with uncertainties. There are as many views on how such issues will need to be addressed, as there are skeptics who have lost total faith in today’s institutions to provide the right kind of solutions, today’s civilization requires.

Universities have always been the fountainhead of new views, new thoughts, and new principles which have kept the world civilization moving in the right direction. I am confident, Harvard University, known for its ability to embrace emerging issues to evolve state-of-the-art cutting edge solutions, will continue to inspire its students to play significant roles. You are now sitting at historic cross-roads which I believe is great opportunity for all of us, particularly you as your fertile minds connect with the challenges of our time with an open mind.

The time has come now, particularly for the class of 2003 who spent their junior year watching two kinds of terrorism – “physical and from the outside” and “spiritual and from the inside”, I hope you will now navigate through your senior year to identify a role that is geared not toward short-term financial and/or “brand name” gains, but based on a more purposeful resolve to build “*multi-dimensional trust*” that today’s world is looking for, - specifically for improved:

- Geo-political Equations
- Governance of the Planet

- Economic Advancement
- And, most importantly, Trust and Reverence in each other.

And I mean trust in its broadest sense that we all strive for in identifying ourselves in the environment we live and work. Physical well-being, material gains, etc. always follow. In order to do so, each one of you in this room (and others who could not join the discussion this evening) has to define a long-term role which will truly express the inner instincts of the divine character in yourself. In order to provide a few hints on what that role might be, I will try to answer five questions that I think are critical for curious minds for identifying purposeful roles in the shrinking planet:

1. How are the regional priorities evolving? Are they converging or diverging?
2. Are there a few global problems around which “new wealth” creation process could evolve?
3. What are the new technologies that you could harness to evolve the solutions?
4. How might you develop the “new resiliency” that future leaders will require?
5. Moving forward, what specific actions should you consider taking so that the thoughts of today could get further refined and, in turn, converted into tangible actions?

1. Diverging Regional Priorities

As much as the globe has been shrinking, various nations today could be broadly clustered into ten different regions depending upon the specific challenges the people in the region are dealing with in their day-to-day lives:

1. North America will need to commit itself to rebuild the “trust” on which this society has been built, so that it continues to inspire its own citizens and nations around the world
2. Western Europeans have been struggling with the issues of unemployment and single community for a decade, and they will perhaps continue to do so until they could evolve a new paradigm of sustainable wealth creation
3. South Americans have been searching for an economic identity which is inflation- and corruption-proof while they struggle to reduce poverty
4. Eastern Europeans, having freed themselves from the shackles of Communism, are dealing with the frictions of tribalism and transformation to market economies. The global community and particularly Western Europeans will need to extend full empathy to make the “*switch*” a full success; on the other hand to embrace capitalism

the governments and business houses of these nations have to understand the social consciousness and philanthropy (please read Andrew Carnegie's "Gospel of Wealth") were at the core of American capitalism, not greed to corner wealth.

5. The Middle East, which for thousands of years has been the cradle of literature and science and is now torn between difficult and complex religious issues, is perhaps in need of a new identity, to unveil the cultural depth of the region. The transformation to the new paradigm will not be easy but it has to be triggered by internal soul searching which celebrates the greatness of its heritage with an open, democratic and secular mindset
6. Africans are dealing with most visible and vicious issues related to harsh environment, expanding AIDs, and pockets of tribalism. Both internal will/self determination and external engagement will be required to build the virtuous cycle of socio-economic progress.
7. South Asia, perhaps the most complex region of all, is faced with multi-dimensional issues related with expanding divide between the elite and the masses, a deepening crisis in political leaderships, increasing vulnerabilities of nuclear war and, most importantly, the continuing breakdown of the ancient philosophical values and principles for which the region has been known for several thousands of years.
8. South East Asia, which has been most dynamic in terms of economic development, is trying to find ways to forge a tighter socio-economic regional fabric under the umbrella of ASEAN, while integrating with the G-7 economics.
9. China, which has been the miracle engine of economic growth for the last 20+ years, will need to deal with large scale migration of working population from the rural to urban industrial sector, and will need to build stronger ties with economic powers in the East and West.
10. East Asia, including Japan, Korea, and Taiwan, will need to find ways to strengthen their own domestic economies and, at the same time, provide the Asian Region with the economic impetus which, in turn, could hopefully provide the global economy the much needed economic buoyancy for the next decade.

Indeed, while the regional issues are very different and diverging, ***they are all in a state of flux.*** Within each specific nation, the issues manifest themselves very differently. As a result, while the world shrinks as regions become interdependent, the difference in the regional issues end up being the cause of major frictions.

It is important, as a result, that you as future leaders develop the capacity of identifying and analyzing global issues from multiple perspectives. Much of the international tensions today are products of the superficial understanding different regions have of each other. For example, while we believe the successful socio-economic evolution of the US is based on *its work ethics* and innovative grass-root *problem solving orientation*, in many regions the US image is based on the worst of the Hollywood stereotypes seen in our movies with sex and violence.

In the same spirit, isolated events and examples that draw the media's attention, end up stereotyping the character of the region.

As you step into your work life, you must build on the relationships you have established at Harvard. You, as future leaders of different regions, must get involved with international issues with "*different lenses simultaneously at work*" and build on the relationships forged in the classrooms.

2. Common "Mega Issues" for Sustainable Development Remain Unattended

What we often forget is that irrespective of where we belong, how the future civilization will evolve will be dependent upon how the three critical issues are addressed:

- (i.) Equity
- (ii.) Ecology and
- (iii.) Energy

Global Equity:

Three quarters of the world's population today consumes less than ten percent of the world's production, and close to fifty percent live at or below the poverty level, while the top ten percent consume close to seventy percent of global resources. Several studies have repeatedly confirmed this gap has only increased in spite of the efforts of World Bank, the United Nations, multiple different agencies and hundreds of different NGOs. The limited success of the range of initiatives has only proven that as lofty as the objectives of these organizations were, they have failed in devising an approach which will at least hold the gap, let alone reduce the gap.

In a world which is shrinking, living with such large socio-economic gaps is not only a sin; it makes our civilization fragile, it is dangerous to us all, - as such, lives are in a state of despair and hopelessness and are often misused to destabilize more privileged regions.

Time has come if we want to preserve the economic well being we enjoy in the TRIAD. We have to reach out to the grass root issues of economic development with an open mind-set. Such a mind-set should require a multi-cultural problem-solving approach, which is targeted to specific communities to address specific problems. The broad-brush approach will not work. In that spirit, several professionals and I have launched The Boston Pledge last year to create a platform which will bring together people from all parts of our society to contribute *X percent* of their intellectual, physical, financial and, most importantly, spiritual energies for a greater cause targeted to specific issues related to health, education and entrepreneurship.

Global Ecology:

For almost a century now, definitely in the last quarter century, scientists and philosophers have warned us of the ecological imbalance. The disappearing rain forests, the thinning of the ozone layer, and the shifting dynamic of living species – together they all pose a serious threat. While the global summits on the environment have all recognized the problems, we are yet to devise mechanisms to build a consensus on resolving them.

Once again, I believe we need to take a new approach - an approach, which will ensure that the design of wealth creation processes themselves is ecologically friendly. Such a step has to be a “bottom up” move whereby children in privileged and under privileged parts of the world will need to be only exposed to habits which are “closed loop” which do not extract and exploit nature, but only preserve and, if possible, progresses nature towards a more favorable equilibrium.

We must believe that being "environment-friendly" does not mean we are not friendly to economic progress. In fact, I strongly believe ecological friendliness only helps economic progress, which I will discuss later.

Global Energy:

For millions of years the progress of civilization has been fueled by use of energy in some form or other. Advanced nations of today consume more than two thirds of the hydrocarbon resources of the world. With world population close to six billion, global equity on the basis of the nineteenth and twentieth century industrialization model is not possible. If possible, not sustainable. We have to evolve new economic processes that are significantly less energy-dependent while being based on improved use of renewable energy.

In spite of all the years of debates and discussions, the world leaders are yet to evolve a sustainable energy policy which will lead to a better energy balance between supply and demand, while ensuring economic progress for all. We will need to encourage businesses to review their processes from the point of energy efficiency and experiment renewable energy sources, which are also ecologically friendly.

Leaders worldwide as well as the media all talk about these issues with significantly more depth. In spite of all the debates, our inability to address these issues point toward one very important requirement of tomorrow's leaders – your ability to “*disconnect from the pride and prejudice*” of the past is essential, to reconfigure the economic processes of the future, keeping in mind the new set of requirements. It is difficult to evolve large-scale socio-economic and/or business models when we tend to look at the future with the templates and theories of the past.

The 3Es are clearly important problems which future leaders like you must put your mind on, with an “all clear” mind-set.

3. Technologies are Available

The technology landscape today is fertile with mega possibilities. As future problem solver, you will need to harness the power of five technologies:

1. Convergence Engine
 2. Biotechnology and Genomics
 3. Aero-Space
 4. Alternative Energy Technologies
 5. Nano-technologies
- (i.) I believe that as the **4Cs** - Communications, Computing, Commerce and Content collide, the innovative energy that will be realized could fundamentally transform today's industries from being "consumption-centric" to "conservation-centric". Convergence, if intelligently applied, could better serve the customer by not selling products but services over the ownership cycle [of the product] enabling improved productivity of the work environment, as Dell does not sell computers but sells computing, a carpet manufacturer selling carpeting, not carpets, ensuring every molecule of the first lot of carpets in an office building for example, gets recycled.
- (ii.) In that same spirit, Biotechnology and Genomics could be utilized across multiple applications in Agro, treatment of non-curable diseases and help creation of improved ecological balance.
- (iii.) Alternative Energy Technologies, such as fuel cells, micro turbines, solar cells and wind power are not only based on renewable energy sources, but also pollution and noise free, and easy to operate on a small scale. The whole energy infrastructure of the 21st century could lead to distributed electricity generation managed through broadband networks to create markets in local communities. The new energy technologies indeed could disrupt the infrastructure, which was inspired by Edison. Who among you wants to become the *next Edison*?

It is clear that it is not the means but the breadth of our vision and depth of our commitment that will determine how we address the problems of ecology, equity and energy that we discussed earlier. Once again you will need to be able to disengage from modern day constructs to build the solutions of the future, as did Bell, Carnegie, Dell, Edison, Ford and Gates to name just a few.

4. Building "Three Dimensional" Resiliency in Weaving the "New Socio-Economic Fabric"

It is my strong belief the leaders of tomorrow have the opportunity not only to repair the fracture, but honor the lives of people who have and are suffering from the fracture by rising to the challenge of weaving a "new socio-economic fabric" with 100% empathy to the grass root issues in each region of the world. As young men and women entering the workforce,

the next decade it will be very important for you to develop what I will term “**Leadership Resiliency**”.

Your ability to succeed will be determined by how resilient you are in accommodating multiple views, expanding solutions space inspiring multiple cultures toward a common vision, through continuous experimentation of your skill and spirit – along intellectual, spiritual and physical dimensions. *Intellectual ability* to visualize solutions beyond the usual, *physical ability* to stay committed to solve complex cross boundary issues, and *spiritual charisma* to draw multiple constituencies toward a common purpose.

On one hand, you will need to be strong and firm along each of these dimensions and the other hand you must have the resiliency to deal with the unforeseen hurdles and multiple views – with dignity and grace.

5. Moving Forward: Committing to a Few Simple Initiatives

Let not this discussion this evening following the first anniversary of September 11th be another discussion which gradually fades into a bookshelf and/or on a desk of the President at the White house, at best. Let the discussion today be a living embodiment of a new resolve all of you may want to commit to in identifying your true potential – be they in a Fortune 500 company, in a University, as an entrepreneur, a public servant or the lone ranger.

In the spirit of getting ready for the big role you will play in your professional life and to build the confidence in triggering out-of-box initiatives, specific initiatives I will request you to consider are:

- Raise funds for two chairs in the Harvard University – Swami Vivekananda¹ and Marvin Bower², two individuals who had profound impact in millions of individuals and particularly me; *the former*, who inspired people all around the world to champion the Universal religion – which is based on ancient Indian philosophy and in turn trigger India’s independence movement, and *the latter*, who single handedly developed the modern day management consulting as high stature profession in different regions of the world through McKinsey and Company
- Invite Marvin Bower to come and address you with a few other leaders like George Soros, Amartya Sen and the likes, in a roundtable discussion to develop multiple views on future global scenarios

¹ Swami Vivekananda, as Narendra Nath Dutta, visited Harvard University in the summer of 1893 to meet the Dean of Divinity School in order to seek his endorsement to be a speaker at First World Parliament of Religions in September 1893 in Chicago. The Dean was so impressed with Mr. Dutta's knowledge that he wrote to the chairman of the organizing committee of the congress, that if "anyone deserves to speak in this congress, it is this young man". Later, his speeches in the congress and subsequently all over the world, and his role in triggering the India's Independence Movement, perhaps made him one of the greatest figures whose life was catalyzed by the Harvard University. He is also the founder of Ram Krishna Mission/Vedanta Center which is now present in more than three dozen countries.

² Marvin Bower was one of the principal forces, if not the main one, to build up Management Consulting as a top-tier profession as he shaped and led the development of McKinsey & Company over a period of fifty years. He is one of the most prominent members in the Business Hall of Fame.

- Work with Larry Summers to institutionalize a multi-disciplinary program an “creative Problem Solving” in an era of convergence and new technology at Harvard
- Take a piece of paper and chart your own milestones along the three vectors – intellectual, physical and Spiritual advancement of yourself
- *Get involved* in The Boston Pledge³

I will be delighted to work with you to take the above forward with you.

The future is what you will make of it. And I do believe in what Eleanor Roosevelt had to say, “The future belongs to those who believe in the beauty of their dreams”. I believe *what separates the ordinary from the extraordinary is when people reach out for - the truth within, and truth in the universe, and connect the two. I know you will, if only you have the will.*

Thank You

³ A new voluntary, multinational organization headquartered in Boston founded in the fall of 2001 to bring together people to utilize their skills (as volunteers) in addressing specific issues related to education, entrepreneurship, health, etc. in different regions of the world.