

# The Zermatt Summit Manifesto

**In the competitive market economy, our present development model has shown a continuous ability to be creative and to increase wealth. At the same time there has been a progressive blurring of its link with the global Common Good, and a significant loss of our capacity to regulate it. Economics have been unlinked from ethics and politics as financial capitalism tends to nurture a speculative race where money serves to create more money without sufficiently investing in the real economy, producing goods or services useful to people. Destruction of the planet and of biodiversity, poverty and growing inequalities, situations of injustice, exclusion and alienation are some of the dysfunctions likely to have significant negative consequences for future generations. Our current model of development runs the risk of becoming unsustainable, losing its moral and political legitimacy. In such a context we feel that change is necessary and it is time to give ethical and political dimensions back to economic activity. Humanizing globalization becomes a priority. We strongly believe that enterprises are the main economic agent in society, creating value through their production of jobs, of innovation, of goods and services and of taxes. Business leaders – given the power of the corporation today – bear critical responsibility. They should accept to review, to rethink and broaden the purpose of their enterprise, integrating a concern for the Common Good.**

## **Giving back economic activity its ethical and political dimensions.**

**We want to redefine the purpose or “raison d’être” of business** – We strongly believe that the “raison d’être” of an enterprise must be anchored in its entrepreneurial identity i.e. initiative, creativity and innovation in small, medium and large business organizations. Furthermore, in today’s borderless world, entrepreneurship (and its potential to innovate) can be more consciously oriented toward the global Common Good and the challenges of our time rather than being subordinate to the vagaries of speculation.

We need to transform the business culture – the perspective of the Zermatt Summit is the transformation of our system according to the following philosophy: finance to serve the economy, economy to serve the Common Good, Common Good to serve the person. This new perspective should help the decision-takers to revisit the “raison d’être” of the business firm and embed ethical and political dimensions in their strategies. To contribute to this paradigm shift, economic and financial participants will have to re-invent their corporate culture to find a new balance between its key roles: entrepreneurship, leadership and statesmanship. Corporate Social Responsibility and Corporate Social Values practices are emerging in many sectors and are first steps in the right direction.

**We want to stimulate Entrepreneurship** – We believe that an enterprise has to enhance its entrepreneurial action, to be creative in a real world of goods and services, as opposed to the mere logic of short term

financial and quarterly results. It is mainly through its entrepreneurial capacity that it can serve the Common Good and contribute to face the challenges ahead. Shareholder value is but one of several measures of business performance. Defining the “raison d’être” of the corporate enterprise in terms of economic, human and societal development will influence its strategies, its structures and its managerial behaviour as well as its specific contribution towards the Common Good. Business leaders and managers will pay greater attention to the societal consequences of their decisions, to the “externalities” of their actions and to the problems of our time which they could help solve by their entrepreneurial initiatives. The creative capacity of business will also gain in addressing needs of those at the “bottom of the pyramid”, by literally reaching out to assist the poorest and contributing to lift them from extreme poverty. This encounter and ensuing actions can change its perspective; transform its mind-set and its corporate culture.

**We want to promote a new definition of Leadership** – Management is no longer enough. We want to put ethics back into the heart of economic activity. What we need are not only managers or administrators but a new type of leadership: leaders as “sense givers” and “sense makers”, leaders as “architects of corporate conscience”<sup>1</sup>, leaders as ethical stewards. If one narrowly defines management, one might say that it consists above all of the administration of things: objectives, budgets, strategic analysis, plans, methods, procedures. But leadership, as the art of directing human reality, influences, motivates, communicates and induces participation.

We need “servant leaders” able to convince people of the values we collectively wish to implement, willing to assume full responsibility for their decisions and actions and prepared to actually serve the communities they are in charge of. Such leadership relies on moral authority through which ethics are passed down into the organization.

**We want to encourage Statesmanship** – As leaders we recognize societal interdependence and the urgency to shift to a more sustainable model of development. To facilitate its emergence, we have to participate actively in the research and definition of the Common Good of our global world and try to incorporate it into our sphere of activity. We have to play a responsible role in the emergence of a new culture of debate, concertation and co-operation that would replace the current simple “lobbying”, We need to play a more active role in the search and creation of new forms of governance.

In this perspective we will add to our role of entrepreneurs and leaders that of statesmen willing to contribute to the debate on global Common Good. Statesmanship is the way we can give back to our business activity its political dimension.

The Common Good can be defined as the set of social conditions that allow all people and all groups that make up society to achieve their own accomplishments in the most positive manner.<sup>2</sup> If one accepts this definition, the criterion of the Common Good presents a fundamental principle of moral judgement of the organisation of a society, including the global system.<sup>3</sup> The

United Nations suggests the concept of sustainable development as defined in the Brundtland Report: “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Business statesmanship goes further. It addresses the real political question of our time: what kind of world do we want to build together with the vast resources and the skills at our disposal. In entrepreneurial terms it can be translated as how shall we use our creative capabilities to build a better world?

**We need to change hearts and minds** – We want to play a more responsible role in the emergence of a new culture of co-operation, negotiation and debate. Addressing complexity, paradoxes and conflicts requires putting aside the usual unilateral business thinking. The multi-stakeholder company will have to adopt a much more political approach if it wants to become socially responsible. By broadening the political dimension of our strategies we will increase our collective ability to transform the economic system into a more sustainable model, to preserve the earth, better share its resources and help reduce poverty and inequality.

Can leaders transform companies and the system that they lead without transforming themselves? Changes in structures will not happen “on command”. They will only come to life if they are driven from within, by people of good will.

**We need to rely upon and develop the person as a whole** – At a time when – beyond rationality – we talk about emotional and spiritual intelligence, let us remember that nearly every civilisation offers a vision of man that includes three dimensions. This vision goes beyond mere rationality to open up the less tangible but more profound realities of the heart and the soul. By trying to unify the whole person we will liberate new energies for our personal development and acquire greater maturity in our relations with others. Responsible leadership implies the whole person commitment.

**We want to let our spirituality guide us** – It is our conscience and our spiritual dimension that invite us to become more humane and to develop a world with more freedom, justice and peace. In considering the evolution of the universe, one cannot help but question this movement, this momentum, which drives matter to life and life to man, being capable of freedom, creativity, love and wonderment. Are there not elements here to be utilised as a guide, a pathway, a positive drift towards what might be called the humanisation of the world? Would our spirituality not be this guide, this call to life, this impetus for love, this light that illuminates the road and invites us, despite the limits of evil, suffering and death, to become and remain alive by adhering only to the deeper values? Do we use enough of the extraordinary power of transformation that spirituality can give us when it is lived out in all aspects of our life?

**We want to transform the relationship into encounter** – We must dare to transform relationships into encounters. The encounter commits the heart. It is the personalised relationship, on an equal and reciprocal footing, without mediation of money or power. It is the place of mutual acceptance, listening, watching, the place where one can be “called by his name”, accepting its fragility, recognising the other, making it exist, helping it to stand up.

**We need to accept being fragile and courageous at the same time** – Introducing more humanity implies recognising oneself not only as creator, but also as being fragile in relation to each other. It is sometimes difficult for a creative entrepreneurial leader. The real hero is not the cosmic hero of myths or romance but one who co-exists with others all the while being open to his own fear of finitude as well as to that of others.<sup>4</sup>

For many civilizations courage is a major virtue, but today it differs from the traditional courage of ancient heroes. It should not be sought primarily for personal success, prestige or “glory” but for the coming of a world of justice, peace and love. Rooted in a human nature that knows fragility, courage then becomes a continuous, humble, patient

and concrete existential effort. It can also be seen in terms of initiative and creativity, as “the courage to begin”, the courage to undertake. **We want to become an international platform of reference** – Bringing together stakeholders for the purpose of adding more humanity into the process of globalization and making practical recommendations to leaders for an economy serving the human person and the Common Good.

We will draw on the works of our members and their various networks to create, gather and refine innovative experiments, concepts and research results capable of supporting and enlightening our main themes. Our ambition is to become a thought provoking driving force and to build a utopia that will allow us to be pulled by the future instead of being pushed by the past.

But if there is a sense of what is real... there must be something that one might call the sense of the possible... a flight of fancy, a will to build, a conscious utopia which, far from fearing reality, treats it simply as a task and a perpetual reinvention (Robert Musil).

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<sup>1</sup>Kenneth Goodpaster  
<sup>2</sup>Berten, I., *L'enseignement social de l'Eglise: bilan et perspectives (The social teaching of the Church: balance and perspectives)*, in Bertin, Buekens and Martinez, *Enterrée, la doctrine sociale ? (Is social doctrine buried ?)* Bruxelles, Lumen Vitae, 2009, pp 15-37  
<sup>3</sup>Ibidem  
<sup>4</sup>Arnsperger, Ch., *Critique de l'existence capitaliste*, Paris, Cerf, 2005