

1. SOCIAL INSTABILITY: CURRENT ANALYSIS

Marked social instability is the main trait of the period we live in. In fact, how else could we explain the widespread tendency toward "unrest" from which country seems to be spared, or the more recent diffusion of violence as a political action.

Confidential

Bilderberg Meeting

April 23 - 25, 1971

THE CONTRIBUTIONS OF BUSINESS IN DEALING WITH CURRENT PROBLEMS OF SOCIAL INSTABILITY

Giovanni Agnelli

1. SOCIAL INSTABILITY: UNREST AND VIOLENCE

Marked social instability is the main trait of the period we live in. In fact, how else could we consider either the widespread tendency toward "unrest" from which no Western country seems to be spared, or the more recent diffusion of violence as a political action.

As regards unrest, already in 1969, at our Marienlyst meeting, we considered a number of cases where this situation of unrest sprung from or was directed toward political and social claims. But unrest is not bound to these forms, which are more or less defined and whose modes of expression are known.

In its extreme form, unrest often has nihilistic targets. Its goal is destruction, either because destruction is considered as an end in itself, or in the incredibly optimistic hypothesis that the collapse of the social system will allow the forces of unrest the exclusive ability to invent another, more preferable system in the field.

In another widespread form, unrest often appears to find an end in itself. It seizes whichever pretext is at hand for a target, and when this target is attained, it starts again under the coverage of another pretext. This type of unrest is not actually a "movement to attain something", but rather an erratic display of dissatisfaction.

This is also true of another, more subtle form of unrest which does not give rise to riots and uproars, but slows down the operation of the system and paves the way for the explosions to come. This is the "malaise" felt by so many individuals and groups, whose emotions toward society and civilisation itself range from plain skepticism to distrust, from fear to repressed hate. This "malaise" confines

individuals into a sort of repressed, idle detachment, from which they may explode destructively at the first opportunity.

Since 1969, additional manifestations of unrest have appeared over and above those considered. Among them, of particular concern is the appearance of symptoms of social instability within the world of the enterprise itself. In Europe, the traditional demands and actions of workers, led by the labour unions, have recently been superseded by the debate on the very institutions, procedures and criteria which have always been considered as qualifiers of the contemporary business system. Within the enterprise we rediscover the two symptoms described above: the acute symptom, limited in each instance as to the number of individuals affected, of uncontrolled unrest for the sake of unrest; and the latent symptom, spread amongst a large number of individuals, which hinders productive activity and is expressed through absenteeism or the support of agitators.

As to the use of violence, this has become increasingly widespread and intense, especially in the last two years. We were accustomed to consider violence within a certain logic of power, affirmed either by those who intend to conquer power or by those striving to maintain it at any cost in the face of opponents.

What surprises us today is how violence is utilized within basically pacifist frameworks, whose objective is not to take over, but to confront legal power, as a means of revealing the insufficiency, feebleness and illegitimacy of authority. From now on, I shall refer to violence in this context.

According to Sorel and Pareto, the attraction exerted by violence is directly proportional to the extent of bureaucratisation and centralisation in public life. In almost every part of the world, young people have turned violence into a form of policy, into a manifestation of political action against what they consider an inefficient, abusive, arbitrary system, to be denounced as something which is no longer at the service of the sovereignty of the citizens.

2. SOCIAL INSTABILITY AND THE ROLE OF THE COMMUNIST PARTIES

These symptoms cannot be interpreted but as the signs of deep social unrest, whose roots must be analyzed if it is to be treated.

But before attempting any analysis, let me add that in some European countries - among which mine - unrest exhibits particular traits which are not found elsewhere. They result from the existence in these countries of powerful communist parties, whose avowed strategic objective is a radical change of the present economic and social system.

Thus, we might consider that instability in France and Italy, for example, is due for the most part to the existence of these parties, and that it would be useless to analyse the situation any further.

Yet, I do not intend to limit my discussion to an analysis of social instability in Italy and France, and furthermore it seems to me that even in these two countries the success of the communist parties with the electorate is more the result of an as yet non-analysed dissatisfaction, canalized by these parties, than of a conscious adhesion to the objectives of communism. Besides, in these countries a number of violent, extraparlimentary political groups antagonize the communist party, which they consider an oligarchic, bureaucratic

movement.

In this view, an analysis of the causes of such dissatisfaction appears all the more necessary.

3. THE UNEXPLAINED SOCIAL MALAISE

What is "social instability"? At first glance and according to a traditional definition, we might explain it as a perturbation of relations between society at large and certain groups of individuals. Beyond a certain threshold of tolerance, which may vary from one society to another, this perturbation causes conflicts which may constitute a serious menace to the orderly operation of the social system, entails a waste of much-needed resources, and challenges the welfare of society by jeopardizing its economic expansion.

But are we satisfied with this definition of instability, to interpret such widespread and serious social phenomena as those of the past few years?

Personally, I am not. This definition, which may have been valid for the "deviant" attitudes of individuals and small heretic groups of the past, cannot be applied piecemeal to the recent manifestations of protest, confrontation and guerrilla, which are often shared by the largest portion of important social groups (the students, the workers, the tradespeople, the farmers, etc.) in an extended geographic area.

Furthermore, this definition is not applicable to the recent intensification of the political use of violence to denounce the limitations of legal power.

Perhaps the very concept of "instability" is no longer useful in interpreting these events, because of the practical impossibility to define what we intend nowadays by "social instability".

Only the traditional rural societies and some of the underdeveloped societies are defined as "stable" by the cultural instruments of our age. The principles generally referred to in Europe to indicate a yearning to organize for the future an expanding society unhindered by dramatic interior conflicts, are those of integration, of pluralistic democracy, of balanced and harmonised development.

But if we lack the terms for dependable and unequivocal definitions, let us at least try to reconstruct, synthetically, the genesis of this unrest that worries us today. Let us examine this genesis from the viewpoint of business. To borrow a term from our opponents, let us try to be autocritical for once.

4. SOCIAL CHANGE AND HISTORICAL BEHAVIOUR OF BUSINESS

For too long we have remained unaware of the intimate relations existing between our type of economy and social order. Accordingly, we deemed it possible to accelerate the rhythm, the dynamism of the economic process, while maintaining the social and institutional structures of a static society.

In Europe, this has meant spreading and intensifying industrialisation, until the level of mass production was reached in a society whose way of life was still too akin to that of a rural society.

In hindsight, it is evident that the objective of economic progress without social disturbance could not be attained. Rural society's

way of life has been completely disrupted by the massive transfer of manpower from agriculture to industry, the exodus from the countryside and the formation of sprawling urban agglomerations, the race toward the alluring job opportunities offered by the industrialized areas.

Unfortunately, the countries where industrial growth was later in coming did not utilize the experience of their precursors to avoid the causes and consequences of this disruption.

On the other hand, the behaviour of business has been more "aggressive" and structured than we normally think: for example, we ourselves have propounded material prosperity as a social value to be yearned for, whereas its value is at best merely instrumental. This way, we have influenced the choice of society in this direction, thus opening the way to a painful reappraisal of the whole system of fundamental values, upon which social order has rested for several centuries.

If business has chosen to play an active rôle in the economic transformation of society, it must realize that at the same time it has inevitably played the rôle of agent of social change. But we have played this second rôle in a "passive" way, not only because we have not considered it our task to solve the social problems deriving from an acceleration of the economy, but also due to our unawareness of these very problems. We have not even tried to help in the diffusion of culture in order to better understand these problems, nor have we lobbied for suitable institutions to face them positively and on time.

After all, neither the men of culture, nor the people in charge of social institutions have tried to understand what was happening, what would inevitably take place, and what they should have done to play their rôle in a dynamic and constructive way.

Business - which is intimately connected with mass industry and the industrialized tertiary services - presupposes today a continuously expanding market, open to innovation in all of its productive factors. However, it faces a social environment guided by institutions devised to manage rural societies and a culture oriented toward interpretation of the past and the utopia of an eschatological future, rather than the determination of a possible medium-range future. Finally, it has to cope with value systems providing at best a catechetical guidance suited to repetitive behaviours, rather than a few, fundamental moral criteria favouring the acquisition of new experiences.

All in all, in many European countries business finds itself in conflict with the culture and institutions of society.

And if business finds it difficult to develop in a situation where it can, to a large degree, take the initiative of the protagonist, should we be surprised at the difficulties of others? What about the difficulties of those whose work is tied solely to the continuation of an antiquated culture and outworn institutions? What about the quandary of all the people who, without being protagonists either of change or resistance to change, suffer their consequences, pulled asunder by the two contrasting forces of economic dynamism and cultural and institutional stagnation?

5. BEHAVIOUR OF INSTITUTIONS AND CULTURAL ATTITUDES

In synthesis, two considerations emerge at this point:

a) In the western world, and particularly in Europe, this period marks the definitive passage from an economically static society, having a basically rural character and a culture oriented toward the past, to a dynamic society based on mass production and the industrialization of tertiary services, with a culture that cannot help but look toward the future.

b) We still aren't sufficiently aware of the cultural and political implications of this change. Consequently, the transformation is being pushed through by the haphazard interplay of pulsating forces, rather than through a continuous process guided by a clearly aware cultural and political leadership.

Thus, we are beginning to realize that the current phenomena of social change are not governed and oriented, on the political and the cultural plane alike.

So, we can reasonably maintain that, if business has not done much to bring about a renovation of culture and institutions, the cultural and political leadership has not shown the necessary vigour and initiative. It may in fact be sustained that certain of the more obviously negative phenomena accompanying the process of economic growth are not the unavoidable consequence of this process, but of the random, disorderly way in which the process has developed.

For example, growth of production and income are linked to industrial growth, and this, in turn, requires a population adapted to an urbanised territory. If urban agglomeration takes place in a state of congestion, of pollution, of anomie, this cannot be ascribed to

urbanisation and industrialisation per se, but to the way to which these processes are achieved.

It would perhaps be desirable to be reassured on this issue by the intellectuals and the people in charge of social institutions. But it would be even more desirable to try and find some solution to the mutual deficiencies at the top level of responsibility, instead of crying over split milk.

The lack of a culture on a level with the problems at hand, of institutions equal to the task of governing a developing industrial society, is, in my opinion, our most serious deficiency. We miss the scholar who can restore importance to values in themselves, propose the new priorities in their hierarchy, contribute to devising new ways through which social groups and institutions (family, community, nations) may continue to fulfill their cohesive function. And we miss the men of politics who can propose general objectives acceptable to individuals and groups alike.

6. PSYCHOSOCIOLOGICAL INTERPRETATION

Individuals and groups, when abandoned to themselves, may endure or react. In any case, tensions emerge which, being without political or cultural orientation, cause ever more serious conflicts.

Contemporary sociologists and psychologists have dedicated much time and effort to this analysis, reaching certain conclusions.

First of all, it seems that the accelerated change from an essentially rural society into an industrial society is at the roots of social instability.

Change in itself is a factor of instability, because it entails a series of social movements suffered by the individual against his wishes. To change one's own habits and way of thinking; to see that knowledge often acquired with great effort has become obsolete or insufficient: all this burdens the individual with a task to which he is not always amenable, which may result in his rejection of a society that inflicts such changes upon him without explanation and often with little or no preparation.

For those past their prime, who are no longer sure of having the intellectual flexibility and the energy required to face this disarrangement of their life, the change may become a dramatic experience.

This is all the more true in view of the fact that the current mutation, the incessant evolution of our frame of reference, takes place at an ever faster pace. For certain individuals, it is above all the pace of change that brings about anxiety.

This "shock of the future", to borrow the title of a bestseller, this acceleration in the rhythm of history under the impulse of science and technology, does not only affect those whose reflexes are blunted: it also causes anguish in the younger generations. In fact, nowadays, the young people cannot rely as much as the preceding generations on the help of their elders, as they face a future which often is more upsetting for the adults than for themselves.

Let's consider a typical example: the father, in the ancient rural tradition, based part of his moral authority on his educational function, as it was from him that his son derived the essentials of his craft. Today, the picture is very different. The father often gives

the impression of being out of touch with reality, supplanted by progress, so that one of his own seats of authority is seriously impaired. Perhaps this is where we may find the roots of the crisis of authority, of the wind of confrontation, of the systematic rediscussion of all traditions, all customs that hitherto have played an essential role in the adaptation of the individual to his social environment.

Furthermore, at the same time that it gives the impression of not Thus, the swiftness of change acts as a centrifugal force, isolating the individuals from the groups that used to be the repository of tradition - the family, etc. -, and hurling them toward new groups, lacking tradition and often definite objectives, whose cohesion is based only on fear and refusal.

Another factor of instability is that society does not seem able to master the precipitating evolution of science and technology, and appears to be swept along by it without any control whatsoever.

A classic example of this is nuclear energy, an inexhaustible, promising treasure, and at the same time direct and immediate threat to the future of mankind.

Luckily, under the powerful stimulus of the mass media, the citizens of the more industrialized countries are becoming increasingly aware that the improvement of the standard of living brought about by so many technological innovations of everyday use, is more than upset by their deadly effects on the ecological balance of the environment which has made life possible on their planet.

According to the social scientists, the individual translates the pre-

sent crisis of authority, coupled with the acceleration of history and the ambivalence of progress, into the feeling of being hurtled along the road on some contraption lacking control and direction. There is no doubt that images of this sort, simplified as they may be, are present in the collective unconscious, and underlie the most disorderly manifestations of the revolt of the individual.

Furthermore, at the same time that it gives the impression of not knowing where it is going, society increases its anonymous, collectivistic pressure upon the individual, relegating him more and more to his little niche and taking away his traditional supports.

As Jung wrote in his last work, "as a social unit, the individual of today is governed, fed, dressed, educated, lodged in standard dwellings. . . ., but he finds himself increasingly deprived of the direction and responsibility of his own life". The State or the organisation has taken the place of God, and has not permitted the establishment with the individual of that covenant that existed between man and his Creator, that tie which allowed him to endure the physical and moral power of the secular world.

Political action seems then to have become a condition of existence, the element allowing the individual to communicate with his fellow-men and to act historically within the framework of society. As to power and its negation - violence -, they seem to have become the only indispensable means of political expression (1). It can be very

(1) "On the political plane, it is not enough to say that power and violence cannot be identified with each other. Power and violence are opposites: when one exists, the other is absent. Violence appears whenever power is in danger, but if we let violence proceed to its extreme consequences, power disappears. Thus, it is incorrect to think that the opposite of violence is non-violence; on the other hand, to speak of "non-violent" power is pleonastic. Violence can destroy power, but it is absolutely incapable of creating it. . . ."

(Hannah Arendt, "On Violence").

easily demonstrated how the human faculty of acting on the political plane, in the modern age, has been exalted verbally, but reduced in practice.

The more progress in a country, the more the power of the administrators becomes removed and anonymous: our societies find their limit of vulnerability in the dimension and anonymity of their centralism. We also witness the birth of a new type of nationalism in the minorities: in a number of European countries, the ethnic groups whose assimilation was at the basis of the constitution of the national states display symptoms of rebellion against the central government.

On his side, the individual tries to recover through violence the faculty of action of which he feels deprived. Ghetto strife and campus rebellion seem to spring from the fact that in these ways the individuals feel they are acting together, frustrated as they are by the decreasing possibility of expressing themselves as a group in normal ways.

In analyzing these motivations, scientists sometimes appear uncertain as to whether these rebellions mark the appearance of something new, or whether they should be considered as the last gasps of a human prerogative that mankind is in the midst of definitively losing.

7. THE GOALS OF BUSINESS AND THE FUTURE

One can draw some conclusions from the analysis that has been made by sociologists and psychologists.

1. The impulse of industrial progress has brought about unprecedented economic progress; this accelerated social change is certainly the origin of present unrest.

It is imperative to change this situation. Some people propose the overall solution of reducing the rhythm of technical and scientific applications in industry, or reducing the rhythm of investments.

I believe that this kind of solution is premature. The present generation, at least, expects other decisions from businessmen. In particular, I think that two things are expected.

Firstly, before they are obliged to do so by law, businessmen should agree to try to resolve the problems that are closely connected to the productive activity which directly contributes to social unrest. I am referring to air and water pollution, to the augmenting wastes, to the elimination of durable consumption goods once they are no longer utilized (for example, cars). I have in mind the destruction of the natural environment by mining, industrial centers and transportation networks. I am also considering the relation existing between the location of jobs and the places where the population lives. In the past there have been several instances where errors have been committed more through bad taste and insufficient cultural sensitivity than for economic reasons.

Finally, I am thinking of the increased consumption of raw materials, which are beginning to run short, and of a concentration of research to discover substitute products.

In my opinion the first task in this field is that of distinguishing the important from the accessory. For example, if, as some say, technological industrial progress is definitely menacing the oxygen reserves on this planet, because of the rarefaction of marine plankton,

the intensive exploitation of forests, and the rapid increase in oxygen consumption by industry and its products, the problem is of a much higher order than that posed by localized pollution.

The possibility of an "oxygen gap", or the progressive disappearance of marine life, necessitates that we examine whether or not these hypotheses have a serious basis, and that immediate decisions must be taken.

Nations, administrations and international organizations have taken some leadership in regard to the question of pollution. Every now and then industry is called upon to participate in these efforts, but on the whole these decisions are taken by others, as if industry's good faith were suspect. One can certainly not accept the opinion of those who sustain that industry is incapable of thinking beyond the problems of its short-term income. I think that industry should not only directly cooperate in the solution of a problem to which it could make a constructive contribution; it should also take some initiative. It should act directly at all levels, but particularly internationally, because it is here that the solutions to the most important questions may be found. A proliferation of different norms without real value from the point of view of the future of humanity would have disastrous consequences on international commerce, and would undoubtedly end in a regression of the standard of living.

Secondly, we are waiting for men to become aware of and give meaning to their tasks, going beyond the traditional concept of considering work as simply a means of earning one's living. Our fundamental task is to elaborate this concept with all available means. We must insist upon the social aspect of work, and the value of work as a

personal contribution to the solution of problems that are of interest to society. All these elements must have our attention, even when designing machines and selecting the location of plants. I am of the opinion that computers must be employed not only to utilize machines for man's most menial tasks (automation of repetitious tasks), but above all to allow all those who wish to contribute to the improvement of working conditions an a priori verification of the possible effects of their proposals.

In its internal organization, the enterprise is a sort of microcosm; its solutions to increasingly vast problems can contribute to the betterment of its employees, but they can also have value as an example. First of all, increasing the responsibility of every individual at every stage as much as possible, can initiate a reaction to the frustration that individuals feel in regard to their destiny. This implies some attempts at decentralization. Modern electronic means of communication and control permit considerable decentralization of decision-making, while maintaining satisfactory overall coordination. It therefore seems to me that the enterprise must move forward in this way, improving the level of education of its workers until this decentralization is more effective.

Within this perspective of valorization of human resources, it would be necessary to evaluate more systematically the social consequences of working schedules on family and group life, to review the problem of working women, and the age limits in relation to the period of training and reeducation, as well as the social role of the young and the elderly.

Solutions to this last problem are already available, and today

everyone talks about permanent education, reeducation, and distribution of educational training over a longer period, with intervals of active integration in the productive process. All these ideas, which could certainly ameliorate this situation and soften "the shock of the future", are only being applied very slowly, as they raise difficult problems. In any case, this is a field in which industry must prepare to work very hard.

In the area of specialized training, it seems to me that the enterprise should take more direct responsibility. This seems inevitable, for instance, in periodical updating of personnel.

The above is indispensable if we are to meet the expectations which to a great extent are motivated and inherent to businessmen. This puts into question the role of the entrepreneur, of the businessman that has been given responsibility in administering human and natural resources, and who must account to society for his actions.

2. A second reason for social unrest goes back to the anguish that men feel toward technical and industrial progress, and its ambivalence; it might bring about improved living conditions, or it could cause catastrophes. What can be done about this? Above all we must not forget that this anguish is the price of man's liberation from the fatal submission to natural forces, which, instead, is the case in rural society. It will be possible to go beyond this idea when man will have really understood that technology is one of his creations and that it can be socially oriented. In a word, when man will have the means to control it, even if he continues to give entrepreneurs the mandate to attain, on the operational level, the aim that he had fixed for himself. In addition, this anguish can be overcome when

man has abandoned the myth of progress at no cost, and does not limit himself to the creation of newer, artificial goods, a myth that has made technical progress something that is reproduced independently of man. Even if business must refuse all that could slow down technological dynamism, the problem of orienting this progress remains. Consequently, society must make some responsible and adequate choices. I insist on the adjectives "adequate" and "responsible" and accordingly I am convinced that in the coming years it will be necessary to make considerable investments in the management of society and culture.

In practice, responsible political choices can only be made when suitable political instruments are available. The need of adapting a great number of European political institutions to the new data, dimensions and rhythms of industrial society has already been underlined. I believe we agree on the fact that business must cooperate in this modernization: the goal is to devise the ways whereby business can cooperate openly, without this cooperation being considered the unwarranted interference of a pressure group.

But even though political institutions are important, we should not underestimate the role of the natural groups and of the associations through which society is organized. I believe that we should give much attention to this dimension of social reality. Groups are important insofar as they represent the social space of the individual, and a firm point of reference in the large, but ephemeral range of social relations.

These groups play a role in making interpersonal relations more continuous and effectual. They may serve as means to mediate

between tradition and innovation, and to favour the personal recognition and awareness of the new values.

As to the problem of making the appropriate choices, this depends on culture. In spite of the enormous quantitative expansion of knowledge, western culture does not seem to be equal to the task of facing the problems posed by industrial society.

The debate on the "two cultures", in which the intellectuals have been engaged in the past few years, shows how much the conflict between "rural society" and "industrial society" has affected the rift between "humanistic" and "scientific" culture.

The fact is that industrial society cannot be deemed consolidate, without the establishment of a new cultural unity based on universally accepted values and on pluralistic experiences.

The enterprise must be able to give its contribution in the definition of these choices, because it represents the most efficient means available to society to achieve certain objectives. Business should be sounded out on whether an objective is technically attainable, on the cost of the operation, and on the means to be employed. Besides, business should be able to suggest how to modify the objectives, in case the means should be insufficient, to avoid the waste of much-needed resources.

Business, politics and culture appear more and more interconnected, and the development of one of them increasingly affects the others.

Another source of unrest at the individual level, which is manifested

in the form of either agitation or violence, lies in the individual's increasing dependence on society, and his feeling of having no control over his destiny.

I believe that an important step in overcoming violence in contemporary society, especially on the part of the young, could be that of having business contribute to giving psychological assurance to man through recognition of his dignity in his place of work, without which he becomes a tool of consumption. This would permit man to exert his rights as a citizen of a free and democratic society in the most complete fashion.

Perhaps European democracies are still administrated in too oligarchic a fashion, regardless of whether the ruling party is of the right or left. Today they are seriously menaced by a paradoxical form of impotence of power. Technological concentration has permitted man to reach the moon, but we cannot meet our simpler daily needs in an adequate fashion, as if we were under a sort of spell which permits us to do the impossible on the condition of losing our capacity to realize the possible.

We could make a valuable contribution to this dilemma if we began to think with a creative spirit as to how we could serve a market that is at the same time new and unknown, like that of social demand. In regard to this, we have an enormous need of ideas, fantasies, and political and social dialogue.

8. THE ROLE OF BUSINESS

At this point how can we synthetically define the social responsibility that the enterprise should assume, and the function that it should claim to guarantee an original role to the development of society?

The elements for answering this question have already been mentioned.

In regard to social responsibility, the enterprise, and particularly the large enterprise, can no longer consider its only job to be that of the production of goods demanded by the market at the minimum possible cost. Though this still stands as its primary task, today the enterprise has other obligations to its collaborators and society at large.

But what is this additional role of the enterprise? In my opinion, it is that of receiving from society - which has chosen the overall targets - the mandate to allocate the financial, human and natural resources of society so that these targets can be attained with the maximum possible efficiency.

Can the business world survive when both society and the internal environment of the firm are unstable?

The problem that we must solve is not so much that of reaching a social system that excludes every form of sanction or conflict; rather, a minimum of smoothness must be granted, that allows dynamics while keeping the essential coherence of the social system, in such a way that conflicts find their solutions in a reasonable period of time and in constructive directions.

Social unrest has serious causes that must be solved as soon as possible. Business, politics and culture must be aware of this and cooperate in order to solve the problem. If social unrest increases, it will not only hinder cultural development, bringing about violence

and destroying power, but it will prevent industry from continuing to develop its productive activities. Now, if industry does not keep growing at the rhythm that we have known in the last decade, the catastrophe that demographers predict as a consequence of population pressure after the year 2000 will be dramatically anticipated.

Above we have said what business should do in the medium term. All this opens up a series of operational problems and requires new inventions which will have to be worked out over the next few years. It seems to me that a concrete proposal is that of drawing well defined plans and then subdividing the tasks among ourselves.

In the short term, business must be ready to perform its social role in a flexible and open fashion. It is easy to change organization charts, but it is rather more difficult to renew modes of production. However, industry's first duty is to protect the extraordinary instrument which it has been able to give to society and to continue using it. In this sense, it is also important to put a stop to the relative vulnerability that the large enterprise has recently shown with respect to unrest.

Another short-term duty is to define the role of the market, which is an irreplaceable instrument because of the elasticity and rapidity of its reactions. However, its relationship to the increasing needs of man should be analyzed more deeply. An industrial policy which uses both the institutions of competition and of planning might be of use for this purpose.

The last point which I would like to insist upon is that of the contribution that the enterprise can give to the achievement of a universal society. This contribution cannot be overlooked in the short term.

because this society, encouraged by modern means of communication, already exists to some extent in the mind of the people, but it does not exist in fact. This gap between objective and psychological reality is another factor of uncertainty and social instability.

Therefore, this is a key subject which requires lengthy discussion. Business has bypassed political reality. On the one hand, the growth of really multinational enterprises unites citizens belonging to several nationalities in a common effort; due to their very existence they may be a useful seed for the future. On the other, if the existence of multinational enterprises evolves in an insufficient institutional and political framework, this gives business great responsibility in the political and social realm.

But how are the world of business and its managers to equip themselves, on the psychological and cultural plane, to operate along the strategic lines leading to a dynamic, harmonised society?

We are aware that as tensions increase, psychological resistance becomes of paramount importance. But the necessary preconditions for this reside not only in the certainty of playing a valid social role: it is also necessary that we have suitable cultural instruments equal to the task. Our psychological resistance also stands on the certainty of having at our side a group of collaborators that both share a basic agreement on overall strategies and ideas, and are complementary in their functions.

This is far as theory goes. But in practice, all we have is many gimmicks, and various techniques for group work and for rational, efficient management. However, all of these are more useful in solving everyday problems than in facing the problems posed by the

future. The problem of the future requires a greater commitment: so far we have only been concerned with it on a personal level, if at all, whereas this is an essentially social problem.

Therefore, this is a key subject which requires lengthy discussion on another occasion: if we are objectively bound to strive for the achievement of a dynamic, harmonious society, we must first equip ourselves with the necessary cultural instruments.

What we know as a certainty is that today we must invest our resources in social research and in the philosophy of life itself, just as we have heavily invested in technology and the applied sciences in the last twenty years.

If social philosophy is destined to have such importance for us in the future, we must promote and devise any instrument that could bring about the formation and diffusion of a culture that is able to face the world in a unitary, structured fashion. This culture is to be a "service", an element to balance the exterior and interior aspects of man, allowing him to face the problems of his relationship with others and nature.

We have seen how the development of science no longer appears to coincide with the progress of mankind. As to what we call "knowledge", the never ceasing race toward specialization, toward knowing more and more on less and less, is leading man further and further away from his purpose.

The essence of man lays in the two moments "I want" and "I can", not simply in "I can". Only culture is in the position of bridging this

gap, which is becoming wider and wider. Only culture can guard us against what Paul Valery wrote fifty years ago: "Can we say that all that we know - all that we are able to do - has ended by working against us?"