



THE GIVING PLEDGE NEEDS THE HEALING OATH

Michael J. Gelb

I'm blessed to live near the Rockefeller State Park Preserve in New York.

Over 1,600 acres, including 55 miles of well-maintained carriage trails, have been given to the state by the Rockefeller family to protect the natural beauty of the area and for public use and enjoyment. I walk the trails every day when I'm home and my route takes me past the famous Sleepy Hollow Cemetery where many of John D. Rockefeller's contemporaries are buried, including Andrew Carnegie. Rockefeller, Carnegie, and other titans of the industrial revolution did much to make American capitalism a dynamic and constructive force in the world. And their generous philanthropic efforts continue to benefit society through support of education, health care, the environment, and the arts.

The ethos of their time was well expressed in Carnegie's Dictum:

In the first third of life get as much education as you can.

In the second third of life earn as much money as you can.

And in the final third of life give away as much as you can.

John D. Rockefeller added:

"I believe the power to make money is a gift of God... to be used... for the good of mankind. Having been endowed with the gift... it is my duty to make money... and to use the money I make for the good of my fellow man according to the dictates of my conscience."

In 1889 Carnegie published “The Gospel of Wealth,” an article that urged the rich to use their wealth to improve society. It stimulated a wave of philanthropy and was a precursor of The Giving Pledge initiated by Bill Gates and Warren Buffet in 2010.

The Giving Pledge is a public commitment by some of the world’s wealthiest individuals and families to devote more than half of their wealth to charitable causes. Originally developed and focused in the United States, the Pledge has been embraced by philanthropists globally and has been made by 204 of the world’s wealthiest people from more than 20 countries including Australia, Brazil, Canada, China (mainland and Taiwan), Germany, India, Israel, Russia, Saudi Arabia, South Africa, Turkey, Ukraine, UAE, and the United Kingdom.

These billionaires contribute to a diverse range of causes focused on alleviating suffering and elevating joy such as overcoming poverty, refugee aid, disaster relief, global health, education, women and girls’ empowerment, medical research, arts and culture, criminal justice reform, and environmental sustainability.

These are noble efforts, but does the philanthropy make up for the harm inflicted upon workers, customers, communities, and the environment, by the way the wealth is created?

Consider the case of Carnegie Steel. When his fortune fell behind that of John D. Rockefeller in the early 1890s, largely due to a decline in the price of steel, Carnegie had his right-hand man Henry Frick craft a plan to increase profit margins by lowering labor costs drastically. Frick was also looking to “break” the increasingly powerful Amalgamated Association of Iron and Steel Workers, which had been formed in 1876, and had been successful in negotiating better wages for workers than at most other

steel mills. When the Union contract at the Homestead steel works in Pennsylvania expired Frick announced that workers would now be required to work six days a week instead of five, and 12 hours a day instead of 10. And, their pay would be reduced. And he refused to negotiate these terms with the union.

To the workers, this was adding insult to real injury. According to Carnegie's biographer Peter Krass, 20 percent of all male deaths in Pittsburgh in the 1880s were due to fatal accidents in the steel mills, with many steelworkers collapsing from exhaustion and dying on the job.

When the workers protested, Frick called in the Pinkerton National Detective Agency, essentially a private militia that around that time had more men and guns than the standing U.S. Army. The Pinkertons first sought to quell the worker uprising through threats but when the workers refused to back down, they opened fire; nine workers were killed and 40 wounded. That, of course, led to further violence, seven Pinkerton detectives

These are noble efforts, but does the philanthropy make up for the harm inflicted upon workers, customers, communities, and the environment, by the way the wealth is created?

were killed and 20 wounded. An anarchist, unconnected to the union, later stabbed Frick and nearly killed him. Appalled by the violence on both sides, 26 states passed laws against hiring outside guards within seven years.

Eventually, Carnegie emerged victorious, as the union was broken, wages were lowered, working hours increased, and profitability rose. Carnegie had once championed the rights of workers and supported the idea of unions, but his ideals were compromised by his need to dominate. The tragedy at Homestead cast a pall over the rest of his life. In a letter to British statesman William E. Gladstone, he wrote that this was effectively his life's greatest regret. In his autobiography, he wrote, "Nothing ... in all my life, before or since, wounded me so deeply."

This ugly episode contributed to a hardening of the divide between labor and management. To many people, that divide seems normal; labor and management have come to be seen as natural enemies. But why should the employees of a company be enemies with its founders and leaders? The divide between labor and management is based on a pseudo-Darwinian idea of competition for a limited amount of resources; if management has more, labor has to have less and if labor has more, there will be less profit.

**It is a mercantilist, fear-driven, scarcity-based
“zero sum” way of thinking about business.**

It is a mercantilist, fear-driven, scarcity-based “zero sum” way of thinking about business. It views owners and workers as combatants over a limited pool of financial wealth, rather than as fellow participants in a system of multifaceted value creation.

Coldhearted, hyper-competitive capitalism, driven by ego, power, and greed led to gross exploitation and abuse of workers. As greed, exploitation, and dehumanization became the norm, the gulf between labor and management deepened, and unions became increasingly militant and this created fertile ground for Marxism, socialism, and communism. That led to an extraordinary amount of suffering all over the world for the next hundred years, with tens of millions of people dying in the global battle between capitalism and communism. All of it was unnecessary. A caring rather than warlike approach to commerce would have avoided this whole epoch in our history.

Business pervades our lives now, much more than in the heyday of Carnegie and Rockefeller. More than governments, non-profits, or religious institutions, business is the dominant force in contemporary life, for better and for worse. In free societies, the vast majority of our needs are fulfilled by corporations and small businesses. Most people are employed by private enterprises. The ways in which these organizations operate has a huge impact on every aspect of our lives: our material well-being; our physical, emotional, mental, and spiritual health; and our ability to be present and function well as parents, spouses, community members, and citizens.

For the most part, businesses have succeeded in meeting our material needs and elevating our collective flourishing. Over the past two hundred years, almost every indicator of human well-being has risen sharply in concert with the spread of free market capitalism. We live longer, are more educated, produce and consume more, and enjoy more leisure time than our ancestors. We have miraculous technologies that allow us to

access people and learn nearly anything in just a few keystrokes. And we are living in the most peaceful and prosperous time in history. This is all enabled by the dynamism and innovation that are the hallmarks of the capitalist system.

Many people are thriving. There's more freedom for entrepreneurs to generate wealth in creative and useful ways. Yet, even as we progress in so many ways, we allow drastic, unnecessary suffering to continue—and business plays a huge role in causing it. The pandemics of obesity, opioid addiction, alcoholism, depression, anxiety, gun violence, and the corruption of our planetary ecosystem are all exacerbated by the way business is conducted.

Circumstances are still extremely harsh for the majority of people. Although global life expectancy has risen dramatically, fifteen thousand children under the age of five still die every day from preventable causes. Although, according to data compiled by the World Bank, more than one billion people have been lifted out of extreme poverty (defined as \$1.90 per person per day) since 1990, half the world's population still live on less than \$5.50 a day. Life for nearly half of humanity remains a daily struggle for survival.

More than governments, non-profits, or religious institutions, business is the dominant force in contemporary life, for better and for worse.

And in America, the richest nation in human history, 78% of full time employees live paycheck to paycheck and 60 percent of households are technically insolvent, which means that their liabilities exceed their assets. Most are going further into debt every year. 71% of employees report that they suffer from severe financial stress.

But suffering doesn't disappear with rising prosperity. For example, the towns of Aspen, Colorado and Palo Alto, California are two of the most prosperous communities in the United States, indeed in the world. Yet, they also have rates of depression, addiction, and suicide that far exceed the U.S. average. Aspen's rate is three times the U.S. average, while Palo Alto has the highest teen suicide rate in the country. Whatever one's level of income, when meaning and purpose are absent, when we feel dehumanized and objectified, we experience emotional and spiritual suffering.

The Giving Pledge is a fabulous idea. Please go to their website and see who the signatories are, and who they aren't. The Giving Pledge organization provides a forum for these generous philanthropists to share their challenges, successes, and failures, so they can be smarter about giving.

But we must also become smarter about how the money is made in the first place. It's time for business to take the lead in healing the divisiveness and unnecessary suffering in our world. We propose that The Giving Pledge be taken in concert with The Healing Oath. The Giving Pledge is just for billionaires, but The Healing Oath is for all of us who lead or aspire to lead.

Thanks to the work of my co-author Professor Raj Sisodia, and many others, we now know that companies that care for all their stakeholders—employees, customers, suppliers, communities, and the environment—aren't just better places to work, they're more profitable.

This idea is surging into the mainstream as evidenced by the recent (August 19, 2019) announcement by the Business Roundtable declaring that the idea that companies must maximize profits for shareholders above all is no longer viable. This influential group, representing 192 large companies, affirmed a new ideal: business must rebalance its purpose and focus on the needs of all stakeholders, rather than just shareholders.

In his most recent annual letter to CEOs, Chief Executive of BlackRock (whose more than \$6 trillion under management make it the world's largest asset manager) Larry Fink emphasized that business must take the lead in healing the world:

“Unnerved by fundamental economic changes and the failure of government to provide lasting solutions, society is increasingly looking to companies, both public and private, to address pressing social and economic issues. These issues range from protecting the environment to retirement to gender and racial inequality, among others.”

Fink makes a compelling case that a clearly defined purpose is critical for companies that wish to thrive in the long term. He explains, “Purpose unifies management, employees, and communities. It drives ethical behavior and creates an essential check on actions that go against the best interests of stakeholders.”

Fink knows that we are at the beginning of the greatest wealth transfer in history, as boomers shift an estimated \$24 trillion to millennials. He cites a recent survey of millennials in which they responded to a question on what the primary purpose of business ought to be by agreeing overwhelmingly that “improving society” was a greater priority than “generating profit.”

Fink explains, “As wealth shifts and investing preferences change, environmental, social, and governance issues will be increasingly material to corporate valuations.” And he concludes, “At a time of great political and economic disruption, your leadership is indispensable.”

This isn't just true for CEOs, it's true for us all.

Whatever one's level of income, when meaning and purpose are absent, when we feel dehumanized and objectified, we experience emotional and spiritual suffering.

Nevertheless, when asked about the purpose of business, most people still think it's a dumb question, assuming that "make money" is the only possible answer.

You need to inhale and exhale in order to live, but you probably wouldn't say that the purpose of your life is breathing. Profit is to business like oxygen is to your system, it's essential for life but it isn't the purpose. The purpose of business is to alleviate suffering and elevate joy, to meet human needs through enterprise and innovation, while generating abundance and improving the quality of life for all stakeholders.

Inspired by the U.S. Declaration of Independence, the United Nations adopted a Universal Declaration of Human Rights in 1948. Article 1 states: All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act toward one another in a spirit of brotherhood. Imagine what would happen to our world if we transformed our way of thinking about business so that it was based on a spirit of brotherhood that elevated reason and conscience and promoted freedom and equality.

Imagine a world in which business makes human flourishing its first priority.

Imagine what that would mean for the mental, physical, emotional, and spiritual well-being of people at work—and for their children, families, and communities.

Imagine the consequences for the quality of the air we breathe, the water we drink, and the land and seascapes that support our lives.

As more businesses embrace the path of healing, we believe that the walls separating labor and management will start to crumble as all realize that creative collaboration

yields more fulfillment and wealth for all parties. We believe that our political divides will begin to ease as the values that unite us—liberty, prosperity, dignity, fairness, and love—come to life in our workplaces.

The time for healing is now. Now is the time to redefine success so that it includes and promotes the values and traits that we cherish.

We are at an inflection point. The era of focusing exclusively on shareholder return is no longer sustainable. The idea that it's acceptable to exploit people and planet and then make up for it later with charity is no longer viable. It's time to transform the world of business and make it about love and healing instead of fear and survival.

This is an idea whose time is now, and you can play a role in making it happen. How? Former U.S. Attorney General Robert F. Kennedy offered a perspective that lives on fifty years after his assassination: "Few will have the greatness to bend history itself, but each of us can work to change a small portion of events. It is from number-less diverse acts of courage and belief that human history is shaped. Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth

Imagine a world in which business makes human flourishing its first priority.

a tiny ripple of hope, and crossing each other from a million different centers of energy and daring those ripples build a current which can sweep down the mightiest walls of oppression and resistance.”

On my last walk in the Rockefeller Preserve I stopped near Carnegie’s grave and got the sense that if he and Rockefeller were around today they’d be right there with Buffett, Gates, et.al. on The Giving Pledge.

In the 1890s and early 20th century it didn’t occur to them that they could generate wealth by caring consistently for all their stakeholders, and they were operating under the assumption that the Earth’s resources were unlimited and could be exploited forever without consequence. But now we know better.

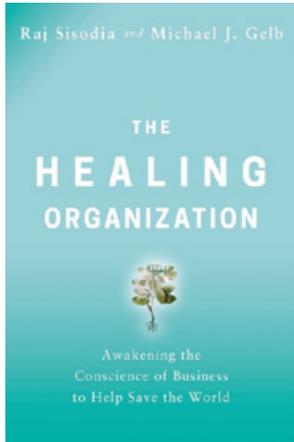
Carnegie wrote: “If you want to be happy, set a goal that commands your thoughts, liberates your energy, and inspires your hopes.” **We hope you’re inspired to join us in changing the way we think about business so that we can liberate the awesome energies of capitalism to heal our world.** 🌱

If you’d like to be part of this movement, begin by taking The Healing Organization Oath. Place your left hand on your heart and raise your right hand and proclaim: **Primum non nocere (First, do no harm)**. I will operate my business in a way that causes no harm to others or to the Earth. **Malus eradicare (Root out evil)** I will never enable or collude with abuse or exploitation. I will be an everyday hero who stands up for fairness, truth, beauty, integrity, and basic goodness. **Amor vincit omnia (Love conquers all)** I will operate from love. I will measure success by the fulfillment, abundance, and joy I generate for others.

If you’d like to sign the The Healing Oath petition and make your commitment public to inspire others then please go to www.HealingOrganizations.com.



Info



Ready to dig deeper into this idea?
Buy a copy of
[The Healing Organization.](#)

Want copies for your organization or for an event? We can help:
customerservice@porchlightbooks.com 800-236-7323

ABOUT THE AUTHORS

Michael J. Gelb is the world's leading authority on the application of genius thinking to personal and organizational development, and the author of 16 books, including the bestseller *How to Think Like Leonardo da Vinci*. His books are available in 25 languages and have sold more than one-million copies. He helps organizations around the world develop more creative, innovative and conscious cultures.

Raj Sisodia is the F.W. Olin Distinguished Professor of Global Business and Whole Foods Market Research Scholar in Conscious Capitalism at Babson College. He is also cofounder and cochairman of Conscious Capitalism, Inc. This is Sisodia's eleventh book.

SHARE THIS

Pass along a copy of this manifesto to others.



SUBSCRIBE

Sign up for e-news to learn when our latest manifestos are available.



Porchlight

Curated and edited by the people of Porchlight, ChangeThis is a vehicle for big ideas to spread. Keep up with the latest book releases and ideas at porchlightbooks.com.

This document was created on September 18, 2019 and is based on the best information available at that time.

The copyright of this work belongs to the author, who is solely responsible for the content. This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs License. To view a copy of this license, visit Creative Commons. Cover image from Adobe Stock.