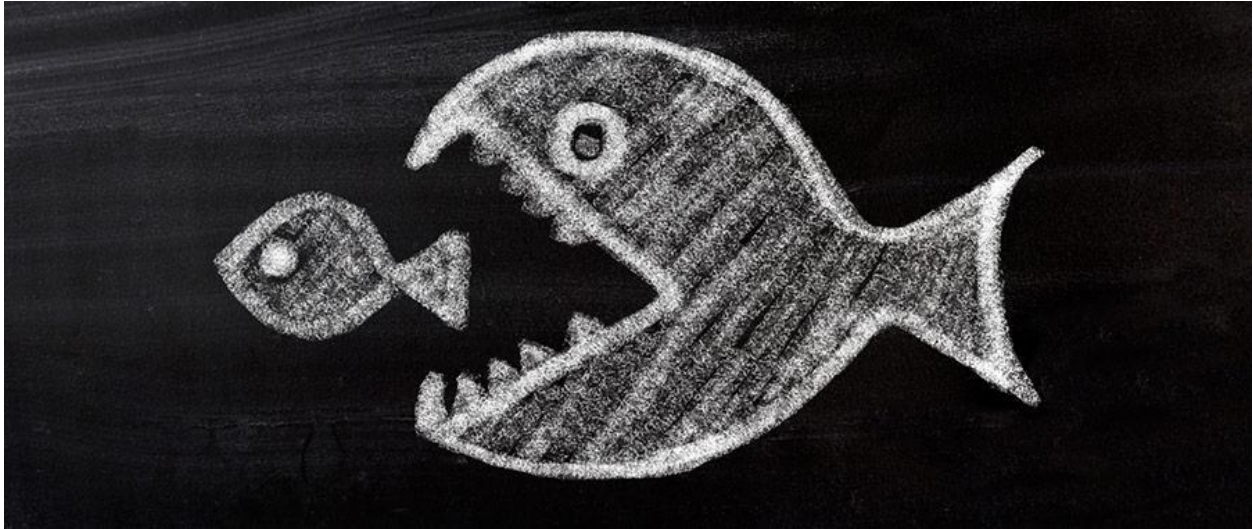


Is Bigness Goodness? Dealing with Global Corporate Domination

PAYAM ZAMANI



I have to be honest—over the years, as an entrepreneur I have dreamt about building a company that could become a major global force.

Many entrepreneurs have those dreams. We want to build something of consequence, a company that can have a real impact on the world, an influential, trendsetting institution that pioneers true change.

But here's the question I've asked myself recently: is it in line with the Baha'i Teachings for a corporation to grow so large and powerful that it can function as a global force?

In other words, can bigness equate to goodness?

That seems like a stretch, right? If you look at some of the world's largest corporations—Google, Amazon, Microsoft, Exxon, WalMart—and closely examine their overall impact on the world, it's predictably a mix of good, not-so-good and downright bad, with downright bad leading the way sometimes.

Yes, the big corporations employ many people, providing them and those who depend on them with their livelihoods. They help support national and international economies. In some cases they, or their founders and executives, might contribute to worthy charities.

But if you're aware of the basic motivations of those mega-corporations, you'll also soon come to understand that most often greed and world domination drive their agendas. Many big public corporations, because they're typically motivated by the bottom line and by the ever-present profit demands of their shareholders, don't often have much of a conscience.

Should we cease polluting the Earth or make more money? Should we oppose tyrannical regimes in countries around the world, or should we support them so we can make more money? Should we change our employment and human rights practices, or should we ignore those issues and make more money? Should we capitalize on products or services that aren't ultimately good for

humankind? When corporations ask themselves these tough questions, too often the answers come down on the side of money. Ask those questions to any random mega-corporation CEO, and you'll probably hear some version of this canned answer: "We exist to maximize profit for our shareholders, not to solve the world's problems—that's someone else's responsibility." So you have to wonder: would the world's mega-corporations even be able to grow so large if they actually checked their true intentions, and had a conscience? If they really intended to make the world a better place, all while making a great profit, but didn't have greed and world domination on the agenda, would they still become so big? Or would growing, profitable corporations with a conscience slow their growth rate a bit so they could treat their employees well, do good things for everyone and give back to society?

If corporations did profit-share, participate in programs that help humanity and give to charity sacrificially—if they operated without the goal of putting others out of business, but instead cared about their global and local impact and actually did something about it—could they even become mega-corporations?

These days I've begun to believe that the Baha'i teachings, through love and not force, foster an environment that automatically limits how large businesses can and should get, and how much control they could possibly exert over humanity as a whole.

Historically, a century ago these mega-corporations, conglomerates and monopolies were called "trusts," and they dominated whole industries and even entire nations through their rapacious business practices. The trusts became unassailable monopolies, restraining trade and raising their prices to unfair levels—after they had decimated and destroyed or swallowed up their business rivals. Alarmed, many governments created anti-trust laws to regulate and control the trusts—but corporate mergers and takeovers found ways to get around those laws. Does that still sound familiar today?

In the early part of the 20th Century, Abdu'l-Baha visited North America and spoke in cities across the United States and Canada for eight months. On June 3rd and 4th, 1912, he was invited to visit the estate of Gifford Pinchot, the former United States cabinet secretary and head of the U.S. Forest Service, and later the Governor of Pennsylvania, in Milford, New York. Pinchot, one of the founders of the Progressive Party along with U.S. President Theodore Roosevelt, assembled a group of national leaders who engaged Abdu'l-Baha in a lengthy, detailed question-and-answer session. One of those leaders asked Abdu'l-Baha about economic conditions, including the issues of labor unions and the trusts. He answered:

... the owners of properties, mines and factories should share their incomes with their employees and give a fairly certain percentage of their products to their workingmen in order that the employees may receive, beside their wages, some of the general income of the factory so that the employee may strive with his soul in the work.

No more trusts will remain in the future. The question of the trusts will be wiped away entirely. Also, every factory that has ten thousand shares will give two thousand shares of these ten thousand to its employees and will write the shares in their names, so that they may have them, and the rest will belong to the capitalists. Then at the end of the month or year whatever they may earn after the expenses and wages are paid, according to the

number of shares, should be divided among both. In reality, so far great injustice has befallen the common people. Laws must be made because it is impossible for the laborers to be satisfied with the present system. They will strike every month and every year. Finally, the capitalists will lose. – Abdu'l-Baha, *Star of the West*, Volume 4, p. 84.

These spiritual principles of fairness and justice, reflected throughout the Baha'i teachings, honor the work of all people, ask corporations to share their wealth, and by doing so inherently limit the out-of-control growth of mega-corporations that make huge profits and don't reward their workers commensurately.

So I've come to believe that the Baha'i teachings will gradually and automatically foster a global environment in which some companies can get large enough so they can best serve their communities and customers, where economies of scale can be a good thing for all. However, the system will probably inherently limit corporate growth, not through force and laws, but through building a new value system. The outcome? An environment where corporations will not be so powerful that they can impact the entire world beyond what should be a reasonable level of influence from a business—which will also leave the market open to small business owners, many currently headed toward extinction. These spiritual limits to corporate growth will allow for diversity in our choices, the family touch in many enterprises, and opportunity for everyone. If one or two companies grow so large and become such massive platform plays, they can completely block all others—and not only reduce choices for consumers but drive higher prices, stunt ingenuity and create unreasonable and potentially catastrophic corporate power and liability, just like the trusts did a century ago. We saw a taste of that excess with the recent global financial crisis, when some mega-corporations in the financial sector famously became “too big to fail.”

Here's a cautionary thought: what if a company like Amazon Cloud Services grew so large that it presented a major risk of failure to the entire business world? If everyone relies on one single mega-corporate service, and somehow a massive situation brings that monopoly down, it would handicap a big portion of the global economy, including finance, transportation, services, etc. Wouldn't a diversified and decentralized economic base run by multiple companies be healthier and more resistant to disaster?

Let's be clear, though: the Baha'i teachings have nothing against business, success and wealth, as long as the success is achieved through hard work, honesty and diligence; and the resulting wealth is spent on the welfare of all humanity:

Man's merit lieth in service and virtue and not in the pageantry of wealth and riches. Take heed that your words be purged from idle fancies and worldly desires and your deeds be cleansed from craftiness and suspicion. Dissipate not the wealth of your precious lives in the pursuit of evil and corrupt affection, nor let your endeavours be spent in promoting your personal interest. Be generous in your days of plenty, and be patient in the hour of loss. ...

By the righteousness of the Lord! Ye were created to show love one to another and not perversity and rancour. Take pride not in love for yourselves but in love for your fellow-

creatures. Glory not in love for your country, but in love for all mankind.
– Baha’u’llah, *Tablets of Baha’u’llah*, p. 138.

Once a corporation considers their intention, does away with greed, and ceases being motivated by global domination, we will automatically develop a better business environment where small businesses will flourish alongside many more midsize companies with maybe a few billion in revenue—but not hundreds of billions and valuations approaching trillions.