



Review of Michel Dion & Moses Pava (eds.), *The Spirit of Conscious Capitalism: Contributions of World Religions and Spiritualities*, Springer 2022, ix+509 pp.

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Capitalism has created a great deal of material wealth. At the same time, it is losing its legitimacy for many people because it is failing to address growing inequalities, civil polarization, ecological challenges, and a growing sense of meaninglessness. Indeed, many leaders in business and economics are asking fundamental questions about the ethical and spiritual foundations of a decentralized market system based on free enterprise.

Although economic science originated in theology and moral thought, it has gradually distanced itself from moral philosophy. Indeed, based on the work of Alfredo Pareto on revealed preference, economics became a separate empirical science. Rather than from moral philosophy, economists started to derive values from observed choices only. The causality between values and choices was thus reversed: rather than that choices were derived from ethical values, moral values were derived empirically from observed behavior.

Whereas it divorced itself from moral philosophy in the previous century, economics started to search for rapprochement with ethics and spirituality in this century. Indeed, with the rise of behavioral economics, economics began to question the adequacy of the revealed preference approach. Among other things, economists became interested in conscious internal conflicts between what people do and what they value. Moreover, experimental economics revealed the empirical relevance of social preferences: people care not only about their own material self-interest but also about moral values such as reciprocity and justice. Also, several developments contributed to soul-searching in economics: the financial crisis, the increased importance of public goods (such as the natural environment and an equal distribution of resources) and the concentration of market power on account of scale economies.

At the same time, business leaders recognized the increasing importance of intrinsic motivation in the face of the increasing complexity of their companies. Financial incentives and regulations can no longer reach the heart of complex cooperation within their firms. Indeed, most important decisions are non-contractable. By reducing transaction costs, ethics and spirituality are increasingly seen as a way to create trust in reciprocity. Moreover, the maximization of either material welfare by households or profits by businesses is no longer

seen as an adequate description of human motivation—especially in complex situations with non-contractable obligations. Economists and business leaders thus started to search for a broader concept of welfare than just material wealth and began to formulate more nuanced models of human nature.

This is thus an exciting time for theologians and religious scholars who are interested in economics. As the younger brother of their disciplines, economics is coming home. Spirituality is not imposed from the outside by religion and ethics but is demanded by business leaders and economists. The book entitled *The Spirit of Conscious Capitalism* is an important contribution to the rapprochement between business and spirituality, providing representatives of various spiritual traditions an opportunity to respond to the demands for spirituality from business leaders.

This volume has several merits. First of all, it employs the precise definition of conscious capitalism coined by Whole Foods co-founder John Mackey and marketing professor Raj Sisodia in their book *Conscious Capitalism: Liberating the Heroic Spirit of Business* (2014). A business that adheres to the principles of conscious capitalism focuses on higher purposes beyond profits for the shareholders. By adopting these higher purposes, companies aim to inspire the key stakeholders to attain a higher state of consciousness. In particular, stakeholders become more aware of the value of all interests at stake and the impact of their actions on these interests. This helps stakeholders to cooperate better and also grow personally, emotionally, and spiritually. As conscious leaders, they learn to set aside their short-term material interests in order to serve the company, society, and their own long-run purposes. This focus on conscious capitalism gives the volume a welcome unity. Also the questions that the editors Michel Dion and Moses Pava pose to the contributors about the relationships between conscious capitalism and spirituality contribute to this focus. This is no mean feat: a book with such a rich diversity of contributors often becomes fragmented. Dion and Pava have avoided this trap—and for this they deserve our compliments.

A second strength of the book is that it contains a rich diversity of religious traditions: not only the main theistic traditions (Judaism, various Christian traditions, Islam, and Bahá'í) are present but also the non-theistic spiritualities of Buddhism, Maori, and Maya. The book thus covers a broad field of spirituality.

Another virtue of the book is the constructive engagement with conscious capitalism. Almost all contributions find a middle way between on the one hand recognizing promising aspects in conscious capitalism and on the other hand identifying some weaknesses in it. In doing so, the contributors seek constructive engagement while respecting the uniqueness of their own spiritual tradition. The contributions avoid the twin dangers of being overly skeptical (and seeking conflict with business) and being overly naïve (and seeking harmony with business). Of course, some of the contributors are more skeptical about conscious capitalism than others, but this diversity in evaluations of conscious capitalism is actually an

attractive aspect of this book. The contributions are nicely complementary. The diverse approaches help readers to develop their own views on conscious capitalism.

Of course, as with any book, there are also some critical notes. The book has a somewhat Anglo Saxon feel to it, for two reasons. First of all, a rather naïve, optimistic view of human nature dominates the book. This optimism applies to the proponents of conscious capitalism, who hold a rather naïve win-win philosophy; real moral dilemmas (around so-called 'wicked' problems) in which some people will inevitably be hurt are absent. This naïve view also applies to some of the Christian contributors to the book who suggest that once people have converted to Christianity they will be kind to all. In the views of these contributors, these converts then no longer need secular, ethical philosophies (such as conscious capitalism). More generally, only a few of the contributors (mainly from the Jewish and Islam traditions) are courageous enough to identify the weaknesses of their own spiritual traditions and to analyze how conscious capitalism may help to revitalize their traditions.

Whereas the book focusses on kindness and compassion, it stays away from the fundamental imperfections of human nature and the reality of evil. In this connection, the role of leadership in protecting weak parties against abuse of power by others gets little attention. If several stakeholders are involved, kindness to one party may imply unkindness to others. Indeed, coercion and discipline may then be called for. Hence, leaders thus should not only be kind but also enforce the obligations of the various stakeholders to the company as a whole. Only in this way can trust and love grow in an imperfect world. Fortunately, the contribution of David Miller and Michael Thate on Dietrich Bonhoeffer and his ethics of responsible leadership does discuss the real dilemmas leaders face if interests conflict.

The rather naïve view on the human condition (and the reality of suffering and evil) connects to the second reason behind the Anglo Saxon feel to the book, namely the libertarian view on capitalism. Most contributions give little attention to other institutions than the free market, such as government coercion and social norms. Even though competition is an important institution in all rich economies, also other institutions that constrain individual freedom are essential to create welfare. Examples of such institutions are government regulation, hierarchies in large firms and social norms. Indeed, the term social market economy better describes the economic order in these countries than does the term capitalism.

These critical notes should not overshadow the considerable merits of this important book. It is a timely volume for not only scholars in economics, theology, and religious studies but also for society at large.