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How to produce and share common humanistic values

Digitalisation and recognition of the social meaning of economic relationships

Abstract

Digitalisation has been regarded by politicians and economic leaders as a new superior opportunity to continue and accelerate economic growth. Growth in its recent capitalistic understanding cannot, however, solve the global crises, climate change, narrowing of biodiversity, accumulation of wealth in the hands of a minority or arms race and use of violence as conflict treatment. Economic growth is part of the problem, not its solution.

Recognising the meaning of economic cooperation is needed to prevent the capitalist drive of competition leading to the destruction of societies and the market economy itself. The evolution of human economy must be turned towards win-win solutions instead of fighting against each other. This is needed to avoid the increasing inequality between the great majority of the people and the knowledge owner elite of super-humans in “The Brave New World” of the digital age.

I see digitalisation as an opportunity to learn how to solve urgent global problems by interaction. Digitalisation may create new contents to the market economy providing open access to people into the information networks. This makes possible to establish social relationships, contacts between and across different cultures and sharing targets based on a humanistic community spirit. The crucial question is, if our contemporary socioeconomic system recognises the meaning of economic cooperation as a means to combine private benefit and common good. Digitalised platforms could become rewarding learning environments for new ways to cooperate, and share common aims, inviting people to participate in the “well-doing” society, virtually and really. The learning can take place at all levels of human interaction, sharing things and tasks together more fairly, based on and targeting to win-win outcomes.

Digitalisation as a solution and as part of the problem

Digitalisation makes it possible to use computer technology on-line and world-wide to collect, save and analyse huge amounts of data. Relationships between individuals, groups, public institutions and private corporations are multiplied over different cultural, political and social borders in the internet. Computerised algorithms are developed to analyse ever more complex combinations of

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information. Access to Big Data is widely open to public as well as private and commercial uses. This entails increasing demands to safeguard the secrecy and privacy of communication and urgent needs of preventing the misuse of these data (Table 1).

Digitalisation will enhance, by definition, the possibilities and weight of dataism, the uncritical belief in numbers. Exact quantitative variables are regarded as being more plausible and easier to measure than qualitative values which are difficult to translate into abstract programming language used for planning purposes. The shift from face-to-face communication to electronic services may lead to prioritising seemingly hard facts over soft experiences. This applies for instance in identifying “the customers” of public employment services, control of eligibility of social benefits, calculating criteria for nurses for the health care of the elderly, or those mentally handicapped. Officials may never meet the users of their service personally. New public management with its superior means of digital technics may be able to optimize the cost-efficiency of the services across the sector, but it may become socially inhumane because of the inability of recognising the unity of individuals and situations as well as the overlapping of relationships and intersubjective realities of life.

Technology may be understood as the solution of problems. Supposing, e.g., that our mainstream concept of the economic growth is the ultimate point of reference, we can utilise digitalisation for accelerating growth. AI (artificial intelligence) and computerised algorithms continue from where the human rationality has brought us. In his book *Homo Deus*, Yuval Noah Harari even asks, if AI could at some stage replace man, while algorithms learn to negotiate with each other. Human beings would not be needed anymore even to take care of planning and managing work. Harari also warns: “The hand of the market is blind as well as invisible, and left to its own devices it may fail to do anything about the threat of global warming or the dangerous potential of artificial intelligence” (Harari 2016, 458). According to him the human consciousness may remain as the only characteristic separating humanity from algorithms (see Harari 2016, 458-62). Consciousness means ability to make moral and ethical decisions, feeling empathy, enjoying and suffering, and understanding meaning. Until now, robots are not able to do this, and they do not have sense of humour, either.

Table 1: Digitalisation - solution or part of the problem

- Technological means to collect, save, and use huge amounts of data world-wide and on-line
- *Flow of information, sharing experiences* - connecting different kinds of people, cultures, groups and opening markets over physical borders
- *Dataism as belief in numbers*, algorithms of AI before human experience and superior to human rationality

Lack of human consciousness:

- Inability to recognise moral and existential choices, feelings and empathy...
- Economic growth vs ecological limits and impoverished biodiversity
- Economic rationality before social relations
- virtual web environment increasing huge differences in wealth and inequalities...

Invisible hand and creative destruction: economy without social relationships

Since Adam Smith's times, competition has been claimed to be the invisible hand, securing that the capitalist market economy would create and allocate national wealth in an optimal way. This belief has become at least questionable when confronted with globalisation. Since 1990's the financial sector has skyrocketed as a dominant field of world market transactions compared to the values of exchange of goods and services. Eternal economic growth has been thought to become limitless, emerging from the exchange of abstract values of debt instruments and options of stock-markets. Behind this illusion, the extraction of non-renewable natural resources has continued and accelerated the rate of climate change and pollution of water and earth. Through financial transactions artificially created wealth accumulated in the hands of a small elite (see Oxfam 2016). It may be true, that markets in the very long run could lead towards more equal and vital national economic structures, but there is until now no unambiguous evidence, that this could happen without governments' intervention. At the very least this may need intervention through rescue operations, regulation, and following with socio-political emergency measures.

The liberal definition of man as homo economicus, prevailing behind the free market ideology has been accepted as a rule also underlying welfare states. However, the wealth created in the markets continuously accumulates into the pockets of the richest minority, while increasing cost of economic crises charge governments and lay increasing stress to cost-cutting and budgetary discipline. Outsourcing services is a common cost-cutting measure, often going hand in hand with channelling public money into private businesses. Organisational isomorphism has widely taken

place in the shape of new public management programmes, introducing models of management from business life to public governance. Against this backdrop, knowledge as the most important capital of the information society may easily become private property in the name of cost-efficiency. There is not much left to claim, that the hand leading markets were invisible.

The popular metaphor of creative destruction, originally introduced by Joseph Schumpeter, describes entrepreneurs as processors of innovations. New enterprises generate economic growth replacing old fields of industries, employees and managing methods with new technologies and know-how. This has been a central scheme of thinking in the liberal innovation and industrial policy. However, social relationships change slower than capitalist transactions, and therefore the creative destruction also destroys communities. Capitalist markets do not help recovering. The future of economic evolution seems no more self-evidently to be based on the striving for growth. Excessive or insane growth may cause entire cultures to collapse (see e.g. Diamond 2005; Köppä 2006).

Economists have interpreted certain types of market innovation by using the term disruption. This is compatible with the Schumpeterian theory of creative entrepreneurship. It deals with capturing new markets by deviating "disruptively" from conventional, mainstream businesses. It could be interesting to drive disruption further, not limiting it to the capturing of new markets, but replacing capitalist exchange by non-capitalist economic relations, based in social economic targets, cooperative values and practices. That would mean disruption concerning the mainstream concept of the markets restricted to capitalistic transactions. In fact, cooperatives have often been and still come to markets as innovations.

The concept of markets based on capitalist transactions does not recognise the importance of social relationships representing and producing values of common economic interest as the core of economic processes. Markets could become more visible, if opened to participation, production and sharing the results of joint efforts. This cannot be realised through measures outside of markets. Markets need to become reformed by self-regulating its skewed conceptions of human being and social interaction.

Lessons to be learned from the evolution of human cooperation

Digitalisation opens new platforms for cooperative business operations, based on more sustainable values and recognising the importance of social facts beyond market transactions. Values based on new humanistic awareness of the shared global future of mankind will challenge the rationalities of individualism and private profit as the main dynamics of market economy. Sustainability is impossible without the change of the growth imperative of the market economy.

During the evolution of human societies, technological development has been connected with the growth of the population and increasing organisational complexity. The ability to learn about new cooperative solutions has been essential especially during periods of transition from simple groups towards more complex organised forms of production and social life (see Wright 2000). Social scientists and evolution biologists have long been aware of collective processes as mechanisms limiting egoistic rationality and confirming altruistic behaviour of human beings as a long-term strategy based on collective rationality. Competition between individuals for survival of the fittest differs from cooperation for mutual benefits, meaning innate facility of learning win-win solutions together for the collective to survive. From the point of view of social and economic evolution, altruism and controlling of narcissistic individualism collectively belong to the evolutionary process as natural as the competition of individuals against each other.

Expanding growth of capitalist relations will without doubt continue in the information society. There are, however, increasing signs, that virtual environments will be favourable to alternative ways of economic exchange, too. Following the history of cooperation as idea and practice, the information society seems to favour platforms based on sharing and open relationships instead of lonely riders. The Finnish philosopher Pekka Himanen recognised the enthusiasm of the young open source programming pioneers in his visionary book *Hacker ethic and the spirit of information age*. He referred to the process of developing the open source software Linux. According to Himanen, the inspiration and motivation typical to the platforms of the digitalisation age rise from participation, acting and learning together, getting access to meaningful good-doing, creating collectively something new and sharing the benefits as “establishing commons” (Himanen 2001).

The concept of man of the digital age seems to be much different from the narrow-minded economic profit seeking individual, indeed.

Recognising the systemic change

In the digitalised world, quite a big share of the growth may be channelled to the growing virtual markets. Does this mean, that the capitalist dynamics of growth can continue, following the once taken path? Or would it mean, that economic values should become subordinated to social and ethical values responding to the broader common interests of society? The latter would mean that economy and especially the economic growth would not be the target, but the means to achieve something meaningful and worth of joint efforts. It is not about the continued orientation on maximising profit for the investor/owner but a matter of achieving common surplus, shared between those involved and accepted by politicians as necessary in general.

Market economies had been able to adapt in a flexible way to historical changes. A paradigmatic transition from capitalist transactions towards the recognition of social relationships may also take place inside the global markets, as well by applying digitalisation as mechanism that moves development on. Values based on humanistic awareness as well as internationally accepted targets of sustainability challenge the narrow concepts of the economic activities as targeting towards private profit maximisation. New humanistic consciousness combined with open access of people to cooperative platforms of the internet will make egoistic profit seeking less rewarding and socially acceptable than before. There are increasing signs of alternative processes of generating value, addressing the core of market economies, recognising social relationships and interaction as more complex, more humane and responsible basis for the future rationale of our economic institutions.

UNESCO has established an international forum to connect university researchers and teachers around the theme of information technology, learning and education (see UNESCO 2011, Table 2). The forum is world-wide and multicultural, and emphasises UNESCO's humanistic mission, connecting it with the MDG (Millennium Development Goals) and sustainable development aims of the UN, too. Media-literacy and meeting of different cultures are important means of empowerment,

getting people to understand and use digital technologies (see Varis 2016). That means also open minds to see the global change, and the role of new humanistic awareness there².

Table 2: A New Humanism for the 21st Century

"...We have already wasted natural resources, let us not squander those of the spirit. Education, science, culture and communication are pillars in the construction of a united human community and the foundations of sustainable development."

Director-General Irina Bokova, UNESCO » Media Services>>22.10.2010

Knowledge is a good that is becoming more and more valuable if it shared – for instance in digital networks; individual ownership is counterproductive. There is usually open access to the networks for those who like to participate and use their talents in the processes of producing, learning, exchanging information etc. Highly qualified experts of firms participate more likely in the labour markets of the information society as freelancers, team entrepreneurs etc. even without becoming hired as employees of companies (see Kilpi 2018). The focus of digitalised knowledge shifts to direct contacts between the users of services and those providing advice and means to apply technology.

Inspiring opportunities will be opened to organisations combining expert-user interests and common good of larger communities together. Platforms of these kinds of activities compete with traditional capitalist models of markets, because those involved have direct interest in the work they do, different to the investors who are just interested in the profits. It is surprising, how similar to the traditional field of commons³ the new kinds of web-commoning can be. It is worth mentioning, that economic cooperation has become an up-to-date theme of debates among the economists, too.

Nobel Prize winner Elinor Ostrom's research gives evidence in favour of the market competitiveness of co-operative organisations. She has highlighted cooperative alternative as an ignored topic of economics, long forgotten by political decision makers and media, too.

2 According to new humanistic awareness, human beings should be understood as complex entities. This idea is not new. The holistic conception of man was expressed by the central organisation of the Finnish co-operatives Pellervo early in the 20th century with the slogan *heart, head and hand*. The same idea was expressed as *soul, spirit and skill* by Tapio Varis, member of the UNESCO group of information technology and media literacy (Varis 2016).

3 The concept of commons in Ostrom's works refers to common places, land etc., used by people collectively for their joint interests. People have been able to organise their common ownerships rationally, and taking care of not overusing or overusing or destroying these possessions. The same has been true e.g. in the traditional Finnish *talkoot*, mutual aid institution. New commons based activities have revealed, that the idea and practices of ancient forms of economic cooperation represent an old and lasting element in the human evolution (see Paterson 2010, Bollier 2016)

In the ecosystem as a whole, diversity, plentitude of species and the vitality of communities are more important means of adjustment than growth. Cooperation skills are at least as important as competitiveness. And the vitality of the whole is more valuable than narrow productivity. Different kinds of processes gaining attention in the socioeconomic value processes contrary to the expansion of capitalistic relations can be recognised: open source programming in the internet, open access to services without private ownership, participatory forms of economy appreciating rewarding social relations before monetary profit maximising, interest towards possibilities to contribute voluntarily to meaningful common life in the spirit of the well-doing society (use of the term see Ehnrooth 2017). These kinds of commoning contradict capitalistic market transactions, and instead of expanding them, they work “for destructive creation” of social and ethical values before narrow capitalist gains of economic activities. (Table 3).

Table 3: Next phase of the market evolution?

- Invisible hand of free competition de-mystified: open access, participation, rewarding social relations and contributions to meaningful common life (good-doing society).

- Sharing resources and place: no need to accumulate more than possessed; challenging the growth imperative of capitalist market economies.

- Shared consciousness and mutual benefits to be found between various actors: companies, entrepreneurs, producers, consumers and workers, public, private and third sector organisations, community concern emphasised as well locally as globally.

- Spiritual abundance and discovery of shared potentialities: less reasons to compete because of the scarcity.

- Transition oriented empowerment and enthusiasm, meaningful life.

Concluding remarks

In summary, economic growth as target is likely to fail solving global issues of tomorrow. There is no invisible hand of the global markets, based on digitalisation and algorithms using Big Data. This would be very confusing environment to realize any common good aims based on humanistic values. The conscious human mind is needed to give intention and meaning to the human evolution. Several forms of non-capitalist relations based on mutual benefits and emphasising community concern either locally or globally are applied by economic as well as non-economic actors. This

phenomenon is not limited to small circles of activists, but different actors may include big corporations, private as well as co-operative enterprises, third sector organisations, private persons and public authorities.

There are real as well as virtual platforms to be easily opened to decentralised production of innovations, including market innovations based on shared ownership and replacing private profits with common benefits. Economic evolution connected with digitalisation may benefit from the change of the concept of homo economicus towards less competitive profit maximisers, able and willing to share the targets with his or her fellow citizens towards common good and human progress.

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