

Beyond the Excessive Market-economy Principle

- Integrating contradictory management thought -

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Abstract

The modern civilization of mass production started in the early 20th century in the US. The Ford Systems or Taylor's scientific management methods have fixed as the root of classical management theory. It has promoted the mechanistic rationalism based on standardization of operation processes, simplification of working processes, and measurability of production efficiency.

The mechanistic rationale has much improved working productivity based on programmed operation, benefited market with plentiful products, and proved higher living style of general people. Methods of getting economic value are the utmost important goal for modern business people.

Classifying business operation into small units is the typical way of going after scientific, analytical way. Simplifying tool of management activities will easily lead to the partial optimization making allowance of rationality, efficiency, and easiness of understanding. The more partial optimization behavior of business corporations inquiries, the more conflicts with wider environment emerge, then interconnectivities are ignored, future irrationality will necessarily induce, and whole satisfaction would surely lose.

We are now required to honk some alarm for the selfish, egoistic and self-centered corporations that have ignored interactions with environment. The freemarketry concept or market economic principle that chases excessive money value or profit maximization should be reviewed. Our discussion will focus on social value rather than economic one, social resources based on biosphere concept rather than domestic

management resources.

1. A stereotyped corporation in 20th century

1.1 Black-box of social systems

The division of work or specialization of business functions has without saying accelerated rationality. However, it also scattered and filtered self-satisfactory activity through all the levels of the company. A problem soon developed with the increased partial or sub optimization behavior. That is to ignore the whole relatedness focusing on only near-sighted within the limited cognitive scene.

The narrow manufacturing logic easily induced mass production, mass sales, mass consumption, mass throwing-away, and mass burning. Always production is the first comer, then consumption follows. Pushing or tube-typed supply centered system is typical one. Each division has responsible for its own function, production, sales, or transportation, for instance. It seldom takes responsible for the whole company. This phenomenon implicitly connotes each person as well as division has its own black-box unknown to others.

1.2 Dualism permeation

The Platon or Deskartes' worldview is to identify two items that contradict each other; idea and phenomenon, mind and body. The theory is called dualism. The dualism is applicable to our daily activities; manufacture-consumption, death-birth, night-day, black-white, water-oil, zero-one, fellow-enemy, and others.

Take the first application; manufacture-consumption for explanation. Suppose manufacturer and consumer are separate. Their unilateral dependence needs each other. Next, let's extend the relation to outside the country; international relation, for instance. The free trade agreement makes possible to export and import and is implemented. Carrying the point further, what will you do with the exported/imported virgin resources? Who will be accountable to them? Nobody takes responsible for

him/her, maybe. This is the exact example for explaining dualism that passes into irresponsibility.

1.3 Excessive facilities

Big businesses in Japan, including Steel, textile, car, distribution, cement, oil, and others have all excessive facilities between 6 and 40 percent. What does the excessive competition and production mean? What does the free competition mean? Is it sound production to manufacture for throwaway?

1.4 Enclosing corporations with the mono-culture concept

A corporate behavior with economic value tries to expand and grow its scale. The final goal may be to control the market, to keep the initiative for price decision, and to implement strategic priority.

A size chasing company will have two fatal deficits:

- a. How do you keep growing? Even if you get the goal, the goal is not the one that you expect, because nobody knows what the exact expansion is. Then, expansion in a real meaning is never realized target. Expansion goal implies self-contradiction. It is not the final goal but just an intermediate one or means.
- b. A typical global company sometimes takes selfish activities with economic power for developing countries. Same thing is applicable to domestic area. Town leaned on big corporations often loses its autonomy and walks the way to casting its lot with the big ones.

1.5 Self-requirements, self-claims

Citizens armed with dualism, whether it is implicitly or explicitly, often claim to central/local government. They wheedle their government for hospital, sports facilities such as pool, ice-hockey, tennis court, public hall, music hall, and others. But wheedled government usually has only limited budget. There is no room for it to apply to each claim. Total amount of national and local government bonds amounts to 780

chouen(78,000 trillion dollar) in 1999, Japan .

Who will take care of future Japan? Industry people or government people? Nobody can draw any scenario for advising this terminal indication. From the point of *gaia* resources, supplier, consumer, manufacturer, and government should take its own responsibility. There is no final winner nor phrase in the global village such as “Winner takes all” or “Global one”.

2. Guidelines for Social Resource Sharing Management

We do not take the selfish corporation behavior including both local and global one. Rather, a symbiotic model with the support of complementarity would be recommended as follows:

1. clarifying and designing the mechanism of social systems

Excess competition often leads to the clear distinction between winner and loser. But profit maximization is not the final goal for management. Every company takes its benefits from society, returning profits to society as well.

Corporation would be required to take social resources into account at first before selecting resources for its own sake. Creating social, sustainable, and circulative values are the utmost important ones, contrary to the selfish, economic value. On the process of building symbiotic systems, both private and governmental alliances are desired; that means the both have to keep the common value as well as unique ones. The very core of symbiosis is to keep autopoietic, organic relations with each other.

2. making paradigm shift to wider satisfactory criteria

In an organic world, you cannot live life by yourself. It has the principle of reciprocity that helps each other. “One-man winner” cannot last long. The rationale of living organismic systems is not win-lose game but win-win game, not give and take but give and given. So, *whole-satisfactory criteria* instead of partial-optimization one would be strongly recommended.

Selfish, egoistic, or naughty behaviors of people, corporations, government sectors are popular throughout the world particularly in modern societies.

Living organism especially for human being has to have some moderate way of life not requesting excess demands. The symbiotic, complementary way of life is desirable.

3. introducing on-demand, tailor-made production activities

A decision making premise of unlimited natural resources is just an assumption never to realize. Under the free competition economy principle, products are likely to much supplied into the market than demand. Seasonal superfluous products are always supplied for arousing demands beyond the real needs. The excess storage are abandoned or destroyed by fire.

Estimate production is a fruit of economy for economy's sake. Virgin resources are the scarce not the plentiful ones. They are social resources as well as global ones and not for particular person, company, or country. They are the common resources for star children. Every living should economize, save, and take good care of natural resources.

Following to the resource-saving philosophy, supply corresponding to sound demand is desirable. On-demand supply systems are the niche and gentle methods for saving energy, keeping environment clean, and valuing virgin resources. On-demand book, car, truck, meal, clothing, PC, foods, drinks, video, and others are all useful candidates for tailor-made marketing.

4. integrating micro and macro management

Modern civilizations have drastically realized high-technology society such as communication, transportation, multimedia and so on. Those technologies promoted nation-wide production, high-speed transportation, one-to-many marketing, nation or world wide franchised systems, and others. The excess *push-oriented* logistic systems have actualized economy of scale.

Furthermore, the nation-wide mass production systems have promoted to establish a monotonous culture with getting rid of the culture variety that each area has. Town or city that embraces huge company in its area has lost autonomy, self-organizing function, and viable potentiality.

Each town or city is recommended to have a niche, symbiotic function not

follows to huge company. They can work out to find and design their own modest positions not competing with huge ones. Habitat segregation might be possible between macro organizations and micro ones supporting and controlling each other from the virgin resource sharing point. Both are needed to put on practice some sense of area management. Building an integrating model of contradictory factors such as local and global, economy and ecology, competition and coexistence, or micro and macro are required.

3. Tentative conclusions

If you recognize the actual conditions of scarce resources, although it is the real one, public as well as private sectors should have autonomous, independent behavioral principle as star children. At the same time, they also should keep in mind the reciprocal spirit of assisting each other. Some niche factors are proposed as follows:

1. Circulative, bilateral economic systems will be recommended instead of linear, unilateral economic ones.
2. To recognize and respect the each individual value variety.
3. With the advance of seamless or borderless between private and public sectors, consumers and residents, and society and local government, alliances that make loose connections between them present "license to make expanded behaviors".
4. Economy, ecology, and society are all manageable in an integrating, harmonizing, sustainable model.
5. For recognizing and promoting *the common* concept, like an intermediate or between-the-two organization to coordinate, to advise, and to catalyze is to be established.
6. Complementarity is a key to build the society as a whole with keeping each individual function that supports it.

References

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