Humiliation, Human Rights, and Global Corporate Responsibility

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Dr. psychol., Dr. med. Evelin Gerda Lindner
University of Oslo, Institute of Psychology
P.O.Box 1094 Blindern
N-0317 Oslo, Norway
e.g.lindner@psykologi.uio.no
http://folk.uio.no/evelinl
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Abstract

This article starts out from the suggestion that global social policy would benefit from more corporate awareness of the necessity of their responsible involvement. The typical response to such a proposition is that the corporate sector is not interested in charity, but in earning money. This paper suggests that the corporate sector has, in fact, an interest in incorporating more social responsibility into its strategic thinking, and that it will especially benefit from learning more about the process of humiliation, because the effects of feelings of humiliation hamper not only society at large but also corporate activities. The article demonstrates the significance of humiliation as central pillar of the old autocratic management style and shows how humiliation is undermining corporate efficiency as soon as creative networks are expected to function in today’s knowledge society. The paper analyses the role of humiliation in corporate relationships and highlights especially the humiliating affect of poverty on those who would like to participate in the market. The article closes with reflections on possible research and social policies agendas.

Keywords: global social policy, humiliation, corporate sector, strategic thinking, modern management style, autocratic management style
Biographical Note

Evelin Gerda Lindner is a cross-cultural social psychologist (and a physician) with broad international experience. Since 1997 she is a researcher at the Institute of Psychology at the University of Oslo in the field of conflict theory, where she looks at psychological aspects that play a role in escalating conflict to war (she grew up in a refugee family herself). Please see her academic work on http://www.uio.no/~evelinl/. Several articles are currently in the process of being written. Evelin Lindner’s doctoral thesis in medicine addresses quality of life in an intercultural context (Egypt and Germany). Her doctoral dissertation in psychology focuses on the psychology of humiliation. She stood as candidate for the European Parliament in 1994. In 1993 she founded the NGO ‘Better Global Understanding’ in Hamburg, Germany, and organised a festival with 20,000 participants under the motto ‘Global Responsibility.’ Earlier on she worked as a psychological counsellor in Cairo, Egypt, where she had her private practice, 1987-1991 and from 1984-1987 at the American University in Cairo. From 1974-1984 she studied and worked in New Zealand, China, Thailand, Malaysia, Israel, West Africa, USA, Germany, Norway.
Introduction

This article is based on a four-year research project at the University of Oslo that explores the destructive consequences of humiliation and concludes that avoiding humiliation is beneficial for society, both globally and locally, a conclusion that has implications for the corporate sector. The project (1) is entitled *The Feeling of Being Humiliated: A Central Theme in Armed Conflicts. A Study of the Role of Humiliation in Somalia, and Rwanda/Burundi, Between the Warring Parties, and in Relation to Third Intervening Parties.* (2) 216 qualitative interviews were carried out by the author of this article, from 1998 to 1999 in Africa (in Hargeisa, capital of ‘Somaliland,’ in Kigali and other places in Rwanda, in Bujumbura, capital of Burundi, in Nairobi in Kenya, and in Cairo in Egypt), and from 1997 to 2000 in Europe (in Oslo in Norway, in Germany, in Geneva, and in Brussels). In the course of carrying out the project, its theme has been discussed with about 400 researchers working in related fields. The corporate sector, both local and global, figured as a central topic in many interviews and discussions. (3)

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1 See project description on www.uio.no/~evelinl. The project is supported by the Norwegian Research Council and the Royal Norwegian Ministry of Foreign Affairs. I am grateful for their support, and would also like to thank the Institute of Psychology at the University of Oslo for hosting it. I extend my warmest thanks to all my informants in and from Africa, many of whom survive under the most difficult life circumstances. I hope that at some point in the future I will be able to give back at least a fraction of all the support I received from them! I thank Reidar Ommundsen at the Institute of Psychology at the University of Oslo for his continuous support, together with Jan Smedslund, Hilde Nafstad, Malvern Lumsden, Carl-Erik Grenness, Jon Martin Sundet, Finn Tschudi, Kjell Flekkev, and Astrid Bastiansen. Michael Harris Bond, Chinese University of Hong Kong, helped with constant feedback and support. The project would not have been possible without the help of Dennis Smith, professor of sociology at Loughborough University (UK). Without Lee D. Ross’s encouragement my research would not have been possible; Lee Ross is a principal investigator and co-founder of the Stanford Center on Conflict and Negotiation (SCCN). I also thank Pierre Dasen, Professeur en approches interculturelles de l’éducation, Université en Genève, Departement de Psychologie, for his most valuable support. The project is interdisciplinary and has benefited from the help of many colleagues at the University of Oslo and elsewhere. I would also like to thank Johan Galtung, Jan Øberg, William Ury (Director, Project on Preventing War, Harvard University), Heidi von Wettzien Hoivik and Andreas Føllesdal, Dagfinn Føllesdal, Thomas Pogge, Helge Høybråten, Thorleif Lund, Thomas Hylland Eriksen, Unni Wikan, Asbjørn Eide and Bernt Hagtvet, Leif Ahnstrøm, and Jan Brøgger.
2 This article is one in a line of articles building on this research, see Lindner, 1999a; Lindner, 2000a; Lindner, 2000b; Lindner, 2000c; Lindner, 2000d; Lindner, 2000e; Lindner, 2000f; Linndner, 2000g; Lindner, 1999b; Lindner, 2000h; Lindner, 2000i.
3 This article draws furthermore on the authors experience as a clinical psychologist and business consultant in Egypt (1984-1991). From 1985 to 1988 the author worked as a psychological counselor at the ‘American University of Cairo’ in Egypt. From 1984 to 1991 she had her private psychological practice in Cairo, Egypt, in collaboration with the German Embassy physician. Clients came from
The article deals with three distinct but closely related subjects --- humiliation, corporations and globalisation. The aim is to (a) explain the concept of humiliation and (b) show how avoiding humiliation would contribute to the achievement of increased social harmony while also improving corporate effectiveness, and (c) suggest how corporate involvement in projects of global social responsibility would contribute to a more peaceful and prosperous society. Priority will be given to the first aim since the concept of humiliation, as an academic topic, is not widely known, while the second and third aim will be formulated as suggestions designed to develop the argument, suggest possible hypotheses, and stimulate more research.

The paper draws on a social psychological perspective that was developed in the cross-cultural research on the concept of humiliation. It suggests that humiliation may be considered as a universal phenomenon that acquires increasing influence as ‘globalisation’ continues. This paper will not attempt to enter into the debate on the ambivalences and paradoxes of globality and globalisation. Instead, the paper makes the assumption that globalisation entails two strands: on one side the shrinking of the global village through continuous technological improvement in the sphere of global communication/mobility leading in the direction of a global information society, and, on the other side, a considerable increase in global inequality. The paper suggests that the corporate sector has, and should be more aware of, an interest in incorporating more social responsibility into its strategic thinking, and will particularly benefit from learning more about the process of humiliation whose effects hamper not only the workings of society at large but also corporate activities.

Europe, the Middle East and Africa, languages ranged from English, French, German, and Norwegian to Egyptian Arabic. Members of the corporate sector represented a prominent group among those who sought advice and ‘cross-cultural translation’ was one of the primary tasks. The author also wrote her doctoral thesis in medical psychology about the definition of quality of life in Egypt as compared to Germany (Lindner, 1994). Also in this research the central role of economy became clear. The relative lack of national resources has a humiliating and weakening effect on its citizens. The general economic situation in Egypt is difficult, and it can be measured that such contexts significantly undermine individual life satisfaction (Inkeles and Diamond, in Szalai and Andrews, 1980).

4 See, for example, Beck, 1999, and Appadurai, 1996.

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The paper will be organised as follows: In an introductory section the current state-of-the-art and the complexity of humiliation will be presented. Then I will explain why humiliation is so much more relevant and destructive today than in former times, and why it is relevant to take account of this phenomenon. Then the topic of poverty and its humiliating effects will be discussed. Thereafter I will address the question ‘How can the global network society become socially and environmentally sustainable and at the same time effective in competition and co-operation?’ In the conclusion a research and policy agenda will be presented that may help clarify and develop the ideas presented in this article.

**Current state-of-the-art**

Compared with topics such as ‘trauma’ or ‘stress’ few researchers have studied humiliation explicitly, although it has the potential to cause intense suffering, possibly more intense than many other kinds of assault. The feelings associated with trauma, for example, are especially intense when humiliation plays a role; traumatic experiences such as earthquakes, storms, or accidents can be dealt with much more easily than damage that is intentionally inflicted by other people and creates feelings of humiliation in those who suffer the damage. This is because feelings of humiliation lead to severe interpersonal rifts caused by resentment and hatred between the actors concerned, rifts that, in the worst case, set off painful cycles of violence. This was one of the central findings of the research project discussed previously.

These findings are supported by the research of, for example, Retzinger and Scheff (Retzinger, 1991; Scheff and Retzinger, 1991) who study shame (their main focus) and humiliation in marital quarrels. They show that the bitterest marital divisions have their roots in shame and humiliation. Scheff and Retzinger extended their work on violence and Holocaust and studied the part played by ‘humiliated fury’ (Scheff 1997, 11) in escalating conflict between individuals and nations, see, for example, Scheff, 1990; Scheff, 1988; Scheff, in Kemper, 1990; Scheff, 1997. Cohen and Nisbett examined an honour-based

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5 Humiliation and shame, for example, are often used exchangeably, among others by Silvan S. Tomkins (1962--1992) whose work is carried further by Donald L. Nathanson. Nathanson describes humiliation as a combination of three innate affects out of altogether nine affects, namely as a combination of shame, disgust and dissmell (Nathanson in a personal conversation, 1st October 1999; see also Nathanson, 1992; Nathanson, 1987).

6 See on psychological explanations of atrocities committed at a group level also Rapoport, 1997;
notion of humiliation (Nisbett and Cohen, 1996) as did William Ian Miller, who wrote a book entitled *Humiliation and Other Essays on Honor, Social Discomfort, and Violence*, where he links humiliation to honour as understood in the Iliad or Icelandic sagas. Miller explains that these concepts are still very much alive today, despite a common assumption that they are no longer relevant. The honour to which Cohen and Nisbett refer is the kind that operates in the more traditional branches of the Mafia or, more generally, in blood feuds. There is, furthermore, a significant literature in philosophy on ‘the politics of recognition,’ claiming that people who are not recognised suffer humiliation and that this leads to violence (see also Honneth, 1997 on related themes). Max Scheler (1874-1928) set out some of these issues in his classic book *Ressentiment* (Scheler, 1961).(7)

There are few publications that specifically use the term humiliation, and they are spread across very disparate thematic fields.(8) The *Journal of Primary Prevention* pioneered this work in 1991 (Klein, 1991), and 1992 (Barrett and Brooks, 1992; Smith, 1992). In 1997 the journal *Social Research* devoted a special issue to the topic of humiliation, stimulated by Margalit’s *Decent Society* (Margalit, 1996). This article represents, in many ways, an expansion of Margalit’s ideas. Humiliation has also been addressed in such fields as international relations,(9) love, sex and social attractiveness,(10) depression,(11) society and identity formation,(12) sports,(13) serial murder,(14) war and violence.(15) A few examples from history, literature and film also illuminate the part played by humiliation.(16) As mentioned above, related themes, such as shame, guilt, trauma, self-esteem, trust, dominance,
or power, have been studied much more extensively than humiliation.

From honour to human rights

In my research about humiliation I began with the groundwork for a Theory of Humiliation(17) that highlights the important aspect of humiliation in social developments and makes it possible to place future trends into a meaningful framework, and steer them in a constructive way. The analysis presented in this article is based on an exploration of the historic change as presented in Table I.(18) The initial question underlying this analysis concerns the definition of humiliation.

How should we define humiliation? Many readers will answer --- together with the 52 people that were interviewed in the pilot study for the project here presented(19) --- that humiliation is the *subjugation of human beings (and of nature), and that it is illegitimate*. This sentence can be deconstructed into three parts, namely (a) the *act*: subjugation (or abasement, putting down, degradation), (b) the *recipient of the act*: human beings or material objects, and (c) a *specific condition of the act*: namely, its legitimacy (or, more specifically, its violation of human dignity and/or of environmental sustainability). Further analysis makes it clear that the way in which these three elements have developed is strongly influenced by the particular historic context within which each of them has been inscribed. Table I shows these three elements of humiliation that entered the cultural repertoire of human kind in three phases each of which coincided, approximately, with advances in technological and organisational capacity and shifts in the balance of power between humankind and nature and between

17 The ideas presented in this paper, and many other arguments, will be developed further in a book I am currently writing in collaboration with Dennis Smith. Smith is professor of sociology at Loughborough University (UK), see his publications: Smith, 2000a; Smith, 2000b; Smith, 2000c; Smith, 1999; Smith, 1997a; Smith, 1997b; Smith, 1991; Smith, 1984a; Smith, 1984b; Smith, 1983; Smith, 1981.

18 Adapted from my manuscript *Humiliation and the Human Condition: Mapping a Minefield* (Lindner, 2000g), forthcoming in October 2000 in ‘Human Rights Review.’

19 In an initial pilot study from 1997 to 1998 52 texts were collected from people chosen by chance from my friends, my colleagues, and people I met. Everybody was asked about his/her understanding of the term humiliation. Some interviews were taped, some lasted for 10 minutes, others for two hours, some text fragments stem from letters or e-mails which I received long time after having opened the subject with a person, indicating that people were thinking about it for a long time, keeping the subject back in their heads and wrestling with it (see also Lindner, 1998, 3).
human groups.(20)

During the first phase, in hunter and gatherer societies, the first seeds of the idea of subjugation entered the human repertoire through small-scale tool making. In other words, the idea of subjugation (or ‘putting/keeping/striking down,’ debasing, abasing, lowering, degrading) was ‘invented’ and material objects (things, nature, the abiotic world) were the first recipients of this treatment. This subjugation was still quite mild in practice and did not at that point reach the extent that we observe today, and, in addition, human beings were not abased (hunter and gatherer societies were rather egalitarian): however, the idea was born.

The next phase started with the advent of agriculture around 10,000 years ago,(21) creating a surplus that enabled coercive hierarchies to develop. In other words, the idea of subjugation was extended from nature to human beings, meaning that human beings as well as animals and other non-human elements were used as tools. Masters and underlings both regarded this order as highly legitimate, because they perceived it as being divinely ordained. Sometimes underlings rebelled although their objective was not to dismantle the hierarchy but to replace the master by another superior, perhaps one of themselves. Thus the question whether hierarchy was legitimate or not was not part of the cultural repertoire of this period (see Table I). During the third phase, characterised by the current global information society and the advent of human rights, the idea became widespread that subjugating human beings (and, with certain limits, also the subjugation of nature) is illegitimate and morally wrong.

THE THREE ELEMENTS OF HUMILIATION

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Table I: The three elements of humiliation

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20 In What Every Negotiator Ought to Know: Understanding Humiliation (Lindner, 2000i) I base this analysis on William Ury’s anthropological work (Ury, 1999).
21 See, for example, Ury, 1999.
Honour humiliation

I choose to call the subjugation introduced during the second phase ‘Honour humiliation.’ Honour humiliation is a core characteristic of hierarchical ‘civilisations’ erected on the basis of the surplus created by agriculture. It means that the subjugation of nature through small-scale tool making was augmented by another kind of subjugation, unfamiliar to egalitarian hunter and gatherer societies, namely the subjugation of some people by others; ‘slaves’ were instrumentalised by ‘masters’. In a hierarchy everybody acquires a rank associated with the person’s or group’s ‘honour.’ This honour is defended against the threat of humiliation.

Honour humiliation entails roughly four variants. (22) A ‘master’ uses Conquest humiliation for subjugating formerly equal neighbours into inferiors. As soon as the hierarchy is in place, the ‘master’ uses Reinforcement humiliation to keep it in place. The latter may range from seating orders according to honour and rank, to bowing rules for inferiors in front of their superiors, but may also include brutal measures such as customary beatings or even killings to ‘remind underlings of their place.’ Relegation humiliation is used to push an already low-ranking ‘underling’ even further down, and Exclusion humiliation means excluding parties from the hierarchy altogether, in other words exiling or killing them. The Holocaust and all genocides around the world are gruesome examples of the latter form of humiliation.

My fieldwork in Rwanda 1999 brought me in contact with the long-standing hierarchical system in this region, a system that reminded me of pre-World War Germany. Both Germany and Rwanda were scenes of brutal Holocausts. In Rwanda, Tutsi and moderate Hutu were the object of an orchestrated campaign of genocide at the hands of extremist Hutu in 1994, (23) whereas in Germany the Holocaust victims were Jews and other ‘unwanted people.’ The backdrop for such atrocities was in both cases a hierarchy thoroughly embedded in cultural and personality structures. To quote the words of a Hutu from the North of Burundi, now an international intellectual, (24) ‘A son of a Tutsi got the conviction that he is born to rule, that he was above the servants, while a son of a Hutu learned to be convinced that he was a servant, therefore he learned to be polite and humble, while a Tutsi was proud. A Tutsi

22 See also Smith, 2000a.
learned that he could kill a Hutu at any time.’ He adds, ‘The concept of humiliation is related to tradition and culture: Tutsi are convinced that they are “born to rule,” they cannot imagine how they can survive without being in power.’

**Human-rights humiliation**

Today’s knowledge revolution (Ury, 1999(25)) marks a deep change. It makes servility dysfunctional, since knowledge, particularly if linked to motivation and creativity,(26) thrives on the opposite of subdued mental forces --- namely on people who have an awakened sense of competence and self-possession.(27) Motivation and creativity are preconditions for developing innovative new products, services and strategies in a globally competitive market place. Patronage from a ‘master,’ however much desired by a ‘slave,’ is outdated. Even people who would like to keep enjoying the ‘protection’ entailed in ‘slavery’ are no longer allowed to do so, as the feelings of bitter nostalgia found among the former DDR population show, ‘we were prisoners in the DDR, yes, we did not have much, yes, but we had a securely planned life, we did not have to worry! Now risk awaits us everywhere and we have to make decisions all the time!’(28)

Humiliation is not only dysfunctional. Humiliation has acquired the status of being immoral wherever human rights are the dominant normative paradigm. Honour humiliation is opposed in any human rights context on the grounds that it undermines human dignity. It is no longer regarded as ‘normal’ to treat some people as ‘sub-human’ (at the bottom of social

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24 He wishes to stay anonymous. The interview was carried out in December 1998.
25 See also the work on the information age by Manuel Castells, 1996; Castells, 1997a; Castells, 1997b.
26 ‘We must stimulate creativity within our organization and in external research institutions, across traditional organisational barriers and traditional scientific disciplines, to enhance both conceptual and technological innovation.’ These are the words of Egil Myklebust, leading Norsk Hydro, one of the largest Norwegian corporations (Myklebust, 1999, 6). See for the Social Psychology of Creativity Teresa Amabile, 1983 and Amabile, 1996.
27 ‘Social structures in the past have developed along lines of control of material or human resources, since in order to belong to the Jet Set one needed to be able to afford first-class airfare to far-off locations. But in cyberspace, the ends of the earth are only milliseconds away: social status depends on one’s ability to outshine the information flood generated by competition among millions of websites. Never in history has the value of creativity and intelligence been so great (McKee, 1997, 2).
28 Personal account from a DDR citizen to the author, 1995. See also the wide attention that the term ‘risk society’ attracts (Beck, 1987; Beck, 1992; Beck, 2000).
hierarchies) and others ‘super-human’ (at the top). The notion of universal human rights spreads the revolutionary idea that the powerful should respect the weak. It dignifies everybody’s hopes, wishes and personal sensitivities. Table II summarises this transformation of attitudes.

This human rights movement has gained confidence since the collapse of the Soviet empire. It may be hypothesised that human rights would probably have died out a long time ago, had it not been for today’s technology of mass communications. Satellite television and the Internet mean that local evidence of conflict, cruelty and abuse have a much greater chance of becoming visible to a global audience than ever before. In these circumstances, oppression is more difficult to perpetrate for long periods without being observed by third parties. Arjun Appadurai explains in his book Modernity at Large: Cultural Dimensions of Globalization how the global movement of media technologies into every aspect of individual lives and the unprecedented mass migration of peoples across the world together define ‘the core of the link between globalization and the modern’ (Appadurai, 1996, 4). The human rights movement may be described as a continuous revolution that cannot be repressed by ‘masters’ as easily as they extinguished attempts at revolution in former times. On the contrary, the movement slowly gains ground. In recent times, the international human rights movement has succeeded in drawing increased attention to the economic, social and cultural rights that are entailed in human rights, moving beyond the more restricted definition that previously focused more upon political and civil rights, for example through the campaigns of organisations such as Amnesty International.

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29 See, for example, Bauman, 1993; Ignatieff, 1997; Weiner, 1998.
30 Relevant work in this area is being carried out by Ray Loveridge who has been explored the growing importance of new information communication technologies in organizing decision making within companies and the new flexibility of boundaries this produces. See, for example, Hooley, Loveridge, and Wilson, 1998; Casson, Loveridge, and Singh, in Boyd and Rugman, 1997.
31 See, for example, Pavri, 1997; Watkins and Winters, 1997.
32 See, for example, the Human Rights Internet (HRI) on www.hri.ca.
HONOUR AND DIGNITY: TWO MODALITIES OF HUMILIATION

<table>
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<th>‘Honour humiliation’ in hierarchical agrarian and industrial societies:</th>
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<td>Human beings are subjugated and turned into tools within an imposed hierarchy. Humiliation is a ‘normal’ device of hierarchy-building, meaning that honour is attacked, defended, won and lost within a social hierarchy of dominant and subordinate groups, and this is accepted as legitimate.</td>
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<th>‘Human-rights humiliation’ in today’s global and egalitarian knowledge society:</th>
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<tr>
<td>The subjugation of human beings, including their use as tools or their destruction, is morally condemned. Human-rights humiliation can be defined as the ‘illegitimate’ violation of human rights and the infliction of moral and emotional injury. There is a deep link between dignity and human rights insofar as humiliation attacks a person’s core dignity as a human being, and inflicts very deep emotional wounds.</td>
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Table II: Honour and dignity: two modalities of humiliation

To summarise, the process of human rights permeating all societal relations --- firstly as a hope and ideal and only much later in practice --- is a three-fold interconnected development: it is (1) a trend, (2) a requirement, and (3) a moral ought. It is a trend that we can observe in spite of transition problems; it is a requirement for the success of relations between equals in general and for corporate success in particular (since human nature indicates that the human psyche releases its resources only under conditions where motivation and creativity can thrive); and, finally, it is a normative moral ought that is prescribed by human rights.

Many human rights advocates are impatient and point bitterly at the failing implementation of human rights. I would like to caution against allowing such impatience to influence behaviour and point out that social change is slow, and the trend towards human rights is, not surprisingly, a slow one as well. However, despite this slowness, there are landmarks that testify to the occurrence of change: the impatience of human rights advocates is part and parcel of the trend itself and reveals its existence; a state that abuses human rights cannot any longer be confident that its national sovereignty will prevent inference from beyond its borders by other agencies operating at the global level; dictators from around the world have observed with care how Chile’s General Augusto Pinochet was apprehended in London; the adoption of the Rome Statute for the International Criminal Court on 17th July 1998 represented a historic breakthrough for international criminal justice; and, as mentioned above, economic human rights have now started to attract attention. Clearly, what separates human rights advocates from those who are less concerned with such issues is that they apply...
long-term thinking to the human condition in this world. This long-term thinking should, I believe, include the notion that social change is slow, and that the transition is hampered instead of promoted, if human rights activists create rifts of anger and hatred towards those who do not yet understand. Steady and well-regulated pressure is necessary, not the creation of fruitless secondary conflicts: those who do not yet understand will not co-operate if they feel personally humiliated --- this humiliation will obstruct a transition that is in itself already difficult enough to tackle.

The fact that humiliation has become so much more virulent through the advent of human rights indicates that the transition period from societal honour structures to human rights structures will be lengthy and difficult. It seems very likely that global society will become more violent (atrocities, massacres, genocide, ethnic cleansing, terrorism) in the medium term, even as equality becomes more widespread. Human-rights humiliation is deeply painful and cycles of revenge may even be expected for a while after the advent of widespread equality. It may be predicted that a more socially stable global society can be expected when more egalitarian structures are in place, the wounds of old humiliation healed, and new communication styles learned that avoid new humiliations. All these tasks require global players to unite.

Figure I(33) depicts a possible scenario for future developments. The period that is marked with (2) is crucial --- concerted efforts by the international community of human rights advocates is necessary to keep the curve of violence down as much as possible and avoid its explosion into an exponential curve.

33 Adapted from the manuscript What Every Negotiator Ought to Know: Understanding Humiliation (Lindner, 2000i) that is currently under review in an academic journal.
THE CURVE OF VIOLENCE IN THE 21ST CENTURY

More awareness of human rights (economic, social, cultural rights as well as civil, and political rights)

Figure I: The curve of violence in the 21st century

Why poverty humiliates more today than in former times

The occurrence of the human rights revolution does not mean that those rights are universally implemented. Honour humiliation remains dominant in many societal contexts, especially in political establishments. Particularly, issues touching upon national sovereignty and external relations still tend to be associated with the old notion of honour. And, more importantly, inequality, both globally and locally, is currently increasing. Mary Robinson writes in November 1999 (Robinson, 1999: 1): ‘Economic, social and cultural rights are every bit as important as civil and political rights.’ Robinson describes the widening gap of inequality and explains that the growth in real per-capita income, in the countries of sub-Saharan Africa from 1960 to 1995, was only 28 dollars. The overall gap between the richest 20 percent
doubled between 1940 and 1990. For example, in 1976 Switzerland was 52 times richer than Mozambique; in 1997, it was 508 times richer. Robinson agrees with Joseph Stiglitz, chief-economist of the World Bank, about failed strategies (Stiglitz, 1998). Stiglitz criticises the fact that institutions such as the International Monetary Fund are not paying sufficient attention to the disadvantage facing very poor countries in the world economy.

The increasing inequality that currently inflicts the world is another aspect of globalisation, a deeply obscene one that has contributed to turning the term ‘globalisation’ into a negative buzzword. Jeremy Brecher and Tim Costello express this attitude in the title of their book *Global Village or Global Pillage* (Brecher and Costello, 1994). Also Manuel Castells treats globalisation as a form of exclusion (Castells, 1996; Castells, 1997a; Castells, 1997b). During a three-day (2nd - 5th May 2000) ‘Conflict and Peace Forum’ at Taplow Court in Great Britain, entitled ‘Corporate Citizenship in the 21st Century --- What Can Business Do for Peace and Sustainable Development?’ thinkers and organisations involved in developing strategies and taking action in this area gathered with participants active in media, academia and business to discuss what business could do for peace and sustainable development. Anita Roddick, founder of the Body Shop, spoke of the great injustice and inequity of the current global market system and demonstrated some of the blatantly negative effects of this system on people in the developing world and on the environment as a whole. She said, ‘Business leaders in world business are the first true global citizens. We have worldwide capability and responsibility. Our domains transcend national boundaries. Our decisions affect not just economies but societies, not just the direct concerns of business, but world problems of poverty, environment and security.’ She argued that ‘Business is not apolitical or neutral on the international agenda. It has consistently argued the case for a laissez-faire agenda of deregulation and globalisation. In doing so it has increasingly marginalised communities and sown the seeds of conflict while it has directly benefited as a result.’ Roddick went on to develop a case for fair trade in support of micro enterprise as the way forward for the global economy. ‘The real backbone of world commerce and global employment is made up of the millions of unsung small enterprises that farm small plots of land, cook food, provide day care for children, make clay pots, do piecework for apparel makers and carry out countless tasks that larger businesses don’t do.’(34)

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The human rights revolution has serious psychological consequences flowing from the increasing gap between rich and poor. After the human rights revolution the wounds of humiliation strike much deeper than they did before. In societies that value human rights, every human being is seen to possess an inner core of dignity in his or her capacity as a human being. This inner dignity is seen as being independent from ‘outer’ characteristics such as social position. To humiliate a person is now regarded as one of the worst violations possible. It is akin to the destruction of that person, an intolerable violation of their inner core of dignity as a human being.(35) The modern regime of human rights makes inequality and the gap between poor and rich more socially and politically dangerous than ever before. This is because the gap between the human rights’ vision of an equal and just world and the actual state of inequality in the ‘global village’ is bound to create feelings of humiliation that are intensely wounding. The world’s poor are facing a worsening life-situation at the same time as they are learning that such a situation ‘ought not’ to prevail. The more the basic idea of human rights, namely the ideal of equal dignity for everybody, is being internalised, any violation of civil, political, economic, social and cultural human rights causes feelings of humiliation in those who suffer these violations. Humiliation is thus not just one single aspect of human rights, but the basic response to any violation of any element of human rights. And humiliation is the more virulent the more globalisation unfolds as a double-edged process that facilitates the broadcasting of the ideal of human rights on one side, while at the same time increasing its violations. More, it is not just the pure existence of inequality that humiliates, it is also the belief that the poor’s suffering is far from an ‘accident’ or ‘natural disaster,’ something the poor perhaps could put behind, but that it is inflicted by other peoples’ (the rich’s) evil intentions. Thus the former belief that a poor person is poor because of God’s will or her own fault, is faltering, particularly among the poor, and the aspect of intentionally inflicted damage enters the equation, an intention that violates human rights and thus humiliates the poor.

The author’s research in Africa unequivocally confirms that ‘divided standards’ perceived as intentionally inflicted by the rich are most powerful humiliating devices inflicted on the poor today, obviously without the rich being sufficiently aware of it. The hope that is entailed in the ideal of human rights is highly significant for the less privileged of the world, and, at the same rate at which this hope grows and is disappointed, feelings of humiliation escalate.

35 For a valuable discussion of some aspects of the complex relationship between identity and dignity, see Kelman, 1997.
Even international aid is often perceived as humiliating, namely in those cases where it is seen as covering up for the lack of Western political will to fundamentally change the global political and economic structure towards more equality. Graham Hancock’s book *Lords of Poverty: The Power, Prestige, and Corruption of the International Aid Business* (Hancock, 1989) expresses the views of many intellectuals in countries who receive aid. But also withholding aid may instigate feelings of humiliation; humiliation is often compounded when aid is withheld under the pretext that human rights criteria are not fulfilled. Thus British humanitarian agencies that are concerned about the growth of humanitarian conditionality (37) rightly fear the effects of the growing contrast just described - between an emergent awareness of the ideals of human rights among the less privileged in the world, an increasing willingness to believe in these ideals, a hope that these ideals will be taken seriously by all players and palpably improve life (through respect for economic rights, for example), and the contemptuous misuse of the same ideals by the rich who preach them, literally, with empty and deceitful words.

Hans von Sponeck, a United Nations official, said in an interview on the BBC World channel (‘hardtalk’ with Tim Sebastian in May 2000): ‘You have pulled down the Iraqis to a level which is inhuman… Around half a million children die prematurely because of the sanctions… The “Oil for Food Program,” even Kofi Anan knows, is not sufficient. The policy that has been adopted has failed… Iraqis have been badly demonised… You try to catch a tiger, but you kill a beautiful bird… Anti-Western sentiment, among students in Baghdad for example, is on the rise, and this although Iraqis are gentle and tolerant people.’ (38) The former foreign minister of Norway, Thorvald Stoltenberg, widely experienced in international conflicts situations, related in a speech (2000) that already in 1956 as a young man he felt that the West should not make promises it could not keep. He described how he was in Hungary and realised painfully that the West would not risk World War III and support a Hungarian

37 Relevant information received on 21st September 2000.
38 ‘On several occasions the world community has introduced economic sanctions as a tool for promoting political and military goals. While this had a positive effect in South Africa where the sanctions had domestic support, in many countries, sanctions have had devastating effects for particularly vulnerable groups, like children, women, sick and disabled persons, as in Iraq. 1/5 of all children in this country suffer from chronic malnutrition, the education system is deteriorating and crime and domestic violence are increasing’ (Norwegian NGO working group, 2000, 2, organisations that have participated in the drafting of the position paper: Redd Barna, Norsk Folkehjelp, Lærere for fred, Antirasistisk Senter, Atlas Alliansen, Diakonhjemmets Internasjonale Senter, FOKUS og Mellomkirkelig råd for Den norske kirke).
uprising (Stoltenberg, 2000). He added that he regularly meets extremely cynical people who have lost all hope in humanity, for example in cities such as Srebrenica in Bosnia, where they expected to be protected in supposedly ‘safe’ areas and were bitterly disappointed. The same degree of cynicism may apply to millions of people who live under humiliating circumstances of poverty. They are being discouraged, while at the same time they are exposed to the promotion of human rights to have a decent life, and to advertisement for technological products as TV, refrigerator, car, etc. In other words the poor are welcomed into the ‘club’ of the rich as would-be employees, customers, shareholders, or business partners, but they do not find the entry. How long can they be expected to be tolerant and patient?

Feeling humiliated on the background of human rights means to feel excluded from humankind. It is utterly devastating. The advent of human rights with its ideal of equality and egalitarian relations causes the above-presented variants of humiliation to collapse into one single form, namely Expulsion humiliation (Smith, 2000a). Whoever feels humiliated within a human rights context, feels expelled from humankind, in other words, a humiliated person feels that she is treated as if she is not a human being. Expulsion humiliation is the worst form and causes the deepest wounds. Therefore it is so much more virulent and may potentially cause severe counter-reactions. Hitler perceived his role as responding to the challenge of Honour humiliation. By contrast, Mandela has seen his task as healing the wounds inflicted by Human-rights humiliation.(39) Fortunately for the West, Human-rights humiliation in the so-called Third World has not yet been usurped by a Hitler-like figure. It would be disastrous if such a leader created a global following among the humiliated by arguing, for example, that the West’s human rights’ rhetoric was merely a hypocritical device to divert attention from the fact that the divide between rich and poor is greater than before. In view of the danger that a new Hitler would present, the West is fortunate that the influence and prestige of Nelson Mandela are so great. Mandela has filled three of the roles that Ury identifies for Homo Negotiator (Ury, 1999). He is a bridge-builder helping to prevent further violent conflict, a healer binding the wounds of humiliation, and a witness to the suffering of apartheid’s victims who include himself.

It may be claimed that it is not only everybody’s responsibility (viewed from a human rights perspective), but also in the self-interest of everybody who is aware of the potential

39 From the perspective of many white people in South Africa, Apartheid was the expression of an utterly legitimate form of honor humiliation. Mandela taught them to see that it was an illegitimate deprivation of the human rights of the majority.
destructiveness entailed in humiliation, to address this problem. Since the influence of the national state and its government is currently decreasing as a consequence of globalisation, in favour of the influence of transnational corporations, and since multilateral organisations as the United Nations are not able to turn the wheel alone, those transnational corporations may benefit from taking their share of the burden. They are, not least, among the first ones to suffer from unrest and the destruction of markets. Mary Robinson, as well as Kofi Annan, has called upon the corporate sector to contribute with its resources and take up its responsibility concerning human rights:

U.N. Secretary-General Kofi Annan says the information revolution is the key to ensuring democracy and wiping out poverty around the world. “Information has a great democratizing power waiting to be harnessed to our global struggle for peace and development,” Annan told the opening session of Global Knowledge 97, an international conference in Toronto on the information revolution and the developing world. Meetings of the Global Knowledge conference, organized by the World Bank and the Canadian government, are intended to explore ways of extending the information revolution to the poorer regions of the world. Annan called on the nearly 2,000 delegates to work to promote access to information technology, to eliminate censorship, to foster the transfer of technology and to ensure that young people are the first to be involved in information revolution. “The extreme inequalities in the world are morally untenable, economically irrational and politically indefensible,” Annan said. “The great democratizing power of information has given us all a chance to effect changes and alleviate poverty in ways we cannot even imagine today.” The conference, the first of its kind, attracted delegates from 124 nations, including 500 representatives from some of the least-developed countries, World Bank President James Wolfensohn said (Toronto, 23 June 1997, UPI).
How can the global network society become socially and environmentally sustainable and at the same time effective in competition and co-operation?

The global network society faces a big task. How can the global network society become socially and environmentally sustainable and at the same time effective in competition and co-operation? What is required to be effective in competition and co-operation in a global network society? How can the effects of humiliation be tackled? It seems that new strategies are needed if more equality is to be achieved, poverty to be eradicated, and new communication styles to be developed that represent mature dialogue instead of humiliating domination. How can the corporate sector be convinced of the need to participate more than at present in this endeavour? What can be replied when top managers declare that they, unfortunately, do not care less about the poverty in the world? That they are not a charity, but that their goal, for which they are paid, is making money, - for their employees, and for their shareholders? One way of approaching the corporate sector will be shown further down. A list of corporate relations with stakeholder will be presented that starts out with cases already familiar to managerial teams. Usually the necessity of applying ‘modern’ managerial methods is accepted. Without using the term humiliation explicitly, such methods often entail the notion of respect, or avoidance of humiliation. Corporate money is spent on seminars, workshops, educational weekends, and training modules in order to teach managers and employees about creativity, motivation, and team work, and about how to gain the customer’s trust. In other words, in most cases a leader of a corporation has already been convinced that money should be spent on training managers and employees to work in teams, to avoid mobbing and bullying, and that customer and shareholder satisfaction is vital. On such issues any modern corporate manager is on safe ground and understands the need to change from ‘old’ to ‘new’ ways. However, the plight of those who are not directly playing a part in the manager’s environment, the would-be participants who are too poor to join, do not seem to concern corporate life. They are too unrelated --- at least at first glance. Applying the concept of humiliation links the disparate groups of stakeholders, those who are more familiar to corporate thinking, to those who are farther away from the attention of the management. Expanding already familiar ground into unfamiliar spheres with the help of a linking red thread that is familiar (the concept of respect and humiliation) is the method chosen in this article. The goal is to move the boundary between ‘we’ and ‘them,’ and include the poor into the ‘we.’ And, as has been shown, while humiliating employees and customers may ‘only’
reduce corporate effectiveness, the humiliation that stems from poverty is potentially much more salient; violence may hamper corporate activity altogether and instead of having a market to thrive in, the company may have to retreat completely.

Table III illustrates the transition that is at stake, the transition from humiliating dominance to dignifying equality. It shows how the advent of human rights slowly transforms organisational types. Wherever old-fashioned hierarchy is the dominant organisational form, leaders are the sole source of goals and strategies and discontent in the lower ranks, if aired, is suppressed or regulated by top-down decisions (see also Geert Hofstede’s notion of high power distance(40)). This changes radically as soon as hierarchies are being removed and Creative Networks (Smith, 2000a) are expected to replace them (low power distance). It is to be expected, as with all transitions, that the initial phase of such a process of change is likely to be fraught with problems. Frustrations from past humiliations will linger on and seek outlets, meeting the problem of humiliation in a network without a leader yet lacking communication skills with which to handle the problem.

40 See, for example, Hofstede, 1980; Hofstede et al., 1989. Power distance is ‘the extent to which less powerful members of institutions and organizations accept that power is distributed unequally’ (Hofstede and Bond, 1984, 419). Hofstede carried out research on IBM employees around the world and found that there are countries where subordinates follow their superiors’ orders rather blindly, where organisations are centralised, with many levels within the hierarchy, and where employees on the lower levels tend to have low levels of professional qualification, - these are the countries with a high power distance, for example Mexico, South Korea, or India. Countries with low power distance have rather decentralised organisational structures and flat hierarchies, and highly qualified employees are to be found at any level of the hierarchy (for example USA, or Scandinavia).
<table>
<thead>
<tr>
<th>Organisational type</th>
<th>Coordinating principle</th>
<th>Foci of conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Absolutist Hierarchy’</td>
<td>Maintenance of status order.</td>
<td>Conflict is likely to be the reason and/or consequence whenever a ‘master’ creates and maintains an oppressive hierarchy and forces ‘underlings’ into lower ranks. Conflict will not, however, lead to open debate or aggression, but rather be ‘negative peace’ in a context of ‘structural violence.’(41)</td>
</tr>
<tr>
<td>Transition</td>
<td>Insecurity about coordinating principle</td>
<td>Formerly unknown conflicts are likely to occur whenever the old modes of humiliation are executed and met by resistance stemming from the new human rights ideology. Formerly ‘legitimate’ humiliation will be perceived as illegitimate and be much more hurtful than before. This may set in motion new cycles of humiliation and counter-humiliation hitherto unparalleled in their intensity.</td>
</tr>
<tr>
<td>‘Creative Network’</td>
<td>Definition and achievement of shared goals under conditions of trust and commitment.</td>
<td>Conflict is likely to arise in the same way as during the transition phase, but social dialogue skills among network members will focus upon overcoming the damage caused by past humiliation, leading to the specification of shared objectives within fluctuating functional hierarchies.</td>
</tr>
</tbody>
</table>

Table III: Organisational processes, humiliation and conflict

The current task facing the global community as much as the corporate sector is how to make the transition to Creative Networks on all organisational levels and in all relevant relationships. This has to be addressed and brought about within all kinds of organisations, both within the public and private sector of society (even including institutions such as marriage or child rearing). The corporate sector is deeply involved in this change, since it depends on the constructive input and/or support from several groups. It needs good employees, eager and able customers, satisfied shareholders, motivated business partners, favourable social environments to operate within, and tolerant and patient would-be
employees, customers, shareholders, or business partners (Table IV). In the following an attempt will be made to analyse each of these relationship in the light of the views concerning humiliation presented above. Table IV lists these groups and their positioning in relation to humiliation in two contexts, namely the ‘old ways’ (hierarchical honour structures) and the ‘new ways’ (an egalitarian context that aims at protecting every party’s dignity). The label ‘old ways’ refers to the autocratic business practices of the past, while the label ‘new ways’ designates modern management methods. In each row of the table the question is asked: ‘How did a top executive of a company regard his or her stakeholders in the ‘old times’ and how when using modern methods? As will be seen, humiliation plays a central role in all six relationships. In order to avoid misunderstandings, a cautionary note must be introduced here concerning the fact that the ‘new ways’ clearly are not yet realised in most organisations --- they represent an ideal type; even those organisations that most actively and fervently aim at putting them into practice have to expect problems in the transition phase.

41 See, for example, Galtung, 1969; Galtung, 1996; Galtung and Tschudi, 1999.
THE CORPORATE SECTOR AND ITS STAKEHOLDERS

<table>
<thead>
<tr>
<th>‘Old ways’</th>
<th>‘New ways’</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employees</strong></td>
<td>Humiliating employees is ‘normal’ and accepted by everybody. To keep employees in poverty is ‘normal.’</td>
</tr>
<tr>
<td></td>
<td>Employees, especially highly qualified ones, will leave the company if they feel humiliated (bullied, mobbed, underpaid); they will only stay on if treated with respect, which includes decent payment. Other employees may, if humiliated, ‘only’ withhold potential creativity and motivation from their work.</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>There are some customers who are seen as lowly recipients, - they are expected to be humble and thankful for receiving goods at all. Other customers, however, as for example royals, are treated with subordinance.</td>
</tr>
<tr>
<td></td>
<td>Potent customers will discontinue being customers unless treated with respect. Every manager today knows that customers must not be treated arrogantly and that they should not be humiliated. In fact, all customers should be treated like ‘royals.’</td>
</tr>
<tr>
<td><strong>Shareholders</strong></td>
<td>Corporate management may want to avoid being controlled, and have good chances in succeeding.</td>
</tr>
<tr>
<td></td>
<td>Corporate management may want to avoid being controlled, but shareholders will feel humiliated and ridiculed, and not accept this.</td>
</tr>
<tr>
<td><strong>Business partners</strong></td>
<td>Business partners are often members of the same societal group that treat each other respectfully and non-humiliating. Business partners therefore may feel that they have to stand together against any ‘humiliations’ planned against them by a ‘lowly’ and ‘ignorant’ general population, or from any over-regulating and exploitative government.</td>
</tr>
<tr>
<td></td>
<td>Business partners are often members of the same societal group. Respectful, non-humiliating communication typically is the style used within homogeneous groups. Business partners therefore may feel that they have to stand together against any ‘humiliations’ planned against them by a ‘lowly’ and ‘ignorant’ general population, or from any over-regulating and exploitative government.</td>
</tr>
<tr>
<td><strong>Social environment (‘bystanders’)</strong></td>
<td>The population living in the vicinity of production sites is expected to keep quiet whatever happens; health hazards, for example, are typically kept secret.</td>
</tr>
<tr>
<td></td>
<td>The population living in the vicinity of production sites will stage protest demonstrations if not treated with due respect.</td>
</tr>
<tr>
<td><strong>Would-be employees, customers, shareholders, business partners</strong></td>
<td>People who are too poor to afford the educational level necessary for becoming an employee or a business partner, as well as people who cannot afford to buy commodities they yearn for, are regarded as unlucky or unworthy. They are expected to humbly accept ‘lowliness’ and poverty as their ‘fate.’</td>
</tr>
<tr>
<td></td>
<td>People who are too poor to afford the educational level necessary for becoming an employee or a business partner may feel humiliated by their inability, especially when confronted with publicity that promotes unaffordable commodities. They may react with depression or anger. The promotion of human rights strengthens their anger since they promote equal rights, and it is especially this anger that may hamper corporate activities.</td>
</tr>
</tbody>
</table>

Table IV: The corporate sector and humiliation
The employee.

The ‘forerunner’ of the employee was the slave. Slaves had their place at the bottom of the pyramid of power. They had to obey their masters. Employees in Creative Networks, on the other hand, are closer to masters than to slaves. Creativity – or at least creativity that benefits the employing company – only flourishes in an environment of freedom. As mentioned above, creativity and motivation are very fragile resources that require a sense of competence and self-possession. Wherever the creation of innovative new products, services and strategies is required from an employee, humiliation has to be avoided. This includes avoidance of bullying and mobbing,(42) but also avoidance of under-payment. An underpaid employee will leave the company, or will withhold her creativity from the workplace, - and even where creativity is not required for production, a bullied and/or underpaid employee may still sabotage production. All companies that believe that they thrive on coercing employees, or on cheap labour in poor regions of the world, would be well advised to include these considerations in their evaluations. The transition toward the egalitarian information society tends also to level out hierarchical gradations among employees leaving in place a level plane of equality where people meet each other under conditions of mutual respect and enter into loose fluctuating hierarchies determined by functional skills.

The customer.

In honour-based societies customers are treated with either arrogance, or with deference and subordination, according to the customer’s status in the hierarchy of power: the beggar, the ‘customer’ for charity, stands at the bottom, and the aristocracy stands at the top of customer hierarchy. The only ‘use’ beggars can be put to may be earning God’s recognition by helping them; poverty in the traditional honour context is otherwise seen as ‘normal.’ The rich, however, are venerated customers in any system, be it more hierarchical or egalitarian. To treat customers with respect, similar to the royal ‘masters’ of former times, is one aspect today’s corporate sector increasingly focuses on, - slowly the awareness that clients who feel humiliated are bad clients is gaining ground, - but there is more to it than that. Many of

42 See for literature on mobbing, for example, Leymann, in Leymann, 2000a; Leymann, in Leymann, 2000b; Leymann, in Leymann, 2000c; Zapf and Leymann, 1996; Niedl, 1996; Davenport, Distler Schwartz, and Elliot Pursell , 1999; Vartia, in Zapf and Leymann, 1996.
today’s products benefit from customers who not only have the money to buy these products, but who also have the education and self-confidence to be sparring partners with the company. The optimal way to produce and sell products is through a dialogue within an equal relationship between producer and customer. Companies are increasingly taking the satisfaction of clients seriously, and this field is a wide market for consultancy companies. In other words, customers are being ‘discovered’ as dialogue partners who can contribute to the development of products; they are no longer just passive recipients. Dialogue requires equality and respect, otherwise it breaks down; therefore companies are compelled to have an interest in maintaining equal and respectful relations with un-humiliated customers, customers who have money, education and self-confidence.

Nelder (1996) describes this transition in terms of Martin Buber’s ‘I-It’ relationship, where the counterpart is objectified, to a ‘I-Thou’ relationship, in other words where the counterpart is not a ‘means,’ but an ‘end’ (as the German philosopher Emmanuel Kant formulated). Nelder writes: ‘The successful business of the future will reverse that relationship, moving away from what Jewish theologian Martin Buber calls the “I-It” relationship to an “I-Thou” relationship based on mutual respect. Businesses who value their relationships with their customers will be able to hang onto them, and those who don’t, won’t. The smart company will hear negative feedback from its environment (including its customers) and respond to it symbiotically’ (Nelder, 1996). This means that the corporate sector benefits from potent customers who are at the same time dialogue partners. Poor people, discouraged, badly educated and informed, are rather useless as a market. The transition from old ways of thinking to new styles is difficult --- it is a truism that change is difficult --- and many organisations struggle with it, however, both normative trends and an increasing awareness of the psychological make-up of human beings bring increased pressure for change.

The shareholder.

Shareholders (including other corporations such as pension funds) increasingly demand transparency, meaning that they want to be treated with respect and not be kept in the dark or duped by the management. ‘Shareholder value’ is a buzzword that humbles the management of a company and requests rather egalitarian relations within a context of mutual respect, similar to the relations between company and client. It is true that shareholder value is widely criticised, especially by welfarists, for forcing management to resort to short-term and socially cold strategies with the exclusive aim to maximise profit. Nevertheless, future developments
may increasingly introduce shareholder value in a different sense, namely values as ethical values, as demonstrated, for example, by ‘socially responsible’ funds (see, for example, Glassman, 2000). After all, turning employees, customers and general populations into shareholders may be seen as a means of restructuring entire societies from former hierarchies into modern egalitarian societies, from relations of oppressive humiliation to relations of mutual respect. This example of social change is, again, not to be achieved instantly and a long period of difficult transitional adaptations is to be expected.

The social environment.

Some will put forward the argument that the corporate sector may be best served by having poor and uneducated people living in the vicinity of their productions sites, because then managers may ‘do what they want.’ Unquestionably, selling out people’s health for short-term gains may be in the interest of some corporate leaders in pact with dictatorial governments, - in the short term, - but this short-sightedness is increasingly losing the flavour of smartness. The reason is, - simply, - that the planet is too small and that neither corporate nor national leaders live in isolated ghettoes. Nobody can acquire complete protection from pollution and social degradation. Acceptance within a social environment (among ‘bystanders,’ to use Staub’s word(43) is increasingly important for the functioning of any corporate activity. The times are gone when companies could routinely keep hazards, for example, health hazards, secret. If today people feel ridiculed and humiliated by the management of a factory in their neighbourhood, they may obstruct its functioning, either by sabotage or open protest.

Examples abound. Nigeria and Shell provided wide media coverage in 1995, partly because the Ogono protest ended in the execution of their leader, Ken Saro-Wiwa. In former eras such events may have been categorised as ‘forgotten African cases,’ undiscovered by the media, but in today’s ‘global village’ no party can hope to escape the detrimental consequences of her actions, - even if locals may be duped, there is an Internet and an international community whose attention cannot be avoided. ‘The explosion of interest in responsible corporate citizenship since 1995 has reminded many of the earlier rapid development of interest in environmental management issues. Active stakeholders and lobby groups have successfully exerted pressures on management for improved corporate

43 Staub develops this notion in his work about Holocaust and genocide The Roots of Evil (Staub, 1989).
behaviour. The Green Peace success in the Shell case is a useful reminder. No longer are the
lobby group enthusiastic amateurs. They can be very professional, and most arrive with an
agenda of their own. The Internet provides a speed and breadth of information transfer never
before seen. Some of it is frankly hostile to corporate activity as may be seen in the case of
Monsanto’ (Rosthorn, 1999, abstract). Rosthorn states that some corporations have engaged
their lobbyists to the degree of actively involving them in the audit process, and his paper
looks at the example of the ‘Business Ethics Strategic Survey.’ Rosthorn addresses
environmental sustainability in its relation to corporate activities. In this article I focus on
social sustainability. Just recently the Swiss and German corporate sector had to face the
consequences of their involvement in Nazi activities. Bertelsmann AG, for example, the
world’s largest publisher of English-language books has come under fire over its links with
the Nazi regime expressed in publications glorifying Nazi ideology. The company said in a
statement that: ‘Bertelsmann recognizes its responsibility with regard to the company history.
We are appointing an independent panel of experts. ... They will from time to time present
their findings and answer questions’ (Bonn, Germany, Reuters, 16 December 1998(44)). The
statement, issued jointly by chief executive Thomas Middelhoff, supervisory board head
Mark Wössner and chief shareholder Reinhard Mohn, acknowledged, contrary to the earlier
self-image, that the Nazi publications existed.

The fate of Pinochet, the former leader of Chile, who was held in Great Britain in 1999,
was observed anxiously by, for example, Somali warlords who have their comfortable retreats
outside of Somalia (see my fieldwork in Africa in 1998-1999), away from the sufferings they
cause to their people. These warlords make sure that their families live in those parts of the
world where their children can enjoy the supportive infrastructure that their fathers prevent
from developing in Somalia. Social exploitation as well as environmental exploitation may
pay in the short run, but not in the long term. We have to learn to ‘sell the milk, not the cow’
and to ask ourselves: ‘what kind of world do we want to give to our children?’ Furthermore,
as has been widely discussed, for example in Germany, environmental legislation that forces
the corporate sector to produce sustainable technology also yields valuable ‘green’ export
products. It seems that the corporate sector, while adapting flexibly to any market
competition, benefits from planning for long-term environmental and social sustainability of
its activities, keeping those aspects apart from market competition. The interest of the
corporate sector should therefore be the promotion of relevant legislation on a global level, in


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order to ensure that conditions are enabling and equal for all market players.

_The would-be employee, customer, shareholder, business partner._

As discussed above, would-be employees, customers, shareholders, or business partners who are frustrated and feel humiliated by their poverty, by their inability to afford what they desire, may hamper business if they express their frustration destructively. Extreme forms of political Islam may have such roots, anti-Americanism may partly have its origin in humiliation, - humiliation caused by not being able to afford Western standards. In other words, violence may be an ‘attempt’ to ‘heal’ humiliation by counter-humiliating the humiliator. The author had intimate insight into this phenomenon during her work as a counsellor in Egypt 1984-1991.

It is difficult to be informed about would-be employees, customers, shareholders, or business partners. What do people feel, who are exposed to publicity that praises products they eagerly desire, while being unable to pay them? Today television sets are to be found in the furthest corner of the world, and even the poorest people learn about fashionable products they cannot pay for, at the same time as they understand that human rights entail a moral ‘ought’ to enable them to buy them. It is obvious that research in this field is necessary. There is another aspect still. The corporate sector not only hampers its own performance by neglecting potential anger and frustration, it also forecloses what environmentalists would call bio-diversity, namely social and cultural diversity. In other words, the frustrated, angry, and poor could, if respected and supported, represent valuable intellectual and cultural resources. Utilising local knowledge of local markets, for example, could give a real market advantage to a company. Head offices depend on local people who know about local markets, a dependence that intrinsically promotes democratisation and decentralising of power and resources.

To summarise, the effects of humiliation may range from lack of sales to customers, quiet sabotage of production by employees, lack of support from shareholders, lack of acceptance by neighbours of production sites on one side, to open violence from would-be participants on the other side. While some of these effects ‘only’ harm the corporation that acts in a humiliating way, widespread violence affects society at large. In this case all societal actors, including the private sector, are called upon action. Certainly public organisations should be interested in understanding the dynamics of humiliation as much as private ones. Also public organisations have to deal with stakeholders, namely employees, beneficiaries (‘customers’ of
public services), a tax paying electorate (‘shareholders’), social environments, and would-be beneficiaries (for example refugees and asylum seekers, who flee poverty back home). And, with regard to the eradication of poverty the public sector should have an even greater self-interest than the corporate sector, since tax revenues largely pay for it and it depends on potent taxpayers.

However, clearly the individual single manager has no means to alleviate global poverty. The lone manager may allow some corporate money to go to training courses for the company’s employees, or to some small scale ‘do-gooding,’ but managers are right to be adamant that they would be ill advised to turn the company into a charity. The problem of poverty is not solvable through charity, but through global structures that provide an enabling environment to all. The manager of a small corporation is not the person to engage single-handedly in the large-scale promotion of global changes. On the contrary, the individual manager is victim of a merciless logic, that International Relations Theory(45) calls the Security Dilemma. Classical and Structural Realism see the world as being guided by ‘anarchy’ - anarchy as the ‘state of nature’ (Hobbes, 1951). In this context the Security Dilemma is unavoidable: ‘I have to amass power, because I am scared. When I amass weapons, you get scared. You amass weapons, I get more scared’… and thus an arms race and finally war can be triggered.’(46) Even the ‘nicest’ and ‘kindest’ leaders start wars under the conditions of the Security Dilemma. Though International Relations Theory addresses relations between states, the same logic also reigns between groups; Posen, 1993, describes the effects of the Security Dilemma between ethnic groups and shows that the group who fears most goes to war (see also Roe, 1999). Equally, terms such as ‘trade war’ show that companies easily find themselves in the same Security Dilemma logic that once triggered military campaigns between empires. This dilemma ‘forces’ companies to dump ethical considerations as long as these considerations weaken them in the overall competitive environment.

We may ask to what extent the Security Dilemma is an all-compelling and inescapable logic, or whether it can, logically and practically, be attenuated. International Relations Theory initially (in Classical Realism) favoured the assumption that man is ‘aggressive’ by nature (or ‘greedy,’ according to the economist and lay-psychologist (47)); later developments

45 See, for example, Woods, 1996.
46 Beverly Crawford at the Sommerakademie für Frieden und Konfliktforschung, Loccum, Germany, 20th - 25th July 1997.
47 The social psychologist Lee D. Ross carried out experiments that show that people tend to divide
of International Relations Theory (Liberalism and Structural Realism) do not contain this assumption anymore. Later versions of International Relations Theory understood that co-operation between numerous players --- not just states --- may soften the Security Dilemma. Hobbes, for example, called for a ‘social contract’ (Hobbes, 1951 in *Leviathan*) as the only way for people to live together peacefully. In other words, the cycle of violence that the Security Dilemma may set off, is turned into a cycle of peace, as soon as a certain degree of co-operation and trust has been gained that makes it possible for people to sit together and agree on a contract, a contract that in turn furthers co-operation and trust. To use traffic as a metaphor: a culture of co-operation means that all agree to adhere to red and green traffic lights; a culture of war means that warriors fight their way through at every crossroad.

‘Establishing the existence of a contract or a general understanding of respective responsibilities in complex societies or tracing causally its impact is not an exact science. However, I do want to suggest that understanding the division of responsibilities between business and government in the post war industrialized world as forming a tacit social contract is illuminating however difficult it might be to prove its existence’ (Cragg, 1999, 2, in his paper ‘Human Rights and Business Ethics: Fashioning a New Social Contract’). The aim of a global social contract has to be the creation of an ‘enabling environment.’ However, not in the sense contained in the following quotation: ‘…the process of dismantling the Washington consensus will also require (in close coordination with the process of “financial disarmament”) the continued struggle against a number of legally binding international agreements (eg. under WTO and IMF auspices) which establish an “enabling environment” for MNCs and global banks’ (Chossudovsky, 2000, 10, I chose this quote, among others, because of its linguistic link with war terminology, ‘financial disarmament’).

The keyword is ‘enabling environment’ – but not just for some, but for all. The Norwegian Forum for Environment and Development Working Group on ‘Copenhagen +5’ presented a selection of topics related to the 10 commitments from the Copenhagen declaration, and wrote on ‘Commitment 1: An enabling environment for social development’: ‘Today’s global resources equally, - contrary to the assumption, underpinned by the so-called minimal group paradigm, that people are inherently greedy and try to grab as much as they can. Ross explains, ‘Self-interest is not in allocating (unequally), but in justification of inequality. People think that a 50/50 distribution is fair, except those people who previously had two thirds. These people are willing to justify inequality, which they would not impose’ (Sommerakademie Friedens- und Konfliktforschung, 11th --- 16th July 1999, in Clemenswerth, Germany). See Ross’s work, Ross and Nisbett, 1991; Ross and Samuels, 1993; Ross and Ward, 1995; Ross, in Arrow, Mnookin, Ross, Tversky, and Wilson, 1995; Ross and Ward, in Brown, Reed, and Turiel, 1996.

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economic system is closed to participation by the majority of the globe’s population. Neoliberal economic policies promote the unfair and unequal distribution of resources and wealth in the world, threatening human security and erecting powerful barriers to social development. Several parts of the world have faced severe economic crisis over the last years. Reasons include weak legal structures, excessive private loans and liberalised capital accounts. Reports from several UN Funds and programmes state that developing countries will suffer the most severe consequences of the 1997, 1998 and 1999 crises. Given the severity and worsening of their economic situation and quality of life for millions of the world’s poor, the pace of capital liberalisation should be slowed down, and a complete review of the effects of “liberalisation” over the last ten years and beyond should be initiated.’ (Norwegian NGO working group, 2000, 2).

Conclusion

In this paper, humiliation has been considered in its various macro-historical and organisational contexts. Its relation to the corporate sector has been analysed in particular. Humiliation as a concept has been dissected and it has been pointed out that not only society at large, but also the corporations themselves, rather than trying to coerce their stakeholders into subordination, would benefit from less humiliating structures and attitudes since this would gain them employee, customer and shareholders’ loyalty. The link between the globalisation of human rights has been discussed, as well as the possible impact the non-realisation of such rights might have on feelings of humiliation particularly among the poor, both globally and locally, and how society, including the private corporate sector, would benefit from avoiding the destructive consequences of the extreme humiliation triggered by the increasing gap between rich and poor that proceeds counter to the increasing awareness of human rights.

Questions that have to be asked at that point are: What are the steps needed to be taken in the field of global corporate governance to avoid these possible negative scenarios? To what extent would better business practices influence global social policy and how? And, how do the issues discussed translate into a research and policy agenda? Who should be interested in promoting such agendas?

The basic challenge for the planet’s future seems to be the safeguarding of social and
environmental sustainability, while expanding beneficial aspects in free market systems, democracy and globalisation, see Table V.

**BENEFICIAL AND DESTRUCTIVE EFFECTS OF MONEY AND MARKET**

<table>
<thead>
<tr>
<th>Beneficial effects of money and market</th>
<th>Destructive effects of money and market</th>
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<tr>
<td>Continuous, fast and flexible</td>
<td>If humiliation endangers social</td>
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<td>communication and feedback circles</td>
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<td>concerning supply and demand.</td>
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Table V: Beneficial and destructive effects of money and market

Research should take up the significance of humiliation in corporate relations for the stakeholders concerned. In all relationships corporate organisations seem to be well advised to avoid humiliating their counterparts, which means, among others, not keeping them in humiliating poverty. This approach should be complemented by a policy agenda to encourage implementation of the research findings. An exploration of particular situations and institutions where the dynamics described above are in operation would be a necessary part of any research agenda. One approach would be to compare large transnational companies with large public organisations such as, for example, the United Nations. A research agenda could, for example, include the question of how relations develop when former ‘bosses’ and former ‘underlings’ transform their relations to more equality, i.e. gravitate from ‘old ways’ to ‘new ways,’ as is happening in the General Assembly of the United Nations, were former colonisers and colonised face each other, or within companies where team working methods are introduced with formerly ranked employees who are now expected to contribute as equals.

It may be concluded that, like the ecological environment human ‘nature’ (including its inclination to respond to humiliation with counter-humiliation ranging from sabotage to violence) will have the ‘last word,’ and psychological dynamics will wash away those who do not recognise them. The question is, so-to-speak, not whether a ‘storm’ is a ‘storm,’ but how to avoid it. And in this task humankind is well advised to unite, see Figure II, instead of losing valuable time and energy discussing whether those who fear storms are cowards, or whether not those who choose not to see storms are even more stupid.

**HUMANKIND AS UNITED ACTOR**
Human interference has created ecological disasters, but it has also created ‘psychological’ disasters, as the dynamics of humiliation and their violent aftermaths show. Examples of these disaster-ridden interventions include the introduction of oppressive hierarchy in early history, or the subjugation of human beings (together with nature) by other human beings. These changes created reservoirs of resentment that will yield violent results for a long time to come, if they are not properly addressed.

Figure I visualises both the danger and the need to address it. It may be concluded that the ‘remedy’ lies in a struggle of humankind to unite for the protection of ecological and social sustainability (see Figure II). The avoidance of humiliation is a central part of the latter task.

To summarise, different layers of responsibility are salient for the transition towards human rights at the global level. A lone manager of a corporation cannot single-handedly escape the Security Dilemma logic --- quite the opposite, a concerted effort is required that puts a global social contract in place within which corporations are enabled to adhere to and promote human rights. However, many managers acting together, and many employees, customers, shareholders, and would-be participants acting together may help provide the necessary push for those representatives of the corporate sector who are shaping the social contract at the global top level. Global social policy has to ensure an enabling environment for all, and since this is a long-term goal, and the ‘market’ as such has no long-term perspective, this long-term outlook has to be introduced by the responsible high-level actors. This article attempts to map out the relations between long-term survival of human kind --- and human rights entail the moral rules to secure this long-term survival --- and the ‘punishment’ that violation of human rights, or humiliation, elicits, namely lack of effectiveness at best, and violence at worst. Corporate involvement in global social policy would be particularly beneficial, for global society at large as well as for the corporate sector itself, because the Security Dilemma that forces every player to fight at every crossroad disrupts, if heightened by ‘trade warriors,’ the whole society, while the attenuation of the Security Dilemma is
beneficial to all.

The metaphor of traffic may round up this article and serve to illuminate a possible social policy agenda. Human rights, and non-humiliating institutions and attitudes (48) are like traffic rules and traffic signs. Traffic rules aim at co-ordinating traffic to the benefit of all --- large and small cars have to adhere to traffic rules in exactly the same way, thus allowing for a diversity of small and large enterprises and projects; without traffic rules, big cars would bulldoze down the small ones at every crossroad. Somalia was part of the research that forms the basis of this article. It lost its government in 1991 and large parts of the country lingered in low intensity warfare during the entire past decade --- the foreigners who dared to live there, an area almost double the size of Germany, (49) could be counted on one hand when the author visited in 1998. Somalis have a proud nomadic warrior tradition and many Somalis are wary of co-operation, because they believe that they may gain more by war. Many Somalis, males in particular, display an air of toughness and readiness to be aggressive. They are, so-to-speak, no friends of traffic rules, and have a tradition of fighting their way through, as you might say, at every crossroad. They perceive themselves as aristocratic and free, masters who, to stay in the metaphor, interpret a red traffic light as humiliation. They thus heighten the Security Dilemma instead of attenuating it, (50) and the country is, therefore, in a deplorable state. (51) Clearly, those Somalis --- business people, farmers, women and children --- who suffer from such aristocratic warrior prowess perceive the very lack of traffic rules as humiliation, since this lack is disruptive to the whole society. Some advocates of extreme economic liberalism, or critics of traffic rules, akin to the old warrior culture of free and aristocratic masters, perceive the implementation of red traffic lights as an insult as well, and accuse their protagonists of wanting to implement outdated socialist equality. Yet, clearly, traffic rules have nothing to do with socialism, traffic rules do not compel everybody to have the same car and to be ‘equalised’ in this respect, nevertheless, traffic rules make everybody equal in front of a red or green light. Thus the traffic metaphor may help to answer the

48 As called for by Avishai Margalit in his book The Decent Society (Margalit, 1996).
49 Somalia 637 000 square kilometres, Germany 356 000 square kilometres.
50 The traffic metaphor illustrates democratic proceedings, and Abdulqadir H. Ismail Jirde, Deputy Speaker of the Parliament in Hargeisa (self-proclaimed ‘Somaliland’ in the north of Somalia) explains in an interview on 19th November 2000, that democracy with its majority rule violates the old nomad tradition of decision by consensus of the elders. He explains that majority rule has the potential to deeply offend and humiliate those who lose out. He describes in detail how he would prevent violent responses by approaching losers after voting, how he would express appreciation for their views and show confidence that their views would be honoured at a later stage.
51 On 27th August 2000 a new president, Abdulqasim Salad Hasan, was elected, and since then
question of how a global social policy agenda has to look like that allows for both, fruitful competition and co-operation.

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