

global labour power working for capital as well as, on the other, the consumers of products made by capitalist industry. Mindless production and consumption is precisely what is causing the problem. It can be observed that the present development paradigm only exists to create more and more markets for the products of global capital.

The present paper does not pin its faith in any great revolution or other upheaval that would sweep away the undesirable order and bring in a new order, a new set of institutions, etc. Rather, it believes in engaging the present, with the present, with the *existing* institutions both inside and outside of them. This necessarily means states, and now increasingly, the 'international state', non-state regional, national and international actors, etc. While these have various degrees of proximity and linkage to the corporate capitalist world, it is the latter which has to be essentially and ultimately addressed. From a very practical standpoint, it is only the corporate companies the world over, particularly the top global 50 companies, banks and financial institutions having a global sweep, that can initiate the process of the long haul of renewal. It is only they who have the power, the resources and the managerial skills to put into operation effective measures. Part of the effort would be to make them look inwards, at themselves and at their business strategies and goals and see where these are landing all of us. Fundamentally, they have to look at their production systems including raw material consumption, energy, conversion processes, toxicity, waste generation, etc., and self-imposed stringent norms and best practises. Mass production has to be replaced by flexible production (to some extent this has already started). For starters, a march towards a *green capitalism* has to be commenced. The present paper will explain subsequently, the grounds of possibilities for making these things happen *the changing sociology of capitalism* that has seen greater popular participation in contemporary capitalism. Hitherto it was said "we are all socialists now". Today, it is "we are all capitalists now". For example, most of us are investors in one way or another; even the most innocuous insurance policyholder whose premiums can be invested in the corporate sector, mutual funds

being another example. This tendency is on the rise given the expansion of modern economic and financial institutions, the attenuation of distance between town and countryside and the rise of rural and semi-rural entrepreneurship particularly of women. Many women's groups are having direct contractual relationships with the corporate world and are part of the latter's distribution mechanism.

Another associated feature is the growth of agribusiness. Companies are perfecting their supply chain by entering into institutional arrangements with the peasantry such as contract farming; ITC and Pepsi being prime examples. This is but one dimension of the move by the corporate sector to penetrate the rural hinterland which is going to be the market of the near future. Companies like ITC Bhadrachalam have grasped the importance of renewable natural resources, both as raw material and as an ecological issue. Raising the level of ecological awareness among companies in general could very well become a matter for advocacy. At least in the spirit of enlightened self-interest, companies would understand the ecological argument.

There is also being witnessed a new development in corporate advertising and marketing. Lucy Aitken (*The Economic Times*, 6 September, 2006) reports that "a growing body of evidence suggests that there is a tangible business benefit to be gained by 'greenifying' advertising but only if it is a genuine message and not 'green-wash'". The latter accusation would be made against companies that preach but do not practise. For instance, Aitken says, BP and Shell spend colossal money on green advertising but critics point out that these companies do not even spend less than two per cent of their annual investment each year on renewable energy resources.

Aitken further reports that a 2005 Ethical Consumerism Report, conducted by the Co-op Bank, NEF and the Futures Foundation, revealed that 57 per cent of consumers had recommended a company on the basis of its responsible reputation. Consumers spent 25.8 billion pounds on ethical goods and services in 2004, an increase of 15 per cent on 2003, a sign of encouragement. Aitken (ibid.) observes that "consumers are seeing for

themselves the effects of climate change. Droughts, rising fuel prices and more media coverage of green issues have all served as triggers for people to reassess their behaviour. Now they will think twice before automatically filling up the petrol tank or having a long, hot soak in the bath instead of a quick shower. If individuals are taking responsibility for their own actions, it is no surprise that they want to seek out companies and brands that are making an effort to 'do the same'.

How should companies respond to this growing section of consumers? Aitken has several suggestions. Firstly, "doom and gloom get you nowhere The emphasis must be on the financial gain synonymous with being more carbon-aware, particularly for smaller organizations. And regardless of whether an advertisement targets business or consumers, the fear factor should always make way for optimism. Most importantly, any advertiser considering going green needs to protect itself against its critics by embracing sustainability internally too A new value system is required which ultimately recognizes that the ultimate end is where the value lies; namely, a sustainable future for business and the planet".

Secondly, the *internal world of capitalism* is also changing, the world over. Many decades ago itself, sociologists such as Ralf Dahrendorf observed the changes in capitalism since Marx's lifetime. An important change, according to Dahrendorf, was the separation of ownership from control. This eventually became the managerial revolution whose foremost commentator has been James Burnham (1941). Control became concentrated in the hands of managerial strata while ownership became more diffused. While access to this strata professionally became a matter of education and hard work, one can argue that the *democratization* of companies began with this development. Growth of shareholder and institutional capitalism pushed this process further. Managerial excesses have sought to be addressed by putting various control and accountability mechanisms in place. Prime examples are the theory and practice of corporate governance and corporate social responsibility. The idea of corporate governance particularly gives primacy to the concept of the stakeholder. The latter enunciates that

shareholders are not the only people to whom the company and its management have to be accountable. There are other stakeholders too including the community and the environment in which the company concerned has its operations.

The point is that the stakeholders external to the company such as the community/neighbourhood have to be active in the new order. Presently, the activism that one finds in this respect is focused on saying 'No' to industry in the concerned area. This practise has to change. The new regime (with its appropriate array of institutions) must be one that processes the conflict that arises between industry and its socio-physical context, and brings about a well-negotiated agreement among the stakeholders. Imminent in this agreement *or even a contract* are the various manners of making the company accountable to society and environment/ecology of the region, agreement on standards for various purposes ranging from usage of natural resources to pollution, etc. In this context, the new laws such as the Right to Information Act assume relevance and contribute to the making of an open society.

It is contended in this paper that a vision of the sort envisaged above is indeed possible. The institutions that can bring this about are precisely those that have been listed out in the subtitle of the present seminar, each contributing in their own way. They include banks and financial institutions, NGOs, CBOs, besides the state institutions from Panchayat to parliament. It is only when all these bodies act in concert that the future would be bright for planet earth.

References

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