Section II: Social Process Dynamics

Introduction to Social Process Analysis

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Introduction

The social theoretics discussed by Joe in the following talk was formulated over a period of two years by ICA staff at Joe's behest and inspiration. Its formulation was augmented and validated through the coordinated research of local task forces at work across the United States and through two month-long summer research assemblies held in Chicago in 1971 and 1972.[1] Initially, the resulting social process model was intended to provide a disciplined framework that would enable congregations in ICA's ongoing local church renewal program to design their parish missions. This context was expanded in 1972 and thereafter to encompass community development activities and to analyze social dynamics at the national level, especially of the United States.

Rationale of Social Process

The "social process" framework takes the form of a **multi-level** "**social process triangle**" (SPT), a model intended to capture comprehensively **all social dynamics from three perspectives - economic, political and cultural.** In fact, the resulting model is sufficiently robust that it can be employed to identify and analyze social dynamics of any local, national or international community or society, including the widely varying institutions, values, ideology and social heritage these dynamics reflect. Moreover, because the model is structured to reflect interrelationships among all social dynamics, it can be used as an instrument for **thinking comprehensively** about social change and for analyzing how it occurs. It describes the **interrelationship of social forces -- not** actual or representative institutions as such -- and how these forces complement and possibly stand in tension with each other. Finally, when applied to specific events, trends and societies, the social process triangle provides a useful instrument for analyzing social structure, social patterns, and social change, for comparing differences among societies and social systems, and for assessing social issues and social dysfunction and how they might be addressed. These aspects are discussed in more detail below.

Because SPT encompasses every facet of society, its range of dynamics or social forces can be found at play in some respect in every society in every age, whether a Neanderthal tribe or a modern technologically advanced industrialized economy. Of course, over time, due to any number of factors - physical necessity, human free will, chance, religious inspiration, social conflict, forms of governance and leadership, and the build-up of folkways over time, etc. - these dynamics play-out or manifest themselves institutionally in widely varying patterns (values, behaviors, practices, structures) from society to society.

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[1]/ The conferences were sponsored by The Order Ecumenical. Conference attendees represented a substantial cross-section of North Americans and included foreign nationals from countries across the world.

In order to facilitate social analysis, all social dynamics are divided generically into three general types or realms -- economic, political and cultural.[2] (See Figure 1.) Each realm of social dynamics (and the various sub-level dynamics it encompasses) reflects a distinctive societal perspective, a distinctive societal function and a distinctive societal activity and relationship.[3] The tripartite division enables any one social dynamic to be related directly to the other two social dynamics. This simplification becomes extremely useful when dealing with social complexity.

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[2]/ This general division -- or one similar to it -- is not unusual among social scientists. See, e.g., Daniel Bell, *The Cultural Contradictions of Capitalism* (1976), who discusses a 3-fold division of society: techno-economic, political and cultural. As part of his analysis, Bell also emphasizes interrelationships within society as a whole as critical to this approach.

[3]/While SPT is intended largely to be descriptive of social dynamics, its conception appears to have much (although not intentionally) in common with the theoretics of such sociologists as Talcott Parsons (functionalism) and Niklas Luhmann (social systems theory). It is not known whether the ideas of these two (or other) sociologists had any influence on the development of SPT. The "dynamics" of SPT, however, do not appear to be incompatible with either of these two schools of sociology.
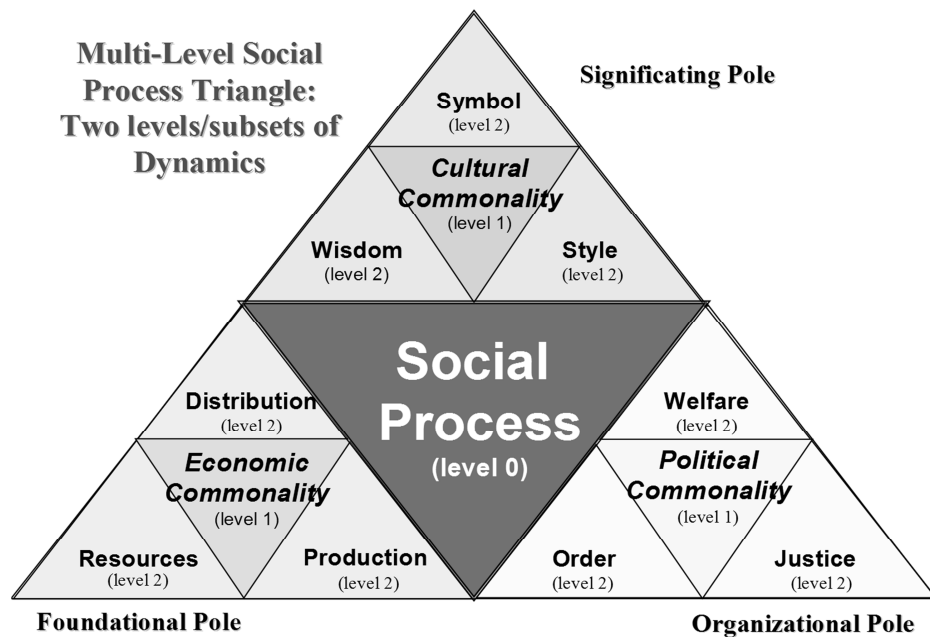
Figure 1. The Social Process: Major Components
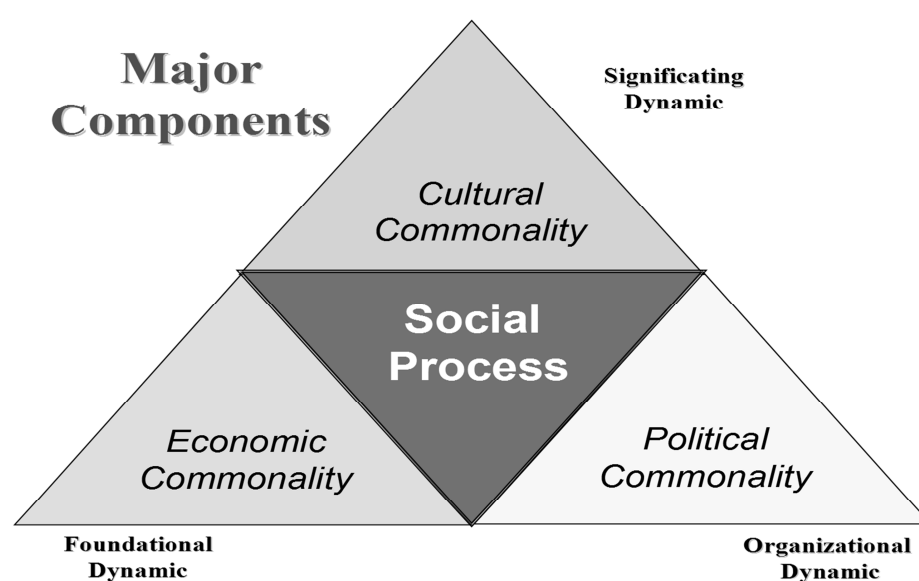
While it might be wondered whether this tripartite simplification loses important societal subtleties and nuances, experience in applying SPT indicates that any loss is likely to be only temporary. For one thing, SPT provides for multi-level analysis, so that data, institutions and events can be captured at different levels of abstraction. (See Figure 2, below.) For another, because the various components of SPT represent social dynamics, they do not mutually exclude data, institutions and events which evidence other dynamics. Rather, such data, etc., can be interpreted and combined simultaneously from the perspectives of several dynamics. As a result, the full application of the triangles to any society of whatever size will likely compensate for any losses of insight that may occur at any point along the way. The ultimate rationale of the tripartite division is to provide a comprehensive screen for social dynamics, to focus on the interrelationships of these dynamics for any society, and to facilitate simplicity in social analysis. For definition and illustration of SPT terms, see the attached glossary.

The multi-level construction of the triangles resembles a <u>fractal</u>, whose successive subdivisions follow the same rationale.   Thus, the left pole of every triangle always defines the "foundational" (sustaining) role of
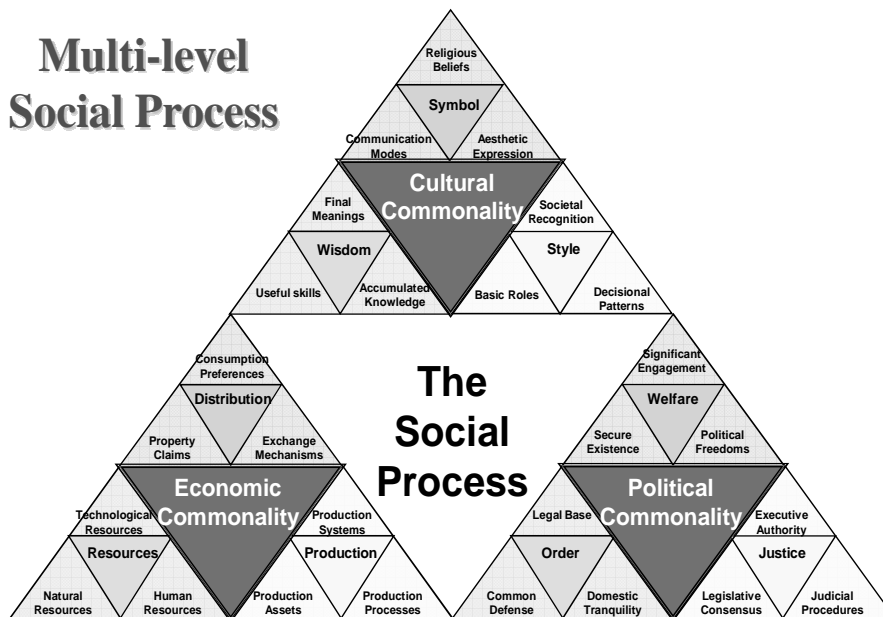
Figure 2. Social Process: Subsets of Dynamics

Multi-Level Social Process Triangle: Two levels/subsets of Dynamics

Significating Pole

Symbol (level 2)

Cultural Commonality (level 1)

Wisdom (level 2)

Style (level 2)

Social Process (level 0)

Distribution (level 2)

Welfare (level 2)

Economic Commonality (level 1)

Political Commonality (level 1)

Resources (level 2)

Production (level 2)

Order (level 2)

Justice (level 2)

Foundational Pole

Organizational Pole

the dynamic, while the right pole always defines the "organizing" (decision-making) role of the dynamic, and the top pole always defines the "significating" (rational or meaning-giving) role of the dynamic. For example, the first triad of dynamics for the social process as a whole consists of economic, political and cultural dynamics. At a second level, the "economic commonality" dynamic (which forms the foundational pole of the social process as a whole) consists of the following three sub-dynamics: resources (foundational pole), production (organizational pole) and distribution (significating pole). This parallel construction and rationale enables social dynamics to be defined, explained and verified in ever-increasing detail at successively lower levels of abstraction. As originally formulated, each first level commonality dynamic was subdivided to the sixth level. (Due to printing limitations, only subsets to the 3rd level are reproduced in Figure 3, i.e., the lowest level shown below.) This was done because each successive level served as a means to test the validity of the dynamics in the parent triad. Due to printing limitations, the SPT is produced here only to the third level.

Figure 3. Social Process Triangle: Subsets to the 3rd Level

Multi-level Social Process

Cultural Commonality: Religious Beliefs, Symbol, Communication Modes, Aesthetic Expression, Final Meanings, Societal Recognition, Wisdom, Style, Useful skills, Accumulated Knowledge, Basic Roles, Decisional Patterns

The Social Process

Economic Commonality: Consumption Preferences, Distribution, Property Claims, Exchange Mechanisms, Technological Resources, Production Systems, Resources, Production, Natural Resources, Human Resources, Production Assets, Production Processes

Political Commonality: Significant Engagement, Welfare, Secure Existence, Political Freedoms, Legal Base, Executive Authority, Order, Justice, Common Defense, Domestic Tranquility, Legislative Consensus, Judicial Procedures

Three Realms of Social Dynamics

Each of the three main categories or realms of the SPT -- economic, political and cultural -- represents a fundamentally different social dynamic. And each is characterized by its own subsets of social dynamics. Thus, the *economic commonality* characterizes the *foundational*, life-sustaining dynamic of any society. Without it, no society is possible and life, as we know it, does not exist. As Robert Heilbroner puts it:

> "Yet, if man does not live by bread alone, it is obvious that he cannot live without bread. . . . [T]he economic problem itself -- that is, the need to struggle for existence -- derives ultimately from the *scarcity* of nature. If there were no scarcity, goods would be as free as air, and economics -- at least in one sense of the word -- would cease to exist as a social preoccupation. . . . *We are rich, not as individuals, but as members of a rich society, and our easy assumption of material sufficiency is actually only as reliable as the bonds that forge us into a social whole.*" (Heilbroner, 1972)

History is littered with examples of deserted towns whose primary resource is exhausted (e.g., a mine) or moves (e.g., a river, a major plant). The economic commonality encompasses the type of **resources** available, how the **production** of goods and services is organized, and the criteria and institutions governing the **distribution** of these goods and services.

The *political commonality*, by contrast, defines the *organizational*, decision-making dynamic of a society. Without it, no society -- indeed, no social unit of more than one person -- is possible. Indeed, the collapse of the political dynamic typically results in social chaos or anarchy, as occurred in the dissolution of the former Yugoslavia and the Soviet Union. The political commonality determines how societal decision-making is structured so that **order** is maintained, both externally and domestically, **justice** is achieved through governmental decisions, and the well-being or **welfare** of a society is defined and structured. Taken together,

these three facets of the political realm constitute the *social compact* among all members of society, i.e., defining the scope and limits of government and reflecting the collective expectations of the body politic about the "pursuit of happiness."

Ultimately, every society is built on a range of values that freight its sense of purpose or destiny (symbol), its sense of morality and rationality (wisdom), and its daily patterns of social interaction (style). Taken together, these compose the ***cultural commonality of society***. Society's culture in this sense embodies the *significating* dynamic of the social process triangle, i.e., the rationale and mindset of a society - in the most profound sense of the term - that illumines or directs society as a whole. Its debility -- often manifested in a weakness of common vision -- not only undercuts the rationale for creating wealth (economic commonality) and the legitimacy in exercising power (political commonality), it ultimately may lead to cynical resignation and social stagnation or, ultimately, to the dissolution of society.

The cultural dynamic consists of three subsets: the cumulative **wisdom** of a people and the means by which this wisdom is passed-down, renewed and applied from generation to generation; the interactive **styles** of living and working together, including family life, generational relationships and patterns for socializing and honoring each other; and the **symbolic** life of society, encompassing the language and context of communication, the means of social expression and the most sacred and often unquestioned myths, rituals, rites of passage and symbols that define society and give it significance. As Joseph Campbell states (1972):

> "Mythology is apparently coeval with mankind. . . .[I]t has always been on myths that the moral orders of societies have been founded, [and] the myths canonized as religion. . . . [T]he society that cherishes and keeps its myths alive will be nourished from the soundest, richest strata of the human spirit."

The Interplay of Social Dynamics

The three overarching dynamics -- economic, political and cultural -- **both complement and stand in tension with each other**. Understanding this fundamental dichotomy, as discussed below, helps to clarify the nature of social issues and how to address them and to explain societal dysfunction and long-term societal change.

First, consider *complementarity among the three overarching dynamics*. (See Fig. 4) Besides supplying the material means to sustain human life, the *economic commonality* sustains society, providing resources that enable the body politic to realize its notion of welfare and order (**politica**l) and that equip individuals, families and associations of all kinds to realize their goals and enable society as a whole to act out its beliefs and values, i.e., to live out some understanding of the "good life" (**cultural**). Without these resources, the political and cultural dynamics lack substance.

Figure 4. Complementary Relationships Among the Major Dynamics
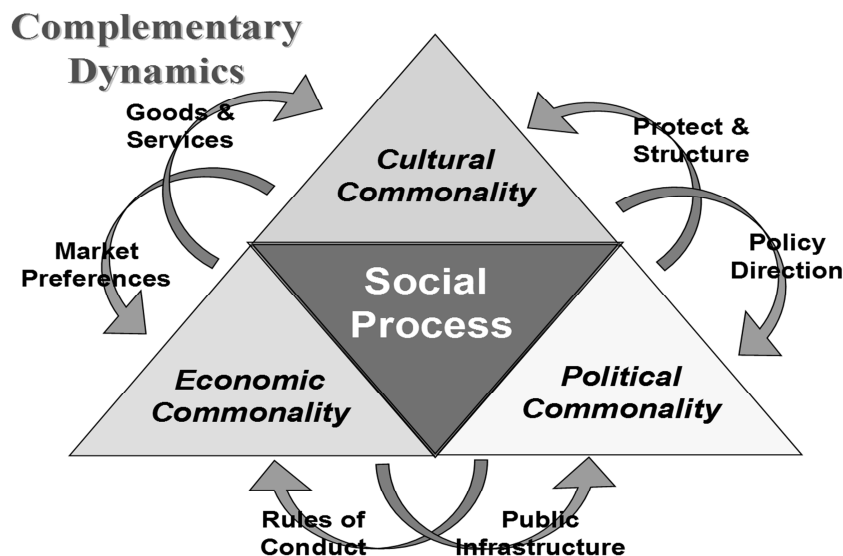
Political commonality, on the other hand, generates laws and sets standards for individuals and organizations as they engage in the pursuit of economic gain and wealth-creating activities (**economic**).

Laws encompass everything from property rights and competition to contractual relationships, minimum wage and child labor. The political dynamic also protects or defends institutions that freight the values and heritage of society (**cultural**), e.g., marriage, family, churches, professional associations, newspapers, etc.

Finally, the *cultural commonality* illuminates the values that guide the other two major dynamics. Thus, it provides policy direction for the political commonality, whose dynamics embody society's concept of "order," "justice" and "welfare." Cultural commonality further imparts purpose to consumption decisions for goods and services (**economic**), which in turn guide distribution and production activities, and the demand for technology, job skills, and resources. Without the values generated through the cultural dynamics, economic and political activities lose meaning and relevancy and run the danger of becoming socially destructive.

These three major dynamics, therefore, provide different but complementary perspectives on the same social phenomenon. As such, they reinforce each other and societal development overall. This is well illustrated in US society, for instance, where individualism is a primary **cultural** value. Thus, the wide range of individual life style choices so important in American society is anchored **politically** in the Declaration of Independence ("right to life, liberty and the pursuit of happiness") and through the constitutional protection of individual rights and property. Equally important, it plays out **economically** through a relatively free and open market system that responds to an almost unlimited scope of consumer demand and cultural preferences when supported by sufficient purchasing power.

Despite the complementarity and apparent harmony among these three different overarching societal dynamics, the fundamentally different perspectives they represent also *stand in tension*

with each other to varying degrees. (See Figure 5.)   For example, legislated standards of "welfare" (**political commonality**),

Figure 5: Tensions Among the Major Dynamics
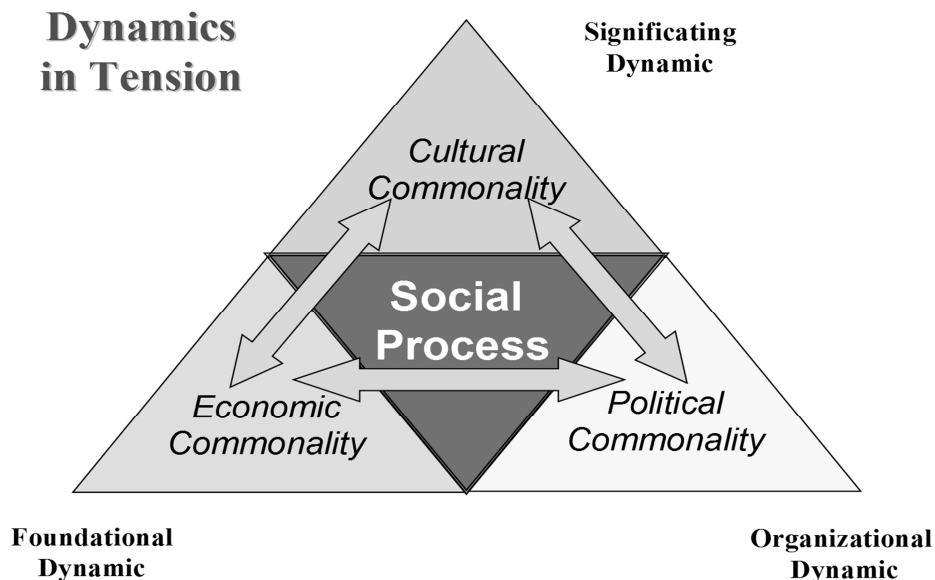
e.g., minimum wage rates, health care, work place safety standards, and other employee benefits as well as air and water pollution restrictions, may undercut efficiency or escalate the production costs of economic e.g., minimum wage rates, health care, work place safety standards, and other employee benefits as well as air and water pollution restrictions, may undercut efficiency or escalate the production costs of economic activities (**economic commonality**).   Further, (**political**) freedom of expression or the (**cultural**) desire to choose one's "calling" in life or pursue a preferred life style may be restricted or undercut by limited (**economic**) resources.

Daniel Bell, in *The Cultural Contradictions of Capitalism* (1978), illustrates this tension within contemporary U.S. society. Based on a three dimensional view of society, much like the SPT, Bell characterizes the dominant principles and values operating in each dimension and how they potentially conflict with each other. He sees the economic dimension as dominated by the principles of hierarchy and technocracy and the value of efficiency. In their political lives, by contrast, people espouse the value of equality and the principles of equal justice and equal opportunity. And, in the cultural dimension of home, family, community and education, people are guided by the value of personal self-fulfillment.   This value is protected by such concepts as private property, "my home is my castle," the "old 'pal' network" and "doing your own thing."

Bell makes the point that this triad of values portrays different types of demands and expectations. People act and think one way at work, another when considering social policy and a third in their private lives. No one social institution, dominant belief or ethic allows Americans to fully integrate their lives. Born in an age of transition and in a highly diversified society, where all is in flux, we live in tension in our daily lives among these divergent value
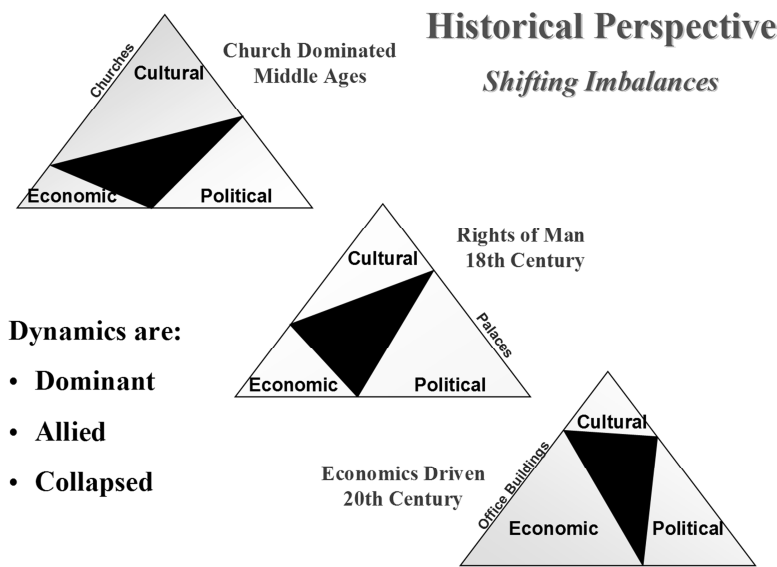
systems. Other societies may reflect different tensions, emanating largely from their differing heritages, developmental paths, and economic, political and cultural environments.

The tensions among these three dynamics often give rise to social issues. For social issues typically result from competing interest groups, whose social perspectives and the values and benefits they reflect are fundamentally at odds with each other. When these differences are embodied in different major dynamics, they can be highly divisive and difficult to reconcile. The American Civil War, for instance, had its origins in the South's **economic** dependence on slavery, reinforced by a plantation life-style (**culture**), while the North was largely incensed by the denial of individual liberty (**political**). As a current illustration, the highly divisive issue of abortion is based largely on the anti-abortion view that life is sacred from the moment of conception (**cultural**), while others by contrast view the abortion decision to be a woman's individual right (**political**) or to be primarily a matter of family planning (**economic and cultural**). These sharply conflicting views lead at times to violence. By the same token, standards of equality and equal opportunity in the United States - which became law during the second half of the 20th Century (**political commonality**) -- may run head-on into social mores (**cultural commonality**), e.g., the controversy around a woman's right to admission to the military and military academies (e.g., The Citadel) and gay rights in the military). Further, political notions of equity and fairness for the indigent, whether in the form of medical care, job training or legal representation, vie with concerns for taxation and burdens on business activity (**economic commonality**).

The essential nature and importance of the commonness within and the complementarity and tensions among the major dynamics also provides a clue why societies differ widely in how effectively they function. While no society is likely to avoid many tensions such as those just indicated and social issues that result, enduring societies throughout history have found ways to reconcile and thrive with tensions or to change in ways that accommodate them. Societies that do not, as Samuel Huntington discusses in *The Clash of Civilizations* (1997), may become "cleft" or "torn" societies where ideologies conflict and compete for dominance.

The second millennium AD of European history well illustrates how tensions among the three major dynamics have played-out over time as broad societal change. As one or the other of the major dynamics became dominant, the triad becomes imbalanced in its favor and the other two major dynamics play supporting or passive roles. In each of the three epochs depicted in Figure 6, the dominating dynamic brings with it a social paradigm and mindset that defines social perspectives and pervades social institutions. Joseph Campbell points out that the dominant dynamic of each epoch also is symbolized by a dominant architecture, i.e., church towers for cultural domination (1200 churches were constructed in Europe during the 12th Century), palace domes for political domination, and modern office skyscrapers for economic domination.

Figure 6. The Shifting Balance Among the Major Social Processes

Historical Perspective

Shifting Imbalances

Church Dominated
Middle Ages

Churches
Cultural
Economic
Political

Rights of Man
18th Century

Cultural
Palaces
Economic
Political

Dynamics are:

• **Dominant**

• **Allied**

• **Collapsed**

Economics Driven
20th Century

Cultural
Office Buildings
Economic
Political

During the high and late Middle Ages, for instance, the *cultural dynamic* was dominant. Through alliances with monarchs, the Church in Rome was the transcendent power and chief civilizing influence on the feudal organizations of Western Europe. In this God-given, earth-centered universe, social position was a function of God's purpose. The creation of wealth and the advance of technology were largely subordinated to the other- worldly demands of religion, i.e., cultural commonality. The Church's suppression of the Copernican theory dramatically illustrates this point. According to the spirit of Medieval times, everything has a place and a role, and these collaborate to the glory of God. Accordingly, the economic dynamic was relatively stagnant, or collapsed. In the world view of medieval thinkers, says Joseph Campbell (1972), "there was a perfect accord between the structure of the universe, the canons of the social order, and the good of the individual."

By contrast, the Age of Reason paved the way for the "rights of man" and the growing dominance of the *political dynamic* with the formation of nation states. During the 18th Century, these were embodied in the American Declaration of Independence and Bill of Rights and in the French Revolution. Pursuant to this political paradigm, religion was dethroned and individual freedoms became transcendent as part of a new "social compact" -- whether in the sense of Hobbes, Rousseau, Locke, Mill or Marx. The "nation state" emerged, focusing and mobilizing political will around centralized forms of government. The U.S. Bill of Rights drew a sharp separation between church and state, while governments became increasingly allied with -- and reliant on taxing -- commercial interests, which began to thrive on increasing world trade.

During the late 19th and the 20th centuries – driven by the industrial revolution -- both the political and especially the cultural dynamics within Western societies became largely subservient to the *economic dynamic*, whether in the form of market capitalism or various forms of industrial socialism. Indeed, the political ideology of Soviet-style Communism collapsed largely due to its inability to deliver on its economic promise. As globalization progresses, moreover, national governments and their policies around the world are increasingly being measured by the ability of their economies to generate continually rising gross national products, living standards and levels of employment. At the same time, their national and regional cultures are being radically undercut by the pressure of economic advancement,

including communications technology and the spread of global pop-culture. As viewed by Thomas Friedman (1999): What is driving globalization is the democratization of technology, information and finance within a "golden straightjacket" of "free-market capitalism." These are addressing the basic human desire for a better life – with a wide range of choice.

Modern nations are wealth-generating, producer societies, increasingly dominated by capital and the profit motive, market demand and consumer sovereignty, where success of any kind is most frequently measured by monetary worth. In the United States, this is as true of sports figures as of business executives. Even elected members of Congress justify their levels of compensation by reference to the "going rates" for industry barons instead of the average income of their constituents. All parts of society today -- including so-called non-profit organizations and jury awards for "pain and suffering" -- take their cues from the monetization of value in a market context.

SPT Analytical Applications

Given this framework and rationale, SPT lends itself to a wide variety of applications for both analyzing social issues and societal change and for formulating effective societal action. The following list is intended only to identify the range of applications - from the relatively simple to the relatively complex. Aspects of these applications have been included in social systems analysis and graduate business courses.

1. Social Issue Analysis. SPT can be employed as a framework for examining and developing comprehensive solutions to messy problems and issues. It provides a comprehensive means to identify the root causes of social issues rather than simply surface symptoms. These causes typically are represented by vested interests. Experience indicates that social issues often have multiple causes – economic, political and cultural. Failure to address a dysfunction as it appears in one or more of the three societal dynamics may well undercut an effective solution of the issue. Causes can be mapped on the relevant triangles, the tensions among the dynamics assessed, and comprehensive solutions developed. The dominance of any one dynamic indicates that either or both of the other two dynamics may need to be strengthened or revitalized in order to achieve a lasting solution.

2. Social Systems Analysis. Much like social issues, SPT provides a 'systems framework' for sorting out potentially conflicting values and interests that are causing systems dysfunction. Existing systems may be stunted or biased in favor of vested interests or certain dynamics may not be designed to function effectively. Thus, flawed electoral standards or process (political commonality) that excludes or suppresses significant portions of the electorate is not likely represent the will of the people but only of certain elites. If these flaws or dysfunctions are widespread, they may lead to societal instability. SPT (defined to the 3rd or 4th level) can be used as a map to identify these societal contradictions and indicate how to address them comprehensively in order to achieve a more just (political commonality), a more productive (economic commonality) or a more effective (cultural commonality) society. During the 1971 and 1972 summer research assemblies, sponsored by the Order Ecumenical, SPT was used as a framework for identifying societal contradictions and ways to address them.

3. Social Change Analysis. SPT (at the 2nd level) can be used to as a map to identify long-term trends, how these trends are likely to affect critical social dynamics, and what preparatory steps to take. For instance, based on demographics, it is possible to assess the future requirements of society over the next 20-30 years – whether due to a burgeoning birth rate

or an aging population. SPT can be used as well to identify how societies are being impacted by globalization, global warming, etc., and to assess how best to address the resulting implications for society.

4. <u>Comparative Country Analysis</u>. SPT can be used to map and compare similarities and differences among countries with respect to their economic and political systems and their cultures - and of how they institutionalize these differences. Experience indicates that the nine 3rd level dynamics provide a comprehensive and workable set of indicators for discerning societal differences. For this comparison to be insightful, it is particularly important to appreciate the differing values and ideologies that motivate each of the three major dynamics. For example, countries may differ widely to the extent that their economies are oriented toward socialism or market capitalism, their political systems are democratic or authoritarian, and their cultures are individualistic or collectivist and past or future oriented.[4]

5. <u>Organizational Impact Assessment</u>. SPT can be used to assess the impact of the social environment on the effectiveness of an organization's operations – whether in the public or private sector of society.   In doing this, it is well to begin with an understanding that organizations to a large extent are simply society writ-small. They share the same three three-fold dynamics – economic, political and cultural -- and must take into account in their management and operations the strengths and dysfunctions of society at large, including cultural preferences and life styles, standards of living, the work ethic, the educational and vocational training system and the regulatory environment.

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[4]/ For discussion of how differences in culture affects economic systems and the way people interrelate, see Charles Hampden-Turner & Fons Trompenaars, **Building Cross-Cultural Competence: How to Create Wealth from Conflicting Values**(2000); and **The Seven Cultures of Capitalism** (1993).

References for the Introduction

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Glossary of Terms for the Social Process Traingles

NB: These definitions refer to processes and dynamics which occur in every society throughout history, and are manifested in institutions and practices distinctive to each society and its heritage. The repeated use of the term 'commonality' indicates that all these dynamics are defined and acted out within a generally accepted context of each society. Recall that (based on the fractal concept mentioned in the text) each dynamic reflects one of the three functional poles (*top*: "significating;" *left-hand*: "foundational;" and *right-hand*: "organizational") of each triangle, and the same societal role at each level of the social process. Thus, within the economic commonality triangle (which is the foundational pole of the entire social process triangle), "resources" reflects the foundational role of that dynamic, "production" reflects the organizational role of that dynamic, and "distribution" reflects the significating role of that dynamic. The same rationale applies to poles of the triangles for the political and cultural commonalities and to all sub-triangles.

I.   <u>**Economic Commonality**</u> - refers to all (foundational) aspects of the social process which sustain a community through the provision of goods and services. Without this dynamic, a society can not support itself and soon ceases to exist.

    Example: This is as simple as how a family or community, however large or small, provides for its daily bread, and as complex as how a highly industrial society provides for the material well-being and livelihood of all its people.

A.   *Resources* - refers to the (foundational) process of providing basic materials, i.e., various inputs or factors of production, whatever they may be, which are needed for the production of goods and services.

    1.   **Natural Resources** - refers to the (foundational) process of identifying and extracting all materials naturally found in the physical environment.

    2.   **Human Resources** - refers to the (organizing) process of developing and providing manpower for operating all aspects of the economic commonality.

    3.   **Technological Resources** - refers to the (significating) process of creating and improving techniques, devices and methods for refining, utilizing and conserving all types of resources, including the equipment and manufacturing processes required for common production.

    Example: Minerals (natural resources) are mined by trained miners (human resources) with the use of equipment and extraction processes (technological resources).

B.   *Production* - refers to the (organizing) process of mobilizing the means of production, i.e., the various ways in which resources are transformed into capital and consumer goods and services. It encompasses both the hardware (i.e., equipment) and software (i.e., management systems and techniques) of the production process, and to the mobilization of personnel to accomplish the various tasks.

    1.   **Production Assets** - refers to the (foundational) process of securing the capital goods, tooling and industrial processes needed for the production of goods and services, including the energy supplies required for their operation.

    2.   **Production Processes**- refers to the (organizing) process of mobilizing the personnel requirements of production at all levels, i.e., structuring positions,

selecting and assigning personnel and managing its productive use. This includes all aspects of labor relations and systems for selecting and organizing people to do work.

3. **Production Systems** - refers to the (significating) process of designing and coordinating operating systems at every level of production. Here are found also the various tasks of directing, delegating, controlling and budgeting, and the feedback loops which inform the process of designing and coordinating.

Example: The process of production may take place exclusively within a firm, but more often it will involve many firms. In the civil air frame industry, for example, the design of aircraft and the coordination of their final assembly (production systems) may be dominated by large companies, such as Boeing and Airbus, but the multitude of component parts from rivets to jet engines is generated through a broad network of smaller suppliers and their capital goods manufacturers (production assets) as well as through the organization and application of various levels of skilled labor in cooperation with labor associations (production processes).

C. *Distribution* - refers to the (significating) process of determining how a limited quantity of goods and services are owned, transferred and distributed within society among an infinitely larger number of competing claims for their use and consumption. Because the dynamics of distribution reflect the notion of 'distributive justice' as practiced by society, they (much more than either the social dynamics of resources or production) provides the distinguishing mark of economic systems.

1. **Property Claims** - refers to the (foundational) process of determining who has the right to dispose of specific property and under what conditions. This is fundamental to any economic system and encompasses all types of property claims, including such matters as wages, home ownership, products, intellectual property, earnings and dividends and taxes. These claims determine the extent to which any person, organization or government has a claim, and thereby participates in the exchange of goods and services.

2. **Exchange Mechanisms** - refers to the (organizing) process of allocating goods and services among competing claimants, whether through distribution channels, individual transactions or through government entitlement programs or international currency payments. The process can be based on one or more currencies, on in-kind barter arrangements or on gift and inheritance bequests. However these exchanges occur, they determine the value of the goods and services transferred, and affect the value of other goods and services in the society. The mechanisms typically entail transaction costs, which may limit who may participate, e.g., the purchase and sale of real estate normally involves a broker's commission, closing costs, a down payment and a determination of credit worthiness.

3. **Consumption Preferences** - refers to the (significating) process of determining which goods and services are in demand. Together with "property claims," it ultimately defines a society's concept of 'distributive justice', for it guides the system for equilibrating 'supply' and 'demand' and indicates how these terms are defined operationally. Is the demand, for instance, determined by consumer

sovereignty or government edict? Are supply and demand balanced through the pricing system of market forces or through five-year plans of government agencies?

Example: In a market system, auto workers on manufacturing lines are compensated for their work through hourly wages established through union negotiations (property claims), which are paid through checks drawn on banks (exchange mechanisms) and are spent on government-imposed taxes and the varying goods and service priorities of the earning households (consumption preferences).

II.   <u>**Political Commonality**</u> - refers to all (organizing) aspects of the social process by which a community or society of any size is organized and makes decisions about its future. It encompasses most of the elements of (what is commonly called) the 'social compact', i.e., the principles which make a government legitimate in the eyes of the governed.

Example: The modern state system typically is ruled, formally or informally, by a constitution which delineates the powers of government and the rights of individuals. It also distinguishes major governmental functions and the governmental authorities and their scope of power. To be effective, such constitutions depend greatly on their informal acceptance and workability in the lives of the populace. The governmental systems of the United Kingdom and the United States, for instance, are generally accepted by their citizens as legitimate, despite the fact that England's is largely unwritten while the U.S. Constitution was adopted by a constitutional assembly.

A.   *Order* - refers to the (foundational) process of applying and enforcing laws that define the scope and limits of the most fundamental relationships among members of a society as well as of that society with other nations. The conditions of domestic and international tranquility and of an effectively functioning legal system are the normal long-term outcomes expected from this process. It is the foundational dynamic of the political process, without which society becomes chaotic.

    1.   **Common Defense** - refers to the (foundational) process of safeguarding the integrity of society against external forces, including securing national borders and developing alliances with other nations.

    2.   **Domestic Tranquility** - refers to the (organizing) process of ensuring the internal stability of society through law enforcement, correctional remedies and public support.

    3.   **Legal Base** - refers to the (significating) process of authorizing and clarifying the full range of procedures, rules and actions required to operate a legal system, which defines "due process" of law and supports and protects society's daily functioning.

Example: The dissolution of the USSR (during the 1980s and 1990s) reflects how changes to the economic system may affect social instability (domestic tranquility), revise national boundaries (common defense), and require fundamental changes in the regime of property rights (legal base).

B.   *Justice* - refers to the (organizing) process of deliberating, formulating, promulgating and administering the policies, laws and regulations of society. Taken together, these

embody the meaning of 'justice' for any society and encompass all aspects of governmental decision-making.

1. **Legislative Consensus** - refers to the (foundational) process of determining the consensus of society on major issues in light of varying viewpoints and interests and the future needs of the nation.

2. **Judicial Procedure** - refers to the (organizing) process of settling disputes which affect social interests. These may involve interpretations of the constitution, laws and the rights and duties of individuals and may extend to determinations of the scope and limits of judicial and other governmental powers. Decisions may be rendered in the context of mediation, arbitration and litigation.

3. **Executive Authority** - refers to the (significating) process of leadership, and of establishing and administering governmental systems to implement constitutional and legislative mandates, judicial determinations and executive rules and regulations.

Example: The tension-filled division and balance of powers among the legislative, judicial and executive branches under the U.S. Constitution differ significantly from the parliamentary system of the United Kingdom. While each system of government has three distinct functioning branches, as reflected in the 'justice' triangle, the U.K. system reflects a predominant role for 'legislative consensus' and, therefore, strikes a different balance among the branches.

C. *Welfare* - refers to the (significating) process of enabling members to participate in the benefits, responsibilities and promise of society as a whole. It gives meaning to order and justice dynamics, embodying the political spirit of citizenship and individual rights. Taken as a whole, it embodies the "social compact" between citizens and the government..

1. **Secure Existence** - refers to the (foundational) process of ensuring that every individual has the basic sustenance needed to engage in the political life of the nation. While it forms the foundational role of welfare, the degree of security that exists depends greatly on society's stability and economic performance. Secure existence encompasses such basic needs as physical sustenance, adequate livelihood and assistance in emergencies.

2. **Political Freedoms** - refers to the (organizing) process of safeguarding the rights and liberty of individuals, so that they may participate in political life and have a genuine 'say' in their future. The exercise of these rights is always tempered by the rights of others and the general requirements of the order dynamic, discussed above.

3. **Significant Engagement** - refers to the (significating) process of enabling individuals to freely engage in and creatively contribute to the political life and future of a society. It entails such aspects as access to information, the ability to pursue chosen vocations and the freedom to speak and act out expressions of conscience.

Example: Constitutions, says Montesquieu, are written not on tablets of stone, but in the hearts of citizens. Legislated entitlements (secure existence) and a 'Bill of Rights'

(political freedoms) may provide the foundation for political engagement, but this freedom will not become reality until individuals are motivated to risk their lives and fortunes for the sake of improving society and securing its better future (significant engagement). While electoral campaigns are vigorous in the United States, barely 50% of the American electorate bothers to vote in national elections.

III. **Cultural Commonality** - refers to all (significating) aspects of the social process which engender values, foster creativity and knowledge, and generate meaning to life. It inculcates significance throughout the social process, including the economic and political commonalities.

Example: From the time we are born, our lives are made meaningful (including their economic and political perspectives) through the belief and language systems we inherit from our family, community and society-at-large (symbol), the thought processes and skills we learn (wisdom), and the way we relate to and socialize with others (style).

A. *Wisdom* - refers to the (foundational) process of transmitting and perpetuating society's *Weltbild*, i.e., its view of the world or understanding of "what makes sense." What is being transmitted is not simply information, but information that is overlaid with and colored inescapably by a distinctive way of thinking. This means that the same events may be seen and understood differently by different societies.

1. **Useful Skills** - refers to the (foundational) process of conveying practical methods which enable all members of a society to function effectively in their jobs and daily lives. It includes everything from the 'three Rs', 'home remedies' and being 'street wise' to the industrial arts and sophisticated techniques of problem-solving. These vary widely depending on the society, and may be transmitted through formal instruction as well as through observation and personal experience.

2. **Accumulated Knowledge** - refers to the (organizing) process of creating and preserving the reservoir of information, of critiquing conventional views and of codifying the insights which enable society to advance to higher levels of awareness and comprehension. This may be as mundane as improving the science of management and as esoteric as probing the secrets of the universe.

3. **Final Meanings** - refers to the (significating) process of the continual search for ultimate meaning in life as reflected in the interior life of individuals, social morality or ethics and the ultimate concerns about reality before which every member of society stands.

Example: The foundation of every society is its educational system -- both formal and informal -- by which generations learn from each other the skills, science and moral values that largely determine its future. Without it, society is condemned to stagnation and decline. While the United States ranks very high among countries for its graduate education, the OECD 2010 world education survey ranks its high school level educational achievements among countries much lower, i.e., 13th and 17th in reading and science and 25th in math.

B.   *Style* - refers to the (organizing) process by which society orders and rehearses social interaction.   This occurs in essentially three different contexts: basic roles (foundational), decisional patterns (organizational) and societal recognition (significating).

1.   **Basic Roles** - refers to the (foundational) process of structuring social relationships -- including behavioral patterns and responsibilities -- based on age (generational) groups, family structures and peer relationships.   These three types of foundational roles delineate both societal expectations about behavior and responsibility and how these are acted out in all walks of life. As societies develop from traditional to democratic industrialized orders, the function of peer relationships broadens enormously in work, professional and citizen contexts. The concept of peers may encompass notions of friendship as well as collegiality. All three types of relationships may be highly or loosely structured.

2.   **Decisional Patterns** - refers to the (organizing) process of how people make decisions throughout their lives. As a function of the social order, these decisions may be based on power, authority, individual risk-taking, seniority or consensus. The basis or approach may vary depending on whether the decision is taken privately or publicly, within the family or the work environment, or in a social, professional or community context. These patterns also influence how people deliberate and negotiate among each other, to whom or what they defer and how decisions ultimately are implemented.

3.   **Societal Recognition** - refers to the (significating) process of how society honors and celebrates roles, decisions and contributions. This can take the form of praise, status, material gifts, etc. The emphasis may be on individual performance and talents or on how well individuals fit harmoniously with the group. It is the means by which society recognizes roles, actions, activities and achievements that further its own agenda and value system. These systems function at every level of society and at every point in life.

Example: Style may reflect differing societal views on individual risk and initiative, which are important qualities of entrepreneurship. A ten-nation study of European and North American countries (Flynn, 1999) by the London School of Business and Babson College found that one in 12 Americans is trying to found a new business, while the ratio is one in 30 for Italy and the United Kingdom, one in 45 for Germany, and approximately one in 50 for Denmark and France. The study concludes that major barriers among European countries are attitudes that shun risk-taking, a stigma of failure, as well as social pressures to conform (France) and a "risk-averse culture and 'safety-first' mindset" (Germany).

C.   *Symbol* - refers to the (significating) process of creating self-consciousness in a people re: the sacred values they hold in common. Whether a word, phrase or image, symbols convey meaning in terms of ideas, entities, relationships and personal feelings, etc., e.g., a state flag gives rise to feelings of loyalty, or the dove reflects the desire for peace. These abstractions and the values they reflect often are unarticulated and unreflected, and yet commonly accepted and taken for granted.

1.   **Communication Modes** - refers to the (foundational) process of transmitting messages or expressing ideas through speech, writing, gestures and physical expression – all of which utilize symbols. Through a combination of language,

time and tempo, every society invents the means to express a full range of feelings, thoughts, images and concepts in order to convey consciousness and meaning. These various combinations create commonality by instilling standardized patterns of expression that both enable and limit the symbol-sound-image relationships of a society and human experience.

2. **Aesthetic Expression** - refers to the (organizing) process of portraying and relating human experience in a way that brings awareness, eventfulness and new images to ever-expanding social consciousness. It encompasses the visual and performing arts as well as the talents of design and choreography. This dynamic constantly challenges and revises obsolete understandings and searches the edge of human imagination for new meaning.

3. **Religious Beliefs** - refers to the (significating) process of holding a society consciously before the final mystery. It does this by establishing primary images of consciousness and transcendence, dramatizing the human journey, and signifying ultimate reality.

Example: Consider the various ways countries signify their identity – through song, stories, history and celebrations of founding events. This identity also shows up in religious life and ideology, e.g., notions of "social justice," "liberty," "human rights," and the "good life

Conclusion:

This is a lengthy and detailed introduction for a single talk, yet the talk by Joseph Wesley Mathews that follows marked a sentinel turning point in his life's work and that of the Ecumenical Institute and the Institute of Cultural Affairs. It established the foundational dynamics for the social theoretics that paved the way for creating the programs and methodological approach that followed over the next 6 years of his life.

More detailed talks on each of the economic, political and cultural dynamics are contained in the Joseph Wesley Mathews Archives at Wesley Theological Seminary in Washington D.C.