

same government protects its own monopoly in education? And stranger still, that nearly everyone accepts this state of affairs as normal — as something that has always been and must always be?

Dispelling this enormous black cloud are two powerful and shining rays of light: the recent Supreme Court ruling in favor of Milwaukee's voucher experiment and the explosive growth of philanthropically supported private vouchers. I want to focus on the latter because the Milwaukee success grew out of a prior private voucher program, just as public education grew out of private philanthropy 150 years ago.

To paraphrase Immanuel Kant, the actual proves the possible. Private scholarship programs prove that competition works. Far from "destroying" public education, competition forces public schools into making long-overdue repairs. And it offers poor parents the choices they desperately desire.

Now you might not think it would be necessary to prove this last point. But in fighting effort to bring parental choice to Washington, D.C., none other than Senator Ted Kennedy has insisted that "parents and ministers and local leaders have made it clear that they do not want vouchers." And the District's very own delegate, Eleanor Holmes Norton, has agreed, saying, "I think I can say with confidence that the people I represent would deeply resent the imposition of vouchers."

Left to politicians, the question of whether Washington parents want choices could be filibustered indefinitely. But thanks to private philanthropists, the debate is over. In October 1997, businessmen Ted Forstmann and John Walton put up \$6 million to offer 1,000 K-8 scholarships to the low income families of Washington, D.C. Three months later, with very little media coverage and virtually no advertising, they had received 7,573 ap-

plications. That's nearly 20 percent of the eligible population-poor parents who are willing to make significant financial sacrifices in order to send their child to a school often a couple of blocks away from the one the child is attending for free.

For a number of years, I have worked with Mr. Forstmann on policy and philanthropic issues, and I can tell you how deeply affected he was by this overwhelming demand on the eve of the lottery, he read in the local papers about a single mother who had been praying that her two children would be among the scholarship winners. When he found out that their numbers hadn't come up, he called her and said there had been a change of policy; there would be not 1,000 scholarships awarded, but 1,002. Her prayers would not go unanswered.

Then Mr. Forstmann and Mr. Walton decided to make their efforts national. The two announced that they would underwrite a \$100 million foundation to match funds with local partners (who would raise an additional \$100 million) to provide thousands of scholarships to low-income families in communities across the country. In June of 1998, they launched the Children's Scholarship Fund, naming the first five cities: New York, Chicago, Los Angeles, Jersey City, and Washington, D. C. Mr. Forstmann then spent the rest of the summer raising tens of millions of dollars, and in the fall of 1998 announced more than 30 new programs.

Other philanthropists have offered private scholarships before, but, in terms of size and scope, the Children's Scholarship Fund is an unprecedented undertaking. And, as scholarship applications pour in from poor families across the country, it will be impossible to ignore just how passionately these parents want a real chance and a real choice in their children's education.

## Lifting Up Our World

### HOW MORAL VALUES AFFECT THE WAY WE EDUCATE OUR YOUNG PEOPLE

Address by MYLES BRAND, *President of Indiana University*

*Delivered to the Buchanan Counseling Center at Clarion Health Partners, Indianapolis, Indiana, November 19, 1998*

**T**hank you for that generous introduction. I wish my father were present tonight to hear those words and that my mother were here to believe them. I know that they would enjoy this evening as much as I have. Their hearts would be warmed, as mine has been, by your celebration of sound values and by the fine work of the Buchanan Counseling Center. I'm delighted to be here, and I am very happy to be able to talk with you this evening.

Tonight I'd like to talk about the search for moral values in our contemporary society and about how that search affects the way we educate our young people and operate our businesses.

The great Greek philosopher, Heraclitus, once said "nothing endures like change." That is especially true of twentieth-century America. Historians have observed that in the past century, more Americans have experienced greater change in a shorter period of time than in any other era in our history.

We've moved from an agricultural to an industrial to a knowledge-based economy. We've achieved a level of affluence that even royalty did not enjoy in past ages. While at the same time,

vast populations in our own country and around the globe have sunk deeper into poverty and deprivation.

We've traveled our galaxy and traversed the geography of the atom. We've consumed more natural resources than were used by all people throughout history prior to this century. And we've redefined gender roles more basically than they have been reshaped in any corresponding period in the past twenty centuries.

Transformations of such great magnitude and consequence bring about abundant creativity and invention, as new technological advances and new forms of coping with life emerge. But they also create a cultural climate of discontinuity and anxiety as familiar ways and long-held principles lose their force. I know that I am preaching to the choir when I say that seismic shifts such as these have real impact on human bonds, on the way we educate our young people, and the way we structure and run our businesses.

Our former president Jimmy Carter once said that we must adapt to changing times while holding fast to unchanging principles. As a college president, I spend a lot of time thinking

about how we can best educate our young people to do just that. What truths or principles should they live by — what values ought they hold on to as they face the new millennium?

A lot of attention is given these days to the apathy of our youth. I was interested to read in the newspaper a couple of weeks ago about the conference of Nobel Peace Laureates that took place at the University of Virginia. The conference was convened to illustrate how each individual can make a difference. The gathering included seven of the world's greatest advocates for peace — among them were His Holiness the Dalai Lama of Tibet, Archbishop Desmond Tutu of South Africa, and Rigoberta Menchu Tum of Guatemala, who defends the rights of indigenous peoples.

It was the largest gathering of Nobel Peace Laureates that's ever occurred, and it reflected the peace prize winners' commitment to work together to influence a broad range of human rights issues. Archbishop Tutu asked the crowd of students — many of whom had camped out all night to get tickets for the event — for help in realizing his dream of a world that is more caring and compassionate, a world where people matter more than profits.

How do we educate our young people to do that?

I think we do it not by giving our youth answers — answers that they think are outdated in our contemporary society — but by giving them the tools to ask the right questions. As a professional philosopher, I have dedicated my life to the belief that asking the right questions is as important as finding the right answers.

But before I talk with you about that, I would like to share with you a story about my own questioning.

A couple of years ago, I received a remarkable phone call from IU's Dean of International Programs. He told me that the Dalai Lama would be visiting Indiana University in a few weeks. And then he added, "You will have the opportunity to spend some time with him."

My first thought was that this was wonderful news. Students, faculty and staff, as well as the entire Bloomington community, would have the chance to hear from one of the world's great spiritual leaders. And I would be able to meet with him one-on-one. I thought this was an incredible, once-in-a-lifetime opportunity.

But then I had second thoughts. What would I ask the Dalai Lama?

Here was my one chance to ask this wise man one question. I certainly did not want to waste the opportunity. I began to imagine what it would be like to be nearing the end of my life and realize that I had asked the Dalai Lama the wrong question!

I spent the next several weeks thinking about the meeting. In my mind, I reviewed the issues that had occupied the great Western philosophers for 2,500 years. I did not want to ask the Dalai Lama to adjudicate differences between Plato and Aristotle, or Leibniz and Hume, nor did I want to waste my question on some technical matter of interest only to contemporary philosophers. I already knew the standard answers and responses to all these issues. No, I wanted to ask him a question about the human condition, a question whose answer would help me better understand the world in which we live.

Those weeks were agonizing. I queried my friends and colleagues. I affirmed, then rejected, idea after idea. I wanted to identify a question whose answer would not illicit a doctrinaire response, but rather required both worldly and other-worldly knowledge.

Finally I settled on what I would ask and had only to await his arrival. Then the moment came. I followed the Dalai Lama into a small anteroom in the Indiana Memorial Union, where he sat in a comfortable chair. Dressed in his customary saffron robes, he exuded a warm and welcoming manner.

After a few pleasantries, including an exchange of ceremonial silk shawls, I reiterated how much we appreciated his visit to the IU campus. Then I said, "May I ask you a question?" He nodded approvingly.

My question was this: "Is the world becoming a more peaceful place?" He thought a moment, and then replied, "Last week I met with the Queen Mother of England, and it was my turn to ask a question. I had time for only one, so I asked her, 'Is the world becoming a more peaceful place?'"

Well, I was comforted to know that at least I had come up with a reasonable question.

As he sat with me, the Dalai Lama's first response to my question was, "Yes and no." And then he amplified his theme. The communications and information revolution is making the world a much safer place, he said. We know almost instantly what is occurring in the most distant regions. He said he believed that this ability to watch events as they are occurring will make it difficult, if not impossible, for the momentum to build toward another world war.

But he noted that violence and irresponsibility are part of the human condition and he could see no end to the personal injuries and meanness that individuals inflict on each other.

In the many months that have followed our meeting, I have had occasion to reflect on the Dalai Lama's answer, which struck me as both idealistic and realistic. He was optimistic about our future, but also aware of the nature of the world in which we live. Technology has been credited with many things, not all of them good. But his point that it leads not only to an understanding of those distant from ourselves, but also enables the world to observe whatever serious threats might be evolving, makes good sense. Unfortunately, his point that the world can never be an entirely peaceful place because of wanton violent acts rings true, too.

So now my question is, how do we educate our young people to create peace in a violent world? How do we teach them to respect others? As I think about this question I am reminded of the words of Harriet Beecher Stowe, whom Abraham Lincoln called the little woman who helped to end slavery. Stowe once wrote that "every human being has some handle by which he or she may be lifted; and the great work of life, as far as our relations with each other are concerned, is to lift each one by his or her proper handle."

That is the challenge not only of business and of family counseling, but also of contemporary education. It is the challenge for Indiana University. I believe that handle by which we may be lifted is moral reasoning. Universities are uniquely well suited to lift up our society by giving people the tools they need to become moral and productive citizens. Indiana University takes that job seriously, and, I believe, does it exceptionally well.

Moral reasoning is not memorizing and reciting dictums, but rather, it is reasoning from first principles. Two types of such principles about the rightness of action are consequentialist (e.g., utilitarianism) and deontological (the intentions with which one acts). There is a difference between happy accidents and good acts gone awry. Thinking through alternatives and making judgements about particular cases is moral reasoning.

As I think about the university's role in teaching moral reasoning, I am reminded of something I read last year that illustrates this point. Author Earl Shorris felt compelled to write a book about poverty in America. The book he produced was published just last year. It's called *New American Blues: A Journey Through Poverty to Democracy*. Shorris embarked on this project by talking with the poor to see how their ideas fit with what he had learned about poverty. He interviewed more than six hundred people over the course of three years. But it was the words of a young, street-tough black woman named Niece, who was incarcerated in a women's prison, that finally directed the course of his project.

In reply to Earl Shorris's question, "Why do you think people are poor?" this young woman, who was a graduate of the crack houses and streets of Harlem, spoke not about lack of jobs or money, but about moral poverty. She told the author that if he wants to make a difference, he needs to begin with the children. Niece said, "you got to teach the moral life of downtown to the children. And the way you do that is by taking them downtown to plays, museums, concerts, lectures, where they can learn the moral life of downtown."

By the "moral life of downtown," Niece meant the humanities. This young woman, who had earned her high school diploma in a prison library and had begun to pursue a college degree there, was telling Shorris that the humanities — the study of human constructs and concerns — provided a moral alternative to the street.

An odd idea to say the least. How could visits to a museum help a poor teenager raise himself out of poverty? How could Plato or Shakespeare lead anyone out of a life of violence and deprivation? It would seem that job training or political organizing was the way out of poverty. But Niece was saying that no one could step out of the soul-constricting circumstances of poverty without first learning to reflect on his or her place in society. Of course, this perspective follows the development of politics in ancient Greece, where reflection on art, literature, drama, and philosophy taught citizens how best to live their lives.

Challenged by this young prisoner's theory, Shorris went to the Clemente Family Guidance Center in lower Manhattan, which provides counseling to some of the city's poorest citizens. He proposed a year-long, college-level course in the humanities to be held in Clemente's conference room. He recruited faculty with the level of knowledge and prestige of professors that the most talented students might encounter at Harvard, Yale, Princeton. And then he recruited students. The students had to be between 18 and 35. They had to have an income of less than 150% of the official poverty threshold. And they had to be able to read a tabloid newspaper.

Fifty prospective students showed up for thirty available slots. Of the thirty who were admitted, the oldest was a Latina mother of five who said she regularly answered her door with a butcher knife in her hand. The next eldest was a recovering addict. Both of them were in their thirties. The rest of the students were in their twenties. Shorris began the course by telling them they had been cheated because rich people learned the humanities and they didn't. He told them that the humanities are a foundation for getting along in the world, for thinking, for learning how to reflect on society instead of just reacting to whatever force is turned against you. He told them that study of the humanities will make them rich, not in money, but in life.

Between October and May, the students learned about and

discussed art, literature, history, mathematics, science, and philosophy. They worked on three metal tables set up in the family guidance center's conference room. Of the thirty who began the course, sixteen finished it, and fourteen earned credit from Bard College. A year after graduation, ten of the graduates were either attending four-year colleges or going to nursing school. The others were attending community colleges or working full time — all but one. She had been fired from her job in a fast food restaurant for trying to start a union.

What did they get out of the course? This might best be illustrated by a call Shorris received halfway through the course. The call was from a student named David, who was generally good natured, but had a quick temper and a history of violent behavior. Throughout the course, David had been a good student who had made interesting connections between the humanities and daily life. When he called his teacher to say that he'd had a little problem at work, Shorris felt sure David was calling from jail.

David described a situation with a co-worker who had teased him about his sex life until he wanted to punch her. When Shorris asked what had happened, David said he asked himself what Socrates would do and then reasoned that his co-worker's envy of his active social life was not his problem after all. The power of moral reasoning gave David a handle on the situation — a handle that helped him lift himself up.

That brand of reasoning is the topic of a fascinating book describing the ways philosophy can help us develop ethical, community-friendly businesses and corporations like Smock Fansler Construction and Duke Realty. The book, which is written by Tom Morris, a former philosophy professor at Notre Dame, is called *If Aristotle Ran General Motors*. Tom Morris reasons that if Aristotle ran General Motors, there a few things he would get straight right off the bat.

If Aristotle ran General Motors, he would rely on the ancient verities that continue to have crucial meaning for our times. He would create businesses that reflect and nurture the four dimensions of human experience — Truth, Beauty, Goodness, and Unity.

Not only is truth the best basis for productive relationships, no firmer foundation for excellence can be built. There are three kinds of excellence both for individuals and for corporations.

There is the zero-sum game version of excellence, the top-dog model, in which someone only wins if everyone else loses. This model is problematic if all the thinking it promotes is adversarial and individualistic in nature. It is better to develop a less destructively competitive conception of excellence.

The second kind of excellence is best expressed by an old Hindu proverb: "There is nothing noble in being superior to another person. The true nobility is in being superior to your previous self." This comparative growth model of excellence is a much healthier model of competition, but it too has problems. It tends to be unduly self-centered and thus can blind us to opportunities that would help us more fully develop our potentialities for excellence.

Those opportunities can best be exploited within a collaborative partnership conception of excellence. And this is a model businesses across the country are adopting. Personal excellence is always to one extent or another relational. Corporate excellence is even more so. Our families, our friends, our mentors and our colleagues inspire us to be the best we can be.

More than any other form of excellence, collaboration is founded on a premise of truthful relations and mutual respect. It

requires leaders to become learners and followers to become teachers. Collaborative thinking requires the guidance of good competitive and comparative thinking, but it takes this thinking further.

If truth is the basis of the most productive conceptions of corporate excellence, where does beauty fit into best business practices? It's very simply a matter of appreciation. Environments and business practices that let employees know they are appreciated and that their need for aesthetically pleasing surroundings is respected go a long way toward enhancing productivity and performance. This is a principle we rely on heavily at IU.

The campus environment has great potential for stimulating the interest and imagination of our staff, students, and faculty. And that in itself soothes the soul, calms the spirit, and is an education in its own right. Our beloved chancellor, Dr. Herman B. Wells repeatedly stressed his conviction that exposure to beauty, nature and the arts is a central part of a complete education. He has often said that the environment on a university campus should provide an aesthetic and educational dimension. He believed that wherever the eye rested, it should see something beautiful, something uplifting.

I couldn't agree more.

At IU, we also try to cultivate a family atmosphere — even though our family is a big one that includes some 92,000 students, 9,800 staff and 4,600 faculty members. Creating organizations based on values that make for strong friendships and durable family ties makes real sense, especially in our mobile society where the workplace serves as a kind of extended family. One might add to the common ingredients of business success, such as leadership, empowerment, quality, service, and teamwork, qualities that describe ideal friendship or family life such as appreciation, trust, forgiveness, communication, and, yes, love. The IU family embraces these values because we know that these are the qualities that encourage people to become deeply rooted in the values of an organization. They provide the soil in which we can grow to our fullest potential — the soil that cultivates sustainable excellence. As Tom Morris notes, they create a canvas for real human artistry.

And what of goodness, where does it fit into the life of the corporation and its employees? The naturalist philosopher Henry David Thoreau once said that goodness is the only investment that never fails. Nevertheless, there's a pervasive attitude in the business community that ethics and values are all about restraint and denial, not about active and productive investments.

What are the moral rules that dominate modern business practices? The most cynical would argue that the dominant

ethic is do whatever you need to do to succeed as long as you don't get caught. But that rule of conduct undercuts the very purpose of ethics, which is to preserve the ability of spiritually healthy and intellectually vital people to work together in harmonious relationships. That sort of relationship requires both wisdom and virtue.

Kant's categorical imperative, which commands us to treat other people as ends, rather than as means, is the best bedrock ethic for business practice. It is remarkably like the golden rule. I find it fascinating that nearly every culture and religion has a version of this all-encompassing ethic.

I am reminded of the story of the ancient Rabbi who was challenged to speak all of the wisdom he knew while standing on one foot. He took up the challenge and recited something very like the golden rule. For a Taoist, the ultimate ethos for relationships sounds like this: "View your neighbor's grain as your own grain, and your neighbor's loss as your own loss." For a Muslim, it sounds like this: "Let none of you treat his brother in a way he himself would not like to be treated. No one of you is a believer until he loves for his brother what he loves for himself."

All of these formulations have the same effect. They help us cultivate a moral imagination; they help us reflect on the consequences of our actions. In the words of the great old bluesman Brownie McGhee, "if there's one thing/ that I know for sure/ it is that you're going to reap/ just what it is that you sow."

And finally, unity has a valuable place in any successful corporation that chooses to treat its employees as whole people or in any culture that chooses to educate its young people for life, not just for work. We must create corporations — and educational institutions — that enhance individuality but also inspire us to work toward a common purpose, that enlarge our sense of personal and corporate dignity, but at the same time remind us of our humility.

An old bit of Hasidic wisdom expresses this idea perfectly. It says, "A person should always wear a garment with two pockets. In one pocket, there should be a note which reads, 'I am but dust and ashes.' In the other pocket, there should be a paper which says, 'for me the world was created.'"

If we can create organizations, both in business and in education, based on this magical combination of human values, organizations that speak both to our nobility and our humility, we can't go wrong. Such organizations will indeed make the world a better place, a place populated by caring, respectful people, not those prone to violence.

Thank you.

## Free Trade And Capitalism

### AMERICA'S OTHER DEMOCRACY

Address by WILLIAM H. PETERSON, *Lundy Professor Emeritus of Business Philosophy at Campbell University and Adjunct Professor, Heritage Foundation*

*Delivered to the Captiva-Aire Systems, Inc., Sales Engineering Meetings, Youngsville, North Carolina, January 16, 1999*

**W**elcome to the Dismal Science of Economics and that classic oxymoron, Political Science. Science? A definition of politics can be sensed from its derivation, from its Greek roots. Poli means of course many, and ticks means blood-sucking parasites.

Economics can be sensed from a story told by President Harry S. Truman who had reporting to him the nation's first Council of Economic Advisers. He explained that a one-armed economist would never do, for how could that economist say, "On the other hand ..."?