# **Corporate Social Responsibility: An Integrated Development Perspective**

### Michał Gabriel Woźniak

#### **Contents**

3.1	Introduction	50
3.2	Features of the Current Environment of Corporate Social Responsibility	51
3.3	Triply Sustained Development as a Strategic Condition of CSR	53
3.4	The Meaning of an Integrated Perception of Contemporary Development Processes	56
3.5	Why Holistic, Reflexive Modernisation of Human Capital?	62
3.6	Instead of Conclusions: Integrated Development—A Chance or an Illusion of CSR?	67
3.7	Summary	68
Refe	References	

#### Abstract

The author searches for an answer to the question of how to improve awareness about CSR not only among companies but other stakeholders as well. While it is convincing to emphasise that CSR might be the source of competitive advantage, this alone does not suffice. To promote CSR in the business environment, a set of professed values that are shared by all stakeholders are necessary. These values can be derived from the natural striving of each human being to achieve a harmonised implementation of aims and functions in all spheres of human existence. For methodological reasons, the author distinguishes in addition to economic, political and social spheres, the spheres of technology, consumption, nature, biology as well as the special role of the human capital

Department of Applied Economics, Cracow University of Economics, Rakowicka 27, 31-510 Krakow, Poland

e-mail: wozniakg@uek.krakow.pl

M. G. Woźniak (⊠)

and spiritual spheres. The chapter critically questions actions related to the function of aims specific for a given sphere of human existence and suggests replacing them with functions typical of other spheres. It refers in particular to the commercialisation of the spiritual sphere that leads to destructive competition and consequently to a limitation of advantages in free market systems. The author emphasises that the company has to operate within the expectations of a CSR-orientated environment. Improvement of these expectations is the function of a holistic modernisation of human capital. This aims to provide the competencies which enables internal reflectivity to stimulate people to defend against emotional manipulation. Moreover, integrated external reflectivity is necessary to teach people to appreciate changes in the environment. Linking the business strategy with integrated development throughout the policy of this integrated approach to development stimulates employees to better understand the aims, targets and missions of a company. Consequently, this growing trust impacts positively on the integration of targets of companies and employees, and thus, the engagement of staff to promote the success of a company.

### 3.1 Introduction

One way of searching for new sources of business benefits that result from civilizing business and from an autonomous reduction of market inefficiencies is a concept of corporate social responsibility (CSR). Its implementation requires conducting business activity based on relations that are transparent, stable, derived from dialogue and mutual respect among all interested parties, i.e., owners, shareholders, clients, suppliers, partners, as well as employees, local communities and the government (e.g., Hohnen and Potts 2007, p. 4; O'Riordan and Fairbrass 2008). CSR understood in this way stems from development of the knowledge-based economy, in which the most important capital of a company are human resources and potential resources of staff competencies—knowledge used by an enterprise to plan its development. CSR is also a management strategy whose aim is to use the non-financial capital and the integration of development processes in intra- and inter-organisational dimensions, as well as in personal, local, regional, national and international ones. Such strategy is necessary for an efficient management of social space in order to generate a company's financial and non-financial profit together with benefits of its current and potential stakeholders, as well as external benefits of wider communities.<sup>1</sup>

Meanwhile, institutional changes are shaped, nowadays, mostly according to business interests and financial markets that are orientated at manipulating human emotionality (e.g., Haugen 1995; Shiller 2000; Shleifer 2000; Lee and Andrade 2011). This considerably limits the institutionalisation directed at CSR. Pointing out that CSR may be the

<sup>&</sup>lt;sup>1</sup> It is worth emphasising that there are many interpretations of the CSR, thus, as explains Lozano (2011, p. 50), its "definitions are sometimes confusing and […] contradictory."

source of competitive edge is convincing but it does not suffice under conditions of globalisation of liberalisation.

The new concept of CSR may be derived from every individual's natural pursuit of a harmonised realisation of all functions of goals in all spheres of human existence. Thus, the distinction is made among economic, political, technological, consumption, nature and biology spheres and it emphasises the special role of the human capital sphere, as well as the spiritual one. What is questioned is the commercialisation within all spheres of human existence which leads to the depreciation of social trust, limitations of consumer's sovereignty, possibility of free choice and a decrease in CSR.

Attention is drawn to the fact that a company must operate in an environment of suitably high expectations. A rise in these expectations will be enabled by the holistic, reflexive modernisation of human capital. Its goal is to equip people with competencies to internal reflexivity, so that they could defend themselves against manipulating their emotionality. However, in order for them to understand the changes in the environment, they must be taught integrated, external reflexivity.

Connecting business strategies to CSR with the help of development policy allows employees to understand better the goals, tasks and aspirations of an organisation. It results in an increase in trust that is positively related to the integration of business and employee goals, and therefore the involvement of employees in the company's success. This connection comprises the missing link which this chapter addresses.

# 3.2 Features of the Current Environment of Corporate Social Responsibility

The eruption of the financial crises in 2008 caused continuous recession in a number of countries, in particular in the European Union (EU)-member states. A continuing recession fosters strategies that focus on minimising costs by measures that permit solving current problems connected with surviving on the market and maintaining competitive ability. This problem concerns not only the SME sector, which is very susceptible to negative influences of the economic and political environment. Only some enterprises from this sector manage to survive on the market longer than 5 years. Therefore, tendencies may appear to return to various social pathologies in business and to ignore the good practices of CSR. This can happen even when a company, which had adopted a CSR strategy, had noticed and appreciated the enormous potential and the meaning of the human capital as well as the knowledge it possesses.

The CSR recommended by the European Commission, which is expressed as voluntary inclusion of social and ecological aspects in the trade activities of enterprises and in relations with their stakeholders (CEC 2001), is not a common phenomenon. It depends on many internal and external conditions affecting an enterprise (Griseri and Seppala 2010, p. 8). Among the internal ones are: organisational culture; the company's position on the market and its economic situation, whereas the following external determinants of CSR

include: the enterprise's institutional environment; the ethical situation of civil society, social capital and public finances; or government policy regarding the goals of economically, ecologically and socially sustainable development (Amaeshi et al. 2013, pp. 27–29). CSR is also influenced, among others, by the level of the economic development; the economic climate and the content of ratified international conventions. This implies that CSR should be of interest to the public authorities due to the fact that it promotes positive practices that are created by enterprises towards the environment and society. CSR contributes to the creation of social value by striving towards economically, ecologically and socially sustainable development. The Triple Bottom Line (Elkington 1997) is not possible without the dissemination of proper principles of thought and action, thus the proper institutionalisation of markets.<sup>2</sup>

According to this approach, being responsible does not only imply the fulfilment by business organisations (enterprises) of all formal and legal requirements, but it also means bigger investments in human resources, environmental protection and relations with stakeholders, who may have real influence on the efficiency of business activity of these organisations, as well as on their innovativeness. If enterprises voluntarily take social interests, environmental protection and relations with various groups of stakeholders on the strategy-building level into consideration, then it is because they perceive these as innovations and not as costs (Owen et al. 2013), such as is the case with quality management.

Since the implementation of CSR is connected with current expenditures and expected benefits, then very often, in a long term perspective and under worsening conditions for running a business, it may be perceived as a threat to the fulfilment of company's fundamental goal—surviving on the market and making a profit. Therefore, it may cause a tendency among enterprises to shift the costs of social engagement to the society. In post-communist countries, a barrier to the voluntary solving of social problems is encountered as economic entities lack experience. As a result, deficiencies in the civil society culture and in protecting citizens from social exclusion occur. Accordingly, a need appears for disseminating education and systemic solutions within CSR, especially for legal regulations which respect business ethics; for transfer of its good practices; internalisation of standards and for a "helping hand" from the state regarding financial and educational resources.

Notwithstanding the many economic benefits stemming from the contemporary wave of globalisation of liberalisation and information as well as the telecommunication revolution, the resulting turbulent environment is connected with threats to the consolidation of standards of CSR postulated in the EU. These threats result from the following processes:

- Internationalisation of standards of economic liberalisation to which political, worldview- and lifestyle-related liberalisation is subordinated;
- Deregulation (minimising functions of the state);

<sup>&</sup>lt;sup>2</sup> The phrase *the triple bottom line* was first coined in 1994 by John Elkington, the founder of a British consultancy called *Sustainability*.

- Institutionalisation which incapacitates consumers (hyper-consumption);
- Focus on individualistic creativity through: building competitive edges; releasing from social and temporal responsibility; uprooting from an older and more recent cultural heritage;
- Shocking modernisation which causes uncertainty, instability, an economy of unsustainability in an institutional dimension and in a dimension of real processes (big transformation, future shock, permanent re-institutionalisation which damages entrepreneurship);
- Exclusivity that excludes the following from modernising activity: communities orientated towards traditional values; the unemployed; families with many children; the state from fulfilling its regulatory functions; morality from decision-making processes;
- Concentration on micro-economic endogenous factors of modernisation activated by homo oeconomicus creativus and ignoring macro-economic factors, modernisation of the state, politics and democracy procedures.

The turbulent environment surrounding the contemporary wave of globalisation of liberalisation as well as the information and telecommunication revolution further changes the structure of business organisations and of private property. The structure of property becomes more and more complex; hybrids of private and state capital appear, as well as hybrids of network structures connecting competition and co-operation; of hierarchical and partnership relations for maximising synergistic effects from a whole range of product, technological, management, marketing, financial, institutional and other types of innovations. These modernisation processes force changes in the role played by business in society and in understanding "values". New forms of civic activities appear—society can organise itself without help from big non-governmental organisations, whose role will in consequence diminish.

# 3.3 Triply Sustained Development as a Strategic Condition of CSR

In order to enable CSR, it is assumed that in the macro-economic approach, a long-term socio-economic development should be triply sustained, i.e.:

- Economically, with regard to commodity and capital markets, investments and finances, as well as the workforce;
- Socially, with respect to socially acceptable income distribution and appropriate participation of key population groups in public services;
- Ecologically, with a view to maintaining appropriate relations between the economic activity of human beings and nature.

Implementing development understood in this way requires its suitable management on different levels; from transnational organisations through the state, local authorities to

business organisations. Such a development requires being stimulated by values and regulated by norms which define the free-choice space of business and of public organisations, their stakeholders, families, epistemic communities (e.g., church communities), coalitions of support and political networks. It is not only a spontaneous process but it is also initiated, stimulated, managed, controlled and corrected horizontally, vertically, autonomously and bureaucratically. It encompasses an element of adaptation and an element of creativity—it is not only a choice of another formula of behaviour within the framework of available algorithms, but their considerable change. Therefore, nowadays, implementing development policy outside the institutionalised networks of co-ordination may not only be inefficient, but also counter-efficient as it has to lead to some unforeseen effects strengthened by networks acting on different scales.

In order to be efficient in the above-mentioned understanding, economic policy should gradually become a policy of integrated development which refers comprehensively to all spheres of human existence—not only to the economic, social and ecological spheres, but also to the technological one—as well as to consumption and intellectual capital (human, relational and social), the functioning of the political sphere, a family and an individual. On no condition can it be limited to the policy of internal and external balance and it has to consider the deepening process of globalisation of the economy. It cannot disregard the problem of international and structural competitiveness currently orientated at searching for synergistic effects with a broad understanding of product, technological, management, marketing, financial, institutional, and other types of innovations.

Such policy signifies a necessity for a decisive shift of gravity-point from an object-orientated to a subject-orientated approach to development. The aim of the subject-orientated approach is to harmonise development goals co-operating with each other within the framework of a family, epistemic communities, as well as business, civil, national and transnational organisations. If it is accepted that the economy is an arrangement of institutionalised behaviour and social reactions, then influence should be exerted on it not through its parameters, such as: the manipulation of tax rates, subsidies, and preferential credits by politicians. Lower costs of government intervention and greater benefits regarding CSR should be expected as a result of taking action with the help of institutions that is a system of principles, procedures, moral and ethical norms which promote trust and the spirit of co-operation designed to limit the irresponsible behaviour of individuals.

In this subjective approach we do not solve equations but a problem and we do not strive to achieve the state of balance, but to control the development process (Hausner 2007, p. 33). The axioms of modern development policy should include the following: synergistic effects of inter-spherical feedback of development goal functions characteristic of particular spheres of human existence; the market viewed as a social institution; adaptation efficiency; existential well-being.

The economic balance, allocation effectiveness, the concept of the invisible hand of the market, the real convergence of Gross Domestic Product (GDP), economic growth, and—at the micro-economic level—an increase in enterprise's assets or the maximisation of profits cannot be mistaken for developmental goals. They should be perceived in

the process of building an institutional order as the means of implementing the goals of integrated development.

From such a philosophy a space for CSR may arise that is mutual and not exclusive, real and not fictitious, coherent and not chaotic, sustainable and not incidental. However, ideas that do not refer to influential interest groups are not easy to implement. A question appears about effectively supporting these ideas with suitable resources and decision-making processes in order for them to materialise. In this context, attention should be drawn to the complementarity of the resource-orientated and the subject-orientated approach to the quality of life.

The resource-orientated approach draws attention to the sustainability of development. In this approach, the quality of life will depend on the size and the type of resources that we are going to leave to the next generations, especially on how we take care of all renewable resources necessary to live. From an economic point of view, it is a function of the size of physical capital resources, their structure, technological level, spatial distribution and expenditures on human capital necessary for future generations (R&D, understanding the functions of various value systems, teaching norms, creative and communicative competencies, building engagement to break barriers to co-operation and creation of opportunities to support CSR).

However, the subject-orientated approach is focused on the internal development potential of an individual and their natural pre-dispositions, as well as internal limitations (cognitive, emotional and informational) and the conditions to eliminate them. It focuses on endogenous factors of development and bottom-up driving forces that are included in the integrated, comprehensive, institutional order which strengthens co-responsibility. Therefore, it is not limited only to the matter of social, economic and environmental order and to the integration of these orders with the help of institutional and political order. In the subject-orientated approach, we should ask first about the personal order, thus a harmony of functions of development goals. Hence, a question appears about competencies regarding the internal and not only the external reflexivity and inter-spherical feedback, more precisely, an equivalent allocation of various resources of capital (physical, financial, human, moral and social trust) to particular spheres of human existence.

These two approaches to development should be perceived complementarily if we are seeking an efficient and not a fictitious means of implementing CSR. Only internalised ideas can transform themselves into principles of action, and it is possible when these ideas are convincing in the context of individual development goals of particular economic entities, and when the economic system creates favourable conditions to achieve them. In other words, we have to release the will of approval of these ideas through the dissemination of knowledge about CSR's functionality regarding various development goals of economic entities; activating a coherent tool-kit, procedures and institutions in order to sustainably release the needs and opportunities to implement the standards of CSR. The integrity of environmental, spatial, economic, social, institutional, political and personal order is a necessary condition to harmonise development processes in these two

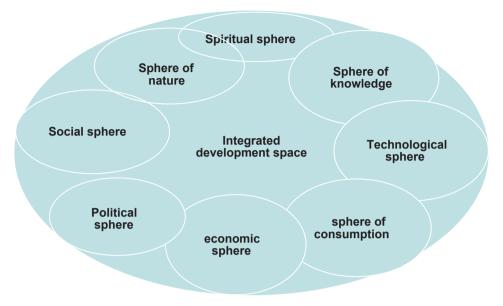


Fig. 3.1 Spherical understanding of development

approaches and their integrated perception, without which CSR may only be limited to being "a square peg in a round hole". Therefore, more space should be devoted to it.

# 3.4 The Meaning of an Integrated Perception of Contemporary Development Processes

In order to support CSR effectively, an analytical model of development based on distinguishing eight spheres of human existence characterised by specific goal functions (Fig. 3.1) becomes useful.<sup>3</sup> This model draws attention to the specificity of development goal functions of particular spheres of human existence, the consequences of feedback among these spheres and the need for equivalent inter-spherical allocation of resources for maximising the synergistic effects in development processes. Due to the fact that in a similar analytical approach, development may be analysed on different levels—from personal level, through business and local organisations, to regional, national and international level, therefore, in a horizontal, vertical and temporal dimension—it creates a suitable platform to promote a focus on CSR considerations in the context of all development processes. Such an approach is justified from a theoretical and pragmatic point of view. From a business practice and development policy perspective, it shows the need for an eclectic

<sup>&</sup>lt;sup>3</sup> The analytical model of development was derived from the concept of Horx (2002), whose work was however focused more on anthropological (cultural) issues than those related with human existence *per se* in a specific socioeconomic context.

approach; using symptoms and sources of contemporary processes for the identification of the matter; seeking mechanisms, institutions, instruments, coordination and stimulation procedures to develop the legacy of many theories, models and various disciplines of the humanities, natural sciences, engineering and technology.

In this analytical convention, it is easy to notice that implementing a harmonised structure of development goals is coherent with CSR requirements. If the harmonisation of these goals encounters barriers that are difficult to remove, then the so-called vicious cycles of development or paradoxes of development appear (e.g., vicious cycle of poverty and, more broadly, the culture of poverty, see Lewis 1975; paradoxes of human capital development, see Woźniak 2013a, pp. 157–180, b, pp. 200–221; depreciation of social capital, infantilisation of consumption, see Barber 2007; innovation blockade, see Bal-Woźniak 2012).

Eliminating the barriers and vicious cycles of development in particular spheres of human existence is more complicated than can be derived from the result of mechanistic economy theories and models based on the methodological individualism and reductionist paradigm (Polanyi 1944). These models do not usually consider the occurrence of interspherical feedbacks. Researching the synergistic effects of these feedbacks requires an integrated, inter-disciplinary approach which respects the whole complexity of human existence and its natural pursuit of valuable life, namely, existential well-being; achieving the fullness of existence which materialises through harmonising development goals (values) characteristic of particular spheres of human existence.

If managing them has a selective nature and actions are concentrated within one sphere, then the implementation of development goals poses a risk of inter-spherical tensions and frictions, for instance, subjecting in the second half of the twentieth century the so-called socialist industrialisation to political goals led to ignoring economic criteria. Another example would be the techno-centric modernisation in the West (Postman 1992) and uniformisation of life which do not respect feedback among the economy and spiritual, nature and biology spheres. The neoliberal concept of development through globalisation of liberalisation according to the rules of the Washington consensus (Williamson 1990), further ignores the specificity of conditions in the human and social capital spheres and subordinates the development of the real sphere to the economic system of financialisation of the economy (Dembinski 2008); thereby creating hyper-consumption and commodification of all spheres of human existence.

The neoliberal concept of development is deeply rooted in mechanistic principles of thought and action built upon a one-dimensional vision of homo oeconomicus. Anchored in these principles are also the concepts of modernisation and progress being implemented by a demiurge capable of controlling the development, as it is not constrained by cognitive and emotional limitations. Together with disregarding the deposit of universal, spiritual values and affirmation of spontaneous order that is derived from freedom, private property and free competition, these principles constitute a trap of extensive simplifications in the understanding of the meaning of multi-spherical development space and its management on different levels (personal, organisational, municipal, governmental, and international).

The disintegration of development processes and the ignorance of inter-spherical feed-backs of these processes are facilitated also by specific local principles of thought and action connected with the under-development of human and social capital (Fukuyama 1995) and other characteristics of culture (Harrison and Hungtington 2000).

The political sphere of a democratic country is subjected to the pressure exerted by interests of financial markets and neoliberal ideology, whereas politicians have a tendency to reduce these interests to those which are used to strengthen their authoritative powers. Similar tendencies are displayed by bureaucratic apparatus. It does not encourage the respect of CSR rules.

In the sphere of formalised education and upbringing, those preferences may dominate which support providing knowledge corresponding to the qualifications of teachers and educators necessary to ensure their own employment; this knowledge is not adapted to the need to integrate the development processes and may even not be in accordance with the challenges of integrated development, practical needs within CSR, or ethical business and consumption. In the business sphere, it is observed that managers focus on increasing the value of their company, competitive edges, maximising profit by all means successful under given conditions, whereas employees focus on income and security of employment regardless of the enterprise's condition. However, the sphere of consumption remains under pressure to maximise consumption and usefulness according to the sophisticated manipulation techniques of human emotionality; and the social sphere is under pressure from a world of mediocrity that is isolated from the ordered system of spiritual values.

Modernisation and development take place in a melting pot of these pressures which on various levels is chaotic, unstable and exclusive. These features lead to: an increasing risk of famine and poverty; exclusion due to the loss of certain rights; threats of natural disaster in the ecosphere caused by the deficiency of some raw materials; technological threats (genetic, informational, and radioactive); demographic crisis and predicaments for monogamous families; terrorism and local conflicts; biological and technological epidemics; relative decrease in work efficiency; piracy of intellectual property; negative effects of the expansion of non-basic needs; moral relativism; the loss of control over finances (Attali 1998, p. 198). Can it be any different if we think mechanistically, fragmentarily and individualistically but we have to act like a team to achieve our own, as well as common development goals?

According to liberal economics, all entities are connected by their self-interest countable in market categories, therefore quantifiable and commensurable, which is supposed to open the door to a fair division based on the input into the creation of this self-interest (newly generated value). It is true that economic beings are derived from human nature, as it is assumed in the classic approach. However, it is not exhausted by the concept of homo oeconomicus, on which the whole structure of mainstream economics is built.

Is it really true that self-interest connects or maybe, above all, divides people if it forces them to compete, contest, pursue opportunistic practices, and take advantage of opportunities to impose explicit or implicit forms of domination and to exploit the potential of activity, creativity and emotionality of other people? What conditions would have to

be fulfilled in order for the pursuit of self-interest to evoke, apart from self-responsibility, also intra- and inter-generational responsibility so that it could connect rather than divide people? Obviously, self-interest may be understood in various ways due to the fragmentary, mechanistic and individualistic principles of thought and action that are always relativised in relation to special and temporal co-incidences, in which particular human beings live—not mentioning the genetic predisposition.

The search for self-interest is currently a commonly practiced way of achieving existential well-being, the fullness of existence, which is materialised through the harmonisation of development goals (values) typical of particular spheres of human existence. Is it the only and the most effective way of fulfilling development aspirations?

The economy of network structures of the market, society and state, which emerged very quickly after 400 years of domination of individualistic and mechanistic principles of thought and action, shows that it can be different. Stimuli to development come more often from the synergy of competition and co-operation. Economic entities, which hold a very strong position in the sector but do not have strategic resources that their competitor possesses, usually strive towards it. Gaining access to these resources is a condition for obtaining benefits from the synergy of competition and co-operation.

If the spheres of human existence are perceived as a network of competitive development goals under conditions of scarce goods, then selection, destruction and, as a result, a disproportion in access to productive resources and development goals that are being realised must occur. However, if integrated development were implemented, then opportunities would appear to use the synergy of inter-spherical feedbacks and, as a result, facilitate an easier access to strategic resources. It would be possible to obtain them with a lower pressure on competition and greater interest in co-operation as this type of development-orientated economy becomes a network of harmonised goals.

The more common the integrated development in a personal dimension, the easier the access to strategic resources. Such resources become intangible entities in the current economy: information, ideas and connections, and as a result, human, social and relational capital. Therefore, it is necessary to understand how the networks and functions of integrated development operate in order to understand the functioning of an efficient economic system. Competition is a necessary condition for economic system efficiency. However, it cannot be treated as a self-existing value. In order for it to result in sustainable development, it needs its indispensable, complementary part—co-operation, of which people are capable thanks to the possibility of achieving independent development goals. To enable co-operation common goals and a fair division of the effects of this co-operation are required. However, common for all people is the pursuit to achieve values characteristic of all spheres of human existence, thus the implementation of integrated development.

It is obvious that the goals of integrated development are achieved through the realisation of its particular components. However, achieving segmental development goals in a given sphere also influences the chances of realising goals suitable for another sphere. It does not only result from the scarcity of resources, which can increase during the development process, at least regarding those that are non-renewable. However, to achieve

integrated development goals, a fundamental matter is the establishment of inter-spherical feedbacks. They are the markers of synergistic effects resulting from the access to complementary resources of productive capital (physical, financial, natural, human, and social capital). We also have to be capable of creating such a systemic space, so that independent entities wanted, knew how, were able to and could activate endogenous resources easily.

Competition releases the need for micro-economic efficiency through modernisation with the help of external technology transfer. However, it does not create possibilities for original innovations. These usually require a suitable quality of human capital; financial resources; operating in network structures; an efficient system of intellectual property and patent laws; as well as the ability to conquer output markets. Therefore, appropriate tasks appear for the realisation of development goals of the business and technological spheres, as well as political, axiological and human capital ones. The access to innovative competencies exerts immense influence on the elasticity of reactions to competitive challenges.

Equipping people with these competencies, regardless of whether they are already employees of a given enterprise, is a process of strengthening their ability to actively participate in solving their own problems, as well as those of people with whom they cooperate, thus the possibility of bearing co-responsibility for development. It is not only about using already existing resources, but also about co-participation in building innovative potential by generating new resources, e.g., of a relational type in order to have a quicker and easier access to them. (Bal-Woźniak 2013, p. 406)

In the realisation of the goals of integrated development, we cannot ignore the exogenous determinants; those that are an inherent feature of human existence or its closer or further environment as, e.g., the fact of the inherent nature of emotional, cognitive and information limitations; duality of the human psyche comprised of both the rational and emotional sphere; other genetic pre-dispositions and the resulting related problems regarding changes within social capital; and other components of intellectual capital (Edvinsson and Malone 1997). They play a crucial role in building the knowledge-based economy, its competitive ability, innovativeness or the possibility to eliminate development barriers occurring in the political sphere.

From an integrated movement of financial flows and resources of productive factors, synergistic effects which constitute the development potential appear among various spheres of human existence. In order for this potential to bring possibilities of harmonious realisation of all development goals, it must be properly distributed. The matter of an equivalent division of synergistic effects of development has been so far resolved highly incompetently, not only in relation to particular spheres of human existence, investments in human and social capital, and maintenance of sustainable economically, socially and ecologically development. These inefficiencies transfer themselves to other dimensions in a global and regional space, to particular national economies and their sectors and local spaces, resulting in a disintegration of development processes on all levels and in all dimensions. It is therefore, necessary to find an optimal algorithm for the distribution of these resources, i.e., one that will maximise the synergistic effects, and then to institutionalise it in a form of legally sanctioned responsibilities of the government, local authorities

and the business sphere. From such orientated institutionalisation, realistic foundations of CSR may appear.

The justifications of this responsibility are delivered by the principles of functioning dynamic complex systems. According to these principles, each of the sub-systems must have its share in a value that is newly generated by it, and which allows adjusting it to the development needs of the whole system. If the exchange is non-equivalent, then, automatically, the development is not of a harmonious nature because the development dynamics of particular parts of the system (in this case spheres) is not coherent with the needs of the whole system. Thus, what appears are inter- and intra-spherical frictions which may slow down the development of the economic system. These frictions force changes in the proportion of how synergetic effects of resource exchange should be distributed. However, it is a development based on a selection of goals and on destruction in particular systems. Therefore, the development bears additional costs and may be instable. Some examples are: ecological threats; a demographic crisis; a development of a precariat (Standing 2011); or current global financial crisis and problems with respecting CSR standards that result from it. At the base of these problems lies the non-equivalent distribution caused by institutions of post-industrial, capitalist economy (Stiglitz 2006) and post-modern society (Castells 1998) that are incoherent with the needs of the integrated development.

It should be emphasised that the spheres of human existence define the modernisation space; specificity of driving forces and of barriers to modernisation processes; dynamics of development; development goals. They also carry development potential. In mainstream economics and in mono-disciplinary studies, they are defined as self-existing entities. From this theoretical approach result regulatory actions on an international level with the help of standardised evaluation criteria of rating agencies, indices of freedom, competitiveness, quality of business environment, innovativeness, transformation, etc., initiated by TNCs, the World Bank and implemented by WTO, IMF, OECD, or imposed by other strong actors on open markets. This reductionist approach to development processes causes the criterion of choice on a macro-economic scale to be limited to the growth of GDP per capita which is a derivative of the superiority of micro-economic effectiveness. Economic theories derived from this approach promote economic imperialism, therefore shifting the criterion of efficiency into decision processes to all spheres of human existence and expecting that people behave like one-dimensional, independent, entities that are not connected with each other, who maximise calculated self-interest in market categories.

The emotional sphere cannot be eliminated from the human psyche. Negating this obvious fact in mainstream economics studies implies a silent agreement to the manipulation of human emotionality by "econs" (Kahneman 2011; Akerlof and Shiller 2009; Barber 2007), and thereby, an approval of such mechanism, institutions, regulatory tools and coordination procedures. This bears the risk of turning people into some kind of objects that can be used to fulfil business, political, technological goals, as well as goals of various distribution coalitions and their other types. This approach results in an affirmation of competitive edges and a social discrimination of partners of negotiation procedures, as well as even a discrimination of negotiations themselves in favour of consultations. Glo-

balisation of liberalisation is based on these criteria and subjected to them are standard, macro-economic policies stemming from the Washington Consensus (Williamson 1990; Rodrik 2007).

A new type of competition (Porter 1998) creates an environment unfavourable to the human psyche. It generates such a high and intensive dynamic of variability and instability that people have to function in an environment with an overly high level of stress. This may cause a decrease in the development potential of an individual, as well as in the quality of valuable life.<sup>4</sup> This matter concerns whole social groups (Castells 1998). For such groups, development through globalisation becomes pointless as it prevents them from realising their own development aspirations.

## 3.5 Why Holistic, Reflexive Modernisation of Human Capital?

Scrupulous research of socio-economic development processes, which respects impartial development goals of all groups of participants in management, requires an integrated, inter-disciplinary approach. However, holism does not imply disregarding the principle of methodological individualism because the management results on a macro-scale are shaped under the influence of the combined sum of individual decisions. It applies not only to the private sector, but also to the public one. The collective result (development, economic growth, competitiveness, and innovativeness of economy) is revealed through the maximisation of usability of behaviour of many people acting in different roles (Buchanan 1967, p. 22). Distributing the decision risk in this sector among society as a whole raises many additional problems described in the models of government failures.

Since the last decade of the twentieth century, a tendency has been visible to diminish the share of the public spending in GDP. According to liberal approaches, this process is considered an indication of methods of rationalisation of the allocation of goods by virtue of statements with respect to cost-effectiveness that appears to the highest degree, if the decision-making powers regarding the object of property are ascribed to a person and not to a collective body. In neoliberal thinking, without reduction and rationalisation of public spending, we cannot expect progress leading to the stability of economic growth and a balance in the sphere of public finances.

If we would like to save the possibility of protecting those social development goals which are not realised by markets, introduce an economic system from a chaotic and unstable development, and enable the harmonisation of development in all spheres of human existence, then the basic problem is answering the questions concerning the unresolved matters of government failures. From this point of view, reforms of the public sector are necessary. However, this cannot only suffice as a simple limitation of its share in GDP in

<sup>&</sup>lt;sup>4</sup> From a psychological point of view, what is necessary is a kind of optimal level of stress, which allows obtaining the maximum quality of life from the genetic potential. Therefore, psychology searches for the sources of development frustration.

the name of micro-economic efficiency, as the advocates of the neoliberal approach would prefer to the development and functions of the state in the integration of its processes.

An efficient economic system is a system that creates possibilities to realise integrated development goals. Because of this, it must demonstrate the capability to release microeconomic efficiency of stable economic growth; equivalent distribution of newly generated value; dissemination of innovativeness; sustainable economically, socially and ecologically development.<sup>5</sup> Apart from the criterion of micro-economic efficiency, spontaneous order based on competition does not properly fulfil the conditions of its efficiency. This results in the need for equipping the markets with an institutional system which is coherent regarding integrated development goals.

Institutional coherence cannot be built without an organised, rational and integrated approach which respects the requirements of alternative cost accountability. This requires improving the system of national accounts, which should provide suitable indicators of integrated development (Stiglitz et al. 2010). This account should concern the whole range of alternative tools, co-ordination procedures and mechanisms which regulate people's activity not only in the economic context. In order to enable this, it is necessary to notice a human being as a multi-spherical entity fulfilling also non-economic goals that belong to the axiological, social and genetic spheres, not reduced to homo oeconomicus. People want not only to have more, but also to "be" in harmony with all spheres of their existence and, because of that, they want to possess more, and not the other way round. This will not be guaranteed by an economic system based on a spontaneous order forcing competition to give access to rare resources and deprived of central strategic co-ordination. However, in practice, the mechanisms of central coordination of strategic development goals fail and a democratic state has problems with the integration of development goals, which increase with time, in spite of the growing share of public spending in GDP.

In the interpretation of M. Olson, the reasons for the problems of central strategic coordination lie in the activity of "distributional coalitions" (Olson 1965), which not only
lower the economic efficiency of the economy but also make life more confrontational. It
is more probable that the activities of these coalitions are the source of disintegration of
development processes rather than their integration. They support income transfer, lowering in this way the possibility of fulfilling the development aspirations of social groups
which are less organised and have weak stimuli to common action. A question arises: Why
in these activities should they limit themselves to equivalent transfers (which are in accordance with productivity potential of resources that belong to particular spheres of human
existence, and satisfying in this way the rules of fair distribution and CSR)? Groups which
are not so well organised or those people who are excluded, unemployed—ill-equipped
with human capital—are for them not an equivalent social force. This is connected to problems with the implementation of Rawls' distributive justice principles (Rawls 1971) in a
democratic country; to difficulties with civil society development; preventing the pursuit

<sup>&</sup>lt;sup>5</sup> The justification of criteria of economic system efficiency, from the point of view of successful realisation of integrated development goals, is presented by Woźniak (2011, pp. 15–46).

of rent seeking, thus an erosion of democratic mechanisms. This paradox of a democratic political order does not receive the proper amount of attention from governments, parliaments and state bureaucracy, as these decision-making and legislative centres function on the political market and they are under a strong pressure of maximising self-interest identified with behaviour and possible widening of authoritative powers. These goals are more strongly connected to interests of distributional coalitions and, even though they attempt to reconcile elements of ideology, professional relations, patronage, risk, etc., they cannot bypass the expected benefits of the political and bureaucratic power apparatus. Connected with this mechanism of public authority action are problems of maximising the budget that remains at the disposal of the bureaucracy of public authority and securing its interests as well as the poor effects of macro-economic balance policy and socio-economic coherence (also introduced from the Lisbon Strategy and implemented with the help of methods of co-ordination, in which the bureaucratic apparatus of public authority is an intermediary).

Can a country successfully solve its various problems of public choice and be an efficient animator of CSR, if the political market prefers individuals who maximise self-interest and discriminate common people, who are more emotionally, informationally and cognitively limited? A question arises: Who would be the one to make this transformation and under what conditions would it be possible?

The globalisation of liberalisation, as well as competition of a new type, made competing even harder, and forced priorities for interventionism to strengthen supply driving forces of development, innovativeness and minimising the costs of implementing those social goals of development which are not secured by markets. Governments found themselves under pressure from coalitions representing business interests, especially from transnational corporations and rating agencies that represent the interests of dominating entities on financial markets. Disintegrative development processes had accumulated in the context of non-equivalent distribution and their culmination was the outbreak of the financial crisis in 2008, and its aftermath which spread over other spheres, including the public sector. What appeared was a need for revision, which has not yet been realised, not only of the international financial order but also of the institutional foundations of country well-being, principles and range of delivering public goods, boundaries of the private and the public spheres, as well as policy-making for socio-economic coherence (World Bank 2009).

The revision of institutional foundations of a welfare state, which is needed for integrated development, especially the operating practice of its organs, cannot be expected in a world which affirms self-interest in market categories, which is characteristic of individual's principles of thought and action shaped not only by markets, but also in the process of education. Overcoming this discrepancy may be possible if influenced by proper awareness of the high risks of dangers arising from the disintegration of development processes. Helpful here may be the holistic reflexive modernisation of human capital that is coherent with the goals defined in the eight-sphered matrix of integrated development. However, it is not sufficient to formulate new educational goals adjusted to the challenges of information society, the knowledge-based economy, competition of a new type and new

requirements on the job market that are connected with it. A mediated mechanism of discussing the common good with the help of the individual's good, under the conditions of common reductionism and individualistic ways of thinking, leads to the accumulation of various discomforts regarding the quality of valuable life. The contemporary cultural context, which is determined by post-modern principles of thought and action, disseminated as a result of globalisation of liberalisation and through a technetronic culture, is also a determinant of human and social capital characteristics. It cannot be changed, thus we have to strengthen those of its features that could create a suitable potential for integrated development processes and thinking in categories of CSR. To do so, we need a system of education focused on developing holistic principles of thought. Only on the basis of these principles could we shape the professional specialisations adjusted to the current and predicted needs of the market and public sectors, and of the civil society.

Nowadays, what is promoted is an education limited to the needs of the knowledge-based economy functioning under the conditions of globalisation of liberalisation and postmodern moral relativism. Priorities of this education are orientated towards:

- Discovering, shaping and developing entrepreneurial and active behaviour;
- Preparing people to move around and find their own place on the global job market accessible through the Internet and to understand people from different cultures;
- Preparing people to be ready to constantly broaden their knowledge; quick retraining and quick change of their profession; as well as readiness to change jobs and to work temporarily;
- Teaching teams work for the benefit of the majority of society, as well as how to define common goals, how to negotiate ways to achieve them, take responsibility for the quality of work and how each and every member of a group can meet the deadlines, as well as how to be loyal towards the group.

In order to popularise the thinking in categories of CSR, we cannot ignore priorities in support of respecting the moral responsibility for disseminating knowledge capable of acting in favour of integrated development. From this priority the need results for popularising auto-reflexive competencies which enable integrated perception derived from continuous falsification of the principles of thought and action in reference to the sphere of the mind, of consumption, nature, biology and the spiritual sphere, as well as reflexive competencies in relation to the economic, political, social and technological spheres. To achieve this requires a strategy to develop education orientated towards:

- Disseminating methodological holism, beliefs about the necessity of prospective, strategic, integrated and inter-disciplinary thinking that is based on a cold, factual analysis, scientific synthesis of conclusions and practical suggestions for the future;
- Developing continuous learning according to the paradigms of holism;
- Up-bringing focused on the understanding of the benefits of self-responsibility and social responsibility, as well as of the culture of partnership;

Including education in the network structures of the market and the new type of its organisation. This education would be orientated at (a) strengthening subjectiveness, (b) criticism and creative thinking, (c) the ability not only to compete but also to cooperate, and (d) an integrated internal reflexivity that refers to all spheres of human existence.

This opens a possibility of organised pressure on the academic environment to create (potentially by the state) a climate that facilitates the development of inter- and intragenerational communication among all social groups regardless of age, gender, education, profession, attitude towards tradition or modernity, in favour of integration of development processes and respect for the principles of CSR. We must point to various benefits for all stakeholders of business and the public sector coming from a climate of subjectiveness, which refers to all spheres of human existence, and we must further point to the necessary institutional priorities and co-ordination procedures. Subjectiveness may be realised under the conditions of constant care about the strengthening of the information competencies, about liberating from structures and unconditional faith in science, creating opportunities for individuals to influence creatively the environment, the development of civil society, rebuilding the capital of trust, ethics and elasticity. Subjective society may exist when the political sphere is based on the rules of laws that protect democratic institutions and subjectiveness, i.e., those who are capable of self-restricting their own freedom because of the respect that they have for other entities, including social units (Wielecki 2003, p. 351).

Only in the climate of subjectiveness, does communicating to achieve common goals receive meaning for everyone regardless of their place in the social, professional or political structure. Common respect for subjectiveness of a person facilitates rebuilding social trust, accelerating the process of learning, eliminating ideological illusions and prejudice towards modernisation, modernity and tradition. Under such conditions, all psychological barriers of spontaneous activity disappear and the increase in the tendency to co-operate may result in a multiplier effect in the form of more effective activities, feeling of self-responsibility, tendency to take risk by modernising one's lifestyle, change of profession, the approach to taking a job and the workplace. The climate of subjectiveness is a necessary condition which, however, is insufficient for the non-doctrinal, rational standards of CSR to appear.

Suitably high competencies adjusted to the challenges of alternating reality are a fundamental condition of a fast economic development to improve the quality of people's lives. Can it be delivered by an education system which is subordinated to political interests and its bureaucracy? We must promote other attitudes and other heroes, who are able to identify benefits coming from competencies in external and internal reflexivity, discovering pre-dispositions to these competencies and motivating to their further development.

Common and organised, holistic, reflexive modernisation of human capital is also needed in order to avoid that politicians evade taking on the challenges related to future and rational systemic reforms. In such an environment then, the business world would operate under conditions in which not respecting CSR does not pay off. The idea of a com-

mon, holistic, reflexive modernisation may be specified by the academic and educational environment. The idea itself will not suffice. Resources and decision-making processes are also necessary. Resources are necessary when norms are being taught and they also create opportunities for using motivational tools and organising campaigns that promote ethical business and knowledge about various benefits arising from the implementation of principles and standards of product quality, management through value, integrated reporting to overcome the asymmetry of information for stakeholders, also disseminating the understanding of ethical functions of micro-economic effectiveness.

# 3.6 Instead of Conclusions: Integrated Development—A Chance or an Illusion of CSR?

An attempt to show that respecting CSR may be the source of a long-term competitive edge is convincing, but not sufficient. Implementing CSR is connected with bearing certain costs in the current business activity. Their consequence, which is additionally burdened with uncertainty, may be an increase in long-term competitiveness. Thus, we need a set of values that are respected and shared by all in an area in which an organisation wants to improve itself. They can be derived from an individual's natural pursuit of the harmonised realisation of all functions of goals in all spheres of existence.

Due to natural causes, enterprises operating in a competitive environment are orientated at taking advantage of opportunities to minimise the costs of their activity. Therefore, they will have a tendency to run socially responsible business only if respecting the standards of social responsibility does not lead to an increased risk of surviving on the market and maintaining their competitive ability, unless these standards are obligatory and guarded by sanctions. This means that formalised and non-formalised institutions are a pre-condition for respecting the standards of CSR as principles of thought and action.

It should be noted that the neoliberal institutional order of the current phase of globalisation of liberalisation is orientated at strengthening competitive edges through the search for benefits stemming from synergistic effects of various innovations (technological, product, management, marketing, financial, institutional, and other). Under such conditions, human resources, easy access to the resources of employees' creative competencies and the knowledge used by an enterprise to plan its development, become the most important condition for long-term business success. However, for those enterprises for which the access to such competencies is difficult, implementing CSR standards becomes, above all, a cost of business activity that is difficult to bear. Additionally, the competition of a new type subjects them to additional costs that are incurred immediately, and any possible benefits that remain uncertain. Increasing competition of globalised markets, turbulent environment, the economy of unsustainability or a chronic recession impede and, in many cases, disable the implementation of CSR standards. Thus, a question appears: How to civilize business which is not yet rooted in the knowledge-based economy?

The way to achieve it is by navigating business with the use of:

• A strategy of integrated development orientated at harmonised achievement of values typical of all spheres of human existence;

- An institutional order which is coherent with the requirements of contemporary markets and which creates a climate facilitating the principles of thought and action and focused on integrated development and space for the enterprises to implement CSR, releasing by that a will and a possibility to respect its standards;
- Directing the business activity to respecting CSR with the help of tools of multi-level management of integrated development;
- Holistic and reflexive modernisation of human capital enabling integrated, internal and external reflexivity protecting against the objectification by business of an individual's potential and simplifying the enforcement of CSR.

Nowadays, companies must operate on markets that are open to increasing competition. That is why the institutional environment must create an environment of suitably high CSR expectations. An increase in these expectations is a function of the holistic modernisation of human capital. Its goal is to equip people with competencies to achieve internal reflexivity, so that they could defend themselves against the manipulation of their emotionality. However, in order for them to understand the changes in the environment, they must be taught integrated, external reflexivity.

## 3.7 Summary

This chapter demonstrates that institutional changes are shaped, nowadays, mostly according to business interests and financial markets that are orientated at manipulating human emotionality. This considerably limits the institutionalisation directed at CSR. Pointing out that CSR may be the source of competitive edge is convincing but it does not suffice in the conditions of globalisation of liberalisation.

The new concept of CSR may be derived from every individual's natural pursuit of harmonised realisation of all functions of goals in all spheres of human existence. In the chapter, the distinction is made among economic, political, technological, consumption, nature and biology spheres and it emphasises the special role of the human capital sphere, as well as the spiritual one. What is questioned is the commercialisation within all spheres of human existence, which leads to the depreciation of social trust, limitations of consumer's sovereignty, possibility of free choice and a decrease in CSR.

Attention is drawn to the fact that a company must operate in an environment of suitably high expectations. A rise in these expectations will be enabled by the holistic, reflexive modernisation of human capital. Its goal is to equip people with competencies to internal reflexivity, so that they could defend themselves against manipulating their emotionality. However, in order for them to understand the changes in the environment, they must be taught integrated, external reflexivity.

Connecting business strategies with the help of development policy allows employees to better understand the goals, tasks and aspirations of an organisation. It results in an increase in trust that is positively related to the integration of business and employees goals, therefore the involvement of employees in the company's success.

#### References

- Akerlof, G. A., & Shiller, R. J. (2009). *Animal spirits. How human psychology drives the economy, and why It matters for global capitalism*. Princeton: Princeton University Press.
- Amaeshi, K., Nnodim, P., & Osuji, O. (2013). Corporate social responsibility, entrepreneurship, and innovation. Routledge studies in business ethics. London: Routledge.
- Attali, J. (1998). Dictionnaire du XXIe siècle (Dictionary of the 21st century). Paris: Fayard.
- Bal-Woźniak, T. (2012). Blokada innowacyjna [Innovative blockade]. In M. G. Woźniak (Ed.), Gospodarka Polski 1990–2011. Transformacja. Modernizacja. Spójność społeczno-ekonomiczna. Vol. 2: Modernizacja (Polish economy 1990–2011. Transformation. Modernisation. The road to economic and social cohesion. Vol. 2: Modernisation) (pp. 77–115). Warsaw: Wydawnictwo Naukowe PWN.
- Bal-Woźniak, T. (2013). O potrzebie wykorzystywania nowych form koordynacji współpracy w zarządzaniu innowacyjnością (On the need to use new forms of coordination of cooperation for management of innovativeness). Nierówności Społeczne a Wzrost gospodarczy, 30, 404–423.
- Barber, B. R. (2007). Consumed. How markets corrupt children, infantilize adults, and swallow citizens whole. New York: W. W. Norton & Company.
- Buchanan, J. M. (1967). *Public finance in democratic process: Fiscal institutions and the individual choice*. Chapel Hill: University of North Carolina Press.
- Castells, M. (1998). The information age: Economy, society and culture. Vol. 3: End of millennium. Malden: Blackwell.
- CEC. (2001). Green paper. Promoting a European framework for corporate social responsibility. COM(2001), 366 final. http://eur-lex.europa.eu/LexUriServ/site/en/com/2001/com2001\_0366en01. pdf. Accessed 14 Jan 2014.
- Dembinski, P. H. (2008). Finance serevante on finance trompeuse? Paris: Desclee de Browuer.
- Edvinsson, L., & Malone, M. S. (1997). Intellectual capital. London: Piotkus.
- Elkington, J. (1997). *Cannibals with forks: The triple bottom line of 21st century business*. Oxford: Capstone Publishing.
- Fukuyama, F. (1995). *Trust: The social virtues and the creation of prosperity*. New York: Free Press. Griseri, P., & Seppala, N. (2010). *Business ethics and corporate social responsibility*. Hampshire:
- Griseri, P., & Seppala, N. (2010). Business ethics and corporate social responsibility. Hampshire: Cengage.
- Harrison, L. E., & Hungtington, S. P. (Eds.). (2000). *Culture matters: How values shape human progress*. New York: Basic Books.
- Haugen, R. A. (1995). *The new finance: The case against efficient markets*. Englewood Cliffs: Prentice Hall.
- Hausner, J. (2007). Ekonomia społeczna jako sektor gospodarki (The social economy as a sector of the economy). *Ekonomia Społeczna*, *I*(1), 9–14.
- Hohnen, P., & Potts, J. (2007). Corporate social responsibility: An implementation guide for business. Manitoba: International Institute for Sustainable Development.
- Horx, M. (2002). Die acht Sphalren der Zukunft: Ein Wegweiser in die Kultur des 21. Jahrhunderts (The eight spheres of the future: A guide to the culture of the 21st century). Wien: Signum.
- Kahneman, D. (2011). Thinking, fast and slow. New York: Farrar, Straus & Giroux.

Lee, C. J., & Andrade, E. B. (2011). Fear, social projection, and financial decision making. *Journal of Marketing Research*, 48, 121–129.

- Lewis, O. (1975). Five families; Mexican case studies in the culture of poverty. New York: Basic Books.
- Lozano, R. (2011). Addressing stakeholder and better contributing to sustainability through game theory. *The Journal of Corporate Citizenship*, 43, 45–62.
- Olson, M. (1965). The logic of collective action. Cambridge: Harvard University Press.
- O'Riordan, L., & Fairbrass, J. (2008). Corporate social responsibility (CSR): Models and theories in stakeholder dialogue. *Journal of Business Ethics*, 83(4), 745–758.
- Owen, R., Bessant, J., & Heintz, M. (Eds.). (2013). Responsibility innovation. Managing the responsible emergence of science and innovation in society. Chichester: Wiley.
- Polanyi, K. (1944). The great transformation. The political and economic origins of our times. Boston: Beacon Press.
- Porter, M. E. (1998). On competition. Cambridge: Harvard University Press.
- Postman, N. (1992). Technopoly: The surrender of culture to technology. New York: Vintage Books.
- Rawls, J. (1971). A theory of justice. Cambridge: Harvard University Press.
- Rodrik, D. (2007). One economics, many recipes, globalization, institutions, and economic growth. Princeton: Princeton University Press.
- Shiller, R. J. (2000). Irrational exuberance. Princeton: Princeton University Press.
- Shleifer, A. (2000). *Inefficient markets: An introduction to behavioral finance*. Oxford: Oxford University Press.
- Standing, G. (2011). The precariat: The new dangerous class. New York: Bloomsbury.
- Stiglitz, J. E. (2006). Making globalization work. New York: W. W. Norton & Company.
- Stiglitz, J. E., Sen, A., & Fitoussi, J. P. (2010). Mismeasuring our lives. New York: The New Press.
- Wielecki, K. (2003). Podmiotowość w dobie kryzysu postmodernizmu. Między indywidualizmem a kolektywizmem (The subjectivity in the crisis of postmodernism. Between individualism and collectivism). Warsaw: Centre for Europe University of Warsaw.
- Williamson, J. (1990). What Washington means by policy reform. In J. Williamson (Ed.), *Latin American adjustment: How much has happened?* (pp. 5–20). Washington, DC: Institute for International Economics.
- World Bank. (2009). *Reshaping economic geography. World development report 2009*. Washington, DC: World Bank.
- Woźniak, M. G. (2013a). Paradoxes in the development of human capital and economic convergence. In D. Lukianenko, V. Chuzhikov, & M. G. Woźniak (Eds.), *Convergence and divergence in Europe: Polish and Ukrainian cases* (pp. 157–180). Kyiv: National Economic University KNEU.
- Woźniak, M. G. (2013b). Holistyczna modernizacja refleksyjna kapitału ludzkiego odpowiedzią na wyzwania i zagrożenia rozwojowe współczesnej fali globalizacji (Holistic reflexive modernization of human capital in response to the challenges and risks development of modern wave of globalization). In M. G. Woźniak (Ed.), Gospodarka Polski 1990–2011. Transformacja. Modernizacja. Droga do spójności społeczno-ekonomicznej. Vol. 3: Droga do spójności społeczno-ekonomicznej (Polish economy 1990–2011. Transformation. Modernisation. The road to economic and social cohesion. Vol. 3: The road to economic and social cohesion) (pp. 191–230). Warsaw: Wydawnictwo Naukowe PWN.