

## PROFIT AND THE BIO-ENVIRONMENT - EDUCATION

### Professor Jan Morovic

President  
City University Bratislava  
Slovak Republic

Profit is the difference between a company's income and its costs. We call it profit only if the income exceeds the cost of doing business. Profit can also be referred to as added value, which is defined as the worth of a company's products, after subtracting the cost of materials purchased (Parkin, 1990). In the strict economic sense, profit is the financial sum remaining after debts to other companies and taxes have been paid. This profit can then be used for various purposes, in accordance with the company's financial goals for the future, as well as their corresponding executive decisions. We can also define profit on a larger scale with regard to, not only corporate economic development but, also non-economic activities such as health, environmental protection and social activities (Figure 1).

Profit can positively contribute towards the preservation of bios (life) but, it is often difficult to precisely define specific activities. Can we define the part that technology plays in inducing negative mutations in genetic material? Can we accurately define the influence that technology has on the decrease in human fertility observed in certain regions? On a more positive note, can we completely express the influence that a more environmentally-friendly industry can have on the environment? As we ask these questions, we must expect businesses to answer and, if necessary, to defend their technology. In some cases, we may require proof that a certain technology is not responsible for deleterious genetic effects and does not cause fertility problems. If a company affirms these facts, then they must be prepared to prove them. The burden of proof falls upon the business. The clear fact is that the global environmental condition is worsening and we have to determine who is contributing to this serious situation and in what way. If an industry has destroyed any part of the environment, they should be willing to confess and repair the damage.

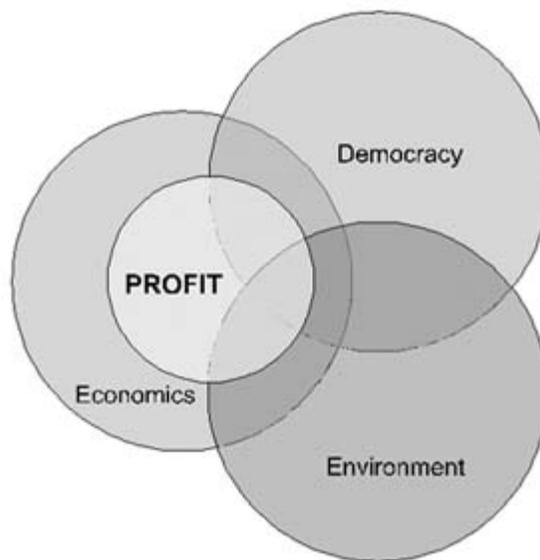


Figure 1

### Basic Rules of Democracy

Finding a rational solution for these relevant questions, will require a complete analysis of the environmental damage, and an investigation of each technology with regard to its contribution, followed by the enactment of a legislative recourse. Another approach might be to predict the basic rules of democracy in accordance with the social doctrine. All people of good will are willing to respect the system of democracy, which, as a building stone, will then determine the whole society. Only in this way, can democracy work as a political system. Therefore, the social doctrine emphasises three fundamental rules for a democratically organised society: the economic law, the social law and the ethical law.

The Economic Law of Democracy: Christian doctrine does not have its own economic system. Based on its view of society and on a concrete economy, it offers socially joined ownership, free labour established on knowledge and consensus, market and profile arising achievement, and an incorporation of the economic process into the requirements of collective welfare. At the same time, it is necessary to accept the fact

that the economy is not just a "State affair" but a matter concerning all responsible people and social groups. The first democratic division is realised within the market which supplies, at first, people who are "barter-partners." It is necessary to respect that there are people in society who are not barter-partners and also individuals who do not have the ability to be, such as children, the ill or the disabled. There are certain needs which the market cannot accommodate - educational systems, health services, social security, and others. Satisfaction of these needs is the role of the second democratic division. Democracy, which does not include self-responsibility and responsibility for others, is only an apparent democracy.

The Social Law of Democracy: Economy is only one aspect and dimension of human life. If production and consumption are in the centre of social life, then we should look for other values in the socio-cultural system of society.

The Ethical Law of Democracy: The Christian social doctrine does not deny the function of market mechanisms but claims that rules of income and cost have been deformed by monopolies and by the power of capital. It also considers the possibility that democracy has been abused by the tendency for dictatorship. The question of whether current economic and political mechanisms are good enough or, whether ethics and solidarity are an important precondition for a market economy and democracy, arises again. History provides ample arguments demonstrating that democracy without values is easily changed to an open or hidden totality (Johannes Schasching, Bratislavské listy è. 8, 1992).

### **Profit, Production and the Bio-Environment**

Profit is a category of economics that guarantees safe corporate existence and development. That is why profit is a necessary fact of business. For the past 200 years, industrialised society has abused profit and has negatively taxed the environment to such an extent, that today, the whole planet is in danger. With each second that goes by, 3000 m<sup>2</sup> of forest on the planet and 1000 tons of soil are destroyed. The burning of fossil fuels releases six billion tons (6x10<sup>9</sup>) of carbon per year in the atmosphere and, the amount of atmospheric CO<sub>2</sub> has been risen by 40% for the last 250 years, reaching a peak during the last 160 years (the value is 350 PPM). These industrial activities have caused severe climatic changes during the last 100 years.

If current evolutionary trends in population growth, agricultural and industrial production, exploitation of natural resources and destruction of nature continue at the present pace, we can expect the following developments:

The number of natural resource reserves will drop and mining will become more expensive. There will be higher demands on energy and its utilisation will cause greater environmental pollution. Decrease of raw material sources will cause further decrease in industrial products and food. Human nature brings on the desire for improved living conditions and higher nutritional standards. If current trends do not change, sooner or later, civilisation will decline. Starvation, a polluted environment, lower resistance against infections and other similar problems will be contributing factors. Humans have their aggression, egoism, irresponsibility and power as their own enemy.<sup>3</sup> There is a chance to override this circuit, only if we stop current developmental trends. People have to change their way of thinking and behaving (Figure 2).

We must stabilise the human population and stop the annihilation of natural resources and the destruction of the environment. These problems should not be passed on to the next generations.



Re-investment Social Sphere Environment

**Figure 2**

Today, the view that company profit and care for the environment are opposites, is not a valid assumption. Corporate managers should realise that a company's image, regarding the environment, plays a more important role, especially in Western countries. Producers who act irresponsibly towards the environment will be pushed out of the market because a civilised society will refuse to buy their products. The German Ministry of Environment states that approximately 70% of consumers are only buying products from companies showing concern for the environment. In 1987, Western consumers refused to buy cleaning products which contained phosphates and a few years later, products

containing CFC's. In the 1990's, even such giant companies as Coca-Cola or Pepsi had to revert to using glass bottles, instead of tins or plastic bottles. Nestlé Company spent DM 100 million on environmental protection during the 1980's and in the early 1990's.

Companies that are generating profit should, in the future, apply environmentally-friendly manufacturing processes, research and use technology, that does not increase pollution, and manufacture products which, during their use, and after their liquidation, will be safe for the environment. This will be necessary, not only for a company's corporate image but also because there will be severe legislative measures taken against violators, including increasing charges for waste liquidation of materials and energy. Extensive charges for waste liquidation and for interference with the environment, has been enacted in Germany, Austria, Switzerland and other countries. The priority is to gain agreement between industrial regulations and the laws of nature (Figure 3).

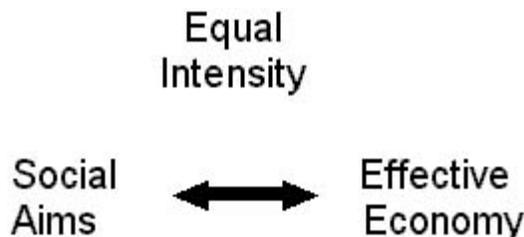


Figure 3

### City University Bratislava

Our purpose, is to create a connection between the ethical and the economic rules of society which can be controlled by law. The principle is that society accepts and respects those rules which are first explained and then supported by law, rather than those which are enforced by legislation without any preceding discussion. City University Bratislava (CUB) is an institution specialising in adult education, using the system of distance learning. It helps managers to become more effective and to reach higher profits; it helps environmentalists to focus on the real demands of the environment today. The aim of the educational activities of CUB is to show managers and environmentalists how to co-operate, in order to generate profit with a minimal negative impact on the environment. The goal is to guarantee that both profit and environmental safety receive equal attention. Within this framework, the following courses have been developed:

- Course "UZC 206 Environment": "UZC 206 Environment" is an interdisciplinary course focusing on information concerning natural sciences and techniques in the fields of mining, metallurgical, chemical, agricultural and power-supply management. It is a course geared towards the technologies of the above-mentioned industrial branches. The main idea is the sustainable development of life and society. The program has been designed mainly for middle and top management of the above-mentioned industrial branches, as well as for those interested in the issue of sustainable development.
- Course "Environment: The Image of the Company": When economically analysing industrial corporations, as well as smaller companies, the problem concerning the impact of production on the environment, is constantly being raised. This issue is usually considered because of the legislation of developed industrialised countries, as well as because of corporate need to build good public relations. It is estimated, that in the next 10 years, Western companies with a poor environmental image will not survive.
- Course "Sustainable Development": The course offers a detailed analysis of the concept of "sustainable development," which often occurs in environmental texts. After completion of this course, each student is able to defend this concept on the basis of environmental, technological and legislative interdependencies.
- Course "Urban Environment": The course deals with the question of urban environment, behaviourism and social issues, from both a historical point of view and modern urban planning. That is why this course contains appropriate study material for those who work in the field of administration and planned development of cities and suburbs.
- Adaptations to Slovak Conditions: Study materials include case studies from all over the world. Four handbooks have been developed and adapted to familiarise the Slovak student with local problems. Such issues as, Slovak nuclear power stations, agriculture, regional problems of the Upper Nitra, the role of Slovakia in global warming and other similar topics, are discussed. The aim, of the adapted handbooks, is to familiarise students with the environmental problems of Central Europe.
- In February 1996, Course DT 210 EPIC - Environmental Policy in an International Context will be introduced. This course deals with human and legal sciences, providing information about the development, creation and practical application of environmental legislation in Europe. The interrelationships among human dignity, respect and protection of the environment will be addressed (Figure 4). The project has been designed for top management of production organisations and agricultural companies, as well as, for all the employees of the public and State administration. Graduates will obtain a post-graduate diploma awarded by the British Open University. CUB students can take the course without interrupting their work. The Foundation can provide financial aid for chosen applicants who qualify for it. An entrance examination is not required.

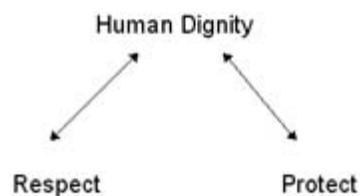


Figure 4

## Conclusion

Today, more than ever, we must consider the influence of industrial production on the environment. It remains a fact that the global environmental conditions are getting worse. To avoid the destruction of Nature, the attitude towards nature and the bio-environment must be changed. People have to change their way of thinking and behaving. Companies have to change their strategy from profit-making to profit-sharing.

## References

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**Jan Morovic** is President of City University Bratislava and Vice Chairman of the Slovak Agricultural Commission. He is also member of the Committee for Planning and Budgeting, the Presidium of the Interparliamentary Union of the Chamber of Peoples and Nations, and the Federal Assembly of the Czech and Slovak Republic. His research focuses on applied cybernetics, computer networking and agricultural modelling. His many publications include Growing Interdependence of the World Food Economy: A 20 Year Perspective, presented at the XIX International Conference of Agricultural Economists, in 1985.