

Social generativity: A new assessment of the contribution of business to the common good

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Abstract

This paper proposes the concept of “social generativity” as a new framework through which to assess the contribution of business to the common good.

The psychologist Erik Erikson coined the term “generativity” to describe the stage of maturity in psycho-social development, when one can make commitments even to future generations. Today, the short-term consumerist mindset enshrined in all our institutions—not only commercial and economic ones but also education, health, politics, science, and religion—leaves us mired in a kind of sociological adolescence. The economic and social crises of our times point to an urgent need to envision a future beyond consumer society for the sake of the common good. Business leaders such as McKinsey’s Dominic Barton have underscored the urgent need for firms to move from the predominant focus on quarterly performance measures to longer time scales. What would a transition to generative maturity in our commercial institutions look like?

Such questions have motivated our desire to investigate enterprises that suggest an alternative way forward, particularly in Italy, which is still reeling from the crisis of 2008. Using ethnographic observation, interviews, and life histories, our research team has assembled an archive of more than 100 case studies of organizations that exhibit key traits from the existing psychological literature on generativity. In doing so, we have uncovered three dimensions of a generative logic of action: authorization; inter-temporality; and exemplarity.

The paper will discuss these three concepts and illustrate them by drawing on case studies of firms such as the Loccioni Group, Brunello Cucinelli, and 24Bottles. By thus developing the concept of social generativity, this paper will discuss the relationship of this approach to Catholic Social Thought and to understanding the relationship between business and the common good more broadly.