



ETHICAL VALUES AND SUSTAINABLE DEVELOPMENT: LITHUANIAN EXPERIENCE IN THE CONTEXT OF GLOBALISATION

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Abstract. The article overviews the ethical aspects of sustainable development in Lithuania under the conditions of globalisation. With reference to the accumulated theoretical and practical material, evaluating the principles of a sustainable development implementation and the systems of ethical behaviour, further development perspectives of sustainable development on the ethical plane in Lithuania are analysed. Spirituality plays a very important role because unique values and value orientations existing in every culture influence the worldview and life perception of members of the culture. The modern, dynamic lifetime determines rapid cultural changes and many-sided influence of one culture on another and has significant impact on implementation of sustainable development principles in Lithuania.

Keywords: sustainable development, ethics, spirituality, value orientations.

1. Introduction

The concept of sustainable development is the most popular concept of economic development today. In this concept two immediate *aims* are related: a) *to ensure the proper, safe, good life for all people* – this is the aim of development, and b) *to live and work according to the biophysical boundaries of the environment* – this is the aim of sustainability. These two

aims may seem contradictory, but still they can be achieved simultaneously. Additionally, there emerges an *ethical* necessity for the insurance of opportunities for the future generations, which would be analogous to those used by earlier generations. The ethical necessity alongside the scientific certitude and the motives of long term pragmatic selfishness is treated as the *normative* basis for the sustainable development and allows approaching the sustainable development ethics as a new ethics (Čiegis 2004).

Fast economic development does not conflict with environmental and social dimensions of a sustainable development but, on the contrary, creates strong precondition for the reduction of income inequality, poverty and negative impact on environment. Factors that need to accompany the high-quality growth fall within the scope of ethical dimension of sustainable development: scrutiny of public expenditures with respect to its social and environmental impacts, a careful evaluation of macroeconomic policies for their environmental and social impacts and promoting corporate social responsibility in the country.

The transition economies form the specific group of countries passing difficult and challenging transformation processes. Moreover, in transition economies cultural ethical factors do not transform that quickly as economic or political ones. Though ethics institutionalisation still has not reached desirable levels in transition economies, including Lithuania, positive changes can be revealed in this field mainly from the occurrence of ethical policy tools helping achieve efficiently high quality of growth.

The article aims at analysing sustainable development emphasising the importance of the ethical factor in the context of globalisation. The experience of Lithuania in implementation of sustainable development is analysed and guiding principles for promoting sustainable energy development in Lithuania are formulated.

The objectives for achieving the stated aim are as follows:

- to reveal the importance of ecological ethics in the management of sustainable development;
- to review the relationship between spirituality and ecology in the contemporary world and impact of globalisation on a sustainable development;
- to analyse the role of ethics and ethical tools in implementation of a sustainable development in Lithuania and
- to develop a proposal for the implementation of ethical tools to enhance sustainable development in Lithuania.

The methods applied in the article encompass the systemic science fiction analysis, general and logical analysis, comparative and generalisation methods.

2. Discussion

2.1. Ethics, spirituality and sustainable development

The quality of the environment greatly depends on ethical attitudes, ecological conscience and moral responsibility for the economic performance (Kothari 1994).

The outcome of conflict between man and nature is the global ecological-moral-social crisis that has become one of the most crucial problems in the world requiring urgent solving. Man is no longer richer in anything else but in means of self-destruction. At present mankind

has become extremely meagre from the viewpoint of morality, values that can save the Self and Nature. Man must overcome his internal chaos, suppress his primary instincts and harmonise his internal life.

The philosophy of sustainable development emphasises the priority of values characteristic to all people. According to this philosophy, the preservation of nature is the common and most important aim of the whole humanity. It urges us to stop exploiting nature and start cooperating with the surrounding beauty and the beauty that is inside all of us. We should implant the perception that the holistic view encompassing anthropology, ethics and philosophy and emphasising Man, Morality and Wisdom is the highest security system of mankind and nature (Statkevičius 1990; 1992).

However, many important decisions in the transition economies regarding economic development are taken without paying enough attention to their implications on the main dimensions of a sustainable development.

Converging trends over the last decade have shaped a very different business environment for the coming decade. This has implications for where and how business invests, what defines shareholder value and what constitutes risk. Communities frequently resort to negotiating directly with business to secure immediate benefits in education, housing and health – basic development rights, in return for ‘granting’ a ‘social license to operate’.

Successful public-private partnerships require mutually agreed objectives and targets, clearly defined roles and responsibilities (Gasparski, Ryan 1996). The experience with private provision of what was previously a public sector activity has generally been good with respect to the economic dimension of sustainability. In the environmental and social dimensions, the evidence is less clear but some progress on both these fronts may be indicated by strong public private partnerships emerged in several transition countries (Ulrich, Sarasin 1995).

2.2. The impact of globalisation

Globalisation is a severe challenge to the cultural identity and economy of national countries creating more new challenges to diverse societies, nations and cultures. World economy is becoming more integrated. Sudden opening has already become a prerequisite for the acceptance of open trade policy and liberalisation of finance and capital flows. This has increased international competition and accelerated the shift from national to global markets.

If a country liberalises trade, allows free flow of capital, facilitates conditions of migration, then it retains the possibility of being inside the process, enjoying the fruit of economic and technological progress and having conditions for political initiatives. It goes without saying, that the state wealth directly depends on the state of *sustainable development* and participation in international economic interchange observing the principles of ecological ethics.

The ability of local producers to compete and find a niche in the world commodity and labour market, the conformity of national laws and institutions on the international level stimulate a faster integration and sustainable development. Thus openness, competitiveness and ecological ethics are the crucial components for the successful and harmonious integration into the world economics.

Globalisation, however, can hardly be controlled. Its subjects are the greatest international corporations; its only driving force is economic rationality and profitability. The biggest advantage of globalisation is the economic progress and the greatest drawback is spontaneity and instability that any country and culture encounters.

The growth of economic interdependency has created a lot of fears that have great influence on both international relations and the relationship between man and nature. This is the fear for the negative impact of cheaper labour force abroad on investments or trade, the fear for the sudden flight of capital, for selling land to foreigners, ecological catastrophes etc.

An individual in the system of *Man and Nature*, especially in the post-communist countries, was considered, for a long time, an entirely closed “black box” (Kalenda 1998; 2002). Only information, instructions, orders, that is the data, words and actions of entrance were mainly analysed as the data of exit. The process in the “black box”, the inner world of an individual, his feelings were not important (probably this is the cause for the leading position of Lithuania in Europe according to the number of suicides). Such situation leads to distrust, inferiority and undesigned dismay. Technocratic attitude towards man did not stimulate self-expression and developed a perverted attitude towards an individual himself and his relationship to nature (Parker 1993).

Many factors influence man in the context of globalisation. They change his world-view, motives of behaviour, value orientations and spiritual world. Modern means of communication have forwarded the flow of information, its presentation, widened economic and cultural relations and linked human activities. Living standards and working conditions have been improved, comfort has appeared. Due to such rapid overall evolution in all spheres of life the relationship between man and nature and his way of life has changed, which absolutely affected the state of his organism.

A rather streamline attitude towards the relation of “Man and Nature” prevails in the present society. Very important priorities of human values are virtually devalued. Humanistic, existential and transpersonal approaches to psychology are looking for unconventional ways of man and his value recognition rejecting the mechanical approach.

It is obvious that when globalisation is gathering pace, economic relations and the scope of environmental problems are spreading, attitudes of sustainable development ideologies could be realised only by invoking international efforts. In 2002 the leading persons of the world gathered in Rio de Janeiro to legitimise sustainable development as the main long-term ideology of the society development (Brown 1994). The international community is reinforcing this role of corporate responsibility through development of codes of conduct to guide business as global corporate citizens. At the operational level, there are various interpretations of human rights law in the form of voluntary initiatives and accreditation schemes, such as the Global Compact, Social Responsible Investing (Harries 1995), Ethical Trading Initiative, Social managements systems (SA 8000), sectoral and company codes (Enderle 1999).

3. Challenges to Lithuania

3.1. Corporate social responsibility

In transition economies cultural ethical factors do not transform quickly as economic or political ones. The change of the former depends on a society which has certain behaviour

modes and their appraisal, general cultural orientations, stereotypes, norms, principles, ways of thinking, speaking. This tendency is especially obvious in closed societies. And post-socialist societies, including Lithuania, belonged to this type. Therefore new phenomena and their implementation often conflict with the dominating moral norms and attitudes as they contradict traditional stereotypes. Quite often, polemics about values and their change determine negative appraisals of democratic economic reforms.

Elimination of certain stereotypes and moral myths which obstruct market development is particularly difficult and time consuming. Low trust in society, the gap between what people declare as being right and how they actually behave, unwillingness to integrate theories into practice, unawareness of functional roles, lack of objective criteria in performance appraisal determine dysfunctions in business relations and pathologies of organisational behaviour. Lack of ethics in organisation management resulted in conflicts of interest, various forms of discrimination, nepotism, bribery etc.

Changes in economic life, especially change in property subject, establishment of market relations, form a new social structure, determine new types of activity, life style, forms. Changes in social actors also take place: new interrelations among people and new social roles appear, their status and priorities become dynamic. All these factors encourage to morally reason innovative processes in social activities, change attitudes to social phenomena.

It is characteristic of the countries of the former Soviet Union and that of Eastern Europe after the decades of communist rule, that there are no traditions of private business activity with attendant relations and their continuity in terms of business ethics. The reforms in these countries demand ethical reasoning of market relations. In fact, the first mission of business ethics in post-communist countries is the moral apology of capitalism, since the new realities and established order may be recognised and observed only if regarded as core value in most parts of a society (Skolimowski 1990).

At the moment it is easy to reveal still unpropitious business environments in Lithuania (imperfect legislation, irrational tax system, unsound restrictions for private business along with obvious protectionism towards unprofitable state enterprises, corruption), definite negative attitude of a reasonable part of common people and many governmental/public institutions to the very private business and free market principles. As a result, the norms and concepts of business ethics, widely recognised in modern developed countries are whilst not valid in most spheres of social and economical life of Lithuania (Vasiljeviene, Jeurissen 2001).

In everyday consciousness of common people there still exists a strong belief that business and morals, democratic freedoms and order are incompatible things. Transition period in economical and social life of many post-communist societies determines inevitable transformation of morals, and this process is often perceived in mass consciousness as some degradation of customs. It creates illusions of moral and legal nihilism, uselessness of ethics in practice and its withering away from social and business life. This results in ignoring elementary dignity in business relations, which, in turn, has a negative influence upon business environment, economic development and social stability.

Difficulties in forming business ethical norms arise nowadays since the life in the time of communist rule trained people to take morality (because of irrational essence of the very “communist morality” – the only one within decades) as some fake, a sort of scenery, which does not bind somebody to stick to these norms in business activities. Contrary to developed

foreign countries, in which there are plenty of companies with their codes of ethics and ethics officers, specialised firms engaged in ethical audit, this subject both in Lithuania and in many countries of Eastern Europe has not come into the question yet. Though we can mention organisations that have adopted codes of ethics, such facts are rather exceptions to the rule. In many cases even existing codes remain formalities, pure prescriptions, ideals of proper conduct without a proper enforcement. Periodical scandals in mass media, numerous facts of corruption both in Lithuanian society and throughout the former USSR graphically display ignorance of ethics norms in all structures of a society.

Having become independent subjects of international economical relations, the countries of ex-USSR simultaneously became participants of a rationally arranged order of business activities. In many cases this order includes strong adherence of foreign firms and international corporations to the norms of business conduct as well. All the companies, which are planning to run their businesses and make investments in former communist countries, are anxious about security and reliability of this new business space. However, they often face the necessity to improve current business environment.

Long observation of different foreign businesses and available in Lithuania facts show that business people and companies from different foreign countries, which are perfectly well aware of norms of business ethics in their countries and follow them, may run their business in Lithuania in the most indecent manner (eg tolerance or acceptance of corruption as a norm of business conduct, ignoring interests of local communities, illegal payments) and such unethical (if not bordering on illegal one) business conduct in local conditions can just reveal what is “invisible”(or hidden under the mask of dignity) in a businessman in his native country. Recent facts available in the regions of ex-USSR testify that social responsibility of some international corporations is valid only in their home country, but it does not take such factors into consideration in host countries. There are some cases, when the international companies use the whole set of dishonourable means in order to force governmental structures in the host country to change local laws, that are not favourable for the company (Vasiljeviene 2001).

On the other hand, any good intentions of transnational corporations with the best ethical reputation, good will of foreign governments or international organisations to share their experience, to assist in resolution of development problems in some post-communist country like Lithuania become futile (groundless waste of funds, time and labour forces) due to unprepared ground (Vasiljeviene 2000).

However, situation with business ethics is slightly changing in Lithuania. Positive changes in this field can be revealed in the development of ethical policy tools in Lithuania.

3.2. Ethical policy tools to promote sustainable development

The main trend in modern social and environmental policies aiming at society sustainable development management is switching from administrative instruments to economic and ethical tools of social and environmental regulation: environmental and ethical labelling standardised social and environmental management systems (ISO 14000, SA 8000), ethical codes and voluntary initiatives (Rinkevičius 2000a; 2000b).

Quality, environmental and social management systems help implement 3 dimensions of sustainability in production. The main standardised management systems are the following:

environmental management system ISO 14001, social management system SA 8000 and quality management system ISO 9000.

The ISO 14000 elements provide a framework for managing and continually improving their environmental programmes. SA8000, or “Social Accountability 8000” covers all the major labour rights issues contained in International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. It also acknowledges the importance of compliance with locally applicable laws.

Standardised quality management systems are very popular in Lithuania. Environmental management systems have been implemented in more than 100 organisations and SA 8000 was implemented in only company “Utenos trikotažas”. There were 45 companies in Lithuania in 2007 which have signed Global compact and have implemented the corporate social responsibility.

The labelling of goods with environmental, ethical and social trade marks allows to evaluate and compare the environmental impact and other social and ethnical aspects of these goods and to select goods which satisfy their demand for goods produced by sustainable production patterns. Environmental labelling programmes are very popular in West European countries. Blue Angel trade mark was created in Germany in 1978. North Swan label was created in Nordic countries in 1989. European flower was created in European Union in 1991. In Lithuania also environmental label “Lily” was created in 1996, but still no one product has got it. New label – natural Lithuanian product was recently developed in Lithuania. It indicates that the product is made by organic farming and is clean and healthy.

Other type of ethical tools - ethics codes are the means for business to optimise performance (Vasiljeviene 2000). Codes create an elementary order, clarity in relations, which is very important to Lithuanian society with a low trust level, aggressive market relations, lack of the rule of law and compliance to norms.

Today ethics institutionalisation still has not reached desirable levels and is not used adequately to improve human capital in Lithuanian organisations. However, new tendencies are arising in Lithuania. A conducted analysis (Vasiljeviene, Jeurissen 2002). indicated that 9 % of the 1000 business enterprises interviewed have codes of conduct in their organisations and the number of implemented ethics codes is increasing.

The main directions seeking to enhance sustainable development in Lithuania are information awareness rising in society and education. This will help develop positive social attitudes towards sustainable development and enhance implementation of corporate social responsibility in Lithuania. Just the society can ensure that social responsible business is a profitable business.

4. Conclusions

1. Sustainability is the normative ethical principle for a further development of the society, that's speaks not about how it is, but about what it should be. The morality is becoming the crucial factor of the society and responsibility for the people around;
2. Fast economic development does not conflict with environmental and social dimensions of sustainable development, but, on the contrary, creates a strong precondition for the reduction of income inequality, poverty and a negative impact on environment.

3. In the context of globalisation attitudes of sustainable development, ideologies could be realised only by invoking international efforts and The World Summit in 2002 legitimised the sustainable development as the main long-term ideology of the social development.
4. The transition economies form the specific group of countries passing difficult and challenging transformation processes. Moreover, in these economies cultural ethical factors do not transform as quickly as economic or political ones.
5. Today ethics institutionalisation still has not reached desirable levels in Lithuania. However, new tendencies are arising in Lithuania because business companies are forced to change their attitudes towards implementation of ethical standards seeking to compete efficiently on internal EU markets. Positive changes in this field can be also revealed from the development and implementation of ethical policy tools in Lithuania.
6. The main directions for implementing the sustainable development in Lithuania are information dissemination and awareness rising in the society, strengthening the public-private partnership and implementing the ethical voluntary tools.

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ETINĖS VERTYBĖS IR DARNUS VYSTYMASIS: LIETUVOS PATIRTIS GLOBALIZACIJOS KONTEKSTE

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Santrauka

Straipsnyje apžvelgiami etiniai darnaus vystymosi aspektai Lietuvoje globalizacijos kontekste. Remiantis surinkta teorine ir empirine medžiaga, vertinančia darnaus vystymosi principų įgyvendinimą etiniu aspektu, pateikiamos tų principų įdiegimo Lietuvoje gairės, paremtos etinėmis vertybėmis ir dvasingumu. Dvasingumas čia atlieka iš tiesų svarbų vaidmenį, nes unikalios vertybės ir vertybinės orientacijos, būdingos tam tikroms kultūroms, daro įtaką visuomenės narių pasaulio ir gyvenimo suvokimui. Modernus ir dinamiškas šiuolaikinis gyvenimas lemia sparčius kultūros pokyčius ir stiprina vienu kultūrų įtaką kitoms.

Reikšminiai žodžiai: darnus vystymasis, etika, dvasingumas, vertybės.

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