

1 Introduction

Aidan Rankin

I adore so greatly the principles of the Jain religion that I would like to be reborn in a Jain community.

Attributed to George Bernard Shaw (1856–1950), playwright, thinker and co-founder of the London School of Economics and Political Science

Rationale

The philosophy, faith and way of life of the Jains has been known to the world for many centuries through cross-cultural encounters ranging from travellers' tales to the translation of texts to the experience of western colonialism and its aftermath. With the impetus of colonialism, trade and social change, Jain communities have expanded from their Indian base to many other regions of the world, East Africa in particular, but also South-East Asia and more recently Europe, North America and Australia. Nonetheless, with the exception of a relatively small community of scholars, knowledge of Jain culture is patchy outside the Indian sphere of influence. It is even limited within India itself, although Mahatma Gandhi (himself a Hindu) popularised many of Jainism's core precepts, such as the commitment to non-violence. Understanding of the Jains is hampered in part by stereotypes associated with their asceticism. From a global (and especially western) perspective, these can appear negative, although they are practised by a tiny fraction of the overall Jain population. Also, the bias of academic research and scholarship both in India and the west has inclined towards hermeneutics and history. Our purpose here is to redress the balance towards the practical implications of Jain philosophy for its adherents. We aim to show how an ancient spiritual tradition is adapted with imagination and flexibility to the challenges and creative opportunities of the modern world. Specifically, we explore the relationship between the spiritual lives of the Jains and an ethical system applied to business and finance that differs markedly from the prevailing western paradigm.

The literature on ethical finance is relatively sparse compared to the huge growth and influence of finance as an academic discipline equipped with scholars, professional bodies, university courses and learned journals. Despite the ethical groundings of the science of economics (see Chapter 2), the current

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emphasis tends towards a sense of ethical detachment in the name of an elusive 'objectivity'. With the notable exception of the growing body of literature on Islamic finance, the emphasis of most academic research leans towards current western philosophies. Often, an especially privileged position is accorded to themes associated with neo-liberal economics and other 'universalist' or 'value-free' approaches to financial and business management. This bias can appear especially acute to those who are approaching the discipline from the perspective and experience of non-western cultures.

There are, of course, exceptions, including some influential figures in this area of western academia. John Boatright's influential treatise on financial ethics (1999) seeks to apply concepts of reason and natural justice to the activities of financial services and markets. Robert J. Shiller of Yale University, a Nobel Laureate and leader in the field of financial studies expresses profound concerns about the current direction of global finance, arguing for an ethical sea change from neutrality and narrow self-interest towards social responsibility and investment in a 'good society'. Shiller examines the roles and responsibilities of professionals in the world of finance (and some aspects of modern finance theory) from the perspective of normative ethics: the quest for a framework based on moral properties which can be discerned and applied. However he does not examine the ideological limitations of much of finance theory, in particular its two-dimensional or mechanistic view of the individual and his or her economic interests and its failure to emphasise the importance of cultural diversity. These omissions make finance theory itself appear increasingly problematic (Frankfurter and McGoun 2002).

The 2008 global financial crash has inspired a number of books questioning the morality of modern finance (e.g. Das 2011; Santoro and Strauss 2013). Hendry (2013) develops a philosophical framework of normative ethics to analyse core financial activities such as lending and borrowing, trading and speculation. These works are not explicitly concerned with cultural approaches to financial ethics and nor do they consider non-western perspectives. The lack of diversity of thought and the trend towards conformity in financial studies is noted with regret by some observers, notably Gendron and Smith-Lacroix (2013). Many recent studies of ethical finance (again with the exception of analyses of Islamic banking) virtually ignore the role of faith-based philosophies in formulating approaches to economics. This is despite the well-known historical contributions of faith to financial ethics (Graeber 2014). Faith has often provided an ethical 'grounding' for business practice. In the context of Britain's Christian history, for example, we may consider the role of the Methodists, Quakers and Unitarians in ameliorating the effects of the industrial revolution, along with the provision of workers' housing and their promotion of educational and penal reform (Thompson 2013). We may also remember the role of devout Anglicans in opposing the slave trade and laying the foundations for a culture of human rights (Hague 2008). Such influences continue to exert a profound influence, direct and indirect, over a society that can appear predominantly secular in character. In a non-western society such as India (the home of Jain

philosophy and so an important focus of this study), faith retains an important role in directing or guiding the behaviour and choices of individuals and communities. Ideas that have cultural roots stretching back uninterruptedly over millennia are being reinterpreted in the modern context of a re-emerging global power.

Our book therefore aims to fill an important gap in current discussion of financial institutions and practices by drawing from a successful non-western system of values and practice: that of the Jains of India and the Indian Diaspora. At the same time, we seek to re-unite financial questions with broader cultural and ecological issues. The language of our book and many aspects of its subject matter might seem initially unfamiliar within this discipline and its academic allies. For example, the connection between financial and ecological concerns is an important feature of our analysis. This is because Jain culture does not compartmentalise areas of human activity or interest. It is at times explicitly critical of material accumulation and even economic growth when they are pursued as ends in themselves, without a social context. This inclusive and interdisciplinary perspective forms the core of our book's underlying philosophy.

Restraint and long-term thinking lie at the heart of what might reasonably be termed Jain economics. Crucially, the concept of 'society' extends beyond human communities to other species and ecosystems. This approach combines sustainable economics with prosperity, ecological responsibility with wealth creation. It also connects well with concerns, inspired by the environmental movement, that the conduct of economics has been too anthropocentric, i.e., human-centred. The results of this imbalanced thinking can be found, according to this argument, in pollution of the air, seas and soil on a global scale; the unplanned expansion of cities to the detriment of quality of life; as well as the unfolding crisis associated with climatic instability and the growing encroachment on the habitats of other species, threatening their survival and denying them the dignity they deserve. The green critique of anthropocentrism (Dobson 2007) is not identical to but converges with the Jain belief in the connectedness of all forms of life and the need for us to remember these connections in both our individual and collective decision making.

Whereas in emerging economies environmental problems such as pollution and deforestation induce greater material hardship, in the 'developed' world a sense of spiritual crisis or alienation often accompanies growing environmental awareness. Jain philosophy recognises an intimate link between spiritual practice and consciousness of the natural world. It reminds human beings that they are part of nature and not separated from it by their intelligence and inventiveness. Such separation is an illusion with dangerous psychological consequences, closely related to the consequences of excessive material accumulation without social responsibility. Environmental awareness is part of a Jain conception of social responsibility which demands, often quite rigorously, the avoidance of actions that increase inequality, pollute the environment or threaten other species and their habitats. The implications of this philosophy are, for its adherents, radical in the literal sense, for they require an

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examination of every action – and intention – from the roots upwards. For the conduct of business and finance, the effect is profound and offers a potent challenge.

The financial crisis of 2007–2008 has thrown into sharp relief the unpredictability of the neo-liberal model of capitalism, which has enjoyed political and intellectual hegemony for the past three decades. This model has encountered widespread criticism for its inability to redress inequality and is increasingly cited as a cause of widening social and economic disparities. It is sometimes dubbed ‘free market fundamentalism’, because it shares with extremist or iconoclastic expressions of religious faith a doctrinaire certainty and disregard for accumulated wisdom and cultural history. At the same time, the neo-liberal model is still perceived as the main engine of global wealth creation and its ideological hegemony remains unchallenged by countervailing forces of any power or substance. Even protest movements such as Occupy tend to present lists of single issues instead of an overarching critique. More theoretical studies of neo-liberalism (e.g. Klein 2008 and 2015; Standing 2014; Piketty 2014; Graeber 2014) have, despite their trenchant oppositional arguments, produced mostly incremental proposals for change rather than a counter-ideology. Graeber (2014), for example, argues that throughout history, culture and values have been at the centre of finance, although in the late modern era, they have been effectively stripped out of the discipline, with the qualitative approach giving way to a more abstract emphasis on quantification. Our book aims to move this argument on by drawing from the wisdom and experience of a long-established, non-western culture that has developed ways of understanding and practising finance sustainably and successfully.

Neo-liberalism’s ‘strange non-death’ (Crouch 2011) arises from the lack of a worldview such as that offered until recently by Marxism, which is no longer linked to an effective political movement spanning national frontiers, although its economic analysis remains pertinent and it is undergoing a process of intellectual renewal, not least in India (Bagchi and Chatterjee 2014). The future of Marxism as a political project is in flux. Meanwhile, social democratic parties and movements are undergoing a crisis of identity and purpose, scarcely able to navigate the economic turbulence unleashed by the neo-liberal ascendancy, the collapse of collective certainties and – in the west at least – the end of the industrial system as previously understood (Keating and McCrone 2015; Cramme and Diamond 2012). The terms ‘right’ and ‘left’ are increasingly anachronistic on a global level, and yet there remains in both the radical and conservative strands of political discourse an unspoken assumption that solutions are to be found within the familiar experience and intellectual traditions of the west. Our intention is to broaden the parameters of the discussion of global finance to examine a living non-western tradition that has proved durable and adaptable to the needs of a modern economy – and at least in theory is the polar opposite of fundamentalism. It has also had a vast record of sustained success in finance, dating back at least a thousand years. Jainism’s much vaunted commitment to ‘many-sidedness’ will be one of the principal

themes of the ensuing chapters because of its impact on the way business is perceived and conducted. In both theory and practice, Jain philosophy provides a compelling and comprehensive critique of the prevalent Eurocentric models. It offers an alternative way of thinking about the underlying purpose and social role of financial institutions, money and material possessions themselves. Moreover, Jain communities have a strong historical record of combining financial success with rigorous ethical standards.

An exercise in thinking

This book is at once an exercise in thinking and a cross-cultural encounter. It aims to shed light on an Indic tradition whose doctrines and practices remain little known and under-reported. The belief system in question, known as Jainism, moves freely across the boundaries between secular philosophy and religious faith, abstract thought and practical action, including the commercial activities in which Jains have been productively engaged for many centuries. Statements such as ‘Jainism is an Indian religion’, ‘Jainism is a philosophy’, ‘Jainism is a practical guide to modern living’ are all partial truths or aspects of the truth. As we shall see, the term ‘Jainism’ is not fully descriptive of what is simultaneously a worldview, a distinctive culture and a way of life, lived for the most part unobtrusively in India and the extensive Diaspora.

Multivalence is a key feature of Jain culture. Reality is said to have many facets, like a diamond. Objective knowledge can be attained by an infinite variety of methods and by following many paths. In practice, few if any of us get there. From a Jain perspective, the closer we believe we are to the truth, the further we are likely to be from it and the more likely we are to be deluded by ‘one-sided’ absolutism. For this reason, Jains attach great importance to ideas being constantly tested against each other and respect for the viewpoints of others. It is easy to confuse this way of thinking with a form of extreme relativism, whereby nothing is ‘true’ in an absolute sense, but all possibilities are open to investigation. Jains, however, adopt a more subtle position than this and regard extreme relativism as a form of human self-deception. For them, there is an underlying reality to the universe and our task as conscious beings is to understand it as far as possible, so that we can apply its principles to our lives.

Hence it is precisely because objective reality exists that we are obliged to explore as many competing ideas as possible in the hope of getting closer to it. The philosophical aspect of Jainism promotes scientific methods for understanding the environment, human psychology and social organisation. The religious aspect promotes meditation and detachment from worldly concerns so as to distinguish more clearly between what is real and what is illusory or superficial. Meanwhile the practical guidelines of Jain doctrine by which most adherents live from day to day are based on the pursuit of knowledge, educational attainment and professional success including, crucially, success in commercial activities and the material rewards this brings.

The aim of such accomplishments is twofold. First, the individual is encouraged to realise as much of his or her potential as possible. In one sense, Jainism is a highly individualistic system centred on spiritual liberation for each person, indeed for each being. However it is also highly focussed on the way each individual interacts with the community around him, the environment as well as the society of humankind. Therefore the second goal of the Jains' pursuit of academic and commercial achievement is that knowledge and material resources should be deployed for the benefit of the society as a whole. The definition of 'society' begins with the nuclear and extended family and then fans outwards to the whole human community, other species and the environment. The premise of wealth accumulation is that surplus wealth will be redistributed voluntarily. This form of social conscience underlies the practices of charitable giving and philanthropy that have become defining characteristics of Jain businesses and households. Wealth is defined inclusively to encompass knowledge, educational attainment or specialist skills, qualities held to be useless if not put to constructive use. Jains are enjoined to participate in educational programmes, both as participants and donors, and thus to challenge entrenched forms of ignorance and prejudice that hold back individuals and communities or damage environments. Scientific research is also highly prized, for there is no recognised dichotomy between religion and science, faith and reason.

This science of giving, or non-possessiveness, is known as *Aparigraha*. It is one of the vows made by lay men and women in Jain communities, and its relevance to business and finance is this book's unifying thread. Just as critical to an understanding of how practising Jains think and behave, in the context of business as much as other areas of life, is the awareness that each being has its own 'viewpoint' that is worthy of respect. This is the basis for one of the defining characteristics of this Indic philosophy: the practice of non-violence, or the avoidance as far as possible of any action that will injure others. The first of Jainism's vows, non-violence is predicated on the concept of interconnectedness of all life forms, which anticipates (although it is by no means identical to) the founding premises of ecological or green movements today. Non-violence, or more accurately the minimising of harm, is binding on commercial activities, as it is on the professions and crafts or the running of the household. Each business deal, each financial transaction, should be assessed in terms of its effects on others, including in some cases future generations. All life is interconnected, and so the concept of 'others' reaches beyond humanity to encompass animal and plant species and the environment as a whole. Although these injunctions are not always fully observed, they provide a rigorous backdrop against which commercial activities are played out.

For Jains, the speculative and philosophical, the faith-based and the practical or quotidian aspects of their tradition are part of a unified whole, the *Dharma*. The term *Dharma* means at once cosmic order, the structure and character of the universe and the codes of conduct or enlightened teachings that lead to spiritual liberation, equated by Jains with equanimity and objective knowledge.

Thus Dharma is both the goal and the path towards it. It is also the thread that connects all areas of life and thought. An essential feature of the Jain way of life is its emphasis on balance. The individual is sovereign and so ultimately in charge of and responsible for his or her own spiritual progress and personal destiny. Yet this perspective is extremely far from *laissez faire* individualism, as it imposes obligations on individuals that increase in relation to their education, wealth and experience of life. A creative tension exists between individual and society. Self-interest is identified, ultimately, with the collective interests, just as 'self-conquest', the overcoming of personal and attachments, is viewed as the realisation of the 'true' or original self: the return to a point of origin. A similar balance is identified between continuity and change, equally important principles which interact continuously in the universe and our individual lives:

Reality does not admit of absolute predication, but is characterized by appearance and nonappearance in the midst of permanence. One can speak neither of an absolutely unchanging permanence [in Jainism] nor of absolute change without permanence. The reality, however, maintains its identity and permanence although it expresses itself in multiple forms. ... [as] unity in multiplicity

(Prabhavananda 1979: p.167)

With considerable scientific foresight, Jains have for millennia understood the universe as cyclical in nature, alternating between long periods of expansion and contraction. This perception gives rise to a blueprint for the life of an individual as a cyclical pattern in which achievement and activity yield to renunciation and contemplation. A large part of the latter phase revolves around the divestment of possessions to the next generation or to charity and the retreat into simpler forms of living. Progress is also seen in cyclical terms, so that it includes regression to first principles or reinvention. This has an important bearing on commercial activity, for expansion is not automatically equated with advancement, as tends to be the case in the dominant business models. Instead, periods of consolidation and downsizing are often viewed as crucial to a firm's success and well-being. Downsizing, in this context, means returning to first principles rather than necessarily shedding employees. Often, these methods enable the firm to preserve its family and community ties and its values, as well as avoiding absorption in larger enterprises or the creation of impersonal bureaucracies that induce alienation and sclerosis. In this study, we shall see examples of Jain businesses that have chosen not to be listed on the stock market and have consciously avoided the corporate model, preferring the extended family closely linked to the wider Jain community. Sometimes, because of the spread of Jain settlement, these family ties cross continents.

The 'many-sided' tolerance of Jains accompanies a way of life that is, in many respects, quite rigorous and demanding. Jains are asked to adhere to a

worldview that puts them in a perpetual minority, whether in India or the many other parts of the world where they have settled. As such, they have survived through a process of simultaneous integration and retention of cultural practices and doctrines that differentiate them from surrounding populations. Far from segregating themselves, they play a full part in the economic, political and cultural lives of their surrounding communities. Historically, their bias has been towards skilled trades, accounting and finance and in the modern era medicine, law, pharmacy, dentistry, optometry as well as new areas of interest such as tourism and real estate. Commitment to non-injury means, for the most part, the avoidance of occupations directly involving armaments or anything that harms or destroys animal life. These restrictions, along with the high esteem accorded to education, have led Jains to concentrate their energies towards business, the professions and clerical work. There is also a tradition of activism for social justice and environmental protection, often carried out through practical projects rather than overtly political campaigns and often aided by the commercial sector.

At the same time as they maintain a unique and coherent philosophy and an often tightly knit community life, Jains often adopt – and adapt – aspects of the surrounding culture. Although non-theistic in the sense that they do not acknowledge a Supreme Being or First Cause, Jain communities frequently revere Hindu deities, which they view as representing aspects of the Dharma. Many Jains ‘look upon themselves as quite within the Hindu fold, and are so regarded by the main body of ... orthodox [Hindus]’ (Prabhavananda 1979: p.156). The diversity of beliefs conveniently classified as Hindu can include many of the tenets familiar to Jains. Non-injury or *Ahimsa*, the first Jain vow, is also deeply significant for most Hindus. It forms the core, for example, of Patanjali’s *Yoga Sutras* (c.400 CE), a work studied increasingly in the west. Hence the statement ‘I am a Jain, not a Hindu’ at times becomes problematic. Despite this ambivalence, Jains are also keen to assert that theirs is a distinctive religion and culture. They regard their faith as having evolved from the earliest Indic spiritual practices, which venerated nature as well as being in awe of its power and strength. The connections that bind all life together were sensed intuitively, while humanity’s dependence on and vulnerability to the rest of nature was reflected in a precarious everyday life. On these pre-literate foundations an edifice of reason, creative inquiry and scholarship has accumulated. The balance between reason and intuition is carefully maintained, with both assigned equal value and each holding the other in check.

The holistic emphasis of Jain culture means that activities are rarely viewed in isolation and the widespread western process of ‘compartmentalising’ is largely absent. This means that it is hard to view the commercial and financial sectors as discrete segments of Jain life. The motives that guide transactions are rarely exclusively commercial in character. Where they are, they are by no means invariably concerned with profit and expansion. Nonetheless, enterprises run by Jains have proved to be successful, durable and innovative. To examine the ethics behind them, it is necessary to consider concepts and practices that

at first glance do not appear to have much to do with business and finance. Or, to express this idea differently, we should be willing to engage with business plans that include the dispersal of wealth and (at some critical junctures) the avoidance of growth. Even when they become transnational, such businesses retain many of the features of small or medium-sized enterprises. In particular, they tend to give precedence to family ties and bonds of friendship over impersonal or (from a western point of view) objective processes.

Through their apparent preferences for family members, friends and immediate community, these enterprises challenge many of the assumptions of twenty-first century politics about equity and impartiality. Such practices also seem, at face value, to be incompatible with a wider social conscience. Defenders of Jain custom might point, with good cause to the strategies of survival adopted by minority populations. They might also cite, again convincingly, the discrepancies between the theory and practice of equal opportunity and meritocracy. Evidence from the actions and attitudes of Jain businesses points us towards a more complex conclusion. These businesses, it seems, make a direct link between valuing interpersonal relationships and their practical work for charities, including donations. The preservation of the 'human touch' in their business management, including their familial or informal relationships with the personnel, keeps the business grounded and provides a sense of perspective. Economic decisions remain affected by personal and long-term considerations rather than relying on short-term calculation. The character of the business is not considered separately from its commercial viability, but as integral to it. The concentration on personal relationships ensures that the enterprise remains a manageable size. Even when it expands or becomes transnational, it strives to maintain its founding characteristics and purposes. The needs of future generations are considered on a personal level, and these encompass the environment in which they live and the values they imbibe. For many of the businesspeople we, as authors, know well and have cited in our text, charitable giving is seen as an extension of provision for family and immediate community. The sense of connectedness spans outwards in a ripple effect.

Jain commercial methods and the principles behind them challenge the presumptions about family businesses that have now become conventional. The process of questioning underscores our exploration of the values applied to business management and financial transactions by this ancient but dispersed and highly 'globalised' community. A critical mirror is held up to the mentality that still generally prevails in the academic study of business and finance, especially but not exclusively in the west. For Jains, these areas of life are not isolated or discrete and do not follow quasi-scientific rules abstracted from lived experience. The study of Jain business and finance is an exercise in thinking because it involves discarding a great deal of intellectual 'baggage' and learning to think in a different way, one that involves multiple possibilities rather than binary opposition: both/and in place of either/or. Throughout our research for this book, we have found issues which at face value have 'nothing

to do' with business and finance, but are at a deeper level closely related to them. Our exercise in thinking is itself part of a cross-cultural dialogue and encounter taking place at a personal level between the two authors and at an abstract level, as the thought processes of Jain culture become more fully understood.

A cross-cultural encounter

The two authors of this book, Aidan Rankin (AR) and Atul Shah (AS) are both interested in and influenced by Jainism. Rather than being identical, or even uniting to form a synthesis, our thoughts intertwine in an unending spiral. This is, we believe, true to the Jain intellectual tradition of questioning and comparison. It is also an example of the multifaceted approach preferred by Jains. Frequent references to that approach will be made in the chapters that follow because it has had such a profound influence on their business and financial activities.

The views of the two authors converge in a shared belief that the public discussion and academic study of economics has too strong a bias towards western paradigms. In this century, the convenient if often artificial distinctions between 'developed' and 'developing' worlds are breaking down. Societies once subordinate to political and economic colonialism are emerging as global economic powers. In this context, non-western voices are needed to create a balanced global conversation. Where necessary, such voices might provide alternative views of what 'development' and progress should mean. The prevailing view of progress as a straight line moving inexorably forward is challenged by a philosophy like Jainism, which thinks in terms of cycles of expansion and regression and values continuity as much as change. Other Indic traditions, including the many permutations of Hinduism and Buddhism, issue similar challenges, as do many areas of Chinese thought, including the nature-centred aspects of Daoism.

Furthermore, accumulating evidence of environmental crisis created by awareness of climate change, urban pollution and the depletion of animal and plant species has led to a sense, partly political and partly spiritual in the broadest sense, that the hegemonic model of industrial development at best has serious flaws and at worst has become dysfunctional and outmoded. This is not the same as the 'crisis of capitalism', for which orthodox Marxists constantly search. Their solutions have, after all, been as committed to continuous economic expansion – the pursuit of growth as an end in itself – as the many varieties of capitalism to emerge in the modern era. The object of Jain philosophy is not to provide a template for a new economic system. In a sense, its aim is more radical: to influence the way we think about business and finance so that the welfare of employees, clients and the wider community (including animals and the environment) becomes part of economic calculation, instead of disconnected from it. Jainism is characterised above all by concern for nature and the connections between all forms of life, along with its belief in

the power of individuals to transform themselves and their surroundings. These qualities make it well adapted to twenty-first century concerns and arguably highly prescient.

Jainism's tradition of tolerance and ability to speak across cultural divisions make it a useful countervailing voice in an age when fundamentalisms, religious and secular, threaten (sometimes with deadly violence) freedom of thought, expression and action. These regressive ideologies arise from the sense of uncertainty brought by rapid economic change and the dissolution of many previously accepted patterns of behaviour or ways of life. Changes of this type simultaneously bring liberation and possibility for many, and anxiety or insecurity for others. Often, this includes economic insecurity of an extreme kind, including the emergence in advanced capitalist economies of a 'precariat', a new class dependent on short-term contracts despite, in many cases, high educational attainment (Standing 2011, 2014). Such phenomena provide evidence of a distorted view of economics whereby the abstract 'model' takes precedence over human needs in their most basic forms. That model also includes an education system in which, all too frequently, a narrow and over-academic 'mindset' takes precedence over social and cultural skills. In spite of impressive statistics for growth and a political climate in which the desirability of expansion is taken as a given, the precarious state is becoming increasingly the global norm. Technology liberates at one level and at another increases alienation and fanaticism. Against this background, a non-western worldview based on balance, freedom and social responsibility can provide the calm space required for questioning our present economic priorities, including their influence on business management and financial planning.

The terms 'western', 'the west' and 'non-western' are, we realise, unsatisfactory at many levels. There are other ways to present this concept, including Global North and Global South, but these expressions lack clarity and correspond even less to physical and political geography. We use these terms for convenience, and in the absence of any satisfactory and easily comprehensible alternative. In the case of 'the west' and 'non-western', they denote the prevalent view of business and finance as they are practised and, more especially, the way they are studied and analysed. We have in mind here the virtual cult of 'objectivity', whereby economic calculation is held to exist as if in a sealed container, isolated from the environment, communities, emotions, artistic creativity and (in the widest sense) the spiritual dimension. 'Non-western' denotes the voices that are, if not actively silenced, rarely heard in economic discourse, in academia perhaps more than anywhere else. Their marginalisation is cultural as much as geographical, but in the context of this study, 'non-western' describes worldviews that do not embrace an exclusively linear view of progress and do not separate economics from other areas of life, notably animal welfare and the environment.

This terminology is, as we are aware, open to challenge from many angles. The most potent charge is that it creates another binary opposition. In reality, European and Indic thought have converged and interacted for millennia and

stem from the same cultural roots. Many policy-makers in India and other re-emerging global powers have enthusiastically embraced the linear view of progress and a mechanistic view of economics. There have also been trenchant critiques of mechanistic and linear thinking in Europe and North America since the beginning of the industrial era, of which the green movement is the most prominent heir. We acknowledge this in the pages that follow. AS, for example, cites the work of John Ruskin, the nineteenth century art critic whose views on the superiority of craftsmanship to mass production would now be described as holistic. AR refers to Mahatma Gandhi's vision of *swadeshi* or self-sufficient local communities engaged in production for their own needs. Gandhi was influenced by Ruskin, and by Jain philosophy, although he always remained a devout Hindu. These intersections or cross-cultural encounters show a far greater fluidity in the world of ideas than the terms 'western' and 'non-western' imply. That said, the dominant voices in the current economic discourse are geographically and culturally of the west. In a global economic order that is no longer unipolar, this creates a one-sided narrative and excludes alternative points of view. It also ignores the values by which large swathes of the world's population live and the way business is conducted outside the centres of corporate power. The Jain voice is one of many that have yet to come to the fore. The purpose of our book is to shed some light on this little-known culture and way of thinking, which exerts a quiet background influence over the lives of millions of men and women, whether or not they are practising Jains.

These goals we share as authors are enriched by our different experiences and the creative tension arising from them. AS is the scion of a Gujarati Jain family based in Kenya and the UK. Over several decades, he has emerged as a leading writer, innovator and thinker within the global community of Jain Dharma. His commitment to raising the profile of the Jain community has led him to become interested in the connections between the tenets of his faith and the achievement of a more equitable economy (e.g. Shah 2007a). He is a philosophical Jain but also, importantly, a religious Jain, whose beliefs and practice are woven into his daily life, founded on family history and reverence for the past balanced by positive engagement with the present. AR, by contrast, comes from a secular western background. His PhD is in Political Science and he is the author of four books on non-western philosophical and spiritual systems: Jainism and Shinto. The religious rituals and dietary prohibitions of traditional Jain society mean nothing to him at a visceral or emotional level. Nonetheless, he respects and strongly values them on a personal level and as a friend to many Jains. He does not follow the Jain diet, but it has influenced him in eating more ethically and avoiding the products of intensive farming. Religious communities, including some Jains, tend to adhere to exclusionary and conservative definitions of the family. AR adheres instead to a pluralist and secular definition of family life. Marriage and family life are not in his view defined or restricted on grounds of gender or sexual orientation. In an era where families are often geographically and culturally dispersed, friendship and shared interests or values can sometimes mean more than biological

kinship. This is not a rejection of traditional family models, but an extension of possibilities. By the same reasoning, AR is opposed to any attempts to impose religious-based precepts on those who do not wish to live by them. At the same time, he listens to, learns from and is in favour of contributions to public policy debate from individuals and communities of faith, whether he shares their conclusions or not. Such considerations have led him to work closely with AS and other practising Jains on projects such as the international magazine *Jain Spirit* and a privately funded report on Jainism and community cohesion in the UK.

There is no contradiction, in AR's view, between those two positions. He is interested by the pluralistic elements in Jain philosophy and the possibilities they offer for resolving the misunderstandings and conflicts that arise within increasingly culturally diverse societies. He is impressed by the commitment of Jains to environmental conservation and their practical work for human and animal welfare. In the context of this study, he is especially interested to explore ways in which Jain doctrines might contribute to a more rounded and inclusive way of appraising financial considerations and business practices. His own experience of property management has made him aware that qualities such as empathy and compassion make good business practice. In 'pure' commercial terms, their results are more effective than the box-ticking and process-driven mentality that he has found to be prevalent in this area of business activity.

The difference in our backgrounds is reflected less in the conclusions we draw as in the way we process and present them. AS works from within the Jain community, but looks outwards. He makes frequent use of religious terminology and drawing upon his experiences of spiritual practice. AR looks at Jain Dharma from outside its direct influence. He does not address religious themes with which he has no direct connection, focussing instead on philosophical concepts and the ways they are implemented (or omitted) in practice. These differences in our perceptions are reflected in differences of literary style, choice of words and, at times, the areas of Jain life and culture on which we concentrate. AS, as a community leader and a campaigner for social justice, is influenced by a Jain tradition of stern injunction to human beings to fulfil their potential, resembling in some ways the western prophetic tradition. AR, by contrast, is drawn in particular to the parallel and equally influential tradition of latitudinarian tolerance in Jain culture. However both of us draw upon our direct experience of the community we are studying, combining anecdotes with interviews and case studies. In this sense, our method is openly subjective, but its principal aim is to ask questions rather than to provide set answers. These questions move beyond the realms of enterprise and finance towards the way the economy is organised and, most important of all, the values that guide us in the conduct of business.

Our book is divided into nine chapters, including this introduction. In Chapter 2, AR describes the process of learning how to 'think like a Jain'. As a researcher, he has undertaken this task although he sees it as an ongoing project to which new insights are continuously added. Learning to think like a

Jain is important to understanding how information and ideas acquired from this ancient philosophy might be applied on a wider context. The process of immersion in an alternative worldview involves challenging and sometimes ‘un-learning’ the received wisdoms associated with the dominant culture. Learning about Jainism is presented in the context of giving a greater voice to ‘non-western’ modes of thought and the ways in which they can enlarge the present discourse on business and finance. The chapter also addresses the question of Jain identity by exploring the community’s origins, beliefs and role within Indian society and subsequently the Diaspora, highlighting the Jains’ current and historical relationship with business.

As in many other sections of this book, the contradictions between a philosophy and faith tradition based on renunciation and the lived experience of widespread commercial success are scrutinised in this chapter through the prism of *Aparigraha*. This religious vow of non-possessiveness is translated into a secular practice of simplicity, charitable giving and philanthropy. In Chapter 3, AS takes the exploration of *Aparigraha* further by examining its connections, surprising at times, to financial practice and the ways in which it leads Jain businesspeople to acknowledge the limits as much as the possibilities of financial activity. The overarching concepts of renunciation and non-possessiveness make financial and all other material ‘successes’ appear relative and transient. Rather than leading to apathy and indifference, this attitude gives rise to a judicious programme of financial planning coupled with a strong tradition of community and environmental service by businesspeople. Chapter 4, also written by AS, examines the financial concepts of risk and return from the standpoint of Jain enterprises. Family and community based businesses are key features of Jain economic activity. They not only offer defence against unnecessary risk, but also provide practical ways to ensure the continuing collective nature of the enterprise and its returns. Excess profits and wealth must be ‘digestible’, which means that they should be put to a positive use, including charitable activities, education, health care and community building. This form of financial planning involves the careful assessment of long-term as opposed to immediate or short-term outcomes.

In Chapter 5, AR explores the concept of interdependency, the ‘binding together’ of all of humanity and all forms of life. This concept is central to the beliefs and practices of Jains today, including the principle of Careful Action, which is examined in Chapter 2. Another theme from the second chapter that is expanded upon here is the concept of ‘society’ as extending beyond the human realm to other species (animal and plant) and the environment that sustains life. The notion of ‘binding together’ arises from an ecological sensibility familiar to the environmental movement today, although it should not be naively equated with green politics. On the spiritual plane, it is based on the belief that each life form contains *jiva*, the animating principle or soul. At a philosophical level, all individuals (*homo sapiens* or otherwise) are bound together in a shared search for greater understanding or enlightenment. Such beliefs are likely to seem esoteric to many students of business

and finance. For most Jains, by contrast, they influence the way in which commercial activities – indeed all activities – are carried out. The concept of interdependence gives rise to an equally strong emphasis on personal responsibility. Thus the entrepreneur or business leader is obliged to govern his or her actions in order to minimise harm to others: self-governance in the world of work as much as in spiritual practice is viewed as the highest form of responsibility and accountability. This section of our book works towards defining a Jain theory of organic growth. Consciously or otherwise, the life cycle of a business reflects the view of the universe as following a series of progressive and regressive cycles. Jain enterprises tend to go through periods of expansion and contraction. The latter are closely linked to *Aparigraha* and the release of surplus income in community projects. Business owners also impose limits to the size of their enterprises to preserve its founding principles, ethics and family or community links, even in cases where the business has become transnational.

There are, we explain, many areas of life, including philosophical speculation, that are central to Jain entrepreneurs but which are more generally held to have little to do with business practice or which are seen as benign optional extras. This theme is pursued further by AS in Chapter 6, which looks in more detail at the socially transformative aspects of Jain financial planning. Business is held to be a component of nature and society rather than separate from or above it. It is an essential engine for providing necessary products or services, and for creating jobs or sustaining families and communities. As Jain entrepreneurs are already members of living and closely connected communities, this helps them to stay grounded and to invest ethically and for the long term. Bankruptcy or fraud are not viewed as ‘options’, and investments are undertaken with a process of careful evaluation, a form of meditation applied to commercial practice. The social capital that is a core part of the community becomes a useful tool for making positive and ethical (as well as profitable) investments and using the accumulated knowledge of the community to make judicious evaluations. The fruits of investments are used for the benefit of nature and society, for example medical care, education and training. In India, Jains were the first community to establish *Panjrapoor* (animal hospitals and sanctuaries) to care for sick and dying animals: these animals in Jain ethics are, like humans, part of a wider conception of community. Many Jain entrepreneurs directly engage in social action and charitable organisations, acting as trustees or active volunteers.

Closely related to the principles of *Aparigraha* (non-materialism) and *Ahimsa* (non-violence or non-injury) is the concept of *Anekantavada* (known as *Anekant*), or ‘many-sidedness’, which AR examines in Chapter 7. In Jain philosophy, *Anekant* is known as the doctrine of multiple viewpoints. It is based on the assumption that each viewpoint is important because absolute knowledge is unattainable by humankind, at least at our present evolutionary stage. Even a seemingly negative viewpoint can sometimes yield unexpected insights and non-human viewpoints matter at least as much as our own. This

is different from, for example, the ‘postmodernist’ assertion that there is no objective truth, only subjective experiences. Universal truths *do* exist but for the most part they are only partially discernible. The quest for understanding, whether personal, social or spiritual, resembles the scientific quest, where new frontiers of knowledge are continuously breached, but in the process new questions arise. Knowledge is viewed with humility and can also be arrived at from many angles. As mentioned above, Jains use the analogy of a diamond with many facets: this comparison has a double significance given the prominent role that Jain families have played in the jewellery trade, examples of which are frequently cited in our text. Another analogy often used is that of the summit of a mountain that can be reached via many paths.

Translated into the political sphere, Anekant has the potential to be a potent inoculation against fundamentalism and doctrinaire certainty. In the spheres of business and finance, the idea of multiple viewpoints reinforces the commitment to ecologically based, sustainable practices and the principle of careful action. The resulting spirit of open-mindedness can help businesses to welcome creative insights and work with individuals from any background and work with them on a lasting basis. The sense that each living being or living system has its own viewpoint or *naya* is the basis of Careful Action, which involves the ability (or at least attempt) to envisage the long-term effects of each commercial decision. It points towards an ecological view of business practices, setting them in the context of the rest of nature, with its many ‘*nayas*’. Anekant also resonates with the current global economy, which is increasingly ‘many-sided’, as well as with businesses that need to be increasingly open to diverse cultural influences. The many-sided perspective also addresses in potentially radical ways current concerns about transparency and corporate responsibility. It ensures that businesses – and their leaders – are engaged in a process of self-questioning, and that they see themselves as responsible to society rather than themselves alone. Observers of Jain culture (including AR) should also adopt a many-sided outlook and attempt to delve below that which is most clearly visible or obvious. For example, to develop an understanding of how Jain businesses work requires abandoning many preconceptions about family-owned enterprises.

A recurring theme of this study is that finance is a means to an end, not an end in itself. Understanding this, and acknowledging the ‘limits of finance’, helps investors and entrepreneurs to maintain a sense of ‘active detachment’ from the fruits of their actions, argues AS in Chapter 8. Active detachment means an ability to step back and look on achievements with humility and objectivity. Regular practice of reflection and meditation reduces stress by enabling practitioners to discriminate between what is important and what is ultimately trivial. Such practice keeps many Jain business leaders spiritually detached from the fruits of their success and wealth. This frame of reference gives them an understanding that material possessions are not the ‘be all and end all’. Instead, they are advantages that confer obligations including social and environmental responsibility.

The attitude of humility required by Jain ethics enjoins business leaders to respect people from all social classes. There is a clear understanding that although success arises from one's own intelligence, creativity, actions and efforts, it is also the product of 'good karma' and more general good fortune. In Chapter 9, AS concludes by making the case for Jain culture as offering an alternative perspective on the study and practice of business and finance. It is at once an intellectual resource and a focus for ethical guidance. The study of Jain financial ethics redresses a profound imbalance within the current academic disciplines of accounting, finance and business studies, which amounts at worst to an institutionalised form of cultural bias, even racism, and at best to a lazy and outdated equation of western practices and modes of thought with inevitable 'progress'.

The Jain concept of karma differs substantively from those of other Indic traditions and has been explored by AR in Chapters 2 and 5. One of its attributes is that each individual assumes a strong sense of personal responsibility, assessing every decision – including commercial decisions – against a larger ethical framework. This process has enabled Jains to combine commercial success with a sustainable approach to business and investment over a period of centuries and amid changing economic and political conditions. In today's global economy, their experience, principles and practices can shine an important light on the philosophical and practical dilemmas affecting business and finance. In Chapter 9, the concluding chapter, AS relates Jain practice of financial and business management to recent academic literature and offers criticisms of an academic approach that seems to divorce business and finance from its cultural surroundings and does not listen enough to non-western voices.

Whereas AR's background in Political Science enables him to explore the wider social implications of business ethics, AS brings to this study his specialist knowledge of 'pure finance' and accountancy as an academic discipline and business activity. Both authors aim throughout the book to avoid unnecessary academic jargon, whether sociological and financial. By so doing, we aim to communicate across the boundaries of subject or discipline. We also hope to place our thoughts and conclusions at the disposal of the general reader as much as the student or specialist. Our work is given a personal dimension by our examples and case studies. These come from a range of entrepreneurs and enterprises, and examine attitudes to financial management and how these are shaped by faith or philosophy of life. Our examples are drawn from both India and the Diaspora. AS has wide personal knowledge of Jainism and its relationship to finance in East Africa, the United Kingdom and India. There, communities of Gujarati Jains have played a prominent role in the development of a commercial culture with a global reach. AR is especially interested in the Jain communities of the UK, with which he has worked for more than a decade. To an extent, our chapters reflect these experiences and interests.

Jain philosophy is not presented in these pages as the hidden answer to the problems and opportunities thrown up by globalisation. Its greatest value is,

perhaps, in the questions it raises about the purpose of finance and what the goals of a business should be. Nor do we seek unrealistically to portray Jain communities as mini-utopias devoid of contradictions and conflicts. Yet our study shows that a belief system that can seem abstruse and complex to outsiders has a practical dimension guiding many successful commercial enterprises across a wide range of cultures, political systems and working environments. As such, it is surely worthy of consideration.