

Stock Price Vs Human Values

On commencement days such as this one, it is customary to avoid touching upon issues that are contentious or in dissonance with majority-held views. I shall take the liberty of departing from this tradition because there are contentious issues that have to be addressed and serious structural problems in our society that your generation is likely to be called upon to solve. To put my views in perspective, I should like to note the obvious: I am not a native-born American, as most of you are. Yet, I consider it a privilege to be a citizen of this great country - a country of vast expanse, immense wealth, great diversity, unmatched power, and a world leader in almost every realm of human activity. But what matters most to me is that it is a country in which human rights are taken seriously, governance is ruled by law, and decency, generosity, and fairness are national traits.

┌ the right Angle ┐



“Increasingly the bottom line of corporates is the stock price and not human welfare”

laments *Prof. Lotfi Zadeh*

in his recent commencement address in UC, Berkeley.



Money – the ultimate determinant of values

To say what I said does not mean that all is well. Our society is faced with serious problems that are visible to all: drug addiction, crime, homelessness, extremes of wealth and poverty, alienation, and ethnic conflicts. But there are other problems that - though less visible - are likely to cause serious damage to the fabric of our society in the long run. My brief remarks will be focused on two linked problems that fall into this category.

Many of you will be taking jobs in Silicon Valley, the heart of our computer industry; the industry that is the driving force behind the economic boom in which we are basking now. When I ask our graduates who work in Silicon Valley whether they are happy in their jobs, the usual answer is: the pay is good and the work is interesting. But one important element is missing: the sense of security, dignity, and collegiality. In Silicon Valley and, more generally, in the computer industry, the working environment is the environment of cut-throat competition. As they say, "*In Silicon Valley if you make the mistake of stopping for lunch, you will be lunch.*" You are hired today but may be laid off tomorrow, with no farewell parties and no regrets. The bottom line is the stock price and not human welfare.

Something is deeply wrong with our values when elimination of thousands of jobs is greeted with applause by Wall Street, causing the price of stock to go up and, not coincidentally, increasing the value of stock options of company executives. In this climate, executives are not

expected to spend sleepless nights when downsizing leads to massive layoffs. Indeed, any company that puts human welfare above profits and efficiency risks serious damage to its competitive position and, possibly, its demise. It is a sobering thought that profits and efficiency have become the driving forces that shape the dynamics of our society, and that money may

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you will be lunch."***

become the ultimate determinant of values by which we live. Perhaps we should pause and ask ourselves if we are doing the right thing when we exert pressure on other countries to follow our example and abandon their traditions of protection of social rights in the quest for efficiency and stronger competitive position in the global marketplace.

Is today's advertising the pillar of free enterprise?

There is a linkage between this state of affairs and the growing intrusion of advertising and commercialism into all aspects of our lives. A disturbing prospect is that as we move further into the information age and the multimedia the linkage will become stronger and less amenable to control.

To many, advertising is the pillar of free enterprise. Up to a point, advertising serves an essential purpose, but like any good thing that is overdone, unrestrained advertising, with its high content of half truths and untruths, is becoming a force that is corroding our culture and distorting our goals. The pervasive influence of advertisers on TV and radio programming substitutes the size of audience for genuine concern for program quality. Catering to the least common denominator leads to programming that focuses on crime, violence, sex, sports, scandal and human-interest stories. The amount of time devoted to serious news is declining, and the media, driven by the quest for higher advertising revenue, are abdicating their responsibility to inform, educate, and inspire.

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In this climate of media manipulation and commercialism, it is not surprising that our young people have become cynical and materialistic. That calls into question our ability to serve as a positive role model for the young in other countries and other societies. Indeed, it is alarming to observe the degree to which intrusive advertising and commercialism have led to a vulgarization of our culture and an abandonment of moral values that led this country to greatness. The not-so-subtle control of our media by advertisers has led to the emergence of consumerism as the dominant influence shaping our culture, our values, and our perceptions.

What is our collective responsibility?

I am touching upon these issues because they have a definite impact on the outlook and aspirations of the young in our society. A telling statistic is that despite the rising demand for computer science graduates, the number of undergraduate degrees in computer science has dropped 43% from 42000 in 1986 to 24000 in 1994. What this suggests is that a declining number of students are entering those fields in which hard work is required. A visible facet of this trend is that pursuit of knowledge for its own sake is increasingly being replaced by a quest for education as a ticket to a better paying job.

I have used harsh expressions to make my points. The picture I have painted is darker than it should be. I have done this with deliberation to underscore that it is our collective responsibility – and especially the responsibility of your generation – the generation that will shape our future – to do whatever can be done in our democratic society to prevent the corrosive forces of commercialism and consumerism from encroaching on our culture and becoming dominant influences in defining our values, our beliefs, and our morals.



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Prof. Lotfi A. Zadeh received the B.S. degree in 1942 from the University of Tehran, Tehran, Iran. The M.S. degree from the Massachusetts Institute of Technology (MIT), Cambridge, in 1946, and the Ph.D. degree from Columbia University, New York, in 1949.

Prof. Zadeh in his seminal paper in 1965 proposed Fuzzy Sets which has quickly turned into a hot bed for both theoretical and applicational research.

He is a Professor in the Graduate School, University of California, Berkeley (UC Berkeley), and serves as the Director of the Berkeley Initiative in Soft Computing (BISC). Previously, he served as Chair of the Electrical Engineering Department from 1963 to 1968. Prior to coming to UC-Berkeley, he was with the Electrical Engineering Department, Columbia University. He held visiting appointments at the Institute for Advanced Study, Princeton, NJ, IBM Research Laboratory, San Jose, CA. Project MAC at MIT, SRI International, Stanford, CA, and the Center for the Study of Language and Information, Stanford University, Stanford, CA. His current research is focused on fuzzy logic, soft computing, and computing with words.

Prof. Zadeh is a Life Fellow of the IEEE and Fellow of the AAAS, ACM, and AAI. He is also a member of the National Academy of Engineering and Foreign Member of the Russian Academy of Natural Sciences. He is the recipient of the ASME Rufus Oldenburger Medal, the Kampe de Feriet Medal, the Grigore Moisil Prize, the Honda Prize, the IEEE Educational Medal, the IEEE Richard W. Halting Medal, the IEEE Medal of Honor, the Okawa Prize, the B. Bolzano Medal, and other awards and fourteen honorary doctorates.