PEGASUS

A NEWSLETTER FOR THE CAUX ROUND TABLE FOR MORAL CAPITALISM NETWORK LOOKING AT BUSINESS ABOVE THE CLUTTER AND CONFETTI

Pegasus

Introduction

The recent political assassinations and attempted assassinations in Minnesota have raised disturbing questions about our current public life, engagement and societal fractiousness. Against these terrible tragedies and hoping to address key themes around civilization, Michael Hartoonian this month writes intensely and eloquently about how we can recapture the concept of civilization and a more respectful political environment in an essay titled, "Toward a New Meaning of Civilization."

In his bracing essay, he argues: "The past has no moral obligation to the present. If we don't understand this, we remain at the mercy of the unwise and unethical. The "good old days" never were."

He makes the case that we must re-awaken our concept of civilization, similar to his previous calls for good citizenship. Civilization, he argues, is trapped in concepts that are important to some, but have less bearing on creating a new meaning of civilization. For instance, he talks about "moving beyond artifacts," such as architecture and other extant "things." Instead, he makes the case that civilization is "characterized by the quality, both honorable and disgusting, of interpersonal and group relationships."

In other words, polarization and the inability to have deeper group relationships is impeding our civilizational development, as so horribly illustrated by the recent political killings in Minnesota.

The old stories have some merit, he writes, but invariably, they are used as tools of manipulation and often are filled with tales of past glory and usually framed in fear.

To bring our focus to the current moment, he asks a series of tough-minded questions that can help evaluate life's enduring issues. This kind of inspection is elemental to developing a new civilization.

In a second essay, "Artificial Intelligence Threatens to Increase Knowledge Inequality," Michael Wright, argues that the rapid emergence and evolution of AI will take us into a world of digital serfdom if we don't move quickly to regulate and harness its power.

Wright, a Caux Round Table fellow, says "Information expands faster than accessible understanding. We lack methods to see technological ramifications across societies. If AI concentrates in the hands of a few, the 99% may fall permanently behind."

He makes the case for proactive reform to ensure that AI doesn't become the effective purview of the very few.

One of several notions to ensure a better, more widely accessible AI future includes policy interventions "like public procurement of open AI systems, university access grants and diversity incentives."

Mr. Wright sees this not as a coffee club debate, but something that needs to be addressed quickly in order to ensure against an anti-democratic digital serfdom. We are, he says, already behind.

Dave Kansas
Editor-at-Large
Pegasus

Toward a New Meaning of Civilization

Michael Hartoonian

Introduction

Over the last 15 years, claims have been advanced by some states and nations that they are heirs to some glorious, all-be-it fictitious past. Some even call their state a civilization and believe they have a deific right to bring that past into the present, even though they seem to hold misconceptions of both history and the mortality of using the past, imaginary or not, as a justification for current behavior, from destroying people's freedom to starting wars. The past has no moral obligation to the present. If we don't understand this, we remain at the mercy of the unwise and unethical. The "good old days" never were. Our purpose is to improve the here and now, not some made-up vision of the past, blurred by arrogance. And we start by honestly naming a state by its essence in the present context.

This essay investigates the confusion in the world today regarding the epistemological duality of the political state and civilization. Our access to reality is mediated – when does the object become the subject? Let's find out why this illusionary fixation on the past is dangerous to all things we hold dear.

A question: What are the fundamental conditions required for understanding and maintaining a civilization?

An answer: Sustaining a civilization requires people to know their soured, as well as glorious and dynamic identity, work together within organized groups and follow shared norms and laws that are reflected in individual ethical behavior and social morality.

Moving Beyond Artifacts

In recent history, research into older and fallen civilizations has involved studying scattered remnants of settlements and cities. However, buildings, art and aqueducts do not provide meaningful explanations for their collapse. Fossil findings get us only so far because it's an activity about material and not about what is contextual and real about a people's identity.

Furthermore, objects, no matter their brilliance, may be incompatible with the spiritual and wisdom traditions of Abraham, Christ, Muhammad and Confucius, as well as others, from which people glean identities. The concept of rightful relationships with God, land and each other is of utmost importance in understanding the meaning of civilization. A civilization is not solely defined by the beauty of its architecture. Rather, it is characterized by the quality, both honorable and disgusting, of interpersonal and group relationships. The etymology of the word "civilization" is rooted in terms like "city" and "civil," but over time, its several meanings have evolved in a general arch toward pride, leaving behind the bitter elements of human pain. We remember the Parthenon of Athens without remembering the slaves who built it. Influenced by historical contexts, we hold to one and forget the other, thus fracturing our identity and any deep understanding of civilization.
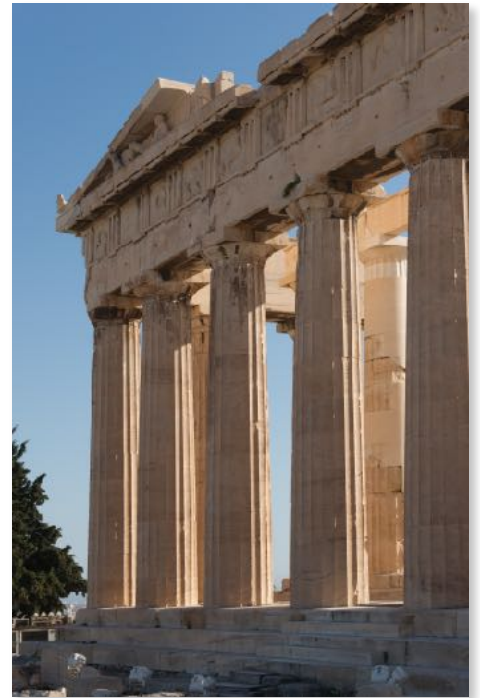
Identity and Civilization

Over their long history of development, societies have continually transformed themselves, often discarding the repugnant parts of their history's identity and with it, of course, the full identities of their people. As these societies construct focused identity literature, art and heroic narratives in order to embrace their mythical uniqueness, they become increasingly rigid, less free and isolated. There is also the desire to separate themselves from the truth of their deeper identity, which is the original sin/separation. We should note that both Plato and Christ (the Gospel of Thomas) suggested that it's not sin that destroys our identity, but arrogance and ignorance – a refusal to confront ourselves and a refusal to entertain the possibility that we could be wrong. Most current and fraudulent definitions of civilization remain entombed in forgotten attributes of treasure, territory and tyranny and do not reflect the advancements in evolutionary research from the past century, nor any casual observation of human relationships writ large.

Philosophical Paralysis

A philosophical era concludes when no one can ask new questions and we keep addressing deep issues with previously established responses. Most of the repeated statements and arguments suggest that if a state is to be glorious (again), it believes that it must disregard its history in order to better influence current events, meaning that people don't have to search or contribute to a deeper understanding of their own identity. The state will tell you who you are and what myths to believe. Citizens can then ignore what is true from an imperfect past, fabricate a (fallacious) history or isolate themselves from the realities of the contemporary world. These are all harmful to personal meaning and purpose. Of more harm, of course, is the unethical denial of any knowledge or responsibility to the generational covenant so necessary in the meaning and construction of civilization.

Civilization thrives on the scale and interconnectedness of earth's people, modes of communication and concepts of virtue established through the collective knowledge of humanity. But as nations close themselves off from this knowledge and each other, they atrophy and die. Civilization and "closed system" is a contradiction in logic.
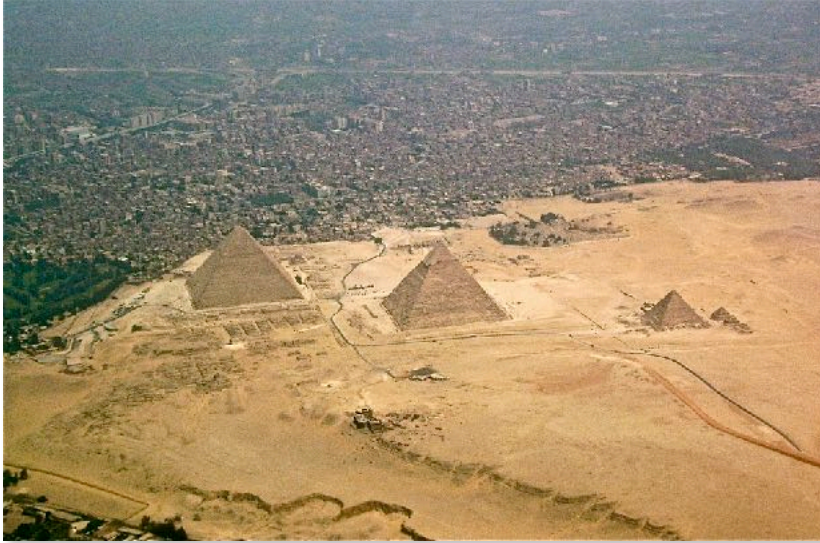
The fact that some national political leaders try to maintain power through mythologizing a past that never existed seems to work on uninformed and ahistoric subjects. The stories they tell are filled with untested and untestable generalizations of glory and pride. Also, the narratives are almost always framed in fear. That is, something bad will happen to you if you don't become a true believer. Despite such efforts to promote fear and compliance, these authoritarian leaders cannot change what is accurate and beneficial for all people. But because of these wrongful actions by some political leaders, business people, media and even some ambitious academics, confusion is developing that puts people in the position of being unable to distinguish between self-interest and morality. Notwithstanding, many people around the world perceive their city, state or country as a civilization. And they do this without critique or fully understanding the kind of work it takes to sustain a civilization. Thus, they fail to look at their own attending identity and responsibility to civilization's dynamic meaning to them personally. More than ever before, the concept of civilization needs to be updated.

The House We Live In

A family's happiness, well-being and wisdom are not determined by the house they inhabit. There is only a weak link between material possessions and harmonious relationships. Research shows that families without empathy can live in beautiful buildings, yet lack compassion, often feeling victimized and harming others. "A house is not, necessarily, a home." And a nation is not, necessarily, a civilization. Calling a state a "civilization" does not make it so. Until the mid-20th century, research on civilizations centered on artifacts and generalizations about their use. Artifacts reveal much about people's knowledge and aesthetics. However, with the advent of the disciplines of evolutionary biology and psychology, we now understand civilizations and cultures as complex relationships, enhancing our older definitions of civilization. What is interesting about the newer research is the fact that historians such as Herodotus, Thucydides, (Greece), Sima Qian (China) and al-Tabari (Islamic) researched and presented a more complete history of personal relationships. Herodotus, particularly, gave a "story" of the Greco-Persian wars with a narrative that focused on geography, social relationships, religion and the moral reciprocity among people of all classes and privileges. This kind of research, often belittled by later historians, when added to the science of evolution and society, illuminates a whole new picture of what it means to be civilized. It suggests that civilization is an ongoing process rather than a static entity. This also means having a continuing evaluation strategy to allow decisions about which actions to continue, which behaviors to discard and which habits and relationships to develop anew. Absent this process of renewal, civilizations atrophy into dull memories of the past.

Civilization is Part of a Spectrum

Civilizations are not simply points in place and time. Perhaps a look at how some people looked at points and lines in times past might illuminate and give us a more metaphysical and informative picture of civilizations. For example, some numbers were divine to the ancient Greeks: 1, 2, 3 and 4. They add up to 10, which was a most important integer to them. One is a point (unity) and two is a line (the dyad and the first departure from unity). Three is the triad of balance, beauty and harmony (the divine triangle: $A^2+B^2 = C^2$ – which does not exist in nature, but only in reason). Four is solidity, order, joy and justice (the tetrad). All of these rational and irrational creations must be considered, together, in order to understand the verb – civilization – as a point, a line, a triad and a tetrad. In four number concepts, we may come to some awareness of the complexity of civilization.

Again, civilization is an ongoing, active process that creates a synergy between material and moral infrastructures and the people within them – until it doesn't – and then it turns toward the baser virtues with desire and delight. Civilization ends when people give up on philosophy and are unable to ask new questions, getting confused between comfort and truth, between fear and love, between beauty and style, between pride and character, between instant and delayed gratification, between self-centeredness and courage, between amusement and happiness, between feeling and virtue and between being a subject and being a citizen. As confusion grows, society moves along the continuum from civilization toward barbarism. While societies have moved along the civilization/barbarism continuum since the time there were societies, we can see a clear movement from more civilized to more barbaric states in many places across the world. Why?

Ignorance and the Totalitarian Mind

By studying human cognitive evolution over time, a direct correlation can be identified between literacy rates across various eras and locations. The data suggests a truism about human harmony, claiming that enlightenment and civic virtue vary directly. But there is a deeper consideration. Taking account of the research of Altemeyer (1996), Stenner (2005) and Hodson and Busser (2012) and others, we can claim that people with lower cognitive abilities gravitate toward more ridged worldviews, have little ability for subtlety and nuance, find it difficult to hold and evaluate contradicting ideas and associate with authoritarian ideologies. These minds also have a psychological need for certainty, security and direction, over learning and purpose.

They shy away from complexity, open inquiry, tolerance, education and ambiguity. And these minds are influenced and reinforced by the endorsement of ideologies and reduced contact with intergroup relationships. As this kind of mindset and attending behavior increases, so does the likelihood of the totalitarian state. This condition of mind is not and cannot be reconciled with civilization, regardless of statements to the contrary, simply because civilization's first attribute is enlightenment, which is beyond the reach of the closed mind.

Questions about Civil Relationships

Civilization requires addressing life's enduring questions. It involves action, behavior and states of being. Individuals understand ethical behavior and see any group as unified by morality. The following are key questions that require ethical and moral consideration. All cultures work and must address these, but answers lacking a moral framework cannot form a civilization. The questions here are categorized into eleven groups:

1. How do people interact with their environments?

- Why/what do people name elements in nature?
- Are decisions regarding the land driven by principles of dominance or stewardship?
- How do people use the natural resources around them?
- How/why do people create places in which to live?
- How/why do people continue to construct new knowledge about the natural world?

2. How do people rear their children?

- What are the relationships among society, parents, and child?
- What role(s) do children play in the home?
- What responsibility do children have for their learning (education)?
- How long do they go to "school?"
- What do they study?
- What kinds of work and play do children do?
- What role does the environment play in the worldview of children?

3. What kind of work do men and women do?

- How does the work of women differ (should differ) from the work of men?
- Who makes (should make) the decisions about ethical, social, economic and political questions/issues?
- How does science and technology define work?

4. How/why do people worship?

- Do people attend group or formal worship functions?

- In what do people believe?
- How do people (men and women) find meaning and relationship with God in worship?

5. How do people bring beauty to their lives?

- Why/how do people create art?
- How do people use art in their daily lives?
- What are the relationships among civilization, culture and art?

6. How do people communicate with one another and their culture?

- How do people use symbols in their communications?
- What are the ways in which people speak to one another?
- What role does mathematics, music, art and literature play in communications?
- How do people create meaning in their lives?
- What role does language play in the structure of community and in the creation of thinking and meaning?
- How does the formal study of knowledge aid in understanding others?

7. How do people provide for social order, peace and justice in their lives?

- How does geographic location influence how people construct their communities?
- What system of government do people practice?
- What role do all people play in rulemaking and rule-judging?
- How can/do people change their government?

8. How do people deal with time?

- Do people believe in a past and future? How can we tell (know)?
- What kinds of units do people use to describe time?
- Are older people seen as wise because they have experienced more time than younger people?
- How is a sense of the past used to define self and society?
- How is a sense of time related to the natural world?

9. How do people organize themselves in order to provide basic needs and wants?

- How are goods and services produced?
- What kinds of markets do people create and use?
- What kind(s) of money (exchange) do people use?
- How do people create and maintain economic justice?
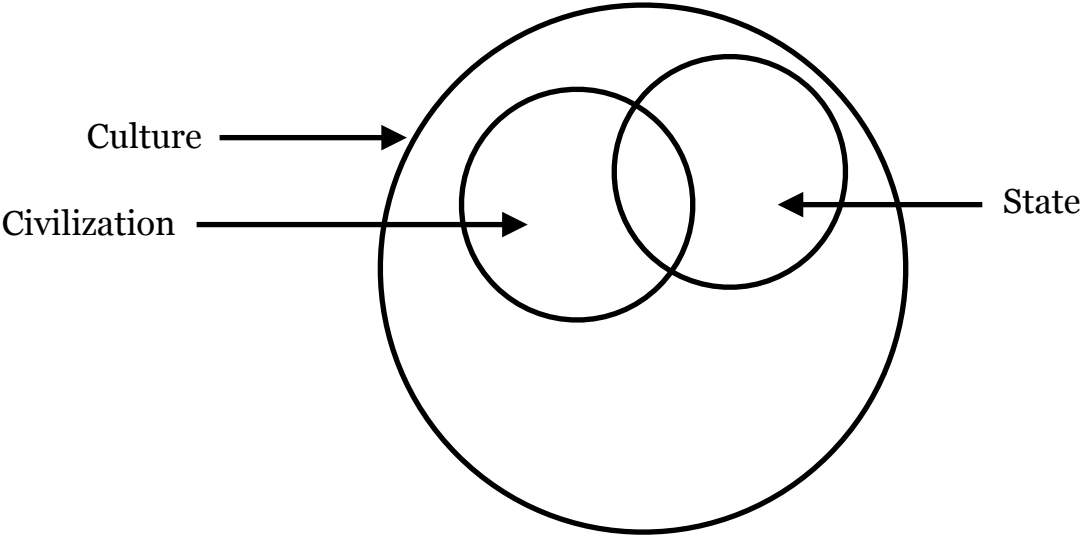
States are common, but civilizations are rare. Many states and empires become civilized briefly before reverting to barbarism through an uneven series of evolutionary cycles: 1) groups developing trust and becoming societies, 2) societies focusing on ethical culture, 3) states experiencing civilization, 4) falling into authoritarianism, 5) states practicing barbarism and falling apart. After the fall, reforming small, self-interested, homogeneous groups that relearn historical wisdom. Observing the world today, it appears that we are between authoritarianism and barbarism. Some states have long been authoritarian and some have unleashed barbarism on others, while others are close behind, eager to leave civilization behind. People, worldwide, seem too timid and disconnected from ethical knowledge to care, compounded by a lack of ethical leaders and the general inability to speak truth. This suggested series of cycles is not mandatory. History varies, but it serves as a framework, where some states enjoy civilization, while others remain at war with themselves and others.

A Policy Message for Citizens

Historically, it has always been too late for subjects – those who believe that the alligator will eat them last. Subjects prioritize amusement over freedom or purpose, limiting any contribution to improving life. "Help me make it through the day," is their moto. Intellectually lazy and self-centered, they tend to follow even corrupt leaders, an attitude for self-loathing and for making themselves self-appointed victims who believe that others should be as miserable as they. Citizens, on the other hand, are uniquely positioned to guide civilization by creating wealth, pursuing truth and becoming ethical leaders themselves. If we don't understand the difference between being a subject and being a citizen, we are all living from hand to mouth.

First, policy is the alignment of practice with principle. To have any chance of success, a policy must be based on an irresistible, truthful idea, have resources behind it, effective leadership and an active coalition.

The culture questions mentioned above, when combined with truth and trust, can enhance and sustain civilization. Living in a civilized society is a compelling idea that requires time, research to find ethical leaders and a trustworthy coalition. Of the eleven essential questions, all must be addressed, but some are crucial components, while others are supplementary attributes. Those interested in being civilized (a verb) will study the questions and use them as criteria in forming policies and behavior for civilization.

Conclusion

The essence of civilization is more about civic virtue and less about political science, as the former is grounded in reason and wisdom, while the latter rests on observation, which is a weak instrument in ascertaining reason, ethics or subatomic physics. There are only a few mathematical formulas that have been produced in political-economy explanations that carry causal implications to the real world. One might make the argument that political science (and economics), absent mathematics, is religion, complete with priests, sacred texts, rituals and icons.

One last issue that is ignored by those who claim a direct relationship between a state and civilization and that is the assumption that everyone knows what a civilization is. All I can say is what Kennith Clark, the famous English art historian, said – "You will know it when you see it." But you will never see it without paying attention and internalizing the culture questions framed in individual ethics and social morality.

Michael Hartoonian is Associate Editor of Pegasus.

Artificial Intelligence Threatens to Increase Knowledge Inequality

We have entered the era of digital feudalism – and it's not looking democratic.

Michael W. Wright

(This article was originally published in Inkstick*.)

Over a decade ago, in "[The New Business Normal](#)," my co-author, Walt Ferguson and I wrote that competitive advantage accrues to those able to access, aggregate, analyze and act on information faster worldwide. The flip side is that disadvantages accelerate for those lacking access, skills and resources. While technologies connect people with basic functionality, higher intelligence products rapidly leave many behind. Crossing horizons like artificial intelligence (AI), [Internet of Things](#) and privacy can become points of exclusion.

Consider AI: Information expands faster than accessible understanding. We lack methods to see technological ramifications across societies. If AI concentrates in the hands of a few, the 99% may fall permanently behind.

Could AI Consolidation Create a New Digital Feudalism?

In 2018, I [wrote](#) about the concerning trend of AI and domain-specific knowledge becoming increasingly concentrated in the hands of fewer companies and individuals. This aggregation of AI and knowledge, combined with the growing concentration of wealth, suggested the emergence of a powerful oligarchy that could lead to a new form of "digital feudalism."

Five years later, this trend has only accelerated, as evidenced by examples like OpenAI's ChatGPT, Google Brain's PaLM, DeepMind's AlphaFold and Anthropic's Claude. As AI becomes more advanced, it requires exponentially more data, computing capacity and talent. This entrenches the position of incumbents like Google, Microsoft, Meta and Amazon.

All signs point toward an impending "digital serfdom," as [AI and wealth aggregate under corporate oligarchs.](#) AI infrastructure holders Microsoft, Google, IBM, Oracle and Amazon have created large barriers to entry in the form of capital required to participate at scale. Without concerted efforts, digital feudalism seems probable.

The Threat of Widening Inequality

Recent developments reinforce the divergence between the AI "haves" and "have-nots." ChatGPT, AlphaFold and Anthropic all demonstrate the vast resources needed to advance AI,

which few can access or replicate. According to a [recent OpenAI report](#), the cost of training large AI models will rise from $100 million to $500 million by 2030. In addition, there are the operating costs estimated to be $700,000 per day.

The implications span economic, political and social realms. Economically, small firms and startups will struggle to compete, as [winner-take-all effects intensify](#). In 2019, Apple [acquired](#) the AI startup Drive.ai for an undisclosed sum. Drive.ai developed self-driving car technologies and was once valued at $200 million, but struggled to compete with billion-dollar giants like Waymo and GM Cruise. The acquisition effectively ended Drive.ai as an independent company.

Politically, concentrated [surveillance](#) and manipulation capabilities endanger democracy.

Socially, those without AI expertise face [unemployment](#) as automation accelerates. Robots are already being used in factories to perform tasks such as welding, painting and assembling products. As these robots become more intelligent, they will be able to perform even more tasks, which could lead to the loss of millions of factory jobs. A recent study, "[AI, Automation, and the Future of Work](#)," by the McKinsey Global Institute estimated that up to 800 million jobs worldwide could be displaced by automation by 2030.

The growing divides may not only be present between social classes, but could further entrench inequalities between countries as well through data colonization and other issues. Data colonization is when vast datasets are shared across borders without oversight or consent. Like the mining deals made for mineral and oil resources, the convergence of technology and personal information is creating new opportunities for data resources to be mined across borders.

Escaping this spiral requires reducing barriers through open standards, public funding for open-source AI, taxation on data consolidation, stronger privacy laws and platform cooperatives.

However, market dynamics naturally favor concentration. Breaking this default trajectory requires conscious policy effort. If knowledge differentials are allowed to intensify unchecked, we risk creating a permanent underclass without agency in an increasingly algorithmic world. Mitigating the harms of accelerating inaccessibility obliges us to prioritize equity over efficiency.

Regulating the AI Oligarchies

The acceleration of knowledge inequality poses an existential policy challenge. Proactive reform can distribute the dividends of algorithms widely.

First, an "AI Inclusion Index" should track access metrics like data/tool availability, AI literacy, computational resources and diversity of practitioners. An inclusion index can be used to identify data that is biased against certain groups of people. This can be done by looking at the distribution of data across different groups, such as gender, race or ethnicity. For example, if an inclusion index shows that there are significantly fewer women represented in a dataset, this could be a sign of bias. Examples are Google's AI Fairness Indicators, Microsoft's Fairlearn and EqualAI.

Secondly, policymakers at all levels must directly address exclusion through interventions like public procurement of open AI systems, university access grants and diversity incentives.

Thirdly, updated competition policies and regulations can reduce entry barriers via interoperability, data portability and transparency requirements. For example, changing the ownership of data like the E.U. has done. The E.U. has enacted significant changes around personal data ownership through the General Data Protection Regulation, which went into effect in 2018. Users must explicitly consent to their personal data being collected and have the right to access, delete or export their data. This limits the data available to train AI systems. In the E.U., anonymization is now required for data used in AI. Data is limited to the purpose specified before collection and there are no unexpected secondary uses.

Fourth, international cooperation can balance development and prevent an AI arms race. In this environment, any cooperation would be of benefit, but seems unlikely to develop without a triggering event. There is a state-level awareness that AI is a winner-take-all game because in an instant, the arms race would be over. Russian President Vladimir Putin said it best: "Artificial intelligence is the future, not only for Russia, but for all humankind. It comes with colossal opportunities, but also threats that are difficult to predict. Whoever becomes the leader in this sphere will become the ruler of the world." It may take an observable horror similar to the atomic bombings of Hiroshima and Nagasaki to drive cooperation. Or the continuation and acceleration of existential threats to human existence, such as climate change, to drive cooperation across national borders.

Catalyzing action requires urgency that lawmakers currently lack. Other potential triggering events include high-profile AI failures, mass surveillance proliferation, economic exclusion, algorithmic propaganda and asymmetric cyberattacks.

No solution is a silver bullet. But preventing digital feudalism will take vision, courage and global cooperation. We must choose democratization over indiscriminate or unintentional domination. The future need not be an algorithmic oligarchy, but reform must happen now.

Michael W. Wright is a Fellow with the Caux Round Table for Moral Capitalism. He is the CEO of Intercepting Horizons, LLC, and Executive Director of Biomimetics International. He is an author and former global high-tech executive at scale, who has held leadership positions including CEO, COO, Chairman, and board member of public and private companies. He currently serves as a board advisor, futurist, and executive coach, helping companies anticipate converging technology trends and build viable business strategies in an exponential era.

---

*Author's update, June 2025: In the semiconductor industry, rapid change has long been a given. In fact, it was exponential by definition. Moore's Law posited that transistor density would double every two years. In response, those of us engaged in that industry learned to move volume at velocity and to develop planning and execution methodologies to keep up with it and remain successful.

Since I first wrote about AI ramifications in 2012 ("Ignorance is Accelerating"), the tech world has experienced five generations of density doubling. What is most alarming to me is that this speed increase has had an amplifying effect on computing power. The speed change of chips almost pales in comparison to the processing power of AI. Since the introduction of GPT, with 168 million petaflops (petaflop = 10^{15} floating-point operations per second), it has increased 3,000 times from September 2022 to April 2025, where Grok 3 posted 454 billion petaflops.

The power of these systems is accelerating and with it, AI's promise as a new inflection point in human history. On the positive side, by developing and harnessing an ethical AI, we can create an age of awareness and deliver knowledge on demand to everyone. On the downside, we face the unparalleled risk of large-scale and rapidly occurring unintended consequences. And the very real potential of a return to a medieval-like world order, one in which it is those who know and those who don't instead of the haves and have-nots.

* https://inkstickmedia.com/artificial-intelligence-threatens-to-increase-knowledge-inequality/

www.cauxroundtable.org **|** Twitter: @cauxroundtable **|** Facebook: Caux.Round.Table

We hope you enjoyed this issue of Pegasus. Please feel free to share it with others. They can sign up to receive it directly at: https://www.cauxroundtable.org/pegasus/