Capitalism Is Dying: Long Live Capitalism

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An Hegelian Synthesis?

• What “Capital”? Who Owns/Invests it?
• A General Model: Stakeholder Capitalism
• Dynamics of Societal Progress
• A Research Agenda
Capital? What Capital?

• Several forms are essential to firm existence, growth and success:
  – Financial (equity and loans)
  – Human (managers, employees)
  – Social (employees, customers, suppliers, gov.)
  – Natural (local communities, license to operate)

• Socio-economic systems vary in:
  – the relative primacy given to the rewards for such forms of capital
  – the relevance given to public good in the purpose of enterprise
A Systemic Stakeholder Model

Several types of capitalisms can exist depending on the relevance of Public Good in firms’ purpose and the N of Stakeholders that are given voice/claims in firms’ governance.

**PUBLIC GOOD AS ENTERPRISE PURPOSE**

- **Mono**
  - Financial Capitalism (K)
  - Cooperatives (L, Cl, Suppliers)
  - Socialism (Gov)

- **Dual**
  - Germany (K + L)
  - France/Italy (K + Gov)

- **Pluri**
  - Social Enterprise
  - Stakeholder (or B) Corp.

**N. STAKEHOLDERS GIVEN VOICE/CLAIMS**
Dynamics of Societal Progress

Every system has a different level of **maturity** necessary to integrate **pluralistic** interests. Over time, systems learn to handle the complexity of increasing **N of empowered stakeholders**, as well as increasing levels of **hybridity in firm purpose**.
A Research Agenda

• MICRO/Firm:
  – Understand the optimal level of hybridity & empowerment for firm success
  – Understand the learning dynamics to expand the hybridity of Purpose and stakeholder Empowerment
  – Experiment in the field with alternative change/learning interventions along Hybridity and Empowerment

• MACRO/System:
  – Compare historical records of societal progress across alternative modes of capitalism characterized by varying levels of Hybridity and Empowerment
  – Model/Simulate comparative dynamics in the effectiveness of alternative models of capitalism
  – Experiment with alternative policy interventions to stimulate firms’ hybridity of Purpose and stakeholder Empowerment
Thank you