

Christopher Meyer Founder, Monitor Talent





“Capitalism, in its current form, no longer fits the world around us.”

--Klaus Schwab, January 2012

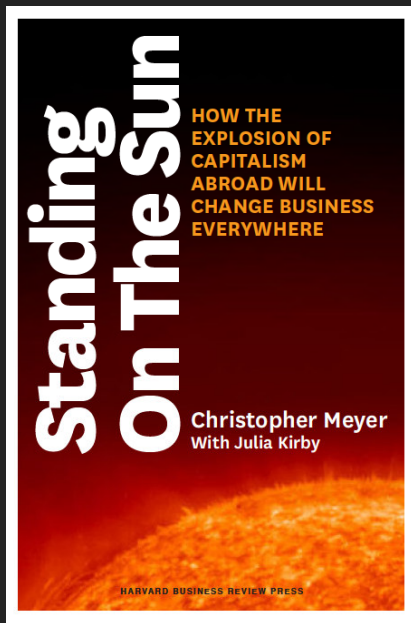
“The folks at Davos [are] calling it the great transformation -- it's a search for new models.”

-- Ian Bremmer, January 2012

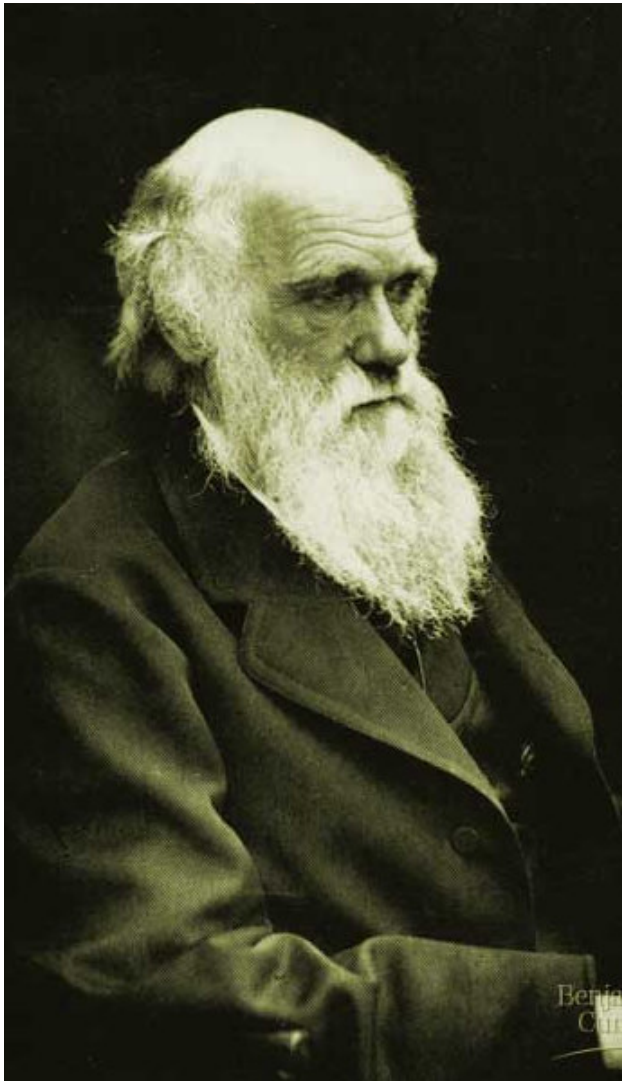


Is There a Crisis of Capitalism?

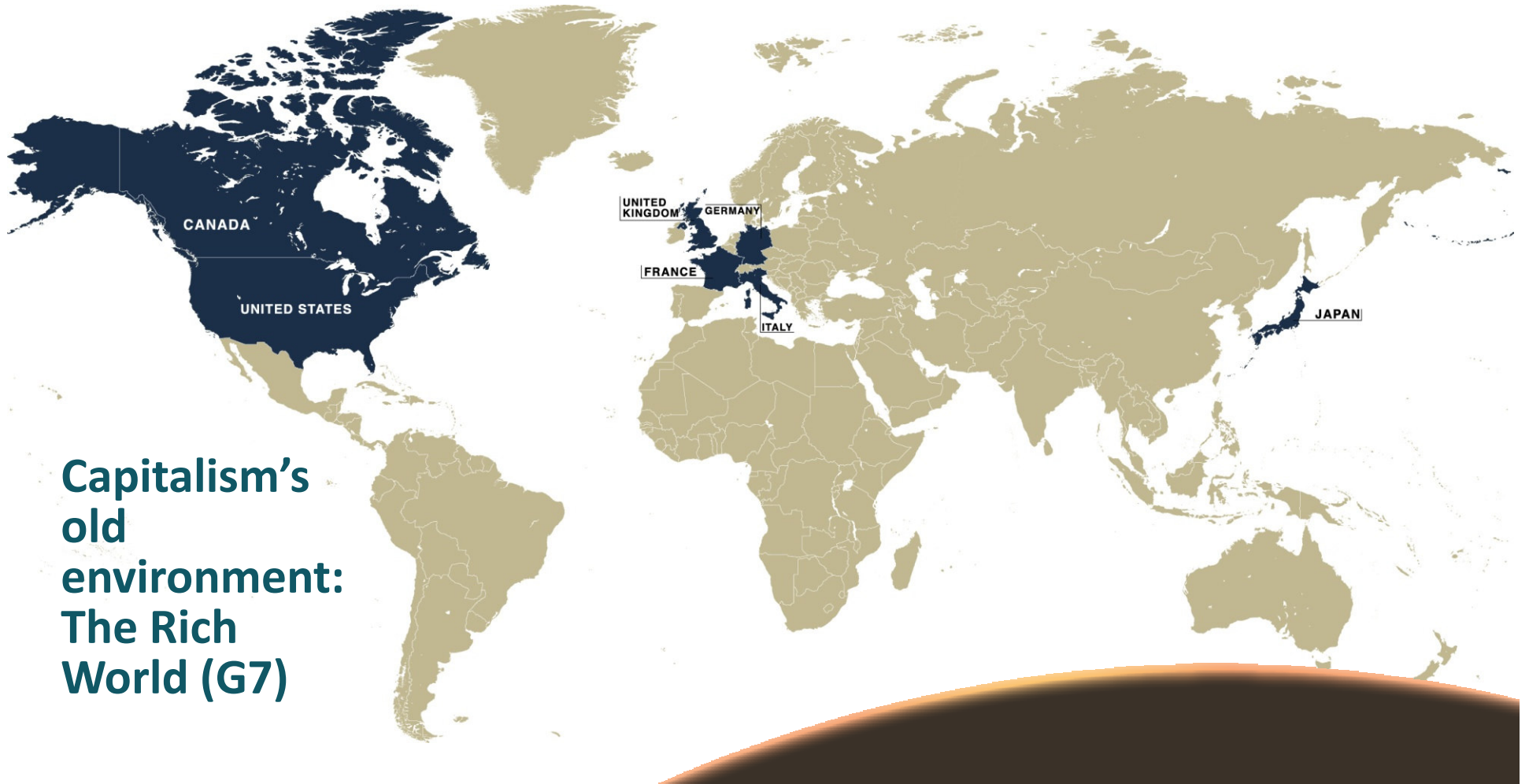
The image features a background of a sunset or sunrise over a body of water. The sky is a deep, dark red, and the water below is a lighter, shimmering orange-red. The overall tone is dramatic and somewhat somber, which complements the title text.



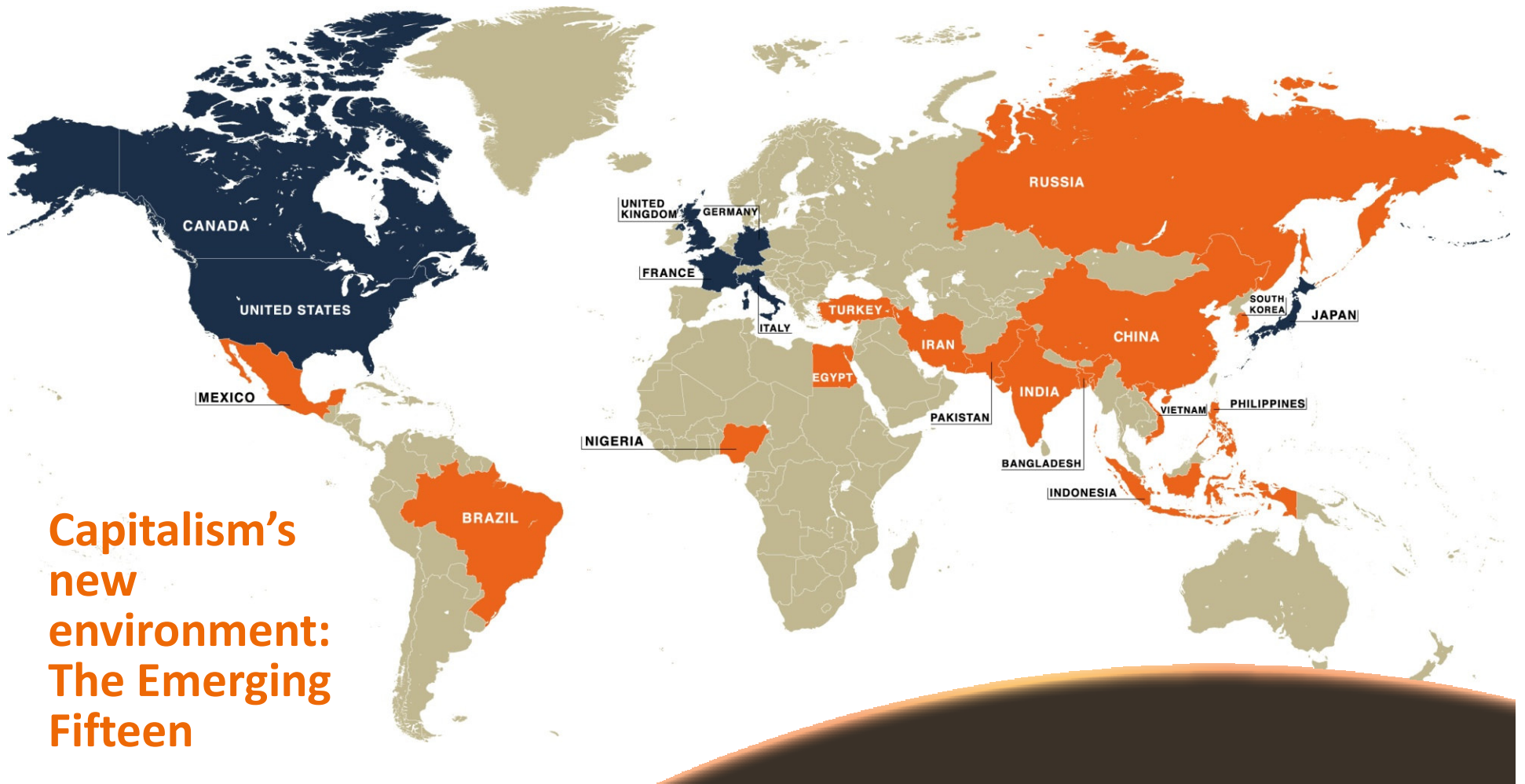
“To understand the solar system as it is, Copernicus had to be standing on the sun.”







**Capitalism's
old
environment:
The Rich
World (G7)**



**Capitalism's
new
environment:
The Emerging
Fifteen**

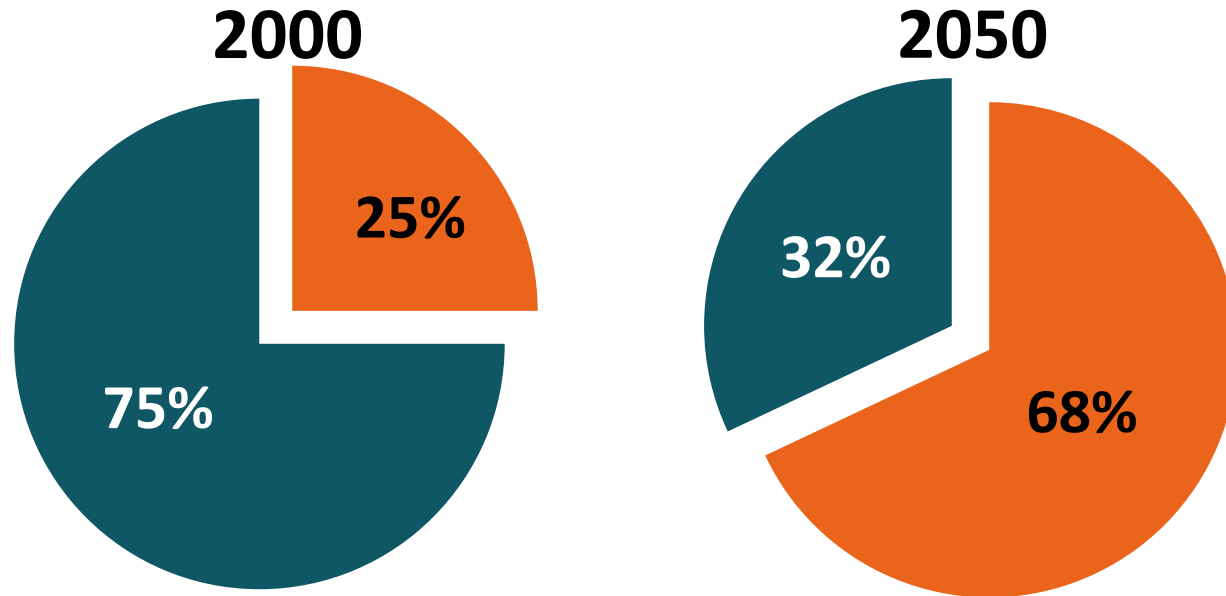
	G7 Countries	BRIC + Next 11 Countries
GDP (2009)	\$3,335 Bn	\$523 Bn
Growth of GDP 2004-2009	1%	22%
GDP/capita	\$27,708	\$3,010
Median Age	42	28
Proportion of population under 15	16%	28%
Mobile phones/100 pop.	109	76

G7 = Canada, France, Germany, Italy, Spain, UK, US

Emerging =

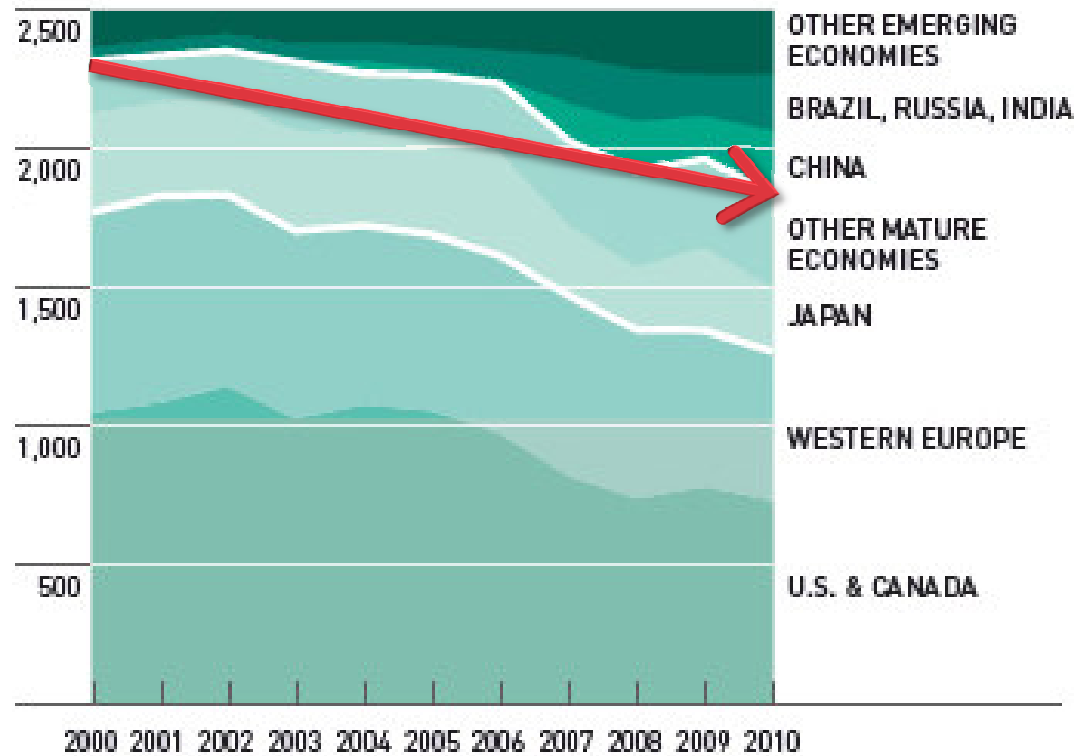
Brazil, Russia, India, China, Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, Philippines, South Korea, Turkey, Vietnam.

World GDP

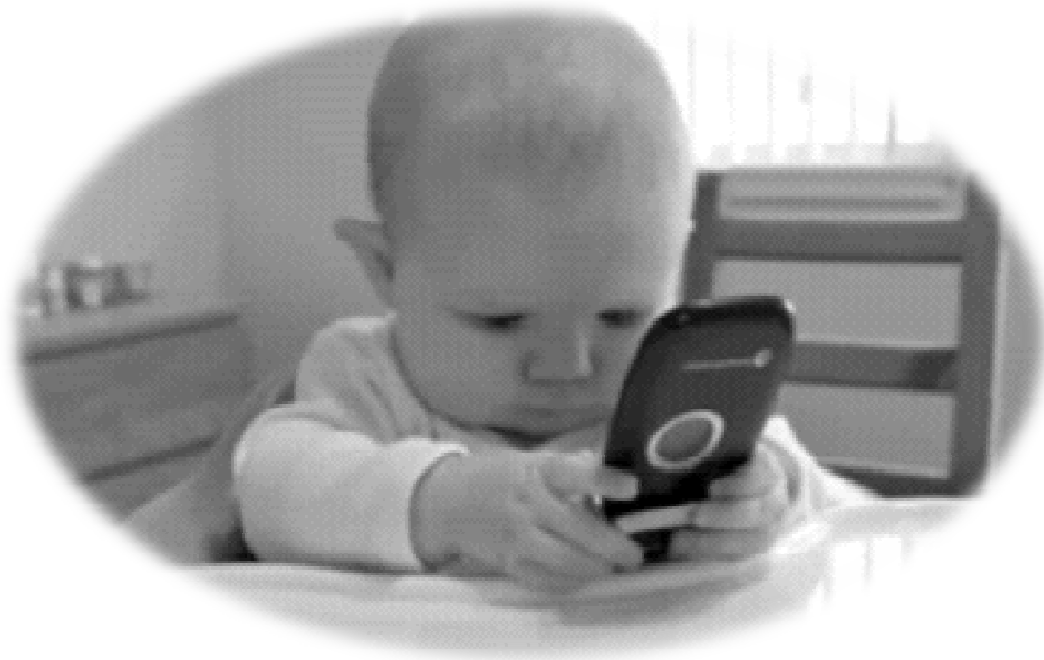


G7 Countries
Rest of World

World's 2500 Largest Public Companies



**“Technology
is anything
invented
after you
were born.”**





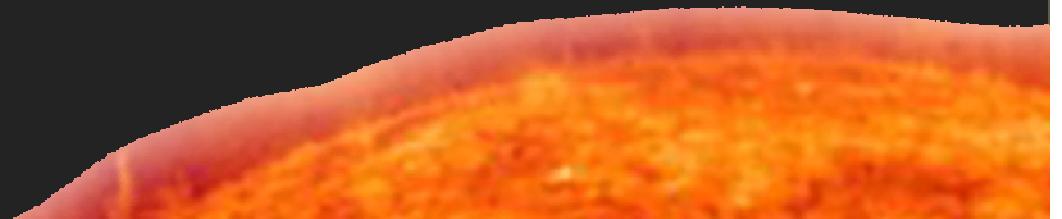
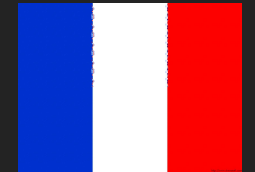
How Will Capitalism Change?

**Runaway
Capitalism:
The
Peacock's
Tale**



RULE 1

Seeing in Color

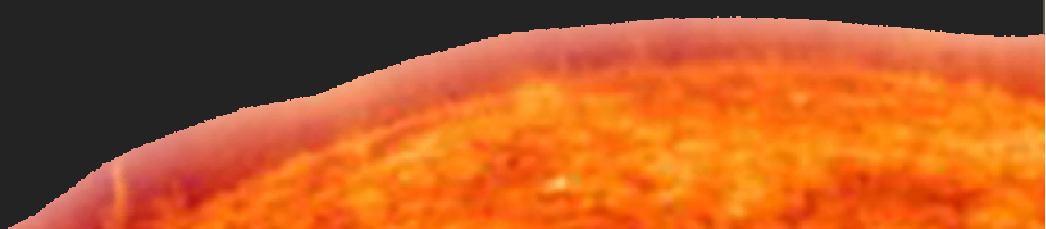


RULE 1 Seeing in Color

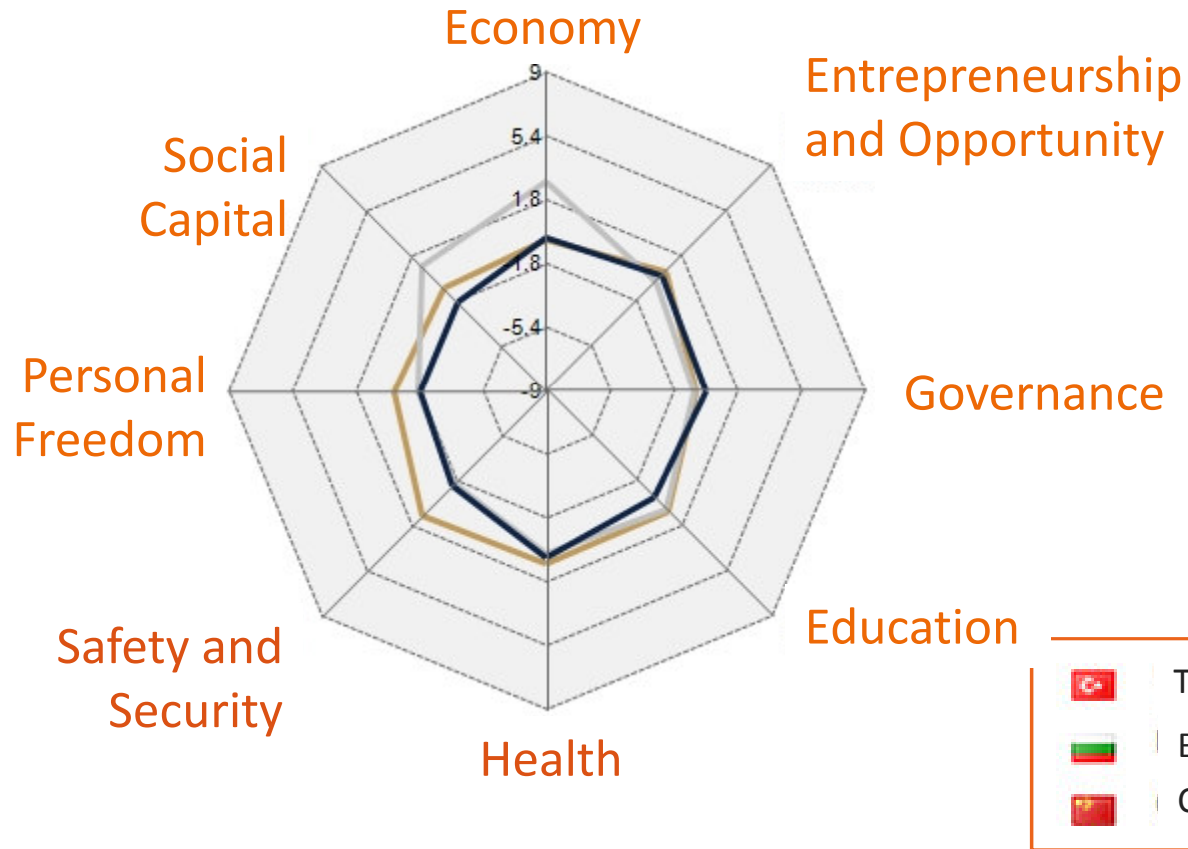
“If we know money doesn’t buy happiness, why are we optimizing for money?”



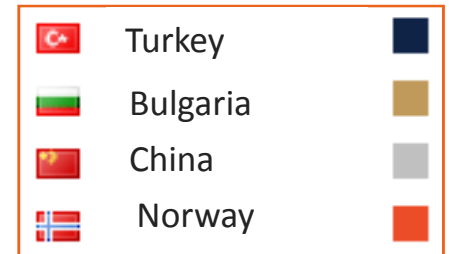
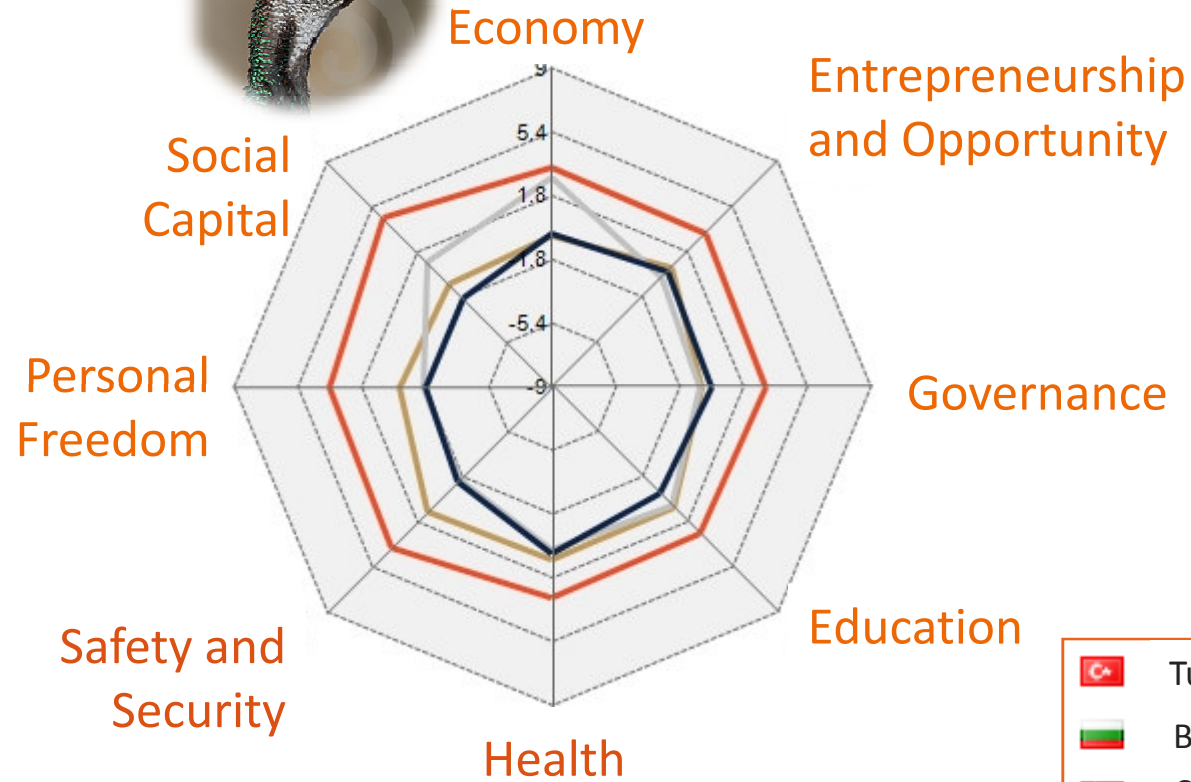
Adam D. I. Kramel, Facebook Cross
National Happiness Index Project



What gets measured gets managed



What gets measured gets managed



Five
New
Rules

RULE 1

Seeing in Color

Measure and maximize value across all stakeholders

RULE 2

Internalize Externalities

Assume responsibility for total impact of the enterprise

RULE 3

Pseudocompetition

Maximize value created by your ecology

RULE 4

Invisible Handshake

Accelerate innovation and growth through collaborative production

RULE 5

Fourth Sector

Create mixed value enterprises

The image features a background of a sunset or sunrise over a body of water, with a dark red overlay. The text is centered in the middle of the image.

How will new rules change business?

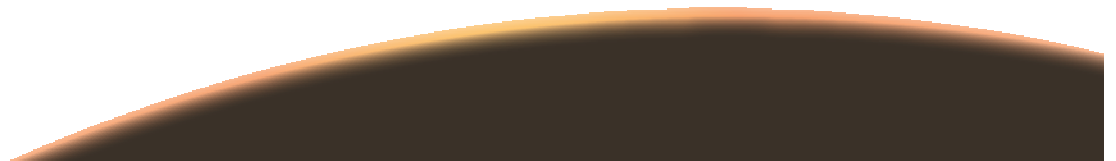


“Chinese and Indian drug makers...are on the verge of selling cheaper copies of such huge sellers as Herceptin....

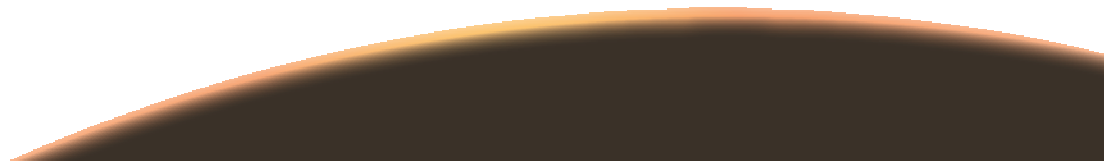
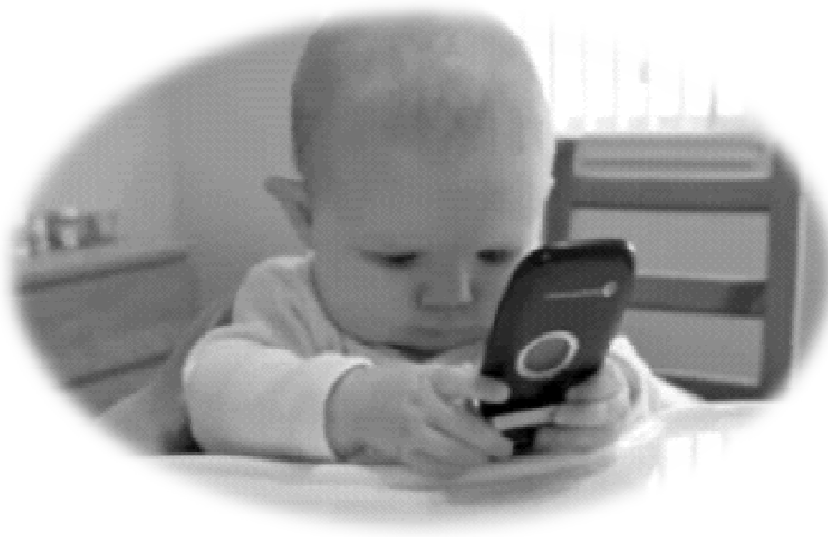
Their entry could not only transform the care of patients but also ignite a counterattack by major pharmaceutical companies and diplomats from richer countries.”

The New York Times

Monday, September 19, 2011 Last Update: 7:30 AM ET



How will
digital
natives see
digital
property?

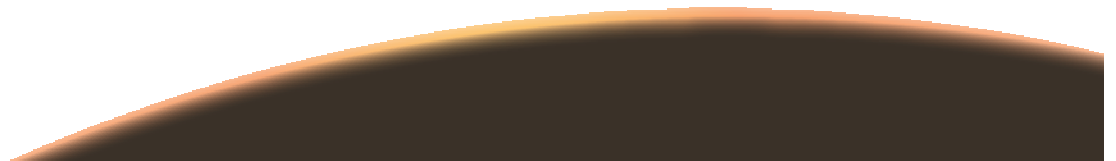


“Searching for new models...”



“A community that says, regardless of what happens in the rest of the world, that it can never again change its ground rules, that community simply can’t survive.”

-- Angela Merkel, November 9, 2011



How
Rules
Spread:

The
New
MNC



healthymagination

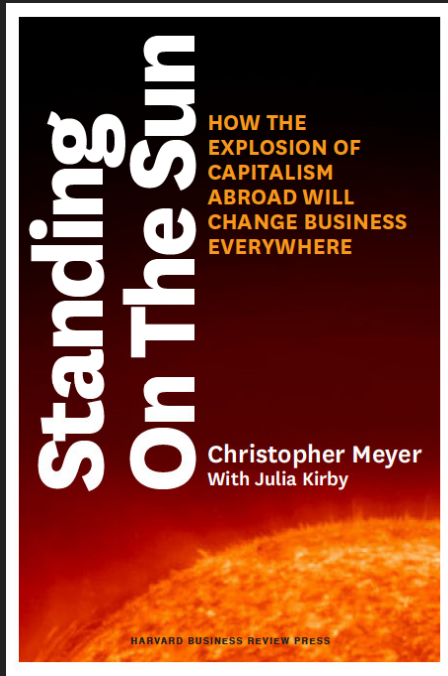
“Motivation and inspiration and willingness to come to work every day and drive hard with passion is driven with the fact that you are affecting lives of millions of people in your own country and other countries who are not having affordable access to healthcare.”

Oswin Varghese, GE Engineer, Bangalore



The real
importance
of the
emerging
economies

- Not: Source of labor and materials
- Not: Rapidly growing market
- Nor even: Source of R&D
- The emerging economies are the environment choosing the new rules of capitalism



The Evolution of Capitalism