

Bringing Knowledge to the World

SPECIAL REPORT

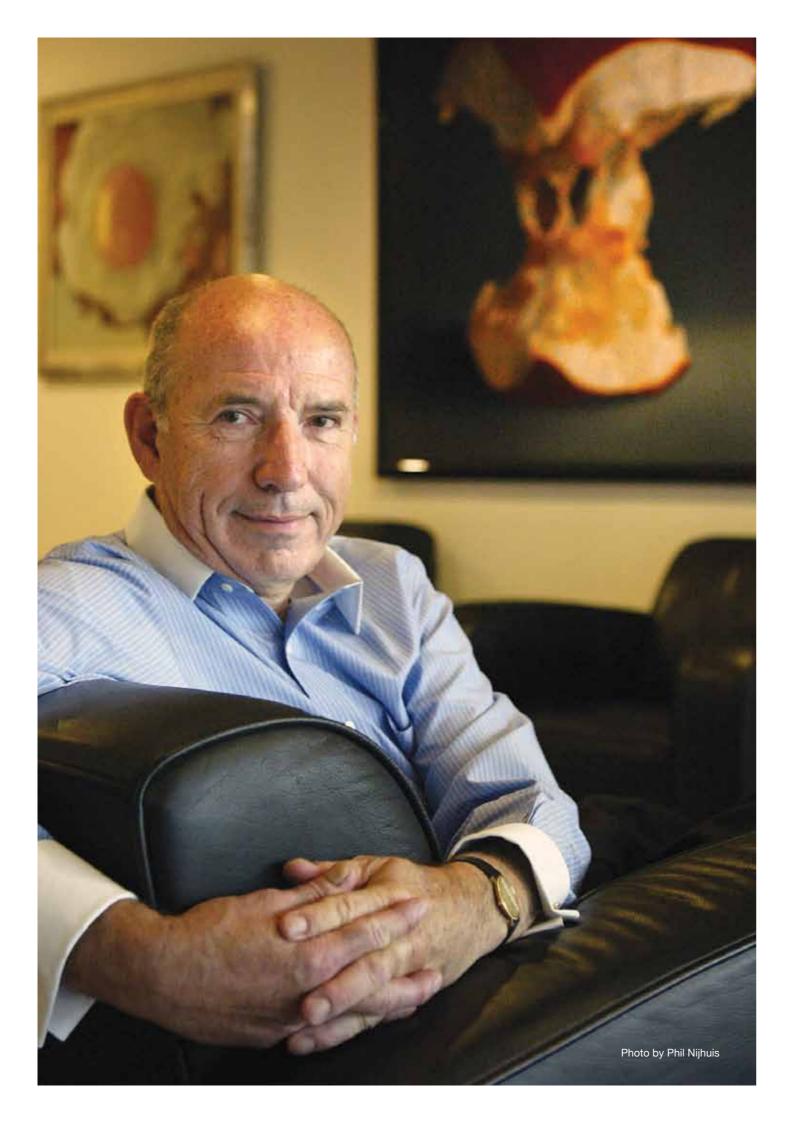
Rebuilding Society from the Ground up

Corporations and Citizens as a Source of Inspiration for Society

by

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SUMMARY

i

Our societies have come to the end of the road. We need a fundamental reconstruction of the systems and institutions that now govern us and redefine the roles of all the players with a stronger focus on making things work by respecting the human dimension.

This is not a choice between socialism, and capitalism or any other -ism. There is no future for any pure -ism. Life is too complex and interdependent for that. We need organic institutions with a clear view of purpose and values. We need governments that guide and inspire, rather than direct and control. We need corporations that pursue value creation for all stakeholders and finally we need citizens that reassume their personal responsibility for the wellbeing of society.

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BACKGROUND: THE DEMISE OF DEMOCRACY

The wellbeing of our societies is determined by many important actors. In our view each of these actors has lost their pre-eminence in making our societies successful. We will not attempt to fully elaborate the weaknesses nor the causes, but limit ourselves to a few observations for each player that many will share.

The **Citizens** have in large part lost their sense of individual responsibility for the wellbeing of our society and tend to look to government and corporations to meet their as well as society's every need.

The **Corporations** have focused increasingly on creating shareholder value thereby failing to recognize their instrumental role in the functioning of all stakeholders in their local, national and ultimately global societies.

The **Institutions** have not been able - primarily as a result of rapidly increasing scale and pace of change, as well as fundamental recalibration of their values – to provide for the natural anchors they once offered.

The **Political Parties** have lost their moral prestige and find themselves enslaved by - in practice counterproductive - electoral systems.

The **Governments** have let themselves acquire responsibilities vis-a-vis their citizens that go far beyond their power of setting a clear direction and implementing according to plan.

The **Media** almost inevitably mirror the trends in society and find it increasingly difficult to offer a proper perspective for the interested citizen.

The above problems have been further exacerbated by an escalating lack of trust between the various players and even between players within the same sector.

Clearly the above represents a highly simplified view of this rapidly evolving world. The best explanation

for this gradual demise of democracy is that the world has been exposed in the last half century to:

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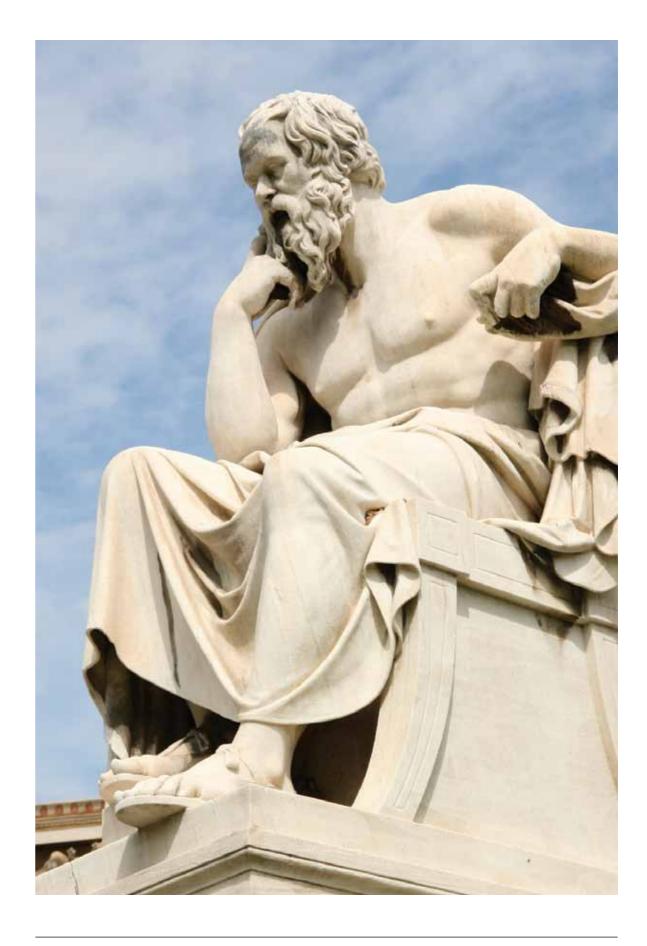
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- An accelerating pace of change in almost anything, but in particular in technology and citizen conduct
- A rapid elimination of physical and psychological boundaries leading to massive global flows of people, products and money
- A resulting increasing interdependency of people, countries and systems, and
- A dramatic increase in scale of production units, corporations and governments

As a result of these developments our system concepts for corporations, governments and society at large have become totally out of date. Thus we have to seriously reconsider the desired roles of the main actors in our society.

The key question therefore is: are these problems a result of bad execution of good concepts or should we fundamentally reconsider our concept of society and the desired role for every player in it? We strongly believe the latter is at stake. The emergence over the last two centuries of democratic institutions and processes has served us well in many dimensions, such as the protection of human rights, the recognition of the fundamental equality of men, the protection of individual freedom, and the structural care for the weak and underprivileged.

But at the same time the positive achievements are taken for granted and the negative by-products of this democratic emancipation become a serious threat to the prosperous and cohesive development of our societies. The challenge therefore to us all is to reconsider the proper role for all key players in our societies and where necessary to redefine those. This is not an exact science but rather a process of trial and error based on a thorough assessment of current weaknesses and an exploration of real alternatives that appear to meet our goals of peace, prosperity, mutual respect, compassion and freedom for everybody.



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PROPOSAL FOR ACTION

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In the following essay we attempt to capture the desired change of concept in redefining the aspired roles for the key players. We focus on the role for the three main actors: government, corporations and the citizen. C We conclude with suggestions for making it happen.



7



THE CHANGE OF CONCEPT

Traditionally the public debate about the make-up of society is characterized by ideological stereotypes based on perceived distinct differences in objectives. Thus we have left versus right, socialism versus capitalism and democrats versus republicans. These original contrasts however have largely been overtaken by reality. None of these traditional concepts comprehensively address the true needs and desires of society: to live in peace, harmony, freedom and prosperity. Today's educated citizen in many instances is neither fully left nor fully right, but a little bit of both.

Ideological differences these days are far less pertinent in establishing different objective functions and far more on defining the ways in which the objectives are pursued. There is however no place for ideology here, but rather for pragmatism: what works and what does not.

In offering ideas for change of concepts we will focus on three critical categories of players: government, citizens and corporations. Critical in all these changes is the conviction that we have to reach for retrieving the human dimension in our systems.

The system redesign that we recommend is built around three main principles:

- 1. Governments will refocus on their core tasks in the public domain
- Corporations will assume shared responsibility for society and pursue a balanced strategy to meet their obligations vis-à-vis all stakeholders in the corporation
- 3. Citizens will assume far more individual and collective responsibility for their societies

The basic logic for these shifts is as follows.

Governments within a parliamentary democracy are by design incapable of providing the necessary operational diversity in the execution of their policies to ensure the successful pursuit of the abovementioned objectives to live in peace, harmony, freedom and prosperity.

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Corporations, because of their intensity, cohesiveness, market reach, pragmatic orientation and effective human development and selection systems provide a far greater potential source to pursue all of the above objectives simultaneously. And it is in their own interest to take on this responsibility

Citizens represent the core of our communities. They can and should not delegate their personal responsibilities upwards to a government. Only individual citizens are able to offer the diligent response to local needs and provide effective feedback loops in ensuring local peace, harmony, freedom and prosperity.

Each of these topics is elaborated upon in the following.

THE ROLE OF GOVERNMENT

It is evident to many that the current concepts of parliamentary democracies in developed economies have somewhat come to the end of the road in terms of their effectiveness. Politicians and governments appear to have reached far beyond their grasp. As a result the trust in and respect for governments and politicians have never been lower and governments have become the most criticized part of our society.

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What can government and political parties do to promote a desirable evolution of society? What is essentially the role and meaning of government and politics in a modern democracy in a world full of technical brilliance and society's apparent inability to change and develop? Should government – by hook or by crook – interpret the "will of the people" and develop policies accordingly? Should government correct every abuse – however incidental – and develop rules to prevent a reoccurrence?

Don't we recognize the urgent need for a new type of democracy in and for the 21st century and for a government that leads us on that path with gusto and restraint? Is it not true that everything changes around us in a dazzling and accelerating pace and that that change should probably be a source of inspiration for developing the basic components of a new version for democracy and government?

We consecutively look at the current limitations of government, the lack of system evolution during the last century, and the general direction for change.

CURRENT LIMITATIONS

Historically the focus of government was on setting objectives and developing strategies in support of those. Execution was relatively straightforward. These days execution is far more difficult in a world that is exposed to an exponential pace of change

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and to increasingly vocal citizens. As in the business world making plans happen is far more difficult than conceiving plans. Thus government for an overwhelming part is about organizing a highly fluid and uncertain environment.

Nevertheless governments and parliaments are still encumbered by ideas and practices that stem out of the time of the Industrial Revolution, when – practically speaking – the world around us compared to today - stood still. Should we not, now that the citizen through actions of government has emancipated significantly, recognize that potential and involve the civil society far more actively and effectively in the resolution of issues at local and national level?

While the industrial revolution moves on, we have seen other revolutions overtake it. First the Information Revolution, that forces continuing dramatic changes in our day-to-day environment. And for quite some time now we witness the impact of the Emotional Revolution. Scientists and business leaders around the world recognize that virtually every action or decision in the political and the economic field has a significant emotional component to it.

We therefore can only function effectively by understanding and satisfying these emotional needs if we want to have positive impact. This requires a continuing focus on the human dimension and human scale. Successful corporations have recognised this by de-layering their organisations and offering far more latitude for personal judgment at the front line.

The experience in large organizations whether the Red Cross, General Electric, McDonalds or Unilever taught us that we have to think in terms of totally different organizational models with far more room for personal initiative and local interpretation. Most government programs in the social sphere are totally ineffective in arranging for such feedback loops that ensure that citizens are not merely consumers of government services, but also producers. Thus we have to reintroduce the human dimension in our systems of guiding and supporting our societies.

LACK OF EVOLUTION

The lack of both effectiveness and efficiency in the systems of government results from our inability to have these systems follow the evolution of our societies and economies. How come that every government - local, national or supranational - has a tendency to ultimately become introspective and to consider the ultimate customer - the citizen - as a troubling hornet, who will get his response when it suits the government? Not because of lack of talent or good intentions, but because a system that is not continuously evolving will ultimately degenerate.

Thomas Jefferson, the third president of the United States (1801-1809) said:

"Some men look at constitutions with sanctimonious reverence, and deem them like the arc of the covenant, too sacred to be touched; who ascribe to the men of the preceding age wisdom more than human, and suppose what they did to be beyond amendment. Let us follow no such examples, nor weakly believe that one generation is not as capable as another of taking care of itself, and of ordering its own affairs. Each generation is as independent as the one preceding, as that was of all which had gone before"

Our current perspective on democracy and the government structure and conduct that reflects this is driven primarily by laws, philosophies and institutions that have their basis in the 19th century. A period in which societal objectives and priorities

were fundamentally different. A period in which dignitaries in government thought and acted from a totally different background and experience.

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Is it not our top priority then to have our governments take a step back and reflect intensively on its own thinking and acting? Should we not completely redefine the role of government and inspire our representatives to pursue a totally new insight into the ways in which objectives can be translated into policies and policies into action and results?

DIRECTION OF CHANGE FOR GOVERNMENT

In order to bring government practices up-to-date three prime steps have to be taken:

- Redefine the role of local, national and supranational governments
- Refocus the organization structure to maximize performance
- Enhance the quality of strategic and operational decisions
- Improve the effectiveness of electoral systems

For the purpose of this essay we limit ourselves to the first two items.

The role of government has expanded dramatically during the last century under the influence of wellintended desire "to care for the citizen" and on the basis of organizational principles that stem from the early days of the industrial revolution. In pursuing these lofty objectives government has far exceeded its ability to deliver.

A dynamic society does not lend itself to control and command except for a very few functions, like international safety, climate impact, infrastructure, economic stability and basic levels of care. In all other areas the role of government should be far more one of inspiring and supporting other more effective players to make it happen.

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Government in the 21st century operates in structures that are shaped around its primary objectives of the period: freedom, safety, solidarity, knowledge, mobility and health care. She creates boundary conditions, supports initiatives, builds networks and ensures results.

Government is largely about organization: making happen what most of us want. Government should develop a vision - with a fundamental grasp of what the citizens really care about and with due respect for the individual's interests - on how our societies will best function and promote such a vision with conviction and personal attention.

Traditionally the government organization is resource based. As a result most critical government programs involve three or more - mutually competitive departments. Government of the future will have to regroup their organizations around their prime objectives eliminating most of the overlap.

In a successful democracy the government is controlled effectively by our elected representatives. This does not necessarily imply that such a government acts slovenly to implement the aspirations of the representative body. The government at any level - just like any person in any organization - has an independent responsibility to develop visions and implementation paths that can enhance the effectiveness and efficiency of political aspirations.

Such an attitude calls for both respect and passion. Respect vis-à-vis every individual and passion to pursue ever more successful practices. Such a government inspires social cohesion and shared

10

pride without haughtiness. Therefore the government has a particular challenge to operate market driven, to meet citizen's needs - individually and collectively - , to demonstrate the flexibility that is required in practical situations and to always seek the hardto-define balance between individual and collective interests.

That government is careful in its decisions but at the same time firm; prepared to make mistakes within reasonable boundaries: results oriented in setting priorities and efficient in the use of its means. Its organization structure is flexible and can be easily adapted to changing requirements. This flexibility will simultaneously prevent civil servants from becoming fixed in their patterns and career. They move regularly from one position to the next and do not need to hang on to survive.



THE ROLE OF THE CORPORATION

In the first half of the 20th century many if not most corporations were basically family owned. Emerging from pre-industrial revolution days several of these realized their obligations to communities and played a critical role in shaping and developing these. The CEO then played a central role - for better and worse - in these communities. But their power was uncontrolled and could be misused.

With the creation of the Limited Company and the advent of ever more distant owners/shareholders the fundamental objective of corporations has shifted to "creating shareholder value" sometimes at the complete detriment of all other stakeholders, such as employees and customers. We have passed the peak of that process as a result of increasing external pressures from unions, the environmental movement and ultimately the public at large.

Leading corporations have understood that it pays, not only to be socially "responsible" but even "active". It is now time to realize that public corporations should be exactly what their name suggests: public that is operating in the interest of society. Increasingly prominent and visionary entrepreneurs shed of their hesitation and position their company as a "societally active enterprise" rather than relying on the traditional "corporate social responsibility".

In this new vision companies not only act as law abiding, but primarily reactive, participants in society. They rather leverage their talents, power, access to market and operational capacity to trigger and support needed societal change.

This development is a consequence both of an increasing appeal from a variety of societal sectors as well as well-understood self-interest. A societally active enterprise will gain through its actions, a far greater share of mind with potential employees, customers, government and other stakeholders. In doing so it will capture the fruits in the form of a better qualitative and quantitative performance. This is both true for the company itself as well as for all of those around it.

There are three completely complementary arguments and developments that support the notion of a far greater involvement of business in societal development: pressure from governments, pressure from markets and singular opportunity to help shape a constructive society. Each of these dimensions is discussed blew.

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EXPECTATIONS FROM GOVERNMENTS

First there is a practical development in government policy to rely more and more on the business world for the execution and the operationalization of its policies. Understandably, corporations have initially reacted rather negatively - or in any case very defensively - to this trend in government policy. In many instances, they were not convinced of the value of the policy to start with and one cannot blame them, as the current political reversal of policies from the seventies and eighties in many developed countries would underscore.

Many actions by governments - supported by the media and also increasingly by public opinion at large - have made companies much more aware of their societal responsibilities. This has resulted in programs, codes of conduct and nice reports leading amongst others to better protection of and care for the environment and similarly for the individual. Inevitably, some of these developments have also had counterproductive consequences, for instance in the form of a far less flexible labour market in many countries around the world, particularly in Europe.

For the time being, these efforts have produced very little impact on our central societal issues such as cohesion, safety, health care and mobility. Now that there is a wave of retreating governments throughout the political spectrum it is all the more evident, that the stakeholders around the enterprise increasingly will look upon that same enterprise to help address some of the central societal issues.

A smart corporation does not wait till yet another new - not necessarily well conceived - task is put upon its shoulders. To the contrary: a smart corporation tries to maintain the initiative in order to be able to influence the course of events. This thus, is the first of arguments for societally active entrepreneurship.

EXPECTATIONS FROM THE MARKETS

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There is also a totally different - complementary line of logic that argues that it is in the direct interest of the enterprise to be societally active. Markets, whether it is for labour, customers, suppliers or other stakeholders are increasingly dominated by the consequences of the Emotional Revolution, that we mentioned before.

Following the Industrial Revolution and the Information Revolution, of which we still can find



traces, increasingly entrepreneurship is governed by elements with a high emotional content. It is not a coincidence that hundreds of millions are being invested in the development of a brand name and identity such as Nike, Lexus, Apple, Philips, BMW or Emirates to seduce the consumer. Not only the consumer is susceptible to emotions. Increasingly the quality of the labour force is dependent on their emotional disposition towards the corporation in all its dimensions.

Co-workers only truly become that - co workers if they are emotionally inspired. There are wonderful illustrations of enterprises and organisations that are far superior in getting the best out of their employees - with corresponding greater satisfaction for the employees themselves - than the average

competitor. The public call for the societal relevance of the enterprise – in addition to the quality of its product or service – is clearly on the increase.

Many products and services are offered in a market with an almost perfect competition on a global scale. Thus, in a technical perspective these products are becoming commodities. In such instances the emotional factor dominates the choice, either to buy the product or to join the corporation and deliver outstanding performance.

It is not only the potential employee or the consumer that looks for this societal relevance but increasingly other stakeholders – not in the least the government itself – will do so. And there is also the satisfaction of deploying one's own talents and qualities in support of a better society. Many corporations that have pursued this development and have started societal programs – such as Shell, Unilever and many other players – centrally or locally have made impressive progress. But there is still a long way to go.

OPPORTUNITY TO CONTRIBUTE

The above represents a practical argument for corporations to take on a much more active role in the development of society. But if we would start all over and try to design a properly functioning society, would we not want to move away from notions of left and right, capitalism and socialism and republicans versus democrats?

There are many aspects of society in which

corporations can have a useful and creative input. What about healthcare, education, safety, social cohesion or mobility? All topics that warrant a further active involvement of business **as long as they are tested for societal integrity**. They could work wonders.

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Is it not true in most developed democracies that all of us want to pursue more or less the same ultimate objectives: growth and prosperity for all, care for the weak (in an effective manner) and maximum freedom for the individual? While we have ethical debates on a small number of topics, like abortion, euthanasia and same sex marriage can we not continue those debates while being far more effective in serving the needs and desires of society at large?

In essence government is largely a matter of organisation not philosophical principle. How do we achieve our shared goals in the most effective ways? Governments of whatever colour have turned out to be exceptionally unsuccessful in organizing this pursuit of societal success. Is it not time for corporations to take on this challenge through trial and error in an environment of many effective feedback loops supporting the collective learning?

We certainly do not plead for a society run by business, to the contrary, but for a society that is practically and productively organised and that makes maximum use of the talent, facilities and organisational power that many business organizations and other organizations such as citizens movements and sports federations have to offer.

THE ROLE OF CITIZENS

The Universal Declaration of Human Rights has been a source of a lot of constructive activism to protect the individual. Unfortunately this focus on rights during the last half century has tended to make Citizens believe that they have only rights and no obligations to society. This trend has been enhanced by governments drawing more and more societal responsibilities to themselves.

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In a way all of us have been spoiled by governments, implicitly or explicitly delegating our responsibilities for a civilized society upwards to the government. This problem is exacerbated by the enormous media pressure on government to protect the individual.

More recently however citizens have been far more active on local and national issues. Citizen's activities can broadly be divided into action groups directed at influencing the government – as for instance in many environmental issues – and individuals and organizations that take charge of societal issues directly without involving government.



This development should be strongly encouraged since the solution of most problems is in the hands of those directly involved. In the end society is us: the citizens. Most visible and tangible problems in neighbourhoods – can frequently better be addressed by those directly involved then by outsiders with a top down perspective.

Most developed countries have thus seen the spontaneous emergence of citizen's movements to support "Res Publica", the Public Cause. They will and shall be the engines of evolution that bring the other players, in particular governments, corporations and public institutions to adapt their practices.

It is a long road however to bring the public at large up to speed with the new reality, that they are at least as much responsible for contributing to creating and maintaining a fair, safe and prosperous society as for reaping its benefits.

MAKING IT HAPPEN

Massive changes in attitude and practices by all three types of players that we have focussed on in this essay are called for. We concentrate in the following on the corporations, since they represent a category that is most mobile and effective in creating change.

Change is neither an exclusive top-down nor a bottom-up event. It needs both. Corporations are far better qualified than any other type of organization to:

- Understand markets and people
- Generate creative options for change
- Implement change
- And adapt their approaches to fundamental
- evolution of the external environment

No political party or any other form of human aggregation has the scope and the ability to deliver on these key dimensions. However to fulfil such a role corporations will have to embrace a fundamentally different perspective with respect to their primary function, their measures of success, their internal mechanisms and their external review systems. Some indeed are already moving in this direction, but clearly we need a complete paradigm shift to achieve desired results.

If we were to adopt such an essentially new role for corporations, they suddenly could become a source of inspiration for society at large. But obviously this calls for fundamental change in many dimensions: measures of success, management practices, central values and effective external review systems.

MEASURES OF SUCCESS

Most leaders of large global corporations have sensed that there must be more to a career than creating the largest shareholder value at almost any cost to all the other stakeholders. This is such an outdated concept. And certainly down the ranks that sense is even stronger.

The corporation has stakeholders of a large variety

and with equally varying degrees of association and commitment to the corporation. Employees dedicate a significant part of their day-to-day time and energy to serve a corporation. But what most would really like to serve is society.

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VALUES

relevant.

today's challenges.

Thus the new corporation will have to identify its stakeholders explicitly and determine their interest in the corporation and define the corporate role accordingly. As an illustration most successful professional Firms pursue the dual objective of serving the best clients on the most interesting topics on the one hand and attracting the best talent on the other hand. While "client comes first" will be central to the value system, the effort spent on attracting and retaining talent might receive as much attention and investment.

These dual objectives are pursued, while recognizing that a third somewhat more "silent" objective personal prestige and moral and financial reward for the partners - will automatically result from focus on these primary targets: top clients and top talent. Leading firms will thus review their own performance against those standards first.

MANAGEMENT PRACTICES

Redefinition of the role of the corporation inevitably brings with it a far reaching overhaul of most management practices such as attention to both the physical and the human environment, organization structure, evaluation and reward systems. For large consumer oriented corporations the challenge is somewhat more complex. The number of relevant stakeholders expands to include beyond clients and staff, suppliers, distributors, capital markets, governments, regulating bodies, communities around their plants and so on and so on.

The new corporation will have to identify each of these groups, their needs and their reasonable demands. Then it will have to set policies and balance trade-offs between these. In creating the necessary instruments the communication of values is far more critical then detailed "rules". Values will allow for a corporate wide sharing of priorities while allowing for individual reflection at the frontline empowering people to truly care.

Central to such a massive change in corporate design and orientation are superior evaluation systems. Values that are listed in corporate communication systems, but not reinforced in evaluation processes and compensation practices are worthless. Even worse they are negative, because they will reinforce a notion of lack of sincerity.

The industrial revolution has inspired an organizational

inclination to command and control. In extremis this

results in what we call the Einstein organisation. Such

a concept is built on the assumption that the leader

has all the answers and that all employees ideally

behave as robots, executing instructions perfectly

At the other end of the spectrum professional firms

govern primarily by values. These organisations

are what one could call DNA driven. They share a

pertinent set of values and interpret these at the front

Corporate values will determine attitudes versus

customers, employees and all other stakeholders

including society at large. Here is the fundamental

shift. Corporations will take on responsibility for

society in those areas and arenas where their

knowledge, market access, and resources are

In that sense corporations will be a central part of

the Civil Society that in the years ahead will have to

compensate for government's inability to address

without personal interpretation.

line to the best of their ability.

Thus for quite some time many corporations have started to publish an annual societal report focusing on other elements than financial results and risks. While the original focus of these reports was heavily on protecting the physical environment other topics have come up for inclusion, such as diversity, durability, labour conditions along the supply chain and many others.

CEO LEADERSHIP Some CEO's of large international corporations have intuitively understood their role to be far more than raising shareholder value. They recognize the importance of their organization to the wellbeing of the communities they operate in and of society at large.

REVIEW SYSTEMS

The above fundamental change can obviously only be achieved and maintained if an environment is created in which corporations can only flourish when they meet this totally new profile of "servant of society".

Like the green movement has started and accelerated the interests in protecting our physical environment, we will need initiatives from civil society to hold corporations to the test of protecting our human and social environment. Across the globe initiatives are popping up that seem to move towards that role.

Leading accounting firms are exploring the idea of a "corporate alignment review" to recognize the importance of non-financial factors in the overall performance of the corporation and its value to society. As always the media could make a significant contribution to the desired process of change by giving structural attention to this theme.

The aspiration for the future is that corporate leaders embrace this responsibility for society at large and act accordingly. That they are capable and interested to understand and balance the interests of all



stakeholders for the betterment of their organization and the societies it operates in.

To achieve this transition from basically shareholder representative to society representative calls for an enormous shift in mindset and responsibilities. The key question then is: how can we achieve this transition without ending up in a political democratic process? Democracy is great, but not necessarily productive or effective or even trustworthy.

Experimentation is called for to seek a blend of the best of both: democratic responsiveness and meritocratic performance orientation. The answer should be found in a fundamental resuscitation of the Civil Society, the self-organisation of citizens around common causes. Several countries during the last decade have seen the emergence of these types of organisations pursuing the Public Cause.

What one would hope for is that these organizations

can stimulate the development of a classification/ review mechanism, as described above that offers a clear perspective on the degree to which any organisation of any significance contributes to the diverse requirements of society.

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But leaders have to earn their leadership in order to gain the trust amongst the public at large. One way to earn that trust is for corporate leaders to position themselves much more clearly as protectors of society by committing part of their time and money to public causes.

The current level of distrust and disrespect for business leaders amongst the public at large in most developed countries - possibly with the exception of the USA - will have to be replaced by a sense of respect and admiration that these days only top athletes and media performers can count on.

CHALLENGES AND BENEFITS

Fundamental change in institutions and individuals is clearly a challenge that only the foolhardy take up. But those are the ones that ultimately have impact on society.

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In this particular instance we want to inspire fundamental - if not dramatic - change in government, corporations and the citizens at large and we want to do that simultaneously. This is not a sign of megalomania. It is driven by a conviction that these three interact intensively and can only move together.

Each one of them will require outside sources of inspiration to make it happen. We will have to start with the citizen and its various congregations in society. These will inspire - and to some degree already have inspired - corporations to follow suit and take on responsibility for certain aspects of society, where their technology, skills and market access gualify them to do so. Government will ultimately change under the combined pressure and inspiration from the civil society of which corporations form a part.

All of this push for rebuilding our society will come from individuals and aggregations thereof in the form of movements. The environmental movement offers a wonderful example of how mindsets can be changed. Now we need in addition to the movement for the protection of the physical environment a similar and even stronger movement for the protection of the human environment.

The value of enhanced trust in each other and our institutions is clearly in the eye of the beholder, but for those economies where a significant proportion of citizens operates on the higher levels of the Maslow pyramid it is undeniably enormous. Moreover those in the same economies on the lower levels of Maslow will truly benefit in terms of personal development and better living conditions. The potential economic benefits are equally

The potential benefits of the proposed reconstruction of society are unique and overwhelming in terms of enhanced socionomics and economics.

overwhelming. It is easy to conceive that governments with a proper role redefinition, appropriate organization structure and state-of-theart management processes could be reduced by some 30 percent in total costs, while the positive impact on GNP through improved regulation and systems could be at least 10 percent.

IN SUMMARY

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Four key areas for action are:

- 1. Accept the limitations of parliamentary democracy and adjust accordingly
- 2. Redesign government for superior performance
- 3. Redefine the core role and performance measures for corporations and their leaders
- 4. Rebuild the Civil Society and inspire citizens to take direct responsibility for the wellbeing of their societies

Society needs it badly.

Mickey Huibregtsen September 2013

"We have it in our power to begin the world over again"

- Thomas Paine - ('Common Sense' 1776)

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