The World Economic Forum (DAVOS WEF) began in 1971 on Switzerland’s highest mountain peaks replicating the Parisian Sacre Coeur-Pigalle monument (erected in 1914 but conceived following the 1870 Franco Prussian war) to vertical salvation from on high trickling down to sinners below. Thirty years after the first Davos Summit (2001), Port Alegre on the Brazilian coast metastasized as the global inequality counterpoint giving visible voice to the disenfranchised and downtrodden. Another twenty years later in 2021, a follow-on opportunity exists for business community ESGs (Environment, Social, Governance) as metrics & UN SDGs (Sustainable Development Goals) as blueprint to meet their metaphorical Port Alegre moment.

A world at existential risk reeling from a lethal biomedical pandemic exposing crippling, extractive-fueled inequalities (socioeconomic & racial injustices) literally stopping traffic in situ can no longer roll the dice on quickly transitioning to carbon-free survival. Considering just the poverty index on a planet where circa 1.89 billion people, 36% of humanity, qualify under the most extreme definitions, it becomes obvious that half a century later the world’s global elite still fail to understand that “nothing about us, without us, is for us”. Fortunately, there is an organic way out of this self-serving, top-down vicious cycle.

“World leaders have agreed to achieve the UN Sustainable Development Goal (SDG) of eliminating extreme poverty by 2030. Meanwhile, the concentration of wealth is increasing (the wealth of just 8 billionaires equals that of 3.6 billion people, the poorer half of humanity), income gaps are widening, employment-less economic growth continues, return on investment in capital and technology is usually better than on labor, and future technologies can replace much of human labor.”


The recent rise of the global social enterprise movement heralds a new phenomenon in the transition from an extractive Shareholder Primacy to regenerative Stakeholder Centric economy stewarding both “humanity@work” and its hosting planet. Consider three data points from only the Global North transatlantic, so-called “developed” world: an estimated 471,000 UK social enterprises; Social Economy Europe -SEE- with 2.8 million members; and the American Sustainable Business Council - ASBC - and its Social Venture Circle partner with 250,000+ triple bottom-line businesses and business organizations.

Aggregating this community, the authors believe it is possible to frame a rising global “bubble-up to gusher-up”™ model that reverses exclusion in favour of inspiring inclusion in the design, practice, measurement, and enforcement of ESG/SDG metrics so that “everything cooperatively about us, with us, is for all of us”. This is called the “Solidarity Dividend” and its power is both global and local energized by a planetary rejection of redlined and embedded structural inequalities over exposed by the global pandemic economy. A battered, abused Earth can no longer afford the “let them eat cake” excesses of either well-meaning or dilettante “green and purpose washing” nor the honest confusion of a purpose driven investor community attempting to synthesize principled and profitable order amid definition and criteria chaos attracting thousands of disconnected key performance indicators (KPIs).


This paper calls for the emerging Mont Blanc social enterprise convening forum to create a "Social Economy Tool-Box" of ESG metrics (https://en.essforuminternational.com/). Aligned possibly with a European research funded mission
(e.g. Horizon Europe, ERDF, Erasmus), an inclusive and comprehensive social enterprise/cooperative business approach can go beyond the Davos/WEF standards and become more social and caring economy compatible again in design, practice, measurement, and enforcement arenas. Bringing “shop floor” participants to the fore enables righteous claims to equal policy consideration and impact on ESGs/SDG formation and their performance metrics for virtuous cycle business ecosystems transcending borders, markets, and silos.

Shouldn’t a post pandemic economic reordering dedicated to “flattening unhealthy curves” formulate an 18th UN SDG goal acknowledging that the foundational policy for a fair and aspirational economy working for all rests on inclusive, broadened, and deepened, local stakeholder worker and employee ownership undergirded by workplace democracy practices? Metrics show broad-based, worker owned social enterprises and ecosystems, through aligned high road principles and practices, are more stable, inclusive, equitable, democratic, resilient, and competitive with fewer job losses, especially during downturns. Research reveals that combining an equity stake with participatory ownership culture (essentially the definition of a worker cooperative) creates upwardly transformative, shared purpose-driven businesses & societies.

The basic democratic principle valued in nation-states and Stakeholder Economy enterprises is one-human/one-vote. An equity share is the right to vote and provides the basis for power-paradigm-changing culture combining inclusive and caring community and individual civic-solidarity mutualism, stability and self-reliance leading to flatter curves facilitating more equally fulfilled lives and dignified retirements.

A competitive Stakeholder Economy marketplace innovating products and services contributing to the collective good prioritizes strategies and tactics, accelerates entrepreneurial drive and rewards ability to execute. Profit-motive is uplifted beyond individual to community, beyond naked self-interest to enlightened societal interest. Shareholders as local Stakeholders reject traditional assumptions promoting harmful climate redlining and other societal injustices producing regressive, extractive practices and outcomes. These new competitive equations thrive on higher purpose-driven values and compatible operating structures and create sequential downstream virtuous cycles that are aspirational and inspire others.

Such transformative thinking is not limited to business school re-imaginers, boardroom visionaries, or executive pioneers. In the words of Harvard Business School professor, Rebecca Henderson, “we are all pebble rollers intending to start an avalanche”. Already some of the most progressive thinkers and doers throughout global Organized Labor communities conceptualize hybrid models (union-coops in the USA & UK), workplace solidarity equations (worker councils in Germany), and other practices offering pathways for workers becoming equity and/or values-driven participation stakeholders in a rising Stakeholder Economy. Additional examples include the use of open book bargaining, open book participatory budgeting, and open book management by several U.S. union locals.

These modernizing and democratizing tools (potentially a “Labor ESG” under “S” & “G”) can represent a more relevant, agile, competitive, and encompassing Union future where past-their-prime-and-time structural hierarchical curves are flattened to advance a rising mosaic workforce. These approaches become even more impactful and sustaining when undergirded by single class worker equity and workplace democracy guaranteeing a voice and a vote through a seat at the enterprise ownership table (aligning with almost seventy years of the Mondragon ecosystem experience).

This is not to say that well intentioned work advanced by some of the world’s leading business schools and corporate leaders is not worthy. On the contrary, such worthiness compels an inclusive and eclectic process commensurate with existing motives and content. The British Academy with SAID Business School (Oxford University) are pioneering a global discussion on “Putting Purpose into Practice” in the drive towards an eventual global social impact template reality. “Mondragon: Maintaining Resilience through Cooperative Strategies” is a highly relevant example of one of the world’s preeminent social enterprise ecosystems defined by purpose-driven values, resiliency, solidarity, equality, renewal, and innovation.

sources:
• Chapter One – “Putting Purpose into Practice: The Economics of Mutuality”, Oxford University Press, 2021, - [https://purposeintopractice.org/mondragon-maintaining-resilience-through-cooperative-strategies](https://purposeintopractice.org/mondragon-maintaining-resilience-through-cooperative-strategies) - by Justine Esta Ellis, Alastair Colin-Jones, and Ibon Zugasti


Already, metrics confirm that companies operating from long-term, purpose-driven, stakeholder primacy models are outperforming those who don’t. A recent SAID webinar pointed out that corporate laggards (publicly traded shareholder primacy companies refusing to change their ends justifying whatever means culture of chasing short term interest rates to capture more than a fair share of $70 Trillion sloshing around in the wastelands of the global economy) average less than 17 years listings.

Expanding on “The Economics of Mutuality”, Sara Horowitz elevates “Mutualism: it’s not Capitalism and it’s not Socialism. It’s the Future” that is mired in a present state of practice misaligning the incentives, tools and cultural diversity of those convened at the table. To heal the tsunami-widening breach, consolidated earnings and liabilities leading to mutually beneficial profits can integrate stakeholder social, human, and natural capital into societal uplift.


Last month, Davos Forum 2021, “The Great Reset after the pandemic”, announced that sixty-one companies representing $4.3 Trillion in market cap and seven million employees adopted an evolving ESG metrics framework consisting of twenty-one core metrics and thirty-four broader ones. In lock step, Deloitte, EY, KPMG and PwC raised their hands to ensure that all corporate participants calculate these metrics in the same way, an eventualty hard to believe when multi-stock class shareholder primacy democracy so often becomes an oxymoron in practice.

Axios noted the Davos goal is to allow investors to compare their progress against each other on key environmental, social and governance standards and to make life a lot easier for regulators and investors to judge companies not just on carbon emissions but on many other areas from water consumption to the amount they pay in taxes. However, there’s no guarantee that any of these savings and benefits will trickle down to stakeholders and their hosting communities because rating compliance does not include net outcome distribution.


Provoking real system change starts with flattening elite curves to democratize voice and power leading to corrective action. As example, “on December 12th, 2020, fifth anniversary of the Paris Accord, Social Economy Europe (SEE – [www.socialeconomy.eu.org](http://www.socialeconomy.eu.org)) and the American Sustainable Business Council (ASBC – [www.asbcouncil.org](http://www.asbcouncil.org)) announced a precedent-setting SEE/ASBC transatlantic collaborative mission to “build back better & fairer” aggregating 3.2 million combined social enterprise and triple bottom-line business members advancing business sustainability on all fronts including customizing social economy ESGs/SDGs.

Sources:
• The Social Economy Europe policy paper [Co-designing the Action Plan for the Social Economy: for an economy that works for people and the planet](https://www.socialeconomy.eu.org)

The intended Mont Blanc ESG & SDG social economy protocols will follow the “Motives, Metrics & Money”. With an estimated five million social enterprises as participating critical mass, Mont Blanc will define Corporate Purpose
including management from the ground up, Measurement by motives and parameters, and relevant Business Ethics & Education outreach through the prism of living wages, stakeholder equity, diversity, and climate healing.

Mont Blanc will merge SAID’s definition that company purpose, why a business exists, its reason for being, should be the driver to “solve problems faced as individuals, communities, customers, societies and the natural world in ways that are commercially viable, profitable and sustainable”, with the social economy’s natural, human, and financial capital “solidarity dividend”.

The outpatient recovering world can no longer afford the extractive practices of burying workers alive through a nefarious neo-Calvinism predicated on the accident of birth and postal code address. Flattening the Shareholder Primacy curves so that stakeholders become shareholders in their own local living economies means elevating the “S” both in the “Social” part of ESGs and the “Sustainable” mandate for SDGs.

Ra Criscitiello, Deputy Director, SEIU-UHW, in the July 2020 UK Manifesto for Decent Work, observed COVID-19 has exposed “essential workers” are often “people of color and, because largely misclassified as independent contractors, are denied the protections and benefits of formal employment that are currently so needed. Now more than ever is a time to focus on creating a different kind of economy that centers worker voice, pooled advocacy, employment benefits, and focuses on better work lives for low-wage “essential” workers who have historically been undervalued in many ways”.


Mont Blanc will add the social economy voice to how purpose-driven metrics measure values and practices best suited to drive and perfect resiliency algorithms. Resiliency and stakeholder ownership are inseparable, one provides the roots and rationale for the other especially in a hybrid world where the whole is systemically and morally intertwined to ensure the survival of the sum of its parts because how much more we need each other is, in itself, a more perfecting business model and societal construct.

As Indian novelist, Arundhati Roy, sensed in its beginning throes, the Pandemic can serve as Portal-catalyst for generational change led by determined dirt spoon socioeconomic classes “…ready to imagine another world. And ready to fight for it”. This time they will not be denied. “Good Trouble Capitalism” flattens SDG/ESG curves to monetize and inclusively share the “solidarity dividend” arising from “the rise of the rest of us”.

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