

Can you make capitalism useful for society?

Capitalism can eradicate poverty and mitigate climate change within a generation if it evolves to embrace a longer term outlook, a stronger sense of purpose and more partnership. This prediction and challenge comes from global business leader Paul Polman, Chief Executive of Unilever, speaking at the first lecture in Murray Edwards two year programme which explores *Capitalism on the Edge*.

Indeed, the key to future success for capitalism, says Polman, is to infuse morality into the system; for all businesses to make a positive contribution to addressing global issues and inequalities. The question is: are we willing to put the interests of the common good ahead of our own?

The case for change

Arguing that capitalism has served society well during many periods in history, Polman says it does so best when it evolves, citing Roosevelt's New Deal in the US. In the persistent wake of the 2007/8 financial crisis, more and more cracks have appeared in the current system: it is time to evolve, again.

More a crisis of morality than of a lack of legal frameworks and regulation, Polman points out that the banking industry has already paid out \$265 billion in fines, and adds: Interestingly, they keep paying them out of quarterly profits as if it's a cost of doing business.

The evidence is writ large in the 860 million people who go to bed hungry, the

and Airbnb show that the sharing economy is quite normal to the young. The Millennials have a definite definition of consumption.

Transparency, too, is a powerful tool, and a pre-requisite for building trust that is currently so low. Another driver is economic reality: the cost of doing nothing is becoming greater than the cost of acting. The impact of climate change alone has cost Unilever \$300-400 million. Nearly every month I have to deal with flooding in some part of the world, or a hurricane or a drought. says Polman.

The nature of

The companies that are moving forward are the ones that are finding these common areas and are willing to invest time in it.

Increasingly, what Unilever does - along with companies like Tesla and Toyota - is make patents available to the whole industry. We define a broader common playing field than perhaps ever in history.

2. The more we hear stories like that of VW (the recent emissions scandal), the more graduates are put off trusting business and wanting to join the private sector? How can we combat this quickly?

The answer is by what we are trying to

