

Rebuilding Capitalism – A New Business Agenda: Compass for the Future to Realise Our Vision of Society for 2050

About the Symposium

On Tuesday, 26 October 2021, Global Compact Network Japan (GCNJ) held its annual symposium entitled 'Rebuilding Capitalism – A New Business Agenda: Compass for the Future to Realise Our Vision of Society for 2050', with the support of the Institute for Global Environmental Strategies (IGES).

In this increasingly unpredictable modern world with imminent threats from the global climate crisis, businesses are being challenged to make bolder transformational changes as part of their long-term vision targeting 2050. Under the theme 'Our Vision of Society for 2050', participants in the Symposium discussed prospects for 2050 from their respective standpoints to reinvent a 'vision of society for 2050' based on mutual recognition of values.

Keynote

Part 1 of the Symposium featured a keynote speech entitled 'Perspective for Society in 2050 to Be Shared by Business Leaders' by Professor Tsutomu Horiuchi, Deputy Director of Tama University Centre for Social Investment and the author of *Compendium for Reading: 200 Books on Economics, Philosophy, History and Science Read by World Business Leaders*.

Starting with the composition of academic disciplines, the evolution of human intellect and how religions, philosophy and the economy have developed over the centuries, he explained how reading is a precious

experience for self-improvement and one of the essential elements for human growth.



Professor Horiuchi then looked back at his own life and described how people are constrained by the rigid framework of their position and system asking: "How can we be happier?" "How can we live a better life?" "How can we build a better society?" He then argued that exploring the meaning of life is a fundamental issue for humans, that the pursuit of better lives and better society is an integral part of human wellbeing, and that culture is essential toward that end.

Finally, he touched upon the concept of common social capital advocated by Hirofumi Uzawa, which is defined as common capital that should not be subject to market transactions but managed by the whole of society, namely the natural environment, social infrastructure and institutional capital. In concluding his keynote, Professor Horiuchi suggested that the concept of common social capital has much in common with the SDGs, considered as activities to bring the economy closer to people, and might

provide an opportunity to reimagine the SDGs as a movement to bring back agency to people trapped within the system of capitalism.

Report

Part 2 of the Symposium served as an introduction to WBCSD 'Vision 2050: Time to Transform'. Mr Julian Hill-Landolt, Director of WBCSD Vision 2050, gave a briefing on the organisation and activities of the World Business Council for Sustainable Development (WBCSD) and presented a video outlining Vision 2050, its action strategy. To address the evolving climate emergency, the crisis of nature resulting from massive loss of biodiversity, and the widening inequalities both within and among countries, Vision 2050 sets forth a practical course of action to ensure that over 9 billion people lead prosperous lives within the planetary boundaries in five frameworks (Time for a Shared Vision, Time for Action, Time for a Mindset Shift, Time to Succeed and Time for Leadership). We also heard from Ms Megumi Honda from Sompo Japan Insurance Inc., who supervised the development of the Japanese version of WBCSD Vision 2050 (<https://www.wbcsd.org/Overview/News-Insights>).

Panel Discussion

In Part 3 of the Seminar, Mr Hiroki Hiramatsu, Founder & CEO at Woonerf Inc. and Arc Japan Inc.; Mr Tetsuro Ii, President, CEO & CIO at Commons Asset Management Inc.; Ms Kayoko Sakai, Director & Corporate Officer at Sompo Japan Insurance Inc.; and Ms Midori Abo

and Mr Kensuke Eguchi, participants in the planning of the Compass for the Future project, actively discussed the theme 'Our Vision of Society for 2050', moderated by Ms Mariko Kawaguchi, Assistant to CEO at Fuji Oil Holdings Inc. (GCNJ Board Member). Here is a brief outline of the discussion guided by the following keywords: flat, variability, dialogue, multifaceted, halfway between production and consumption.

- Although stock companies are supposed to operate in the interest of shareholders, the global environment and wellbeing that we want in 2050 suggest that businesses should consider the interest of all stakeholders. Thus, the present framework of stock companies may become irrelevant. Some investors might even embrace a different idea from shareholder capitalism.
- The borderline between NGOs and businesses is blurring when it comes to identifying and solving social issues.
- A hierarchical organisation, typical of large companies, cannot flexibly respond to social issues. A flat and variable organisation would be more suitable for achieving wellbeing.
- Likewise, it is difficult for a single company or industry to create a circular economy: various stakeholders need to join forces. Although the energy of young entrepreneurs is crucial, large companies also have some advantages in such effort. However, they still need to change their organisational structure.
- Governments, businesses and

NGOs should focus on the planetary boundaries in their dialogue on the ideal human society.

- Major companies are allocating a larger part of their integrated reports to the environment, which suggests that they are substantially changing their way of thinking. Meanwhile, an increasing number of young entrepreneurs typically launch ventures declaring that their operation will be fully carbon negative.
- One way of nurturing new businesses is to review what we already have, rather than starting from scratch. Looking from the perspective of planetary boundaries or wellbeing, almost everything we have needs to be improved. We may not find great potential in production or consumption alone, but somewhere in between.
- As a means of growing start-ups into major companies, we are engaged in dialogue with large companies about open innovation. A company that treats venture firms as its inferiors is destined to failure. We should be humbled by something that we do not have. It is imperative for large companies to team up with venture firms, which are capable of bringing something that they typically lack.
- The existing system can accommodate the voice of youth. The public consultations held by the central and local governments only reflect the views of industry groups, etc. and not the voice of youth. We would like to build a system for digitally accommodating feedback from

young people. It would be better for the Basic Energy Plan to integrate views expressed by youth.

- Young people cannot organise their ideas into recommendations as they lack business experience. Rather than encouraging them to make recommendations on their own, experienced senior businesspeople should act as enablers by giving good advice on a level playing field.
- Companies serious about making a difference start by redefining their vision and then rebuild their mission, purpose and value through back-casting. You can judge the commitment of a company to making transformational change by looking at its actions.

With those remarks, the Seminar came to a close.



As many as 393 participants attended this year's Seminar, even though it was held online. Once again, we sincerely thank all the participants.

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