



Buddhist Economics

The problems of the shareholder value model

There's increasing recognition that there is a lot wrong with the shareholder value model – problems of inequality, destruction of the environment and the retarding of human development. Although business is now paying lip service to social responsibility, sustainability, ethics and serving various 'stakeholders', the problems of global capitalism seem to be getting worse rather than better. I think we need a new business model if we are to achieve wider social and environmental goals. In fact, it seems that the shareholder value model doesn't even achieve our narrower economic goals like growth and full employment.