

Re-imagining the corporation

Jerry Davis
The University of Michigan
August 18, 2012



Or, how did we
get from here...



1889-2012*

...to here...



~2007-2011

...and
where
do we
go next?

The high water mark of corporate capitalism in the United States: 1973



A few giant corporations dominated the economy

DOW JONES

30 "blue chips," 1974

| | | |
|------------------|-------------------------|-----------------------|
| Allied Chemical | Eastman Kodak | Owens-Illinois Glass |
| Alcoa | Exxon | Procter & Gamble |
| American Can | GE | Sears Roebuck |
| AT&T | General Foods | Swift & Co |
| American Tobacco | GM | Texaco |
| Anaconda Copper | Goodyear | Union Carbide |
| Bethlehem Steel | International Harvester | United Technologies |
| Chevron | International Nickel | U.S. Steel |
| Chrysler | International Paper | Westinghouse Electric |
| Du Pont | Johns-Manville | Woolworth |

10% of the private workforce labored at 25 firms

| COMPANY | EMPLOYEES (thousands) |
|-------------------|-----------------------|
| GM | 810.92 |
| AT&T | 798.934 |
| FORD | 474.318 |
| SEARS ROEBUCK | 439.493 |
| ITT | 438 |
| GE | 388 |
| IBM | 274.108 |
| CHRYSLER | 273.254 |
| JC PENNEY | 200 |
| GTE | 196 |
| WESTINGHOUSE | 194.1 |
| US STEEL | 184.794 |
| GOODYEAR | 155.4 |
| EXXON | 137 |
| RCA | 126 |
| KMART | 125 |
| SINGER | 122 |
| EASTMAN KODAK | 120.7 |
| DU PONT | 118.423 |
| BETHLEHEM STEEL | 118 |
| SAFEWAY | 117.221 |
| A&P | 113.8 |
| UNION CARBIDE | 109.417 |
| INTL HARVESTER | 107.89 |
| LITTON INDUSTRIES | 105.4 |



Source: Compustat Annual Industrials

90 white men each served on 5+ corporate boards

| | | |
|------------------------|-----------------------|--------------------------|
| ADAMS, CHARLES F. | HARDER, HOWARD C. | MORGENS, HOWARD J. |
| AYERS, THOMAS G. | HARPER, JOHN D. | MUNROE, GEORGE B. |
| BENNETT, GEORGE F. | HAUGE, GABRIEL | NYROP, DONALD W. |
| BERCHER, HARRY O. | HEINEMAN, BEN W. | OELMAN, ROBERT S. |
| BINGER, JAMES H. | HENLEY, HENRY H., JR. | PALMER, EDWARD L. |
| BROWN, CHARLES L. | HILLMAN, HENRY L. | PEARSON, NATHAN W. |
| BROWN, COURTNEY C. | HOLLAND, JEROME H. | PETERKIN, DEWITT, JR. |
| BROWN, R. MANNING, JR. | HUMPHREY, GILBERT W. | PHALEN, CLIFTON W. |
| CARLSON, EDWARD E. | JOHNSON, HOWARD W. | POTTER, KEITH R. |
| CHAMBERS, M.R. | JOHNSON, WILLIAM B. | PROCKNOW, DONALD E. |
| CHAMPION, GEORGE | KAISER, EDGAR F. | PYNE, EBEN W. |
| CISLER, WALKER L. | KARNES, WILLIAM G. | ROMNES, H.I. |
| CONNOR, JOHN T. | LAFORCE, ARNOLD R. | RUSSELL, GEORGE |
| COOLEY, RICHARD P. | LAPHAM, LEWIS A. | SCHOENHOFEN, LEO H. |
| COWLES, GARDNER | LAY, HERMAN W. | SIVAGE, GERALD A. |
| COX, EDWIN L. | LEARSON, T. VINCENT | SMILEY, DONALD B. |
| CUMMINGS, TILDEN | LEITHEAD, BARRY T. | STANTON, FRANK |
| CUNNINGHAM, HARRY B. | LEVY, GUSTAVE L. | STEWART, ROBERT H., III |
| DAMON, ROGER C. | LILLEY, ROBERT D. | STUART, ROBERT D., JR. |
| DONNELLEY, GAYLORD | LUKE, HUGH D. | THOMAS, FRANKLIN A. |
| ETHERINGTON, EDWIN D. | MARKS, HARRY T. | THOMAS, JOSEPH A. |
| FINLEY, JAMES D. | MCCORMICK, BROOKS | TYSON, CHARLES R. |
| FREEMAN, GAYLORD | MEESE, WILLIAM G. | VENEMA, MAYNARD P. |
| FUNSTON, G. KEITH | MENK, LOUIS W. | WASSON, E. HORNSBY |
| GATES, THOMAS S. | MEWHORT, ROLAND A. | WATLINGTON, JOHN F., JR. |
| GOLDSTON, ELI | MEYER, JOHN M., JR. | WILLIAMS, ALBERT L. |
| GRAHAM, DONALD M. | MILLER, ARJAY | WILSON, KENDRICK R., JR. |
| GRAHAM, WILLIAM B. | MITCHELL, DON G. | WORTHINGTON, LESLIE B. |
| GRAY, JOHN D. | MITCHELL, HAMILTON B. | WRIGHT, JAMES O. |
| GWINN, ROBERT P. | MORGAN, GRAHAM J. | WRISTON, WALTER B. |

(And probably met at the Bohemian Grove)



(And probably hatched unspeakable conspiracies)

U.S. DEPARTMENT OF STATE
FREEDOM OF INFORMATION ACT

Church Report

Covert Action in Chile 1963-1973.

94th Congress 1st Session COMMITTEE PRINT

COVERT ACTION IN CHILE 1963-1973

Staff Report of the Select Committee To Study Governmental Operations With Respect to Intelligence Activities

UNITED STATES SENATE

December 18, 1975

Printed for the use of the Select Committee To Study Governmental Operations With Respect to Intelligence Activities

U.S. GOVERNMENT PRINTING OFFICE 63-372

Washington: 1975

Note: Since the December 4, 1975 hearing the Select Committee has, in the course of its continuing investigation received new information which supplements the following sections of the Staff Report on Covert Action in Chile: Section III.A.4, the Role of Multinational Corporations; Section IV.B.1.e, Intelligence Estimates and Covert Action; and Section IV.C, Congressional Oversight. All pertinent information on the above will be reflected in the Select Committee's Final Report to the Senate.

SENATE SELECT COMMITTEE TO STUDY GOVERNMENTAL OPERATIONS WITH RESPECT TO INTELLIGENCE ACTIVITIES

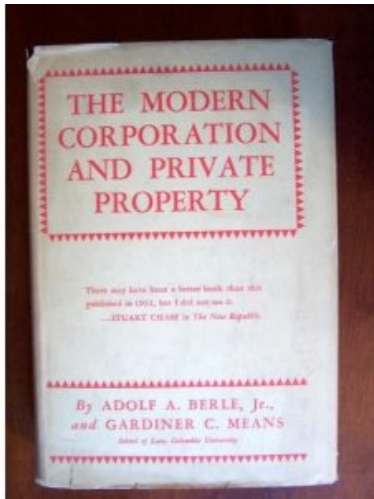
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WILLIAM G. MILLER, Staff Director

A vision of a corporate-centered society



“The factory system, the basis of the industrial revolution, brought an increasingly large number of workers directly under a single management. Then, the modern corporation, equally revolutionary in its effect, placed the wealth of innumerable individuals under the same central control”

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What is a “corporation”?

- A contractual device with limited liability, legal “personality,” and unlimited lifespan
- “Public corporation” => ownership shares are traded on a stock market
- Things that are not synonyms for “corporation” or “corporate”:
 - Organization
 - Business
 - Market
 - Finance

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Some premises of the corporate-centered society

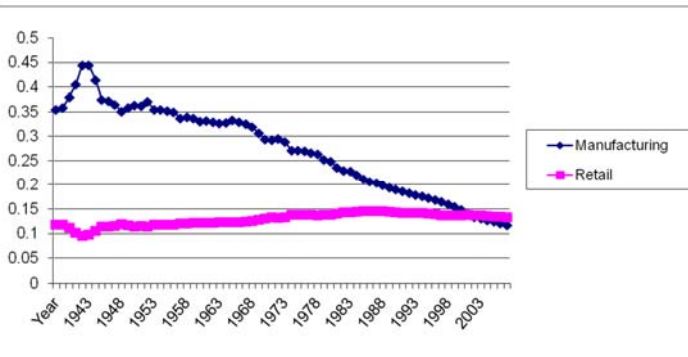
1. The typical corporation makes tangible products
2. Corporate *ownership* is broadly dispersed
3. Corporate *control* is concentrated
4. Corporations aim to grow bigger in assets and number of employees
5. Corporations live a long time

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1. The typical corporation makes tangible products

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Manufacturing employment is increasingly rare in the US



Proportion of US private labor force employed in manufacturing and retail, 1939-2010 (Source: BLS)

Since January 2001, the US has shed 5.5 million jobs in manufacturing—one in three

As of March 2009, more Americans were unemployed than were employed in manufacturing

The largest US employers have shifted from manufacturing to retail and other services

10 Largest US Corporate Employers, 1960-2010

| 1960 | 1980 | 2010 |
|-------------|-------|-------------|
| GM | AT&T | WAL-MART |
| AT&T | GM | TARGET |
| FORD | FORD | UPS |
| GE | GE | KROGER |
| US STEEL | SEARS | SEARS HLDGS |
| SEARS | IBM | “AT&T” |
| A&P | ITT | HOME DEPOT |
| EXXON | KMART | WALGREEN |
| BETH. STEEL | MOBIL | VERIZON |
| ITT | GTE | SUPERVALU |

Manufacturing Oil Services

Wal-Mart now employs roughly as many Americans as the 20 largest manufacturers combined

Retail jobs are not like manufacturing jobs



- Median hourly wage in “Motor Vehicle Manufacturing” for “Production Occupations” (May 2008) : **\$27.14**
- Median tenure with current employer in “Transportation Equipment Manufacturing” (Jan. 2004 CPS): **8 years**



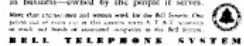
- Median hourly wage in “General Merchandise Stores” for “Sales and Related Occupations” (May 2008) : **\$9.33**
- Median tenure with current employer in “Retail Trade”: **3 years**
- Mean weekly hours worked at Wal-Mart: **34**
- Estimated annual turnover at Wal-Mart: **40%**

2. Corporate ownership is broadly dispersed

There was a time when the owners of corporations were dispersed “widows and orphans”

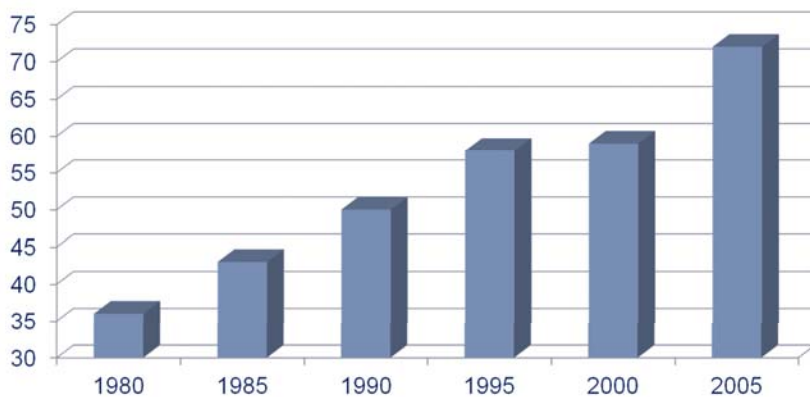


See in one of 850,000 owners of Bell System securities. They are typical Americans—some young, some middle age, some old. They live in every part of the nation. One may be a housewife in Pennsylvania. Another a physician in Oregon—a clerk in Illinois—an engineer in Texas—a merchant in Massachusetts—a miner in Nevada—a stenographer in Missouri—a teacher in California—or a telephone employee in Michigan. For the most part, Bell System stockholders are men and women who have put aside small sums for saving. More than half of them have held their shares for five years or longer. More than 650,000 of these 850,000 security holders own stock in the American Telephone and Telegraph Company—the parent company of the Bell System. More than 125,000 own five shares or less. One or fifty per cent are women. No one owns as much as one per cent of the stock of A. T. & T. In a very real sense, the Bell System is a democracy in business—owned by the people it serves. More than 1,500,000 men and women work for the Bell System. One percent of them are in the service of A. T. & T. The stock and bonds of associated companies in the Bell System.



Our Stockholders

Now widows and orphans buy mutual funds and ETFs...



Mean ownership by institutional investors of 1000 largest corporations

Source: Spectrum 13F database, various years

...and Fidelity is the largest shareholder of one in ten US corporations...



of listed firms in US

Source: Spectrum 13F and 13G databases, various years

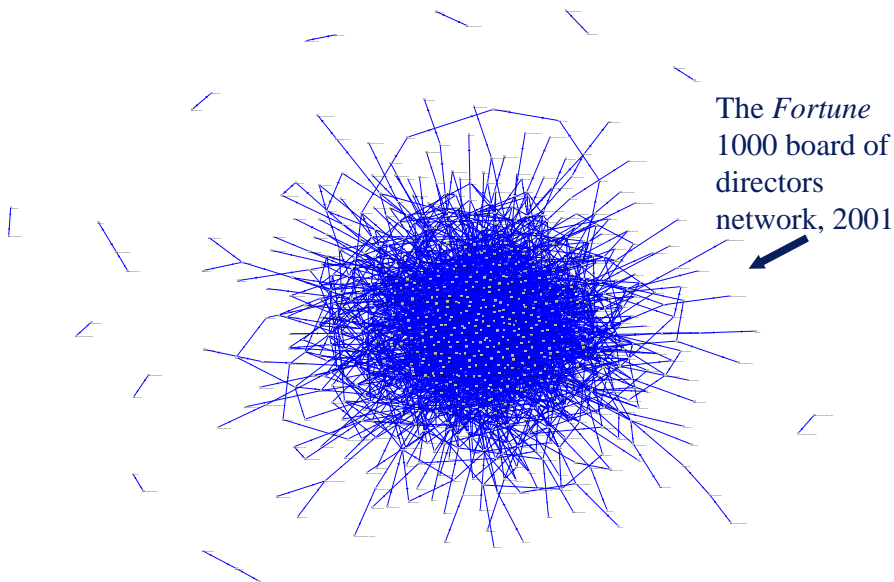
...and BlackRock is the largest shareholder of one in five US corporations

- BlackRock has \$3.5 trillion in assets under management, including iShares
- BlackRock owns 5% or more of over 1800 US corporations
- BlackRock is the **single largest shareholder** of **one in five** US corporations, including
 - ExxonMobil, Chevron, GE, AT&T, Verizon, JP Morgan Chase, Citigroup...and over 800 others

3. Corporate control is concentrated

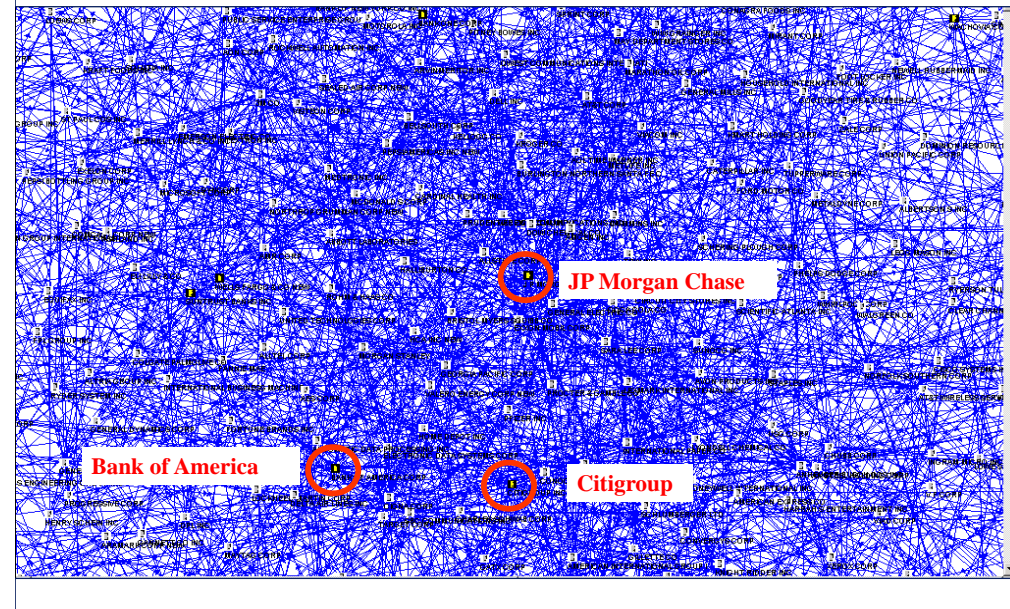
22

From Pujo to ~ 2001, corporate elites formed a well-connected old boys' network via shared directors...

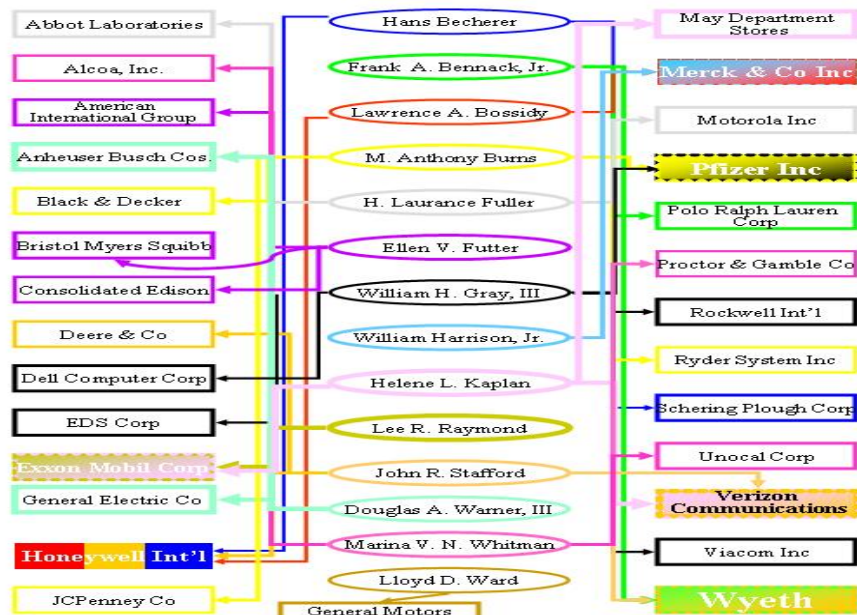


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...with banks sitting somewhere in the middle

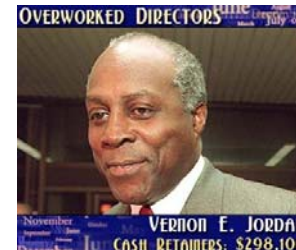
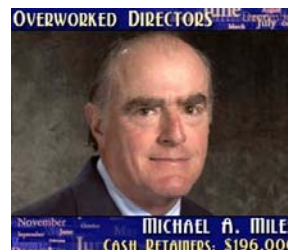
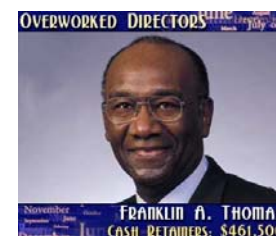


JP Morgan Chase board, 2001



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Who were the top 5 inner circle directors in 2001?



Source: Forbes (2002)

By 2011, only *one* director served on 5+ boards in the S&P 500, and the “inner circle” was now called “overworked directors”

Forbes

Corporate Governance
America's Most Overworked Directors

Lisa DiCarlo, 08.05.02, 12:00 PM ET

In the debates about executive accountability, too often, the focus is on the CEO.

We looked at all the companies on the S&P 500 and found many companies with which they are associated.

For some there doesn't appear to be enough time to tend to her day job as president of Romney managing partner of the investment bank.

One expert doubts that people with multiple directorships can be effective.

"It is physically impossible to be on more than five boards," says Michael Miles, the retired chairman of the National Association of Corporate Directors.

United States Steel (nyse: X - news - people) is one of the companies that are effective.

"In considering new board members, we do not want to overboard," says Michael Miles. "But we have not observed any overboarders."

A survey of NACD members shows they are not overboarders, just by virtue of the fact that they are not on too many boards.

One of the directors near the top of our list is Shirley A. Jackson, the retired chairman of this article. Franklin A. Thomas was on the list.

Raber says that chief executives, who are not on too many boards, neither seek to limit the number of boards they sit on.

For some, directorships can be very lucrative. Alcoa (nyse: AA - news - people), Avaya (nyse: AVY - news - people), and Lucent Technologies (nyse: LU - news - people) are among the companies that pay high cash retainers.

TRENDING THE BOARDS



...could be whether independent directors are stretched too thin to govern the companies, all while doing the job of senior advisor to the president of the company. They may be busy, but they are not overboarders. Michael Miles, the retired chairman of NACD, says that chief executives, who are not on too many boards, neither seek to limit the number of boards they sit on. For some, directorships can be very lucrative. Alcoa (nyse: AA - news - people), Avaya (nyse: AVY - news - people), and Lucent Technologies (nyse: LU - news - people) are among the companies that pay high cash retainers.

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4. Corporations aim to grow bigger in assets and number of employees

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Increased ownership by institutions has corresponded to increased devotion to “shareholder value”...

“We exist to create value for our share owners on a long-term basis by building a business that enhances The Coca-Cola Company's trademarks.”

“Sara Lee Corporation's mission is to build leadership brands in consumer packaged goods markets around the world. Our primary purpose is to create long-term stockholder value.”

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...and an orientation to share price has induced massive restructuring favoring the “Nike model”

“Wall Street can wipe you out. They are the rule-setters. They do have their fads, but to a large extent there is an evolution in how they judge companies, and they have decided to give premiums to companies that harbor the most profits for the least assets.”

John Bryan, CEO, explaining Sara Lee's “de-verticalization” program

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The US economy is at an advanced stage of Nike-fication

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Corporation ≠ organization: no fixed boundaries

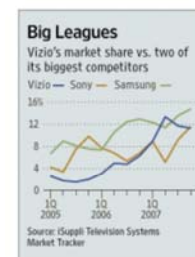
THE WALL STREET JOURNAL
WSJ.com

LEADER (U.S.) | APRIL 15, 2008
PICTURE SHIFT

U.S. Upstart Takes On TV Giants in Price War

By CHRISTOPHER LAWTON in San Francisco, YUKARI IWATANI KANE in Tokyo and JASON DEAN in Beijing

But one upstart, Irvine, Calif.-based Vizio Inc., has largely surfed past the industry's woes. Its single focus: churning out low-priced flat-panel TVs.



Vizio is a fraction the size of Sony and Samsung Electronics Co., both leading brands in the U.S. flat-panel market. Yet Vizio shipped 12.4% of North America's liquid-crystal display, or LCD, TVs in the last quarter of 2007. That's just behind Sony's 12.5% share and Samsung's 14.2%, according to research firm iSuppli Corp. Overall, Vizio's sales have multiplied to just under \$2 billion last year, up from \$700 million in 2006 and \$142 million in 2005, according to the closely held company.

The California company's success illustrates the rise of a new business model in the fast-changing TV industry. Big Korean and Japanese consumer-electronics makers spent huge sums developing and marketing their own technology, creating a high barrier to entry for newcomers. They also built many key components in-house, including the all-important LCD and plasma display panels.

But panel technology is becoming ever more commoditized, meaning big brands aren't the only ones controlling the field. The shift has allowed nimble players like Vizio, which handles the design and marketing, to hook up with contract manufacturers and produce their own cheap TVs. At the same time, discount retailers such as Wal-Mart Stores Inc. are increasing their sales in the electronics category, slashing prices in the process.

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Vizio now has the largest market share of LCD televisions in the US (22%)—with 196 employees

Corporation ≠ organization: no fixed identity

May 9, 2007

ADVERTISING

101 Brand Names, 1 Manufacturer

The Mass Pet-Food Recall Reveals a Widespread Practice: Many Competing Products Come From the Same Factory

By ELLEN BYRON
May 9, 2007

(See Corrections & Amplifications item below.)

Pet owners have been reeling ever since tainted pet food led to the confirmed deaths of more than a dozen dogs and cats and likely sickened many more.

Some owners were also startled to learn that dozens of competing brands, from discount to premium, are all made by the same company, Menu Foods Inc. of Ontario.

Menu has recalled more than 60 million cans of pet food under more than 100 brand names ranging from Procter & Gamble Co.'s Iams and Eukanuba brands to Hill's Pet Nutrition Science Diet, owned by Colgate-Palmolive Co., to Ol' Roy pet food by Wal-Mart Stores Inc. Each was apparently affected by wheat gluten contaminated with melamine, a chemical substance with no approved use in food.

Poisonous pet chow containing melamine from China was made by an Ontario-based manufacturer but sold under dozens of different US brand names.

The global OEM model is not just for Nike anymore.

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Corporation ≠ organization: no fixed nationality

MAY 27, 2009

Accenture to Move Base To Ireland From Bermuda

By KATHY SHWIFF

Accenture Ltd. said its board has voted to change the consulting company's place of incorporation to Ireland from Bermuda.

Accenture incorporated in Bermuda in 2001 after the company did an initial public offering.

Several large companies have recently announced plans to reincorporate from Bermuda, helping them avoid what are expected to be significant changes in how the U.S. taxes multinational corporations. Earlier this month, drug maker Warner Chilcott Ltd. said its board approved a plan to relocate to Ireland from Bermuda.

Accenture shareholders will be asked to vote on the proposed move at meetings in the next three to four months.

"We believe that incorporating in Ireland will provide Accenture with economic benefits and help ensure our continued global competitiveness," said Chairman and Chief Executive William D. Green, adding that the company will benefit from Ireland's well-developed corporate, legal and regulatory environment.

The technology outsourcing and management consulting company doesn't expect any material change in its operations, financial results or tax treatment as a result of the change.

The company will continue to be registered with the Securities and Exchange Commission and its shares will continue to trade on the New York Stock Exchange.

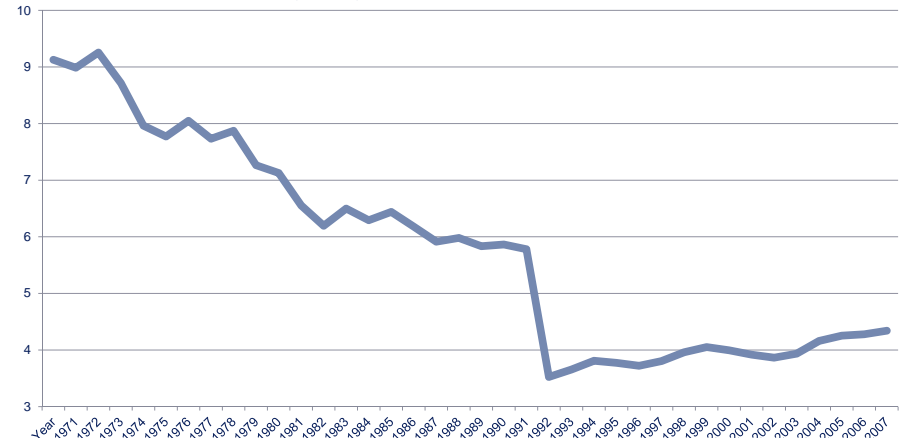
Corporation ≠ organization: no employees

"Hermit crab organizations" maintain the brand but lose the people (e.g., Circuit City's 43,000 employees)

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Spinoffs, layoffs, and outsourcing have shrunk the largest US corporations

% employed by top 25 firms



Source: Bureau of Labor Statistics; Compustat Annual Industrials

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5. Corporations live a long time

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About those dominant corporations...

| | | |
|-----------------------------|------------------------------------|----------------------------------|
| Allied Chemical | Eastman Kodak | Owens-Illinois Glass |
| Alcoa | Exxon | Procter & Gamble |
| American Can | GE | Sears Roebuck |
| AT&T | General Foods | Swift & Co |
| American Tobacco | GM | Texaco |
| Anaconda Copper | Goodyear | Union Carbide |
| Bethlehem Steel | International Harvester | United Technologies |
| Chevron | International Nickel | U.S. Steel |
| Chrysler | International Paper | Westinghouse Electric |
| Du Pont | Johns-Manville | Woolworth |

~~_____~~ = gone by 2009 _____ = really "SBC"

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April 12, 2011

For Flip Video Camera, Four Years From Hot Start-Up to Obsolete

By SAM GROBART and EVELYN M. RUSLI

It was one of the great tech start-up success stories of the last decade.

The Flip video camera, conceived by a few entrepreneurs in an office above Gump's department store in San Francisco, went on sale in 2007, and quickly dominated the camcorder market.

The start-up sold two million of the pocket-size, easy-to-use cameras in the first two years. Then, in 2009, the founders cashed out and sold to Cisco Systems, the computer networking giant, for \$590 million.

On Tuesday, Cisco announced it was shutting down its Flip video camera division.

Even in the life cycle of the tech world, this is fast.

From the outset, the acquisition was an odd fit for Cisco, which is known for its enterprise networking services. To some analysts, the decision to shutter Flip was an admission by Cisco that it made a mistake.

"Cisco was swayed by the sexiness of selling to the consumer," said Mo Koyfman, a principal at Spark Capital, a Boston venture capital firm. "They're not wired to do it themselves, so they do it by acquisition. Flip was one of the most visible targets out there. But it's really hard to turn an elephant into a horse. Cisco's an elephant."

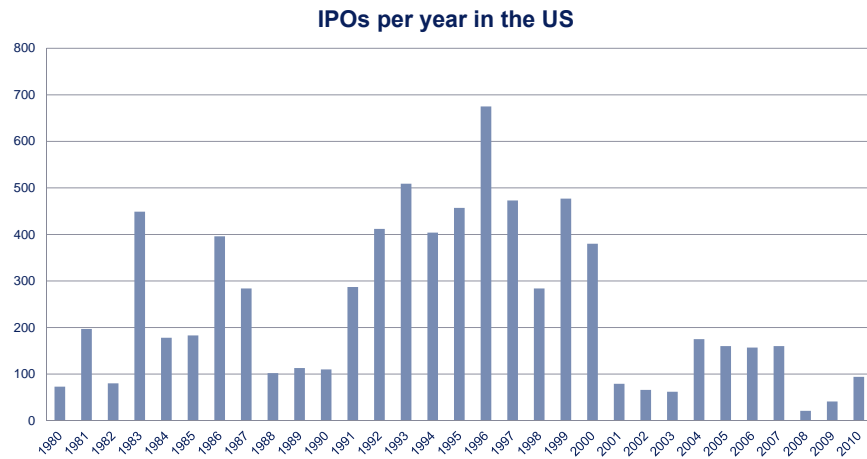
But the rapid rise, and now demise, of Flip is also a vivid illustration of the ferocious metabolism of the consumer marketplace

Some premises of the corporate-centered society

- ~~1. The typical corporation makes tangible products~~
- ~~2. Corporate ownership is broadly dispersed~~
- ~~3. Corporate control is concentrated~~
- ~~4. Corporations aim to grow bigger in assets and number of employees~~
- ~~5. Corporations live a long time~~

40

The “going public” fad of the 1990s is long gone



Source: Jay Ritter, University of Florida

41

As a result, the number of public corporations in the US has dropped by over half since 1997



Source: World Bank World Development Indicators 2011

42

And the companies going public today ignore basic standards of corporate governance

THE WALL STREET JOURNAL
WSJ.com

TECHNOLOGY | October 28, 2011

One Share, One Vote?

Groupon and Zynga Founders Get Extra Clout Before IPOs

The founders of Groupon Inc., the daily deals site expected to launch its initial public offering of stock next week, and Zynga Inc., the social-gaming company whose IPO is expected next month, are bolstering their voting clout over ordinary shareholders, according to regulatory filings.



After Groupon goes public, its three founders will have shares that each carry 150 votes, according to the company's latest regulatory filings. Investors who buy ordinary shares in the IPO or in the market, by contrast, will receive one vote per share for corporate matters such as the election of directors or sale of the company.

At Zynga, founder Mark Pincus has a similar arrangement but his shares carry 70 votes each, according to regulatory filings.

The issue is expected to be on investors' minds as they meet with Groupon management this week, including at lunch in New York on Friday at the St. Regis hotel. Zynga's offering is currently expected to follow on the heels of Groupon's.

Groupon and Zynga declined to comment, as did their respective founders.

Two-tiered share structures skewed toward insiders aren't new in U.S. companies. But the large gap between the voting rights of the two classes of shareholders at Groupon and Zynga breaks new ground not just for the Internet sphere but for companies broadly, investors and corporate-governance experts say. As such, the two IPOs could prove a test of investors' appetite for executive control.

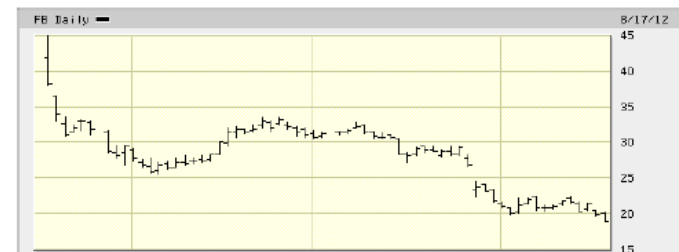
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Told you so

"It may be an exaggeration to call this the death rattle of the public corporation in the US. Yet it is certainly striking that these newly-public companies are listing on markets not because they need funds to buy factories and expand their business, but because they need to satisfy their early investors and employees who want to cash out, and/or to have a currency with which to make acquisitions. **It is understandable why the founders want to sell; far less obvious is why any long-term investor would ever want to buy.**"

--Me, April 20, 2012

| FB Facebook Inc. Cl A (NASDAQ) Delayed quote data 8/17/2012 04:30 PM | | | | | |
|--|-------------------------------|---------------------|---------------------------|--------------------------------------|----------------------------|
| Last: 19.05 | Change: -0.82 | Open: 20.005 | High: 20.08 | Low: 19.00 | Volume: 129,293,342 |
| | Percent Change: -4.13% | Yield: n/a | P/E Ratio: 70.3212 | 52 Week Range: 19.00 to 45.00 | |
| After Hours Trading 8/17/2012 07:59 PM | | Last: 19.02 | Change: -0.03 | Volume: 13,520,515 | |



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Shareholder capitalism no longer works for shareholders

| SPX | S&P 500 Index (INDEX) | Delayed quote data | | 8/17/2012 04:32 PM | |
|-------|-----------------------|--------------------|--------|--------------------|----------------------|
| Last: | 1,418.16 | Change: | +2.65 | Open: | 1,415.84 |
| | | Percent Change: | +0.19% | High: | 1,418.71 |
| | | | | Low: | 1,414.67 |
| | | | | Volume: | 585,809,152 |
| | | | | Yield: | n/a |
| | | | | P/E Ratio: | n/a |
| | | | | 52 Week Range: | 1,074.77 to 1,422.38 |



S&P 500

Jan. 3, 2000: \$1,469.25

Yesterday: \$1,418.16

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How-to guide for an instant startup, ca. 2012

- Product: iPhone “remote drone assassin”
- Target market: neo-mercenary firms

1. Rent a desk in a shared office

2. Incorporate online in Liberia for \$713.50

3. Crowdfund the funding at Kickstarter

The screenshot shows the Kickstarter homepage with the tagline "Fund & Follow Creativity". It features several project cards, including "PROJECT OF THE DAY" for a green space in NYC, "CHILDREN'S BOOK" for a comic series, and "VIDEO GAMES" for a game about video game culture. The site includes navigation links like "Discover", "BLOG", "HELP", and "SIGN UP".

4. Hire programmers for the app at oDesk

The screenshot shows the oDesk website with a search bar asking "What kind of contractor do you need?". Below the search bar, it says "Get the right contractor. Get the job done." and offers options to "Post a job for free" or "Looking for work?". The site lists benefits like "Find the right contractor", "Review the work", and "Pay with ease". It also mentions that over 250,000 businesses use oDesk, listing clients like Google, Wikipedia, HP, and NBC.

5. Find a Chinese drone vendor at Alibaba.com

The screenshot shows the Alibaba.com website with search results for "RC Drone". The results list various drone models and suppliers, including "BIO railway train toy", "Remote Control Toy Animal", "2012 Hottest Udic U803 Apache Mini RC Helicopter", and "hot sale RC Hobbies ESC 20A Brushless Motor Speed Controller". Each listing includes a product image, description, and contact information.

6. Set up a payment system at Squareup

The screenshot shows the Square website with a focus on accepting credit cards. It features a "Start accepting credit cards today." banner with a sign-up form for email and password. Below the form, it lists benefits like "Next-day deposits into your bank account" and "2.75% per swipe for all major credit cards". The site also shows a hand holding a credit card over a Square register device.

7. Get it shipped from the dock to our customers



The story so far:

The public corporation in the US is now unnecessary for production, unsuited for stable employment and the provision of social welfare services, and incapable of providing a reliable long-term return on investment

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NOW WHAT? AN INVENTORY

Some principles for social organization

1. The size and location of the institution should match the size of the project
 - Risk sharing (income and health security, climate remediation, defense) => big and centralized
 - Daily life (jobs and production) => small and local
2. Form follows function
 - Formal organizations need not be the default
3. The constraint of carbon emissions implies a preference for local whenever possible
4. Local control is preferable to central control, but lateral connections to the rest of the globe are useful

55

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Possible paths going forward

- Dystopian cyber-Fordism: the global online assembly line (brought to you by Amazon's Mturk™)
- Utopian locavore wiki-everything in which one is a genetic engineer in the morning, an urban fish farmer in the afternoon, and a mash-up DJ in the evening

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Dramatically cheaper capital goods enable locavore production. (Take that, Braverman)

3D printing and the Web enable insta-replication of physical objects...

...whose designs can be shared and modified globally

A local fabrication shop in every neighborhood?

The “maker movement” is emerging in surprising places (like Detroit)...

...and in surprising industries (like biotech)

Um.....

THE WALL STREET JOURNAL
WSJ.com

POLITICS | August 16, 2012, 7:11 p.m. ET

Tapping Crowds for Military Design

By JAMES R. HAGERTY

A branch of the Pentagon is looking into whether a bunch of volunteers could design a better amphibious vehicle for the Marines than a defense contractor.

The Defense Advanced Research Projects Agency, known as Darpa, is preparing to assess whether crowdsourcing, a freewheeling collaborative method sometimes used to develop software, can be an effective means of designing military equipment.

The U.S. military hopes crowdsourcing could help counter the enormous costs and long delays that often dog the development of new weaponry and vehicles.



Getty Images

The Pentagon aims to use a crowd sourcing contest to

Darpa aims to use crowdsourcing to tap more brainpower than the traditional defense-contractor route, while speeding up development and slashing expenses. The first test of the new approach will be a competition to design a vehicle that would be used to help Marines storm beaches.

Darpa got an opening to test its crowdsourcing theories after the Defense Department in early 2011 canceled another project to create a replacement for 1970s-era Marine amphibious vehicles. The military concluded the project, led by defense contractor [General Dynamics Corp.](#), would be too expensive—after sinking in more than \$3 billion toward development. Pursuing the program “would essentially swallow the entire Marine vehicle budget,” then-Defense Secretary Robert Gates said at the time.

Cooperatives have found a new life...in Cleveland

Evergreen Cooperatives

The Evergreen Cooperatives of Cleveland, Ohio are pioneering innovative models of job creation, wealth building, and sustainability. Evergreen's employee-owned, for-profit companies are based locally and hire locally. They create meaningful green jobs and keep precious financial resources within the Greater University Circle neighborhoods. Worker-owners at Evergreen earn a living wage and build equity in the firms as owners of the business.

MARY DONNELL
GREEN CITY GROWERS

The Evergreen Story | Our Businesses | Vision & Broad Goals

The US has a large set of non-corporate forms that are not all run by hippies

- **Producer co-operatives**



- **Consumer co-operatives**



- **Mutuals**



New legal forms add to the mix of possibilities

Certified B Corporation

What is a B Corp? | Become a B Corp | B Corp Community | B Corp Services | News & Media

Results update in real-time. Currently **576** B Corporations meet your criteria. [Jump down to the results.](#)

SEARCH | LOCATION | INDUSTRY | MEMBERSHIPS & AFFILIATIONS | IMPACT AREAS | MAP

Keywords: GO

By Letter: View All **A B C D E F G H I J K L M N O P Q R S T U V W X Y Z**

907 PINE CONSULTING
We provide data management consulting to mission driven organizations (Almost entirely nonprofit organizations). [more >](#)

Albango Inc
clean business accelerator run by organic business consultants [more >](#)

AGORA PARTNERSHIPS
Agora Partnerships invests in small and medium enterprises in developing countries. [more >](#)

A.F. Daniel Technology Group
Computer Doctors in West Chester, Pa [more >](#)

Abacus Wealth Partners, LLC
Abacus Wealth Partners, LLC is a national financial management firm committed to sustainability in investment management. [more >](#)

Actuality Media
Actuality Media is a "for impact" media organization out to change the world. [more >](#)

ALTER ECO FAIR TRADE
ALTER ECO works directly with dozens of famous cooperatives in the Global South to offer the largest range of exquisite Fair Trade, Organic and Carbon Neutral foods. [more >](#)

Collaborative consumption apps are widespread

CouchSurfing | Get the Mobile App | Login | Language: English

CouchSurfing helps you meet and adventure with new friends around the world.

Sign Up with Facebook!
We will never post anything without your permission.

First Name:
Last Name:
Email:
Confirm Email:
Password:
I am: **Select Sex**
Birthday: **January 1, 1984**
City:

By clicking "Sign Up", I agree to the [Terms of Use](#).

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TIME
Couch surfing isn't just a means of accommodation; it is an entirely new way to travel. You get to...

Forbes
Some 5.6 million connections have taken place on the site - whether that's people sharing a...

The New York Times
As is surprisingly often the case with CouchSurfing, I landed not only my own one bedroom, but...

NATIONAL GEOGRAPHIC
The next big wave of innovation transforming how we travel is in social media... if you believe...

THE NEW YORKER
I joined to save money. But now I'd happily pay to meet these people and have these experiences.

npr
I stayed with a fantastic guy who walked me around the city and told me about things I would never have...

How about “open source institutional design for economic democracy”?



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Ubiquitous ICTs enable large-scale collective action (e.g., “The World Says No to War”)

Up to 10 million citizens on every continent (including Antarctica) marched in protest on the same day (2/15/03) against the imminent US invasion of Iraq



Or “The world says no to the Komen Foundation”?

