

May 20, 2008

Global Corporate Citizenship: The New Era of Opportunity

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Article at a glance

‡ e i adVZSeWFWWS`W WS aXYaIS^UaabWSf[a`h i [fZ
bSf` WZ]beTWf` WW YahW`_ Wfd U[h]^eaUW S` VTge` WfW
[` adWfa S^WfSWahWfz

‡ WleWXYaIS^UabacSWf]f]WeZ]b bdeWfeg` bdWWWfW
abbadg` [f]WXdTge` WfWfa`_ S] WS bad[f]hWf] WfWUS` V
[` UabacSWfaUS^dWba` e]T]f]k [` fa fZM]Tge` WfcdSWfWfz

‡ I Z[W` fW Sf[a` S^Tge` WfWZShWS` [_ badS` f Ua` fdTgf[a`
fa`_ S] WWWWab` Wf aXbaadUag` fdW`_ gf TWWdhW`Tk fZW
YfcaafebSd[U]bSf[a` fZSf W]S` VeaxaUS^YahW`_ WfeS
TWfWZWSf]` YWh]da` _ WfS` XadWfdWdWfz

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Introduction

W adV[e] fZW [Vef aXWfa [UeZ]Xe [Zai fZWaadSdM]WWS VZai bahWk[e]Lā` Xh` fWZFabž Vai` SbbcaSUZwfa eaUS` gef[UWS` V W bai W Wf SdW`ae] Y fZMd Hs'gWS V SbbW S V Wb`aM] Y agfEai e aXbcd]sfWSe]efS UW_ S] WfZWWSfWahW a US`XdMY S]V`WeS` V`We dS]fkZSeWž3` V fZW U]b]fS`fZSF`S`dS]k W]fe]` baadLag` fdW`Sd]WUWe fZWLā_ T]` W Hs'gWaX`XdMY` S]M [`hW` Wf Tk fZWbcd]sfW`afad S` V bZ]S` fZcblž [e]e fZMSW [` i Z]UZ fZWd`^a` eaXVa`Sb`UgdWf`k ZW`Tk fZW baad Tgf fdbbW [` fZVg` W`Wdg` V Wā` a_ [W`aX baadk_ S` SYW W`Wab]` Y` Sf[a` d i [^TWZSd W`W X`dbcaVgUf]hW`W`bdeW

[e S`ea [e fZWWS` aX`S` YaTS` U`cbad]fW Uf]WēZ]b_ ahW`Wf [` i Z]UZ 57Ae Sbd]dWfa TW eaUS` Wfd]dW]geS` V Uā` bS [W`^aa] X`di Skefa Uā_ T]` Wbca`f i [fZ eaUS` d]ba` d]T]`fkž 9dā [` Y `g_ TWē aX` U`cbad]f`a` e Sd]W`T]d]U` Y` S` U`dW fZSf bca_ afW`ha`g` fW]e_ S` V Uā_ T]` W`Tge]` Wē [`hW` Wf i [fZ efd]fW]U bZ]S` fZcblk S` V W`W ZS` Vēž` W`W`W`k`Se]efS` U`W

8]` S`M`fZ]e]efZWWS`aX`YaTS`U]h`^eaU]M] [` i Z]UZ ha`g` fSck Saa]Sf[a` e Sd]Wbca`X`W]f` Y`S` V U`d]f` Y fZW`d]f` YaTS`W`W`f`a`f`W` WS` YgSYW`aXZ]e` W` WS [e eaUS` U]b]fS] U]b]S]U]fk Tg]V` Y` bZ]S` fZcblk S` V YaTS`W`U`d]f]U]h`^eaU]M]ž [e]efZWWS [` ēZad]f` aX`Taffa_ ž]b]bSd]U]b]Sfack U]h`^eaU]M]S` V_ Sd] Wž TSeW`W`W`b]d]e]W/5 [h`^eaU]M] Uā_ T]` W i [fZ e_ S`ž d]S`W`W`b]d]e]W`S` Vfd]W]e]ba]e]W`fa Uā` fd]Tgf]W` gUZ fa fZW]d]gUf]a` aX`b]W]e]Wf S` V Wfd]W`W`bahWk [` fZWi Wkž`d]f` U]W]gkž

The Bad News and the Good News

3`k V]e]ge]a` aXi adV bahWk_ gef eSf i [fZ fZW]d]Y [f]a` fZSf `We Xh_ fZW [d]I adV [e aXW eSYW] Yk TSVž d]W]T]`^a` aXfZWb`S` Wē [`ZS]f]S` fe, Xg`k ZS`XfZW ad]Ve babg`Sf[a` , [hW a` fi a Va`Sb`S`Vsk ad`Wēž3U]ad]` Yfa fZVG` [fW @Sf]a` d` *8S_ [^]a` Sd]UZdā [US`k Zg` Ydž 7hW eal fZW]e]S` Ydā [` Y`e]W`e]fZSf fZWLā` V]f]a` e W]e]f` X`d` YWWS` [` bcah]W]fe [` W`W`ab]` Y` Wā` a_ [W`

S` V` X`d` fd]W]fZW]` Y` fZMd eaUS` S` V` Wā` a_ [U [` d]f]g]f]a` ēž

W`aaV` W]e]efZSfS` W_ aW`W`d]W`W`ab_ Wf [e]W`W]` Yž [e` W_ aW`W`U]ge]W`a` fZV`bai W]aX U]h`^eaU]M]S` V]fe_ S` kXg` U]f]a` e]` Tg]V` Yefca` W] Uā_ _g` [f]WS` V` Sf]a` ēž;f` d]W]Y [W]fZW]h]fS` d]W` fZSf U]f]W]eS` V`aUS` a` Ž`ahW]_ W]S`ad]S` [L]Sf]a` e b]Sk [` [` bcah]` Y` eaUS` S` V` Wā` a_ [U Uā` V]f]a` ēž W`W`d]M]Z]W`d` g`S`X`d]e]ge]f]S]` S]T`W`W`W`ab_ Wf Se i W`Se`X`d]fZW]W]b]S` e]a` aXW]W`aU]d]f]U]b]Sd]U]b]Sf]a` [e]fZW]i [W] [` U]ge]a` aX` U]f]W]e [` [W]W]X]` Y` S` V` ea`h]` Y` ^aUS` bca]T`W` ēž W]W` b]d]` U]b]W` Sd]W` bSd` WēZ]b`S` V`bSd]U]b]Sf]a` , Tg]V` Y`bSd` WēZ]be i [fZ fZW [W]f`Sd]k`aX` W` `a` Ž`ahW]_ W]S`S]U]f`ade a` fZWW]W`ab_ Wf d]W]MS` V`bca_ af]` Y`fZW [W]f` baee]T`W`b]Sd]U]b]Sf]a` aXfZW`baad]fZW`e]W`Wēž

A` W`aX` fZW`fZ]` Yē fZSf` ba`U]k_ S]Wē ZShW` ^Sd` W` i [fZ` U]f]S]` fk` S]T]ag]f` W`W]h]W]` fW]Sf]a` S` W`W`ab_ Wf [efZSf` d]S]W`W`d]` eSd]S` [` V]d]W]e]S]T`W` W]W]W]f` aX`fZW`bca]U]ēž` W`baad` US` `af` T]W]i` W` e]h]W]i [fZ]ag]f` Z]W]f]Zk [` e]f]g]f]a` d` T]af]Z` b]d]f]S]W]S` V` Y]ahW]_ W]S`ž` 3f` fZW]e]_ W]f_ W]b]W]Z]S]be` fZW]UZ]W]X` g` fSbbW` d]W]gd]W]` W`W`ab_ Wf [e]fZW]d]S]f]h]f]k [` ai` ^W]W]S` V` _af]h]Sf]a` aX` ^aUS` U]f]W]e]ž` E]aUS` bca]Y]e_ e]fZSf [` U`cbad]f]W]Z]W]b]Sd]U]b]Sf]a` b]d]` U]b]W` US` S`ea` Z]W]b` U]g]f]h]S]f]W]ba`[f]U]S` e] [^e` S_ a` Y` fZW` baadž` W]U]h`^` eaU]M]k` Sbbca]SUZ] [` afZW]i` ad]V` e]_ g]f]S` W]ge]k` bca_ afW` Wā` a_ [U` S` V` ba`f]U]S` W]bai` W] W]f] fd]W]fZW]` Y`fZW]d]W]aX]W]aU]d]S]k` S` V`X]W]a_ S]g]g` V`fZW] ad]Vž

Wealth, Poverty, and the Rise of Corporate Citizenship

W` b]d]Wā` W]S` UW` aX` ab]` [a` S_ a` Y` W`W`ab_ Wf d]Z]a`S]e` `ai` S]U]W]fe` fZSf` Uā` h]W]f]a` S` Y]ahW]_ W]Z]a_ [` S]f]W`S]V` d]W]k]` Y`a` `Sd]W]f]S` e]W]e` aX_ a` W] [e` af` Yā]` Y`fa` [X` fZW [d]I adV agf aX` fZW [d]Wā`X`bahWk` S` V` k]eXg` U]f]a` ž` W`bca]T`W`e` Sd]W]Sd]T]Y]W]f]ZS` S` k` Y]ahW]_ Wf ad Uā_ T]` Sf]a` aX`Y]ahW]_ W]fe [e]U]b]S]T`Wā`X`ea`h]` Yž` Wā]T` US` if` T]W` Vā` W] [fZ]ag]f` fZV]Z]W]b` aX]T]ge]` WēS` V`b]d]f]S]W` W]f]Z] adi [fZ]ag]f` fZV]Z]S]f]h]f]k` aX]f]Z]d]h]` Y`b]d]f]S]W]e]a]d]e] [` W`W`ab]` Y]U]ag` fd]Wēž

BaXadEfgSf: Sf aX5ad W`G` [hW]fk SdgW
fZSf i ZSf [e dg]dV [eS z W] _ adW Uge[hW]S V
aXLSb[fs[e ŠfZSf Td` Ye[_ adWabW` adWa[UW
S V fZWLā` UW e S V `WWe aXXgd fa ~hWT[\"a`
bWabW, Xg`k fi aZ[Z]dve aXZg_ S [fk , i Za ZSHW
TWW[Y adW[fZWSfz WbadcfVWfad ZWskd
US` zTWā` WZWSfS`kef XidS fdg`k egeS[STWād
aX`aTS`WVab_ Wf, S VbadbW[fZWbaUWē

? af Uā` bS [W Si SdVfZSf _ S`k WVab] Y
Uāg` fdW i [^ S YgeZ i [fZagf S _ Sad [hWf Wf
[WgUS[fa` S V Zg_ S USb[fs] SdW ai _ S] [Y
eaUS` [hWf Wfe faa` g_ Wgefa US`aYgW? S`k
Tge[WZWZSHWbdgW gb Xid fZWā` WbgbaeWāX
~ V] Y `W ea`g[fa` e fa YaTS` eaUS` bāT`W d
ad fa fs] WbadhW Uā` Uwe adfWZ` a`aY[W [fa fZW
WVab] Yi adVz? S`k _ adUā` bS [W SdWē b`k
fck] Y fa dWZ fZWbaadTk Ug`f[hf] Y Ugefa Wē [
WVW] Y_ Sd Wē@W Ugefa Wē `W _ Sd Wē S V
`W bSf Wē]be i [fZ` SdW-d e S`ta dW`f [fZW
Ug`f[hf]fa` aXe S`W-d d ↑] [YfZW Seegbb[Wē
S VV[fdTgfacefa YaTS`k Uā` `WVW~d ēz

3e fZW Wf]dV i adV TWā` W S bafWf]S`
_ Sd Wb/SUW Uā` bS [W ZSHW g` bWVWVW
abbadg` [f[W fa Uā` T] W Sfdg[e_ i [fZ
WfdWdWgdS[e ž Wā`W fZSf SdWS[STWād
Tge[Wē fa ~^ [bca_ af] Y bca`bWfk Xid fZWbaad
SdW Wsk` [[fWē 4ge[Wē SaaUS[fa` d egUZ Se
fZWGēZ 5ZS_ TWā` aX 5a_ WUW` ai dWg`SdK
bca_ afW i adVi [Wā`WāidTge[Wē [eaUS` S V
Wā` a [U WVab_ Wē WUZS_ TWē `a` Zba-f
Sd i fZW4ge[Wē 5[h]U >WVWē]b 5WVW ZWbe
Uā` bS [W bca]UW eaUS` dWā` eT[\"fk S V WSYW
[bgT[Uā]d]SfWbSf Wē]bež;` S efgV`k S`Sk [Y
fZWVWē aX`aTS[\"S[fa` i fZWGēZ 5ZS_ TWā` aX
5a_ WUW dWē fZSf zZWVWdWbgT[Uā]d]SfW
bSf Wē]be a` Wk Uā` f]` Wf dS` [Y S` SdSk
aX[egW Xā` Uā` _ g` [fk eS`k S V ZWfZLSdWfa
WgUS[fa` i Wh[ca` _ WfS` USdW/S V e_ S` Tge[Wē
WVab_ Wē

Globalization and Corporate Citizenship

9`aTS` dS[f]W ZSHWZS` YW fZWi Sk Tge[Wē
h[WefZW adM` S V fZWZSHWZS` YWZai Tge[Wē
abWVē WsdWUS Uā` bS ke dVgeaXabWf]a` d

fZWdSfWfZWg_ TWā`XefS] Wā`Wēi Za Xufad[fa
fZSf Uā` bS ke egUWē S Vi Zaew fWVē ZSHWfa TW
] Wf [dYfz5a_ bS [WabWf] Y[fW S[fa` S`k XWV
bdWgdWā` fZW_ WSI [fW S[fa` S` [e[fg]fa` d
efaU]Za`Wē S V Zaef `S[fa` d i Za WWS V
fd` dSdWU Uā`Wā` aXWZ[US` Uā` VgUf TWVW` STad
eS` VsdV S VZWb [bca_ af] YZg_ S dYfzē

z4ge[Wē `a` a` WVabWfW [S hSgg_ Š eSke
<aZ` 6ž Eg`hS i 7j Wg[hW6 [dWfad aXfZW5 WfW
Xid ;` fW S[fa` S` BqhsW 7` fWbdW z WV [e
faVsk S` [Vh[e]T[\"fk aXTge[Wē S V Uā` _ g` [fk
[ha`h` Y VbWf]fa` e S V _ gfgS` WbWVWU
FaVsk Uā` bS [W zSdK fZWVbWf]fa` aXeUS`
dWā` eT[\"fk W SdV` a` a` WVbgdW Uā` a [U
TgfS`eaU]UWf[f]Wē WāidWbadcfVU[f] Wē]b
[e Wē]S`k S` agfYai fZ aX S Uā` bS ke UādV
hS`gW 4ge[Wē af a` k Uā` eg_ WZWā`US` USb[fs`
S[STW` Uā` _ g` [fW fZWb/Sk S` [badS` f bSf
[dWVWf] Y[fz

5abadfWUZSdK ZSe `a` Y TWW _ af]SfW
Tk S` g` eSfW dWfZSf fZWLā` _ g` [fk _ gef TW
Uā` bWēSfW Tk fZW Tge[Wē Xid fZWbdh] WVWāX
abWf] Y fZW 4ge[Wē i WVWbWVW fa z[hW
ea` WZ] Y TSUŠ fa fZWLā` _ g` [fk Se S Xid aX
Uā` d[WUWsk Wf Xidi ZSf fZWzfaa] agfS [fZW
UāgdWāXUS] Yi WfZzFoS[f]fa` S`k Tge[Wē S V
bZ[\"S fZcbk i WVh]WV Se fi a dWdSfWg` Ufa` e
~df fZWā` bS k_ SWbca-f fZW [f fg d W Sāg` V
S V fdW fa ~YgdWāgf Zai fa z_ S] W S V WVWV fa
eaUWē FaVsk Zai Wē eaUS` Uā` UW [e TW] Y_ SW
S [fW S` bSf aX S Uā` bS ke _ [ea` Se Uā` bS [W
SdW] Uā] Yk WbWVW fa WVab S USd h[e]a`
Xid eW]UW S V bZ[\"S fZcbk S V Tg[V [f [fa fZM
Tge[Wē U`fgd

? af WfdWdWgd ZabWfZSf fZM Wsk i [^
Td` Y STagf bca`bWfk Xid afZWē TWVW fZW eWV
S V fZM Uā` hWfacž ? af Uā` bS [W dWY [W
fZSf fZW ZSHW dWfa bSk [[bca] Y Wā` a [U
S V eaUS` Uā` V[fa` e S V fZW fs[ad fZM UābadfW
Uf]Wē]b bca`Wfe Scāg` V fZM UādW bcaVgUfe
ad eW]UW aXW [ha`h` Y S Uā` T] S[fa` aX
bZ[\"S fZcbk U Y[h` Y fWZ [US` SeefS UMS V a` Ž
fZWāgdg` V adS` [I] Yž 9`aTS[\"S[fa` ZSe TdagYf
g` bWVWVW abbadg` [f[W Xid Tge[Wē fa Sbb`k

fZM] UadbaSfWUf[f] WeZ]b h]e'a` Scag` V fZWi adV S` V_ S] Vbbaef[hW] WUW

Corporate Social Responsibility

5Sdtk] YXd Sd/fZWaUS^hS'gWfZSfSdWbWfW aXTge] W[e S_ ahW Wf 'aaeWk US^W UadbaSfW eaUS^ d]ba` e]T]f[k /5EDf i Z]UZ [ha]hWS e]W aX UadbaSfWYaS'e S` V b]Suf]UW fZSf Ya i W TWa` V S'fdg]f]UbgbaeWS` V bZ]'S` fZdabkz 3f fZM]adW aX fZM]adbaSfW eaUS^ d]ba` e]T]f[k _ ahW Wf [e fZW d]aY [f]a` fZSf b]ba`-f]T]f[k S` V eaUS^ [b]ahW Wf Ya ZS` V [ZS` Vz 5adbaSfW eaUS^ d]ba` e]T]f[k US` TWS` [badS` f faa^ [b]a_ af] Y egeS] STW W]ab_ WfTWSgeWf [eZb] Yfa Tg]VfZWWS`S` V WZ]US^ [X'fcdgUfgdW aX_ Sd] WZTSaW Wa` a_ Wz

WbgbaeW aX5ED eZag`V` af TWfa US^WYWad US` WfZW]adV [e]a` aXTge] WzFa Va ea i ag`V _ S] Wf W e]gUWg`z 3] W fa fZWegUW]aXfZW 5ED _ ahW Wf [e [fe ha`g` fSck `SfgdW 4ge] W] Sd]WWSY] Y [eaUS^k d]ba` e]T]W]U]f]h]k TWSgeW [f _ S] W b]W] e]W]fa Va ea [af TWSgeWfZW Sd]LaWUW Tk YahW _ Wf ad b]d]gdW Tk @9A eZ ? S` k ZShW]W]W fa `a]` b]W]e]k TWSgeWfZW]e e]W]T]f[k fa [f]W]SfW eaUS^ d]ba` e]T]f[k aTW]hW [fa Tge] W e]aTW]hWz

? S` k bZ]'S` fZdab]e]e faVSk TW]W]fZW]i adV aXbZ]'S` fZdabk Uag`V TW_ adW]W]h]W]X]f `Sd W ea_ W]S]Ubc] Ub]W aXTge] Wz7` f]W]W]ge]i S` f fZM] b]ba`-fZ_ S] [Y e]h]k fa TWSbb]W V]d]k fa `a` Z]ba`-f USge] 3 V]f] Uf USfWack aXUadbaSfW Y]h] Y fa W]W]W]W]k [e strategic philanthropy ad venture philanthropy] i Z]UZ d]W]S]U]S]egS^ Y]h] Yi [fZ S Z]Yz`k fSd]W]Xid_ aX]h] YfZSf aXW d]W]efZW Ua_ bS` ke UadW]S`g`W ad_ [e]a` zI ZWZ]W]Y W XidS'fdg]f]UbgbaeW adUadbaSfW aTW]h]W]h]W]f]gdW bZ]'S` fZdabk `S]ve fa W]W]h]W]k` W]W] TW] W] Tge] W e]ab]S]fa` eS` V eaUS^bgbaeWz

Corporate Citizenship's Bottom Line

8W Vag]f fZSf fZM]W fZ] Y fZSf Uag`V ZSbbW fa fZW]W]ab] Y i adV i ag`V TW]ad Uag` fd]W fa YW]SfWfZM] ai ` Wa` a_ [U Y]ai fZz 3` V fZWTWf

fZ] YXdW] Tge] W]W]S` Va fa S]hS` UWTafZ fZM] ai ` [f]W]e S` V fZaeW aXfZW]baad [W]W]ab] Y Uag` fd]W [e fa ZW] Ug]f]h]SfWe_ S^ Tge] W]W] fa W]b`ak b]ab]W Zal [fgd] T]W]_ W]W] Ugefa_ W] S` V b]Sd]U]b]S fe [S` Y a]TS^ f]S] Y d]efW z

4ge] W]e [e aXW W]f]gdW a` fZW W]W] fa z]bgf b]ab]W]S]Tah]W]ba`-f]S]Se [X]f i W]W]bae]T]W]a e]W]Sd]fW fZW]i az 4gf egUW] Y [Tge] W]e [e S e]h]U]W]fa Zg_ S [f]k [[fe]W] W] W]eg]d]W aXeg]U]W]e XidTge] W]e [e [fe S]T]f[k fa _ S] W]S b]ba`-f S` V W]b`ak b]ab]W i Z]UZ [e ZSd] W ag]Yz` W]W]e `a` W]W] Xid b]d]f]W] W]W]d]e]W]a S]ba`a]l] W]ad]f]Z]e]X]S^fZW]a fd]Tg]fad] fa e]U]W] [f [e fZW]W]f]d]W]W]g]di Za [e `af d]W]Sd]W] Xid Z]e [f] W]S` V [h]W]_ W]f g` W]e ZW]eg]U]W]e S]f b]W]e] Y Ugefa_ W]z W_ [e]a` aXTge] W]e [e fa YW]S]W]ba]V]g]f]eS` V e]h]U]W] d]ba` e]W]a Ugefa_ W] W]S` V e]d] S` V [fZW]ba]U]e fa YW]S]W] W]S]Z S` V `a]T]z [e [e [fe Ua` fd]Tg]fa` fa e]U]W]k` S` k afZ]W] S]Z]W]W] W]f [e]W]a` V]S]k S` V ab]f]a` S`z

K]W]Tge] W]W]Scag` V fZWi adV Sd]W]S]W]fa Ya TW]a` V fZM]_ af T]e]U]d]S]ea` V]e]f]d]S` V W]S]W]h]S]d]age 5ED b]ba`W]e]z` S] [e TWSgeW]S` UadbaSfW eaUS^ d]ba` e]T]f[k Se Efg]Sd] : Sd` e]S]k [e `af S]T]agf z_ W]W]bZ]'S` fZdabkz ;f [e S]T]agf S]Vab]f] Y `W] Tge] W]e]f]S]W]W]S]fa W]Z]W]U]a_ T] [Y]fZ]W]f]W]Ze aX]W]S]T]e]ZW Tge] W]e ~d_ e i [fZ fZW]bafW]f]S^ aX Tge] W]W]S]f fZW]affa_ z

aeWi Za e]f] e]W]W]f]d]W]W]g]d]S^ eg]U]W]e Se e]W]S]f]W]a_ eaUS^ W]S]W]W]f_ [Yz] Ua` e]W]h]i ZSf Tge] W]W]e]k S]T]agf fZM]d]S]d]e aXTW] Y U]h]US^k _ [W]z;` S e]g]d]W] aXah]W]-h]W]g` V]d]W] Ua_ bS [W] aX]h]S]d]age e]l]W]U]a` V]g]U]W] Tk fZV]G]z]z 5ZS_ TW]aX 5a_ _ W]U]S` V fZW]S` W]W]Xid 5adbaSfW]S [f] WeZ]b S]f 4aefa` 5a^W]W]_ af S]U]W]W] fZSf Tge] W]W] ZShW]d]ba` e]T]f]f]W]TW]a` V_ S] [Y_ a` W] U]d]S]f] Y `a]T]d] S` V b]S]k] Y f]S] W]z D]W]S]d]W]e aXfZ]W]e]l] W]ad]f]k]b]W aXfZ]W]Tge] W]e S_ S]ad]f]k aX-d_ e]d]W]ad]W]d]W]g]S]k b]ah]V] Y]U]S]Z]i ha`g` f]W]f]_ W]ad]Va` S]f]W] Yaa]Ve Xid `a]U]S^ Ua_ _ g` [f]W]z E]g]V]W]S]T]ea e]Zai fZSf [h]W]fad] S` V ~` S` U]S^S` S]k]e]S]d]W] f]W]W] [Ua_ bS [W]f]ZSf Sd]W]eaUS^k Ua_ _ [f]W] S` V fZW]U]a_ bS [W]S]d]S]T]W] fa S]f]d]U]f_ ad]W]S]b]f]S^ S` V T]ad]h]i S]f `ai W]U]ad]e]z;` afZ]W]i ad]d] UadbaSfWUf[f] WeZ]b _ S] W]Xid TW]W] Tge] W]z

Helping the Poor Help Themselves

;` e *Mystery of Capital* : W`S`Va`W`Eafa`
 Me_ [e`W`fZWfW`bf]`Y`fZag`Yzf`fZSf`bah`Wk`ZSe`
 e`_`WZ]`Yfa`Va`i`[fZ`fZW`baadfZW`e`W`W`3U`ad]`Y`
 fa`W`Eafal`fZW`eg`Y`W`[a`fZSf`Ug`fgd`W`b`S]`e`fZW`
 eg`U`e`aX`[h`W`b`S`U`eg`UZ`Se`-Sb`S`I`Ei`[f]`W`S`V`
 S`V`5S]`X`ad`[S]`ad`fZW`W`[h`W`bah`Wk`aX`W`g`S`k`
 V`h`W`b`S`U`[e`zg`L`a`h`U`Y`S`6`W`Eafa`a`T`e`W`
 fZSf`fZW`U`f`[W`[`W`W`ab]`Y`U`ag`fd`W`S`d`W`W`[`Y`
 i`[fZ`W`fd`W`W`g`Zi`ZSf`fZW`[SU`[efZM`X`Y`aa`Va`X`
 U`b`[fS]`e`_`i`Zi`Z`[e`U`b`[fS]`[f`e`W`Z`W`S`d`V`S`U]`[`Y`
 [`fZW`[Yzf`fa`ai`Z`age`W`ad`S`Vi`[fZ`b`ab`W`f`f`W`
 S`V`[`S`i`efZSf`W`U`ag`S`Y`W`Z`W`ad`S`f`a`a`X`T`ge`[`W`e`
 g`d`fZW`b`d`U`b`S`a`T`e`S`U`W`fa`T`ge`[`W`e`W`W`ab`_`W`f`
 S`d`V`af`b`d`_`S`d`k`b`Z`k`e`[U`S`ad`Y`a`Y`b`Z`[U`T`g`f`W`S`S`V`
 ba`[f]`U`S`z`

6`W`Eafa`W`[`S`f`W`fZSf`gbi`S`d`e`aX`+`fd`^`[a`
 [`W`g`[f`k`W`[d`e`[`fZW`Z`S`Ve`aX`fZW`ad`V`e`baad`W`f`
 T`g`f`[f`U`S``af`T`W`g`e`W`W`W`[h`W`k`fa`W`W`S`W`T`ge`[`W`e`
 W`W`W`ab`_`W`f`T`W`S`g`e`W`aX`[`eg`U`W`f`T`S`][`Y`
 [`e`f`[f`g`[a`d`b`ab`W`k`f`f`W`S`V`S`i`e`b`c`f`W`[`Y`b`d`[S`F`W`
 W`f`W`b`d`e`W`/3`afZ`W`Y`d`S`[`b`W`[`W`f`fa`fZW`W`c`h`i`fZ`
 a`X`S`e`S`^`Z`T`ge`[`W`e`e`W`f`ad`[`W`W`W`ab]`Y`U`ag`fd`W`[e`
 fZW`a`Y`S`V`a`X`W`[S`e`b`W`S]`Y`k`V`U`g`f`b`c`U`e`
 a`X`a`T`[S]`[`Y`W`S`b`W`[`e`e`[a`fa`ab`W`S`W`/5`a`_`a`
 T`S`d`[W`e`fa`W`f`d`S`U`W`[`h`a`h`W`b`W`[`[f`d`[U`W`e`Y`
 d`W`g`[d`W`W`f`d`S`V`S`S`e`a`d`_`W`f`a`X`d`W`g`S`f`[a`e`fZSf`
 a`X`W`U`a`eg`W`S`d`W`b`ad`[a`e`a`X`Z`W`f`S`d`g`b`U`b`[fS]`S`V`
 X`d`W`g`W`f`k`d`W`g`[d`W`[T]`Y`a`U`S`e`z`a`e`W`[S`d`[W`e`S`e`a`
 V`e`[a`g`d`S`Y`W`a`g`f`[W`[`h`W`f`a`c`e`X`a`_`U`a`_`[f]`Y`fZM`d`
 U`b`[fS]`^`d`e`[k`W`W`W`ab]`Y`_`S`d`W`e`z`

;f`S`^`e`fa`d`W`b`a`e`[T`W`S`g`f`Z`a`d`f`[W`[`W`W`W`ab]`Y`
 U`ag`fd`k`Y`a`h`W`_`W`f`e`S`V`d`W`b`a`e`[T`W`h`a`[U`W`S`_`a`Y`
 @9`A`e`fa`b`g`e`Z`X`d`f`Z`W`[`V`a`X`k`e`f`W`[U`d`X`d`e`fZSf`
 i`[`^`_`S]`W`fZW`baad`W`U`ag`fd`W`S`f`f`d`S`[h`W`f`a`U`b`[fS]`^`
 [`h`W`f`W`e`z`3`V`fZ`[e`[e`i`Z`W`[Y`a`h`W`_`W`f`@9`A`d`
 S`V`T`ge`[`W`e`T`W`a`_`W`W`W`S`k`b`S`f`W`e`z`4`g`f`[X`f`Z`[e`
 b`S`f`W`e`z`[b`[e`fa`e`g`U`W`W`[S`W`a`d`_`g`e`f`T`W`_`S`W`W`
 fa`W`S`T`[e`Z`S`U`W`S`d`g`W`W`S`V`[`Y`a`X`fZW`[e`f`U`
 `[e`[a`e`a`X`Y`a`h`W``W`f`e`S`V`U`a`_`b`S`[W`e`z`7`S`U`Z`_`g`e`f`
 b`W`k`d`[f`e`h`[fS]`X`g`U`f`[a`e`i`[fZ`a`g`W`U`h`S`U`Z]`Y`a`fZW`
 a`fZ`W`e`5`d`S`f`[`Y`i`W`S`f`Z`[e`af`fZW`a`T`a`X`Y`a`h`W`_`W`f`z`
 7`e`S`T`[e`Z]`Y`g`W`a`X`S`i`[e`af`fZW`a`T`a`X`T`ge`[`W`e`z`

W`[`e`[a`_`a`X`Y`a`h`W`_`W`f`[e`f`a`_`S]`f`S]`S`e`f`S`T`W`
 ba`[f]`[U`S`^`V`W`S`^`d`e`f`W`fZSf`W`S`T`W`[f]`[W`e`f`a`b`g`d`g`W`
 W`a`_`a`_`[U`S`V`e`a`U`S`^`b`a`Y`d`e`[`S`e`S`X`W`h`[d`_`W`f`z`
 I`Z`W`[T`g`e`[`W`e`_`_`Va`_`W`[U`ad`X`d`M`Y`_`_`ab`W`S`F`W`
 i`[fZ`a`g`f`d`g`W`a`X`S`i`I`U`h`k`S`V`U`a`d`g`b`f`U`b`[fS]`[e`[e`
 S`_`a`e`[`W`f`S`T`k`fZW`d`g`f`z`9`a`h`W`_`W`f`e`U`S``af`
 U`S`f`W`T`g`e`[`W`e`W`f`W`b`d`e`W`T`g`f`fZW`U`S`_`S`V`_`g`e`f`
 e`W`g`d`W`Z`W`T`W`f`bae`[T`W`Z`W`S`T]`Y`W`h`[d`_`W`f`S`X`d`
 b`d`[S`W`W`f`W`b`d`e`W`a`e`g`d`e`Z`[e`d`W`g`[d`W`S`T]`[e`Z]`Y`
 S`T`S`e`[U`k`e`f`W`a`X`S`i`e`f`S`d]`Y`i`[fZ`e`_`b]`-`W`[U`W`e`Y`
 d`W`g`[d`W`W`f`e`S`V`d`W`g`S`f`[a`e`z`_`_`ad`W`[fa`S`f`d`S`f`
 X`d`M`Y`[`h`W`_`W`f`[Y`a`h`W`_`W`f`e`a`X`W`W`W`ab]`Y`
 U`ag`fd`W`_`g`e`f`S`e`a`Va`_`ad`M`f`a`b`a`f`W`[`f`W`W`g`S`^`
 b`c`b`W`k`d`Y`z`f`e`S`V`d`W`g`U`W`a`d`g`b`f`[a`z`5`a`d`g`b`f`[a`[e`
 e`S]`V`fa`S`W`#`b`W`U`W`f`fa`fZW`a`f`a`X`V`a`[`Y`T`g`e`[`W`e`[`
 `S`k`b`S`f`e`a`X`Z`W`ad`V`S`V``S`k`T`W`Z`W`e`Y`W`d`S`W`f`
 X`S`[f`a`d`T`a`U]`Y`a`b`b`a`d`g`[f]`W`X`d`fZW`baad`S`V`X`d`
 T`ge`[`W`e`W`e`W`[`Y`fa`[`h`W`f`z`

What Can Businesses Do?

:`ai`U`S`fZW`U`g`d`W`f`fd`W`e`[`U`a`b`a`d`S`F`W`
 U`f]`[W`e`Z]`b`T`W`Z`S`d`W`e`W`fa`W`W`W`ab`[`V`Y`W`a`g`e`
 _`S`d`W`e`[`W`W`W`ab]`Y`U`ag`fd`W`[W`Y`d`S`W`f`S`U`f`
 a`X`e`a`U`S`^`d`W`b`a`e`[T]`[f`k`i`a`g`V`T`W`X`d`3`_`W`[U`S`_`S`V`
 _`g`f]`S`f`[a`S`^`d`e`fa`U`S`F`W`S`i`ad`V`[W`W`[W`ad`
 a`X`T`ge`[`W`e`W`S`V`T`ge`[`W`e`S`e`a`U`S`f`[a`e`U`a`_`[f`f`W`
 fa`fZW`g`W`a`X`S`i`e`f`d`[f`U`g`d`[e`a`_`U`a`d`g`b`f`[a`I`S`V`S`
 h`d`[W`k`a`X`a`f`Z`W`[T`S`V`k`_`W`W`[e`S`F`W`d`X`d`e`z`4`g`e`[`W`e`
 e`Z`a`g`V`T`W`S`f`Z`W`S`Y`g`S`d`V`a`X`_`b`c`h]`Y`fZ`W`W`S`T]`Y`
 W`h`[d`_`W`f`e`S`a`X`W`W`W`ab]`Y`U`ag`fd`W`[k`W`[a`g`d`S]`Y`
 fZW`W`X`d`_`a`X`S`i`e`S`V`ba`[U`W`e`5`a`b`a`d`S`f`[a`e`e`Z`a`g`V`
 V`[e`J`a`e`W`W`[W`U`W`a`X`T`d`T`W`k`fZSf`fZW`g`U`a`h`W`S`V`
 i`a`d`i`[fZ`Y`a`h`W`_`W`f`e`fa`W`S`T]`[e`Z`e`a`g`V`S`g`V`[f]`Y`
 S`V`S`U`U`a`g`f]`Y`b`c`h`U`W`g`d`W`[U`a`d`g`b`f`[a`Z`a`f]`W`S`V`
 i`Z`[e`W`[a`i`W`[b`c`a`f`W`[a`_`S`i`e`z`

5`a`b`S`[W`e`Z`a`g`V`S`e`a`W`S`g`S`F`W`fZ`W`d`ba`[U`k`
 S`^`[S`U`W`S`V`Z`g`_`S`[f`S`d]`S`b`S`d`W`e`z`[b`e`X`d`W`[W`U`W`
 fZSf`S`b`S`d]`U`g`S`d`@9`A`[e`b`c`d`_`a`f]`Y`fZ`W`[Y`Z`f`e`a`X`b`a`a`d`
 W`f`d`W`d`W`g`e`z`W`e`Z`a`g`V`[d`W`[`S`U`S`^`e`g`b`b`a`d`fa`
 fZW`_`S`k`e`W`Y]`Y`[`V`[W`a`g`e`f`Z]`[`f`S`]`e`S`V`e`a`U`S`^`
 S`V`ba`[f]`[U`S`_`a`h`W`W`f`e`[`W`W`W`ab]`Y`U`ag`fd`W`
 fZSf`S`d`S`M`a`[S]`Y`d`g`W`a`X`S`i`I`b`c`b`W`k`d`Y`z`f`d`S`V`
 `[U`h`Z`W`f`W`b`d`e`W`F`a`a`[f`f`W`W`a`d`Z`S`e`T`W``S`W`[k`
 fZ`W`[T`g`e`[`W`e`U`a`_`g`[f`k`fa`U`S`S`a`Y`g`W`S`V`c`g`S`f]`X`
 fZW`e`W`W`z`f`d`e`S`U`[a`_`U`a`f`e`S`S`e`a`U`S`f`W`i`[fZ`W`W`[`Y`

WVWb] Y_ Sd WzA` UWa_ b[Wf fZ[e]` Xid Sf[a`
Uag`V TWfS] W fa `aUS` YahW_ Wf SgfZad[f]W`S` V
[fW] Sf[a` S`TaV[W]XaddM]W`S` VSU]fa` z

8] S`M`H UadadSFWag` VSf[a` eUS` Va S T M W V a T
aXge] Y fZM]bZ[S` fZab[UVa`Sob fa Tg[V USbSU]fk
i [fZ]` fZW WfdWdWgd[S` eWfad aX W V W b] Y
Uag` fdWz? S`k e_ S`a` fa _ W]g_ Z]l W W f W d e W
` W W See]fS` UW` b d W W]` Y T W W T g e]` W e b`S` e S` V
[b d h]` Y_ S` S W W f U S b S U] f k [` a d W f a d S] e W Z W
Ua` ~ W W U a X] h W f a d z [e b d W f e S` a b b a d g` [f k
Xid ~ d` e a d Xig` VSf[a` e fa b d h] W W_ W f a d]` Y S` V
f W Z [U S` S e] f S` U W

Unlocking the Mystery of Capital

G` f]` ^ d W W f H ` a f _ g U Z i S e]` ai ` S T a g f
i W f Z Z U S f]` Y U S b S U] f] W S_ a` Y f Z W b a a d f Z W e W W z
: W] S` Va W E a f a T W W W f Z S f b a [f k ` S W W e [` f Z W
I W f Z S H T W W e a e g U W e g ` S f [` f W S f]` Y f Z W b a a d
[` f a f Z M] d a i ` W a` a_ [W f Z S f z f Z W Z S H a e f W W f Z W
_ W a c k a X Z a i [f i S e V a` W Z a i f Z W W S f] a` a X S b] f S `
T W S` z` W U S a` f Z S f f Z W S b] d f] a` e S` V W W W] W
a X U a _ a` b W b W i W W M Z S` ` W W [` f a W a` a_ [U
b d a V g U] h] f k e S k e W E a f a l Z e S` a f f a V a i [f Z f Z W W S`
d e f W e f Z S f i W W T g] f` T k I W W W] Y a h W _ W f e z` W
S e e W b a b W W] S` V` S T a d a X f Z W b a a d [` W W W b]` Y
U a g` f d W f a V S k d e g] d W_ [` S d ` W S` b a d W] a` e a f Z S f
U S b] f S` f Z S f S` d S V k W] d e]` f Z W M Z S` V e U S` T V g e W f a
Y W W S f W W S f Z z

Wi adVie baad ZSHW`a` Y TWW dMSdW Se
fZWL`a` UW` aX`SchW]` fW] Sf[a` S` S]V SYWU]W adSe
i SdVe aXfZWFfSfWbaeW]` Y_ [[S` [` f d` e] UfS` Wf
ad U S f] h W b a i W z 4 g f [` d S] f k f Z W S d W g e f a_ W
W f d W d W g d] S` V b d a V g U W] i S] f]` Y f a W W] f Z W
Y a T S` W a` a_ k z E a i Z k i [f Z S` a g d f W z` a` a Y k
[` h a f_ W f U S b S U] f k S` V_ S` S Y W] S`)` ai` Z z a i l Z S H W
i W W W g` S T W a U S f V S_ a d W]` U g e] h W S b] f S] e_ S
S` V` d W W W f Z W W] e W X S U Z] e a V W f a X f Z W b a a d l
B a X a d 5 z z B c S Z S S V a X f Z V G` [h W] f k a X? [U Z] Y S`
e S k e f Z W b d U e_ g e f S f i [f Z d W W]` Y [` V] h] V g S` e
S f f Z W T a f f a_ a X f Z W b k d S_ [V S e U a` e g_ W e S` V
b d T W` e a h W z : W S e] d z l Z S f [X i W_ a T] [l W
f Z W W a g d W e S W S` V d a b W a X` S c h W_ d` e f a U a Z
U S f W a g] f a` e f a f Z W b a T W` e S f Z W T a f f a_ a X f Z W
b k d S_ [M f Z a e W & T]` a` b W a b W Z a [h W a` ` a e f Z S`
` S S V S k S` 1

9` a T S` f d W W e S d W g` ` a U] [` Y a b b a d g` [f] W f Z S f
U a g` V` a f Z S H T W W [S Y]` W S e Z a d f]` W S Y a z? S` k
S V h a S f W Xid f Z W b a a d S d W_ a h]` Y T W a` V X S] W
Xid W]` S] V S` V U Z S d f k _ a W W e f a b d a_ a f W S d S` Y W
a X Y c h i f Z Z b a V g U]` Y e d S f W W] [` U g M]` Y h]` S Y W
T S] [` Y_ [U a Z z S U Z] e]` Y i S` V b S d W z] b e T W W
W S T]` e Z W U a_ b S [W S` V e W Y]` Y T g e]` W a W [` W W W b]` Y
U a g` f d W z I Z W S U g e f a_ W] T S e W] e W W a b W S f f Z W T a f f a_ a X f Z W W S f Z b k d S_ [M f Z W
T W W e S d V a f _ W W k f a f Z W b a a d T g f f a T g e]` W e S e
i W z 8 a d]` e S` U W: [` V g e f S` > W W] > f V z f Z W` V] S`
e g T e] M] S c k a X f Z W 6 g f U Z U a` e g_ W] b d a V g U f e Y] S` f i [e
` a a] [` Y f a d S U Z [` f a e a_ W a X; ` V] S e (% * I " " " h]` S Y W
f Z c h g Y Z g` U a` h W] f a` S` e S W S` V_ S d W]` Y e d Z W W z
: [` V g e f S` > W W] [e W] d]` Y S T a g f S` I " " " b a a d
i a_ W f a d W b d a V g U f e e g U Z S e e a S b S` V f a a f Z b S e f W
[` h]` S Y W f Z S f i W W a` U W a` e] W W W f a a e_ S` S` V
d W a f W a_ S f W X a d` S c h W] g e]` W a W z: [` V g e f S` > W W]
[e S_ a` Y S Y c h i [` Y` g_ T W a X U a_ b S [W f Z S f` ai
e W Z W b a f W] S` X a d V a]` Y Y a a V i Z]` W a]` Y i W z

W W W f a U S b] f S] e f e g U W e S_ a` Y f Z W b a a d] e f Z W
e S_ V S e i [f Z f Z W] U Z U S b] f S` z 4 g f e a W z]` Y e a d_ b` W
S e U S b] f S` e` a f e]` b` W S f S` i Z W a` W U a` e] W W e f Z W
i [W W d S` Y W a X` W S` S` V [` e] f] g] f a` S` T S d] W e f Z S f
b d W W f f Z W b a a d X a_ Y S] [` Y S U W e f a [f z E f S` V]` Y
T W] W W] W f d W] W b a h W] k S` V f Z W_ d e]` c g` Y a X f Z W
W a` a_ [U` S W W]` S k T W g e f S e_ S` a` S` i T g f T S] e
[` W W W b]` Y U a g` f d W X a g W f k d W g e W f a _ S] W
_ a` W S H] S] T W f a f Z W b a a d T W S g e W a X b W W W W
U W] f d e] e z E f g] W] e Z a i f Z S f +` b W W W f a X e_ S` a`
W f d W d W g e S d W] U g W W X a_ ~` S` U S` e W] U W]`
f Z M] U a g` f d W z : W U W a` W a X f Z W_ a e f b d a_ [d]` Y
S f] Z a h W] k [[f] S] h W] f a S d e W]` d W W f W W S W Z S e
T W W f Z W [U a ~` S` U W_ a h W] W f z 4 g f _ [U a ~` S` U W
[e` a f S` g` [h W S` d W] W z I [f Z a g f f Z W W a S k
[X S e f g U f g d W S` V_ a W W] e W] U W e g U Z S e W W W] U f k
S` V f W W a_ _ g` [U S] f a` d _ [U a Z z W W] d e W i [^` T W
^` [f W z 3` V T g] M]` Y f Z W]` e] f] g] f a` S` [` X S e f g U f g d W
a X f Z W g` W a X` S i` S` V W W a U S] U Y a h W] S` U W] e S e
[_ b a d S` f S e f Z W b Z k e] U S` a` W

Conclusions

W X f g d W a X b a a d U a g` f d W_ a d W f Z S` W W W
W W W e a` W W W] h W b g T] U z b d] S f W b S d` W z] b e f Z S f
X e f W W W a b_ W f z 3 f f W] b f e T k W W a b_ W f b a [U k
W b W f e f a T d]` Y b d a b W] f k f Z c h g Y Z U a_ _ S` V z S` V z

Ua` fda`Tgd`Sg`USU`W`ZSh`W` aef`k`X`/`W`S` V` _` aef` aX`
faV`Ske` bSf`[U]bS` fe` [` fZWW`fSf`Wah`W` [` fW` Sf`[a` S`
W`W`ab` _` Wf` SU` `ai` W`W` fZSf` fZW` a` `k` fd`g`k`
W`W`f`h`W`a`g`f`a` ` fa` bah`W`k` [e` W`a` _` a` [U`Y`chi` fZ` S` V`
bcb`eb`W`f`k`z` W`ah`W` _` Wf` Va` _` [` S`F`W`f`Z`W`S`e`f`z`@`a` Z`
Yah`W` _` W`f`S`^` W`f`f`[W`S` V` X`ad`U`i` [^` Va` _` [` S`f`W`f`Z`W`
X`f`g`d`W` _` W` W`i` [^` T`W`fa` ~` V` ` W` i` Ske` fa` Z`sd` W`e`
fZ`W`f`W` a`X`Taf`z` fZ`W`b`g`T`[US` V` fZ`W`b`d`h`S`f`W`f`ad`fa`
U`a`S`F`W`S` ` W` W`S` a`X`W`b`W` _` W`f`S`f`[a` l` a` W`f`Z`S`f` d`W`W`
a` _` S`d` W`S` V`U`h`^`e`a`U`W`k`i` [fZ` fZ`W`baad`W`W`k`i` Z`W`W`
e`W`h` Y`Se`b`S`f` W`e` [` fZ`W`d`ai` ` W`W`ab` _` W`f`z`

[e` `W` W`S` e`S`f`e` i` [fZ` S` S`b`b`d`W`f`[a` a`X`fZ`W`
[` [f`W`e` baf`W`f`[S`^` S`f` fZ`W`Taffa` _` a`X`fZ`W`b`k`d` _` [M`
fZ`W`bai` W` a`X` b`S`f`[U]b`S`f`ack` W`W`a`U`S`U` S` V` fZ`W`
[` bad`S` U`W`a`X`^`a`U`S`^` [` e`f`[f`g`f`a` ` T`g`[V` Y`z` 5`d`S`f` Y`
bcb`eb`W`f`k`S` V`^`a`T`e`[e`i` Z`S`f` T`g`e`[` W`a`W`e`b`W`S`f`[W` l` e`a`
[f` [e` `af` e`g`b`d`e`[` Y`fZ`S`f` fZ`W` Z`S`H`S` e`S`f` S`f` fZ`W`S`T`W`
3` V` fZ`W`W` W`W`U`W`a`X`T`g`e`[` W`e` S`e` S` _` S`ad` b`S`f` W`
[` i` ad`V` W`W`ab` _` W`f` i` [^` e`b`g`d`U`Z`S` Y`W`Taf`Z` [` Zai`
b`d`h`S`f`W`W`f`b`d`e`[W`e` b`W`U`W`W`S` V` Zai` W`W`ab` _` W`f`
bcb`Y`d` _` [` Y`[e`U`S`d`[W`ag`f`z` [e`[e`fZ`W`S`a`X`W` W`[` Y`
Y`a`T`S`^` U`a`b`ad`S`f`W`f`[f` W`e`z`[b`z`

9`ah`W` _` W`f`e` S` V` @`9`A`e` W`b`W`f` fZ`S`f` ~`d` e`
ab`W`S`f` Y` [` fZ`W`Y`a`T`S`^` _` S`d` W`b`S`U`W` [^` e`g`T`W`f` fZ`W`d`
S`U`f`h`[f`W` fa` e`S` V`S`d`e` fZ`S`f` U`a` f`d`T`g`f`W`[d`W`k` fa`
[` bcb`h` Y`e`a`U`S`^`L`a` V`f`[a` e`[` fZ`W`a` _` g` [f`[W`i` Z`W`W`
fZ`W` ab`W`S`f`W`/5`a` _` b`S` [W`S`d`W`W` Y`S`e`[W` fa` e`g`b`b`ad`
Z`g`_` S` d`Y`z`f`d` fa` S`_` W`ad`S`f`W`S`T`ad` U`a` V`f`[a` d` S` V`
fa` S`W`d`e` S` Z`a`e`f` a`X`W`h`[a` _` W`f`S`^` L`a` U`W` e`[` fZ`W`
U`a`g`d`e`W`a`X`V`a`[` Y`T`g`e`[` W`e`z` W`S`d`W`W` Y`S`e`[W` fa` f`S`[W`
S`Z`S`d` [` W`a` U`a`d`g`b`f`[a` T`k`S`b`b`k`[` Y` ` W` e`S` V`S`d`e`
a`X`f`d`S` d`b`S`d`W`k` fa` fZ`W`d`T`g`e`[` W`e`b`d`S`U`f`[U`W`S` V` e`g`b`b`k`
U`Z`S`[` e`S` V`fZ`W`S`d`W`W`b`W`W`fa` bcb`_` af`W`W`z`[U`e`[` fZ`W`d`
U`a`b`ad`S`f`W`ah`W` S` U`W`

4`g`f` i` Z`[`W`a` `k` fZ`W`V`d`h`W`S` V` [` `a`h`S`f`[a` a`X`
d`e`[`Z`S`[` Y` W`f`d`W`d`W`g`e` U`a`S`F`W` W`a` _` a` [U` Y`chi` fZ`
S` V`^`a`T`d` fZ`W`f`e` _` g`U`Z` fZ`S`f` Yah`W` _` W`f`e` U`S` S` V`
_` g`e`f` V`a`z` ;X`fZ`W`W`ad` a`X`fZ`W`b`S`f` e`W`W`S`^` W`W`S`W`
i` S`e` fZ`W`S`e`g`_` b`f`[a` fZ`S`f` Yah`W` _` W`f` T`g`d`S`g`U`S`U`W`
Z`S`H`S`^` fZ`W`S` e`i` W`e` fa` Y`a`T`S`^` bah`W`k` [f` i` ag`V`
T`W` W`g`S`^`k` _` [e`g`[W`W` fa` T`W`W`W` fZ`S`f` T`g`e`[` W`e`
W`f`d`W`d`W`g`e` S`d`V`fZ`W`a` `k` S`f`ad`z` I` [fZ`ag`f` fZ`W`
S`b`b`c`ab`d`S`f`W`z`W`S`T`[` Y` W`h`[a` _` W`f`S` a`X`d`g`W`a`X`^`S`i`
S` V` [` e`f`[f`g`f`[a` e` fZ`S`f` Yah`W` _` W`f`e` [` W`W`ab`[` Y`

U`a`g` f`d`W` _` g`e`f` U`a`S`F`W`^`a`U`S`^` _` S`d` W`e` i` [^` [` W`f`f`S`T`k`
V`[e`[` f`W`d`S`f`W`[` fa` bcb`W`S`f`ack` U`a` `k`[e`_` S` V` U`a`d`g`b`f`[a` z`
4`g`f` [X` fZ`W`[` V`Y`W`age` W`f`d`W`d`W`g`e` fZ`W` e`W`W`
S`d`W`[h`W` S` ha`[U`W`^` i` Z`S`f` [e` fa` T`W`W`a` W`fa` [` bcb`h`W`
T`g`e`[` W`e` W`h`[a` _` W`f` [` fZ`W`d` U`a`g` f`d`W`[` T`af`Z`
W`W`a`U`S`f`[U` Yah`W` S` U`W`S` V` W`e`g`[f`S`T`W`_` S`d` W`e` i` [^`
T`W`f`d`W`f`Z`W`W`z`>`a`U`S`^`T`g`e`[` W`a`W` i` [fZ` e`g`b`b`ad` X`a`
X`ad`W` _` L`a`_`b`S` [W` S` V` @`9`A`e` ab`W`S`f` Y` [` fZ`W`d`
U`a`g` f`d`W`[` U`S` S` V` e`Z`ag`V` d`b`S`Z`S`V` fZ`[e` d`W`d`
W`ad`z`

Notes

- ¹ E`W`W`Z`W`5`z`E` [fZ`i` *Ending Global Poverty: A Guide to What Works*, @W` Kad` , B`S`Y`G`H`V`P` S`U` [^`S` i`S`" " i` b`z`%`z`
- ² E`f`g`S`f` : S`^`i` *Capitalism at the Crossroads: e` Unlimited Business Opportunities in Solving the World's Most Di cult Problems* G`b`b`W`E`S`W`W`d`[h`W`i` @`<` I` Z`S`d`a` E`U`Z`aa`^`B`g`T`[e`Z`[` Y` S`" " i` b`z`j`z`
- ³ z`E`f`d`W`f`Z`W`[` Y`B`g`T`[U`Z`b`[h`S`W`S`f` W`e`z`[b`e`X`ad`E`a`U`S`^`S` V` 7`L`a` _` [U`6` W`W`ab` _` W`f`S`d`W`ad` a` `9`^`a`T`S`^`5`[f`[W`e`z`[b`l` 4`g`e`[` W`e`5`[h`U`>`W`W`e`z`[b`5`W`W`f`E`W`f`W`T`W`S`" " (i` b`z`%`z`
- ⁴ <`a`Z` 6`z`E`g`^`[h`S` i`z` W`a`g`e`[` W`e`5`S`e`V`ad`5`ad`ad`S`f`W` 5`[f`[W`e`z`[b`S` 7`L`a` _` [U`d`W`ad` ;e`g`V`B`S`b`W`^` a`z`" &`#` i`5`W`W`f` X`ad` ;` f`W` S`f`[a` S`^`B`d`[S`f`W`^` f`W`b`d`e`M`G` W`W`T`W`S`[` S`" " &` b`z`#`z`
- ⁵ z` W`D`a`V`a`X`4`g`e`[` W`e`i` [fZ`[` E`a`U`W`k`S` ;` f`W` S`f`[a` S`^` A`d`S` [l`S`f`[a` a`X`7` b`^`a`k`W`e`B`a`e`f`[a` B`S`b`W`?` S`k` S`" " i` b`z`z`
- ⁶ E`f`g`S`f` : S`^`i` *Capitalism at the Crossroads* i` b`z`#`>`z`
- ⁷ <`a`Z` 6`z`E`g`^`[h`S` i`z`%`z`
- * : W`f`S` Va` W`E`a`f`al` e` *Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* @W` Kad` , 4`S`e`[U` 4`aa`[`d` S`" " i` b`z`z`
- + 4`W`I` z` : W`W`S` <`d`S` V`8`d`f`l` : W`[` S`^` i`z` W`a` Y`I` S`d` S`Y`S`[` e`f`5`ad`g`b`f`[a` I`S` *Foreign A airs?* S`k`-g` W`S`" " (i` b`z`%`z` &`z`
- # : W`f`S` Va` W`E`a`f`al` b`z`#`>`z`
- ¹¹ 5`z`z`B`z`S`S`M` e` *Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits* G`b`b`W`E`S`W`W`d`[h`W`i` @`<` I` Z`S`d`a` E`U`Z`aa`^`B`g`T`[e`Z`[` Y` S`" " i` b`z`j`[l`z`

this article is based on a recent book by Don Eberly, W`d`[e`W`a`X`9`^`a`T`S`^` 5`[h`^` E`a`U`W`k` 4`g`[V` Y` 5`a` _` g` [f`[W`S` V`@`S`f`[a` e`X`a`_` fZ`W`a`f`f`a`_` G`b` (New York: Encounter Books, 2008).

Don Eberly is a consultant, author, and speaker on community-building, economic development, and global civil society. He has over 25 years of public policy experience, including serving in key sta positions in Congress and as a presidential aid in the White House under Presidents Ronald Reagan and George W. Bush.

Mr. Eberly has served in numerous posts in a variety of countries, including time as a Senior Ministry Advisor in Baghdad for the Ministry of Youth and Sports, and as Director of Social Policy and Private Assistance for Iraq at the Pentagon and U.S. Department of State. For his service in Iraq, he earned the most distinguished medal for civilian service under joint military-civilian command.

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